

**Draft Forward Work Programme: 1<sup>st</sup> April  
2012 – 31<sup>st</sup> March 2013**



***Campaigning for Warm Homes***

**NEA NI Consultation Response**

**January 2012**



### **Draft forward work programme: 1 April 2012 – 31 March 2013**

National Energy Action Northern Ireland (NEA NI) welcomes the opportunity to respond to this consultation from the Northern Ireland Authority for Utility Regulation (NIAUR) on their 'Draft forward work programme: 1<sup>st</sup> April 2012 – 31<sup>st</sup> March 2013'.

NEA is the fuel poverty charity working throughout the United Kingdom, with offices in each of the devolved administrations.

Progress had been made in reducing Fuel Poverty in Northern Ireland between 2001 and 2004 (from 27% to 23%) but by 2006 the rate of fuel poverty had increased to 34%, largely as a result of the very significant increases in the price of fuel.

The most recent Northern Ireland House Condition Survey 2009, carried out by the Northern Ireland Housing Executive, states that some 44% of households in Northern Ireland are now in fuel poverty<sup>1</sup>. The Survey also indicates the differing levels of fuel poverty in each of the housing tenures in Northern Ireland. The Survey states that, 40% of people living in owner occupied accommodation are in fuel poverty; 55% of people living in private rented accommodation are in fuel poverty and 51% of people living in social housing are in fuel poverty<sup>2</sup>.

---

<sup>1</sup> Northern Ireland House Condition Survey 2009

<sup>2</sup> Northern Ireland House Condition Survey 2009



## NEA NI consultation response

NEA NI is encouraged by the NIAUR's 'Draft forward work programme' emphasis on the protection of customers' rights. The implementation of the EU third energy packages sets out a number of protocols to protect customers. NEA NI, as a fuel poverty charity, views these protocols' to be of great importance in guaranteeing the necessary level of protection of vulnerable customers in Northern Ireland.

A high level of protection is needed for the most vulnerable customers in Northern Ireland. The communication and interaction made by energy suppliers with/to vulnerable customers must be done with a substantial level of 'customer care'.

The NEA NI response to the NIAUR consultation on the 'Draft forward work programme: 1<sup>st</sup> April 2012 – 31<sup>st</sup> March 2013' will take the following structure. The response will focus on three sections of the consultation, they are as follows:

1. The Gas Network in Northern Ireland;
2. Price; and
3. Protection of vulnerable customers.

### The Gas Network in Northern Ireland

One of the outcomes listed in the 'Draft forward work programme' is the enhanced levels of service for customers. This outcome states that customers should have access to Electricity and Gas at a reasonable cost; NEA NI would fully support this and offer support in achieving this goal.



Complaining for Warm Homes

However, not all customers in Northern Ireland enjoy the same levels of fuel choice. The absence of a gas network in the west of Province results in many households being forced into using Oil to heat their homes; a fuel that is more expensive than gas. This over reliance on Oil as a domestic fuel is contributing to high rates of fuel poverty in mainly rural areas.

NEA NI would call on the Department for Enterprise, Trade and Investment in conjunction with NIAUR to actively investigate the prospect of the extension of the Gas network and bring forward a detailed plan for the extension of the Gas network.

### Price

NIAUR makes a commitment in the 'Draft forward work programme' to ensure that only justifiable utility company costs are passed onto consumers. NEA NI is reassured at the inclusion of the above statement in the NIAUR's work programme for 2012-2013, especially in the light of the recent dramatic increases in prices from both Electricity and Gas suppliers. These prices rises have been introduced at a time when household budgets are under severe pressure; due to the economic climate and fuel poverty levels in Northern Ireland are the highest in the United Kingdom.

The NIAUR must ensure that any fall in global prices is reflected in the cost of Electricity and Gas in Northern Ireland.

NEA NI seek greater justification and explanation from utility companies when a price rise is announced. The utility companies must deliver a value for money service to the Northern Ireland customer, particularly those in fuel poverty.

### Protection of vulnerable customers



It is NEA NI's experience that many of the energy suppliers have been seen wanting in this regard; with some choosing to use the most punitive measures with the most vulnerable customers. This behavior was particularly evident in the formation of debt recovery plans by some energy suppliers operating in Northern Ireland.

NIAUR's announcement to introduce stronger customer protections through the EU Directive: Implementing the Third Energy Package is welcomed by NEA NI. The introduction of a customer check-list and the development of a code of practice for suppliers are significant steps towards enhanced customer protection. However, the NIAUR will have to ensure a robust delivery of these new measures and monitor closely their effectiveness.

### Conclusion

Overall, NEA NI welcome the outcomes contained in the 'Draft forward work programme' from the NIAUR. NEA NI ask that the NIAUR keep the welfare of those fuel poor and vulnerable customers in Northern Ireland at the heart of any programme delivery going forward.