



The Consumer Council

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Our reference: PD200101456

Ms Elena Ardines  
Utility Regulator  
Queens House  
14 Queen Street  
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14 January 2013

Dear Elena

#### **Utility Regulator draft Forward Work Plan 2013-2014**

The Consumer Council is pleased to respond to the Utility Regulator's (UR) consultation on its draft Forward Work Plan (dFWP) for 2013-2014.

We are pleased to see that the dFWP has a strong consumer focus and will attempt to address many key issues for consumers. Many of the projects proposed link well with the Consumer Council's proposed work programme<sup>1</sup> and we look forward to working with the Regulator on a number of these.

The dFWP includes a project for the development of a new Corporate Strategy for 2014-2019. As a statutory partner we look forward to being fully engaged in consultation with UR during the development of its Corporate Strategy.

For many of the projects outlined in the dFWP we will look to and expect specific engagement with the UR. We will provide detailed comment and contribution during our work with the UR on these projects. We have set out below some high level comment on the dFWP.

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<sup>1</sup> CCNI FWP currently out for public consultation  
[www.consumerCouncil.org.uk/publications/?id=960](http://www.consumerCouncil.org.uk/publications/?id=960)

## Energy

- Price Controls and Tariff Reviews. Our experience of the PNG and NIE Price Controls during 2012 highlights the need for consumers to be actively involved in Price Controls at the earliest opportunity. We wish to engage with the Regulator as early as possible on the Power NI, firmus and PNG Price Controls;
- During 2012, competition continued to develop in both the gas and electricity markets. This has created increased choice and a downward pressure on prices. However, with the increase in customer switching the Consumer Council has seen an increase in the number of complaints about the electricity supply industry. It was therefore timely that consumer protection arrangements were strengthened by new European Regulations during 2012. We are pleased to see therefore that the Regulator proposes to continue developing and improving customer protection measures under IME3. Having worked closely with the Regulator and industry on IME3 measures during 2012, we are keen to continue with this work. We note that Point 10 refers to Supplier Codes of Practice, CCNI would ask for confirmation that this work also includes Distribution codes as outlined in the IME3 consumer protection measures. We would also ask the Regulator to ensure that the role of participants and the timetable for the process is agreed in advance to ensure the best outcome for consumers;
- Despite some easing on energy prices, the figures released in November 2012 show that fuel poverty remains a serious problem, affecting 42 per cent of households in NI<sup>2</sup>. We have worked in the past with the Regulator on its Social Action Plan and see this as an area of work with a key interest for consumers. We would keen to be involved in its review;
- We note that the Regulator is proposing to work in conjunction with the Consumer Council on research into the developing competitive energy market. We welcome this proposal and look forward to discussing the detail of this research with the Regulator.

## Water

- While the dFWP outlines only four water specific projects we do not underestimate the level of work involved. Each project has the potential to deliver improvements for consumers. The continued clear articulation of these potential benefits throughout the year will be beneficial to all.

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<sup>2</sup> Home Energy Conservation Authority, 16<sup>th</sup> Annual Progress Report, 2012.

- The development of more strategic planning in our water and sewerage services is supported by all stakeholders and we look forward to working closely with the UR as we progress PC15. We have been encouraged by the collaborative working via the Consumer Engagement Oversight Group (and sub-groups) to date.
- We support any review of how regulation can better deliver for consumers including the approach to benchmarking opex and capex. Further details of this project would be welcome.

Other proposed projects that have a consumer interest and that we will want to engage with the UR on are:

- The review of Guaranteed Service Standards;
- Competition in connections;
- A roll out of Smart meters;
- Securing the Moyle Interconnector;
- Proposals for the extension of the gas network;
- An Energy Efficiency Obligation;
- Review of the NISEP;
- Harmonising of energy markets; and
- Electricity Market Reform.

Overall the Consumer Council welcomes the draft FWP and the work outlined within it. We look forward to working closely with the UR over the coming year and value the commitments made throughout the FWP to work in partnership.

Yours sincerely



Aodhan O'Donnell  
Director of Policy and Education