

## Corporate strategy – summary of stakeholder feedback

Context/ Challenges	UR performance	Do well	Do better	Priorities
<ul style="list-style-type: none"> <li>• Energy costs – impact on vulnerable consumers, LEUs and small businesses, reasons for high energy costs (e.g. generation costs)</li> <li>• Gas network extensions – no real progress being achieved</li> <li>• Nature of competition and competitive markets and what makes greatest impact on prices</li> <li>• Investment environment and UR's impact on (e.g. renewables, lack of grid delivery) – also the costs of investment</li> <li>• Uncertainty over               <ul style="list-style-type: none"> <li>○ Key infrastructure projects</li> <li>○ Energy market development</li> <li>○ EU policy – liberalisation</li> <li>○ Renewable policy/targets</li> </ul> </li> <li>• Security of supply concerns</li> <li>• Issue over the SEF renewables target and achievability – UR need to be better aligned on Govt policy</li> <li>• Co-ordination by key agencies re energy</li> <li>• Connections to the network for renewables</li> <li>• Support for innovation - use of technology – smart solutions</li> <li>• Economy and austerity context – need to economy proof investments</li> <li>• Fuel poverty/ meeting the needs of vulnerable consumers</li> </ul>	<ul style="list-style-type: none"> <li>• Too much focus on consumers and vulnerable consumers</li> <li>• Mixed, could do better</li> <li>• On right journey</li> <li>• Some progress, but problems with past contracts</li> <li>• Should try to learn from GB experience and ensure policy consistency</li> <li>• In 2009=3/10; now 6/10</li> <li>• Too much focus on process rather than outcomes</li> <li>• Lack of consistency across sectors</li> <li>• Too much focus on short-term</li> <li>• Disproportionate regulation</li> <li>• Move faster on decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Licencing process</li> <li>• Day-to-day interaction/ openness/ accessibility</li> <li>• Harmonisation of all-island retail</li> <li>• Simple price control model (compared to Ofgem)</li> <li>• Doing lots of work (and FWP published on time)</li> <li>• Trying to explain electricity prices – excellent work on comparative prices</li> <li>• MMU</li> <li>• Protecting vulnerable consumers</li> <li>• Consult with industry</li> <li>• Better stakeholder communications</li> <li>• Good website</li> <li>• Strong challenge to industry</li> <li>• Becoming more confident and getting there</li> </ul>	<ul style="list-style-type: none"> <li>• Need more clarity on role</li> <li>• Make complex issues more understandable</li> <li>• More help for lay responders – very techy consultations</li> <li>• Better timeliness (e.g. price controls) / meet deadlines</li> <li>• Do what you say you will do (i.e. stick to 5 principles of regulation)</li> <li>• Integration approach for gas and electricity across island</li> <li>• Constructive engagement/dialogue</li> <li>• Transparency of/ explanation for decision-making</li> <li>• More depth of analysis needed</li> <li>• More respect of precedents</li> <li>• Work together with stakeholders/ better processes for collaboration</li> <li>• Encourage innovation and stronger focus on incentives</li> <li>• Communicate more with general public</li> <li>• Need clear trigger points for retail roadmap</li> <li>• Is NI Water being regulated? Maybe electricity is only utility being really regulated?</li> <li>• Identify UR's position re government policy</li> <li>• Transparency good but needs</li> </ul>	<ul style="list-style-type: none"> <li>• More focus on infrastructure/ investment</li> <li>• More work on energy costs transparency (e.g. generation costs)</li> <li>• Invest in smart metering/grid</li> <li>• Explore feasibility of micro networks</li> <li>• Market integration</li> <li>• Meaningful stakeholder engagement</li> <li>• Cross utility approach</li> <li>• Support transition to a more sustainable energy system/ support timely and efficient delivery of government policy</li> <li>• Contribute to the achievement of a diverse and low carbon sector</li> <li>• Sound underlying principles of economic regulation</li> <li>• Protect the consumer (e.g. recovery of debt)</li> <li>• Regulate the licence</li> <li>• More input into energy policy</li> <li>• Ensure Security of supply from generation and supply perspective</li> <li>• Increase access to gas network – re-define economic test</li> <li>• Re-structure to follow the strategy</li> <li>• Adopt a more long-term perspective generally</li> <li>• Identify material cost drivers for energy and regulate proportionally</li> <li>• Decarbonisation of generation</li> </ul>

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<ul style="list-style-type: none"> <li>• Environmental pressures on water environment</li> <li>• Regulated efficiencies and benchmarks with GB</li> <li>• Cost of meeting renewables targets</li> </ul>			to be followed through	<ul style="list-style-type: none"> <li>• Facilitate smart innovation</li> <li>• Review regulatory processes re design of regulatory processes</li> <li>• Retail vision – clarity about outcome</li> </ul>