Quarterly Transparency Report MAY 2011

Data up to: March 2011

Data Sources and Assumptions

The data sources for this report are mainly the electricity and gas companies.

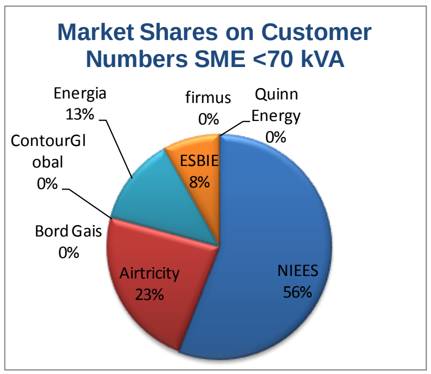
Electricity switching analysis has been undertaken with inputs from NIE, and gas switching inputs are from PNG and gas suppliers.

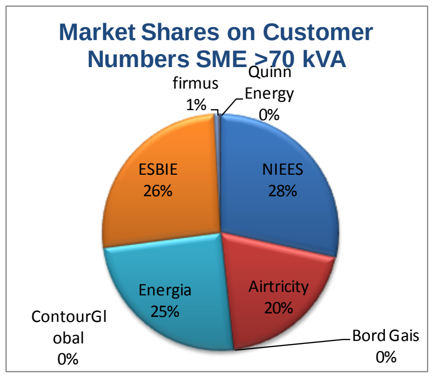
Electricity domestic prices are from the Department of Energy and Climate Change[1] (DECC). At present DECC do not produce statistics for NI domestic gas prices, so prices comparison have been collated internally.

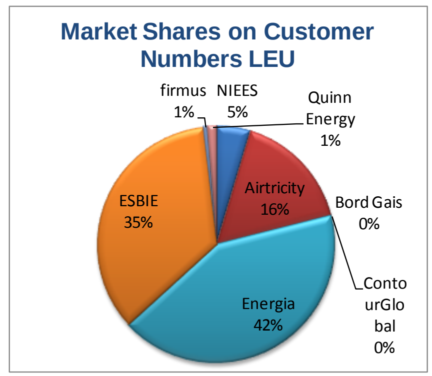
1 http://www.decc.gov.uk/en/content/cms/statistics/publications/prices/prices.aspx

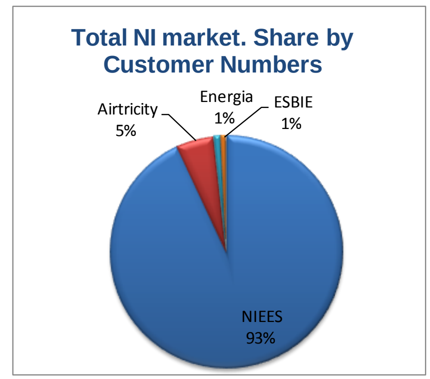
ELECTRICITY MARKET SHARES BY CUSTOMER NUMBERS

Year	2011					
Month	Q1					
	Column Labels					
Values	Domestic Credit	Domestic Keypad	SME <70kVA	SME >70kVA	LEU >1MW	Grand Total
Customer Numbers NIEES	475,586	261,297	30,082	1,403	8	768,376
Customer Numbers Airtricity	28,774	0	12,544	976	28	42,322
Customer Numbers Bord Gais	0	0	0	0	0	0
Customer Numbers ContourGlobal	0	0	0	0	0	0
Customer Numbers Energia	0	0	6,828	1,216	72	8,116
Customer Numbers ESBIE	0	0	4,326	1,293	60	5,679
Customer Numbers firmus	157	0	16	35	1	209
Customer Numbers Quinn Energy	0	0	2	5	2	9
TOTAL	**504,517**	**261,297**	**53,798**	**4,928**	**171**	**824,711**





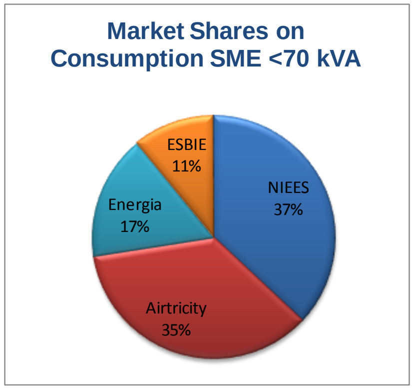


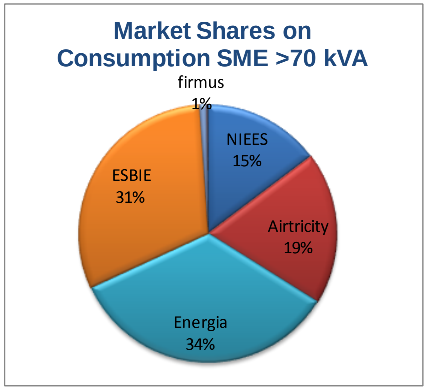


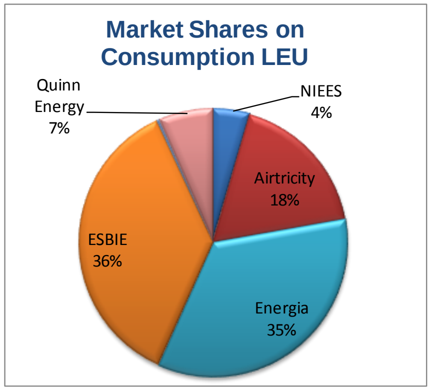
- These charts reflect the market share of each active supplier in NI by percentage of customers.
- There is no chart of the domestic credit sector, as more than 95% of customers in this segment still remain with the incumbent (NIEES).
- There is a flow of domestic customers moving from credit to keypad meters. As yet, there has been no movement in the keypad sector in terms of supplier, but this is expected to change, as Airtricity entered the keypad segment in May 11.
- The domestic sector (credit and keypad) remains heavily dominated by NIEES. Going forward we will produce charts for the domestic sector.
- The current non-incumbent market share is 7% (by customers) of the total electricity retail sector.

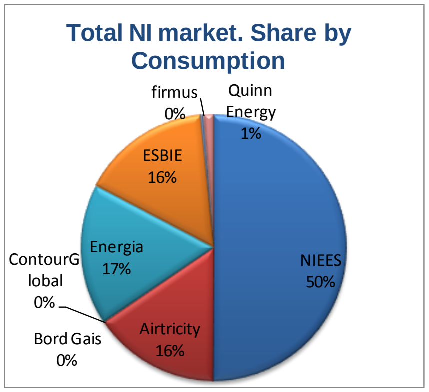
ELECTRICITY MARKET SHARES BY CONSUMPTION (GWh)

Year	2011					
Month	Q1					
	Market Segment					
Values	**Domestic Credit**	**Domestic Keypad**	**SME <70kVA**	**SME >70kVA**	**LEU >1MW**	**Grand Total**
Consumption NIEES	613.9	269.2	136.8	79.0	17.8	1,116.8
Consumption Airtricity	38.6	0.0	131.6	102.4	71.1	343.6
Consumption Bord Gais	0.0	0.0	0.0	0.0	0.0	0.0
Consumption ContourGlobal	0.0	0.0	0.0	0.0	0.0	0.0
Consumption Energia	0.0	0.0	61.5	183.4	138.1	382.9
Consumption ESBIE	0.0	0.0	39.8	165.5	145.6	350.9
Consumption firmus	1.3	0.0	0.3	4.8	1.5	7.9
Consumption Quinn Energy	0.0	0.0	0.0	0.6	26.1	26.7
TOTAL	**653.8**	**269.2**	**370.0**	**535.6**	**400.2**	**2,228.8**



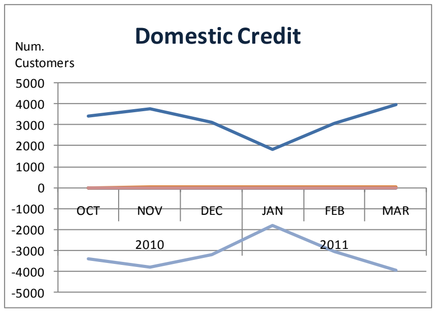


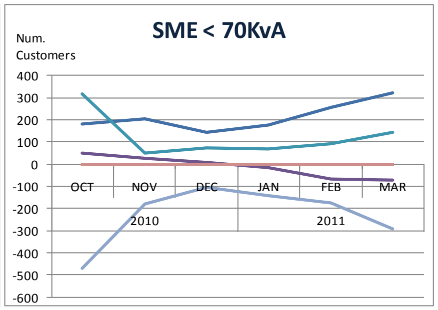


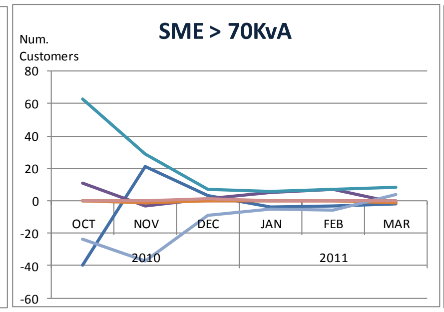


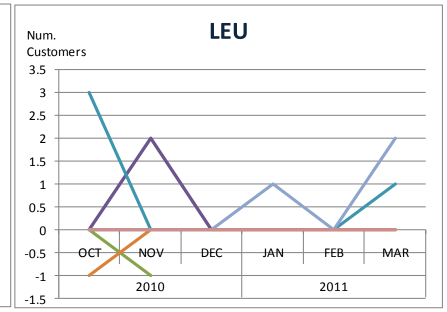
- These charts reflect the market share of each active supplier in NI by percentage of units billed.
- As yet, there has been no movement in the keypad sector in terms of supplier, but this is expected to change, as Airtricity entered the keypad segment in May 11.There has been no material movement in the domestic credit sector.
- The non-incumbent market share in volume terms is 50% of the total market.
- Competition in the non-domestic sector is more noticeable when examining shares by consumption than by customer numbers.

ELECTRICITY MARKET ACTIVITY AND NEW CUSTOMER REGISTRATIONS



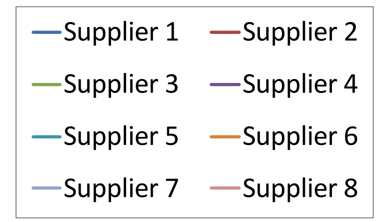






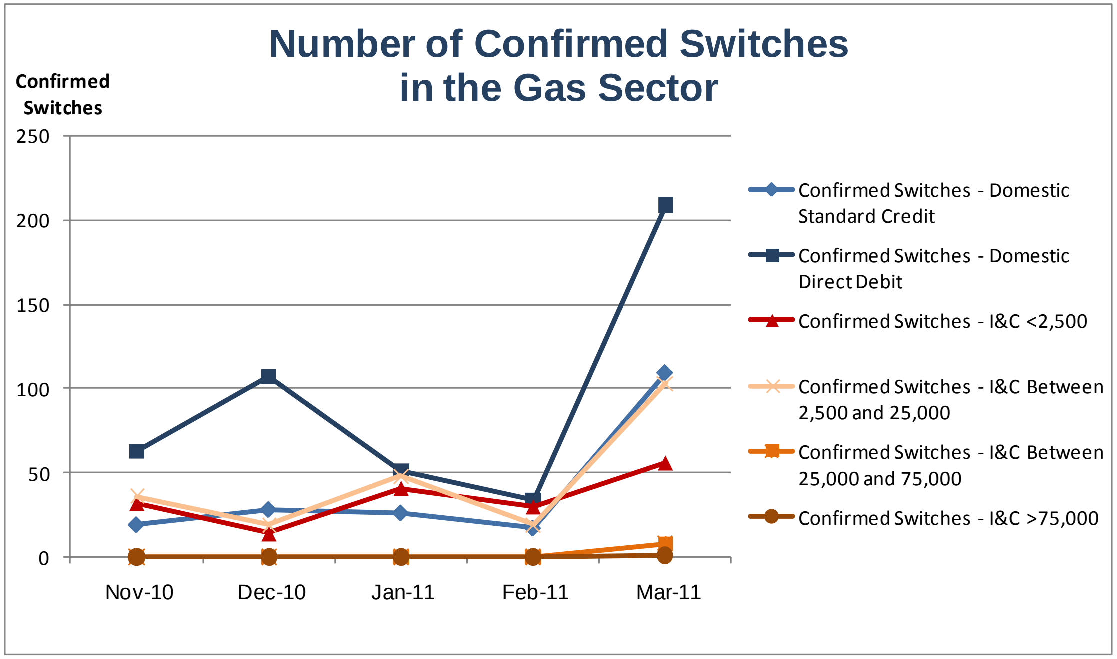
Figures for last quarter:

	Supplier 1	Supplier 2	Supplier 4	Supplier 5	Supplier 6	Supplier 7	Supplier 8
Domestic Credit	**8801**	**0**	**0**	**0**	**64**	**-8793**	**0**
2011	**8801**	**0**	**0**	**0**	**64**	**-8793**	**0**
JAN	1797	0	0	0	15	-1799	0
FEB	3041	0	0	0	23	-3056	0
MAR	3963	0	0	0	26	-3938	0
Domestic Keypad	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2011	**0**	**0**	**0**	**0**	**0**	**0**	**0**
JAN	0	0	0	0	0	0	0
FEB	0	0	0	0	0	0	0
MAR	0	0	0	0	0	0	0
LEU > 1MW	**0**	**0**	**0**	**1**	**0**	**3**	**0**
2011	**0**	**0**	**0**	**1**	**0**	**3**	**0**
JAN	0	0	0	0	0	1	0
FEB	0	0	0	0	0	0	0
MAR	0	0	0	1	0	2	0
SME < 70KvA	**758**	**0**	**-152**	**303**	**1**	**-608**	**0**
2011	**758**	**0**	**-152**	**303**	**1**	**-608**	**0**
JAN	176	0	-13	68	0	-142	0
FEB	259	0	-67	92	0	-174	0
MAR	323	0	-72	143	1	-292	0
SME > 70KvA	**-9**	**0**	**11**	**21**	**-1**	**-7**	**0**
2011	**-9**	**0**	**11**	**21**	**-1**	**-7**	**0**
JAN	-4	0	5	6	0	-5	0
FEB	-3	0	7	7	0	-6	0
MAR	-2	0	-1	8	-1	4	0



- These charts reflect the Net Change of customer numbers (gains less losses) for switching activity plus new customer registrations, per market segment and supplier.
- Competition in the keypad segment started in May 2011. Therefore there has not been market activity in this sector yet, that's why there is no chart for the keypad segment.

GAS SWITCHING ACTIVITY

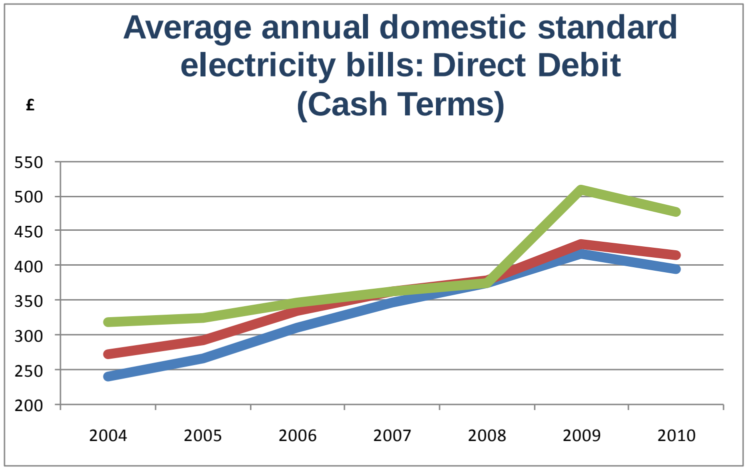


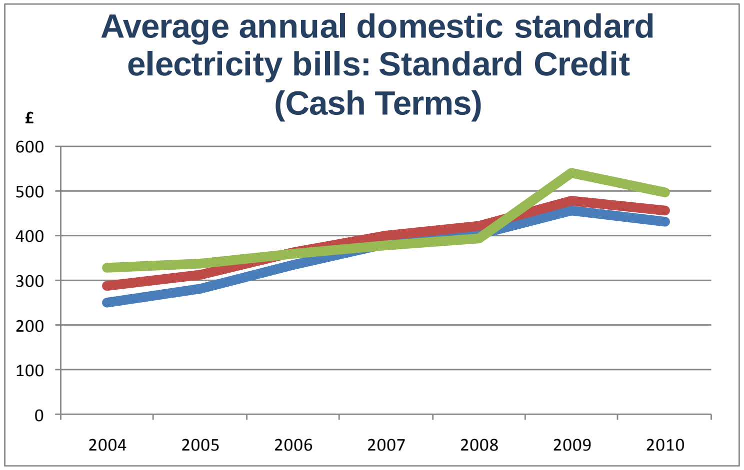
- The gas switching activity relates to the Greater Belfast Licensed Area.
- Source: Phoenix Natural Gas and gas suppliers.
- At 20 May 2011, almost 1,600 domestic customers and over 500 I&C have switched gas supplier.

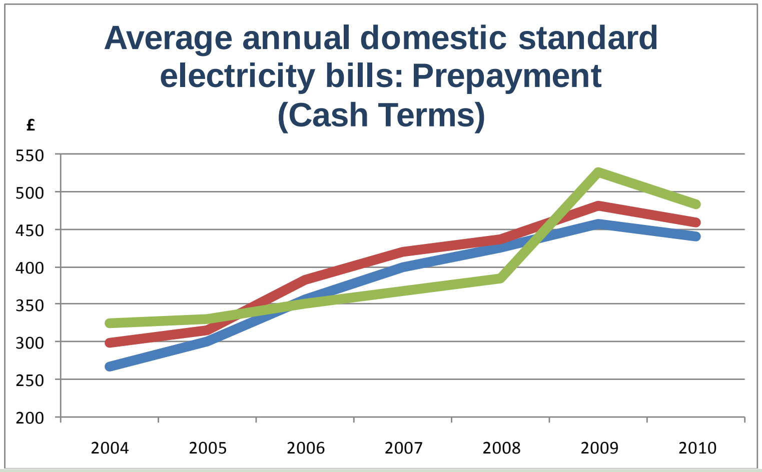
Figures for last quarter:

	Confirmed Switches					
Values	Domestic Standard Credit	Domestic Direct Debit	I&C <2,500	I&C Between 2,500 and 25,000	I&C Between 25,000 and 75,000	I&C >75,000
Jan-11	26	51	41	48	0	0
Feb-11	17	34	30	19	0	0
Mar-11	109	209	56	103	8	1

ELECTRICITY PRICES



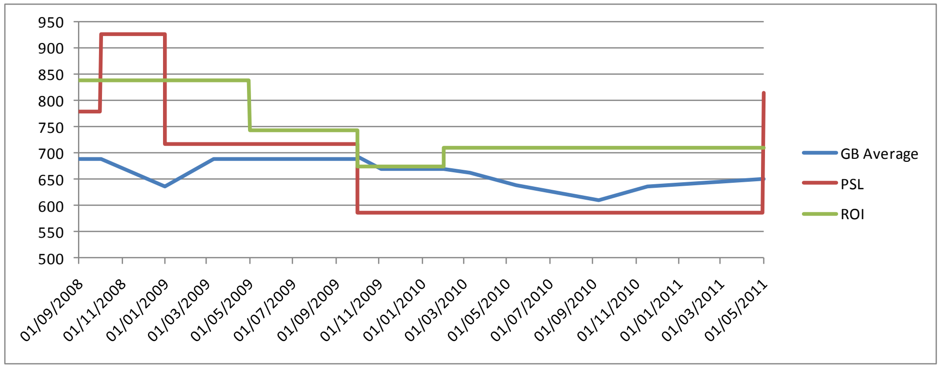




- Average domestic bills in Quarterly Energy Prices are calculated assuming annual consumptions of 3,300 kWh. Data are inclusive of VAT.
- These bills relate to the total amount charged during the year, rather than a bill based on the latest prices.
- Historically in NI, electricity prices have been higher than in GB. This is mainly because there are higher energy transport cots, small size of the market that reduces chances of economies of scale, the difference in fuel mix, etc.
- The prepayment option in NI is cheaper than the Standard Credit tariff, and vice versa for the other two regions.
- Source: DECC last Quarterly Energy Prices.

GAS PRICES

Historic comparison of GB, RoI and Phoenix Supply Ltd gas domestic prices



- Domestic prices graph compares prices for a standard tariff. It shows a GB average which includes the 6 big suppliers in GB. The annual usage estimate is 16,500 kWh.
- In NI, Direct Debit tariff is 4% cheaper than Standard Credit tariff.
- Traditionally NI prices have been higher than in Great Britain, mainly due to the lack of indigenous supply, extra costs of gas transport from Scotland, recent infrastructure, etc. This trend changed in 2009 as a result of the almost immediate pass through of falls in prices to the customers from the price control in NI, and GB firms demanding greater margins. However, recently the rising of international wholesale fuel costs has conducted to a 39.1% increase in Phoenix Supply Ltd prices from 1 May in the Greater Belfast area.
- Source: UR internal data.