RETAIL MARKET MONITORING

Quarterly Transparency Report

August 2014



Abstract

This paper is the latest of a series of Utility Regulator (UR) reports – the Quarterly Transparency Reports (QTRs) – that provide a range of information about the retail energy market in Northern Ireland (NI).

The data relate mainly to market shares, market activity and domestic prices in the electricity and gas retail markets. Data also include information on non-domestic electricity prices.

The information shown in this report comes from network companies, suppliers, Department of Energy & Climate Change (DECC) and Eurostat. Some figures have been calculated internally.

These reports are released at the end of the second month after each calendar quarter (in Feb, May, Aug and Nov).

Audience

Electricity and gas industry, consumers associations, regulators, statistical bodies, suppliers, potential new market entrants, researchers and journalists.

Consumer impact

This set of reports increases transparency for consumers on matters of their direct interest, such as the active suppliers in each energy market sector, and NI prices compared against other jurisdictions.

They also allow us to monitor the retail market, and flag potential concerns – in terms of switching irregularities, suppliers' activity on specific areas, price comparisons, etc – and inform regulatory decisions. All of this directly impacts on consumers.

Contents

1 Summary of key market indicators

2014 Q2	Electricity		GAS: Greater Belfast		GAS: Ten towns	
	Domestic	Non domestic	Domestic and small non-domestic	Medium and large non-domestic	Domestic	Non domestic
Customer numbers/connections at end of quarter	785,751	60,586	168,092	3,211	21,167	2,201
Consumption in quarter (GWh/thousand therms)	706	1,160	10,651	13,259	957	11,209
% of prepayment customers within domestic sector	40%		64%		89%	
Number of active suppliers in this quarter	5	8	3	4	1	2
Market shares (by customer numbers/connections) of largest suppliers	Power NI: 72% SSE Airtricity: 20% Budget Energy: 7%	Power NI: 50% SSE Airtricity: 24% Energia: 12%	SSE Airtricity: 72% firmus: 28%	SSE Airtricity: 53% firmus: 47%	firmus: 100%	I&C < 732,000kWh: - firmus: 100% I&C > 732,000kWh: - firmus: 88% - SSE Airtricity: 12%
Market shares (by consumption) of largest suppliers	Power NI: 69% SSE Airtricity: 23% Budget Energy: 8%	SSE Airtricity: 26% Energia: 21% Electric Ireland: 21%	SSE Airtricity: 69% firmus: 31%	SSE Airtricity: 46% firmus: 52%	firmus: 100%	I&C < 732,000kWh: - firmus: 100% I&C > 732,000kWh: - firmus: 90% - SSE Airtricity: 10%
Quarterly switching rate	1.4%	4.2%	Domestic: 1.5%	All non-domestic: 0.7%		
Prices	Around EU-15 median	Very small customers (0-20 MWh pa): around EU-15 median Rest of I&C (more than 20 MWh pa): on the highest end of EU-15 range	Domestic: lowest in EU-15		Domestic: lowest in EU-15	

2 Introduction

2.1 Methodology and data sources

Monitoring the market is key in fulfilling our statutory duty to protect consumers by promoting effective competition wherever appropriate. We are developing a wider market monitoring framework known as Retail Energy Market Monitoring (REMM) which we will consult on in 2014. As we continue to progress our work in this area, we will continue to make ongoing additions to this set of Quarterly Transparency Reports (QTR's), to ensure a regular and structured flow of relevant information for our stakeholders.

Until 2014, we have also produced a series of broader ranging Energy Retail Reports[1] that cover this information annually. From now on, the information of both – quarterly and annual – energy retail market monitoring reports will be amalgamated into the QTR's.

The main data sources for this QTR are as follows:

- Market shares are provided by the network companies (NIE, PNGL[2] and firmus Distribution[3])
- Electricity switching analysis has been undertaken with inputs from NIE. Gas switching inputs are from PNGL and firmus Distribution, while rates of gas quarterly switching are calculated using gas suppliers figures
- EU domestic energy prices are from DECC. NI domestic prices, for electricity and gas, are collated internally
- EU non-domestic electricity prices are from Eurostat. NI non-domestic electricity data is derived directly from suppliers and collated internally

Non-Domestic Electricity Prices

NI non-domestic electricity prices are based on the average electricity unit prices of non-domestic consumers, categorised in terms of their annual consumption.

We follow DECC's format and methodology when gathering and analysing I&C[4] prices. As a result, we obtain NI prices that are comparable with prices in other EU countries (those published in DECC's Quarterly Energy Prices reports[5] and Eurostat data base[6]).

To avoid confidentiality issues, data has been aggregated in the form of 'averages' for the total of NI (per customer size bands), with no individual supplier detail published.

The base figures are obtained quarterly from suppliers, in the following form:

- **volume** of electricity sold to non-domestic consumers
- the **value**, or revenue gained from the sale, split in three categories: excluding all taxes, excluding VAT, and including all taxes
- the **number** of I&C customers supplied in that particular size category

The volume and value are used to calculate a NI quarterly average value gained per size band. This value per unit per size band is what we refer to in this paper as price. For clarity we do not receive from suppliers the actual price paid by their customers. Instead we

[1] http://www.uregni.gov.uk/publications/view/utility_regulators_annual_energy_retail_reports/
[2] Phoenix Natural Gas Limited
[3] firmus energy (Distribution) Limited
[4] Industrial and Commercial
[5] https://www.gov.uk/government/publications/quarterly-energy-prices-december-2012
[6] http://epp.eurostat.ec.europa.eu/portal/page/portal/energy/data/database

calculate the value or revenue collected per unit in that particular size category.

We also average the two relevant quarters to obtain six-month period figures, so we can readily compare NI data with those published by Eurostat for EU members twice per year.

In the graphs shown in this report, we use unit prices which include Climate Change Levy (CCL) but exclude VAT, as VAT is a refundable expense for many businesses.

Finally, we amalgamate the two largest categories of annual consumption (large and very large customers) to avoid confidentiality issues in sectors where there are a very small number of customers and suppliers involved.

2.2 Retail competition in NI energy market

The electricity and gas (in the Greater Belfast and Larne area) markets have been open to competition to domestic customers since 2007. However, there were no competing suppliers in the domestic market until 2010.

The 10 towns gas area opened to competition for large I&C customers (those consuming over 732,000 kWh per annum) in October 2012. The domestic and small I&C segments still remain supplied exclusively by one incumbent company, and they are due to open to competition in April 2015.

The table below details when competition effectively started in each of the energy market segments.

Electricity	
Domestic	June 10: SSE Airtricity[7] entered the domestic credit segment Oct 10: firmus started supplying Ulster Farmers' Union members May 11: SSE Airtricity entered the domestic keypad segment June 11: Budget Energy entry Oct 11: Electric Ireland entered the domestic sector
Non-domestic	Industrial electricity customers become eligible to change supplier from 1999. From 2005, small and medium businesses became eligible too. Feb 12: VAYU enters the non-domestic market Apr 12: LCC enters the non-domestic market

Gas: Greater Belfast and Larne area[8]	
Domestic	Incumbent supplier since Sept 1996: SSE Airtricity[9] July 10: firmus[10] entered this market segment

[7] Called Airtricity until 31 January 2014.
[8] The Greater Belfast area, including Holywood, Bangor, Newtownards, Belfast, Newtownabbey, Carrickfergus, Lisburn and Larne
[9] Formerly Phoenix Supply Ltd (PSL). Change of Company Name to Airtricity Gas Supply (Northern Ireland) Limited effective from 28 June 2012 then subsequent change of company name to SSE Airtricity Gas Supply (Northern Ireland) Limited from 31 January 2014.
[10] firmus energy (Supply) Limited

Non-domestic	Incumbent supplier since Sept 1996: SSE Airtricity Nov 06: energia entered the daily metered I&C market[11] Sep 08: firmus energy entered the I&C market Mar 09: VAYU entered the small I&C market May 13: Electric Ireland entered the daily metered I&C market
Gas: 10 towns[12]	
Domestic and non-domestic small users	Due to open to competition from Apr 2015
Large non-domestic Users	Open to competition from Oct 2012. Jan 13: SSE Airtricity entered this market

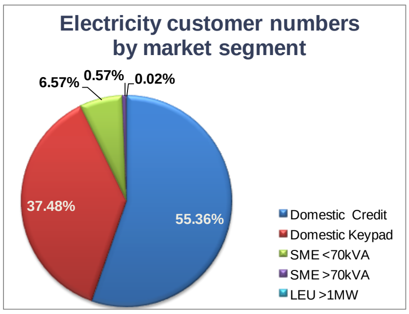
For further details on the retail energy market in NI, please visit:
http://www.uregni.gov.uk/publications/utility_regulators_annual_energy_retail_reports/

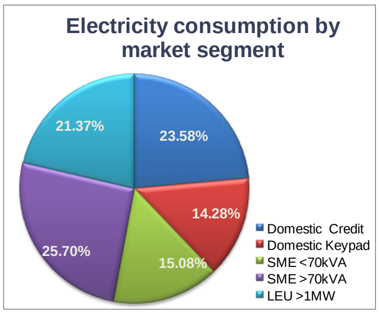
[11] To note that energia did not have gas customers from October 2013.
[12] In 2005 firmus energy was awarded a licence to develop the natural gas network in 10 towns across NI, from L'Derry to Ballymena, and from Antrim to Newry.

3 NI customer numbers and total consumption

3.1 Electricity

Year	2014	
Month	Q2	
Market segments	**Customer Numbers**	**Consumption (GWh)**
Domestic Credit	468,561	440.0
Domestic Keypad	317,190	266.5
SME <70kVA	55,572	281.4
SME >70kVA	4,831	479.5
LEU >1MW	183	398.7
Total	**846,337**	**1,866.0**



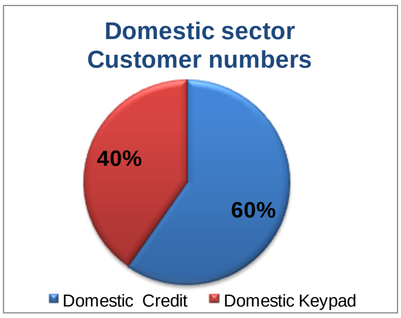


- From the total customers in NI, 93% belong to the domestic sector, while the remaining 7% are non-domestic customers. In this quarter, this translates into 38% and 62% respectively in terms of consumption.
- Within the non-domestic sector, more than 99% of the customers are small and medium enterprises, with 66% of the non-domestic consumption. The remaining LEU customers consumed more than 21% of the total NI volume in this quarter.
- Note that long term vacant sites are not included in customer numbers.
- Source: NIE

Payment split in the domestic sector

- The number of domestic credit customers continues to decrease in comparison to the number of prepayment customers.
- In this quarter, 40% of the electricity domestic customers were in the prepayment segment. In the same quarter last year, the percentage was 38%.
- Prepayment meters are a popular choice for customers in NI as customers can pay for energy as they consume it. The display unit also helps customers to manage usage and control their energy costs.
- Source: NIE

Year	2014
Month	Q2
Market segments	**Customers numbers**
Domestic Credit	468,561
Domestic Keypad	317,190
Total domestic sector	**785,751**



3.2 Gas – Greater Belfast and 10 towns areas

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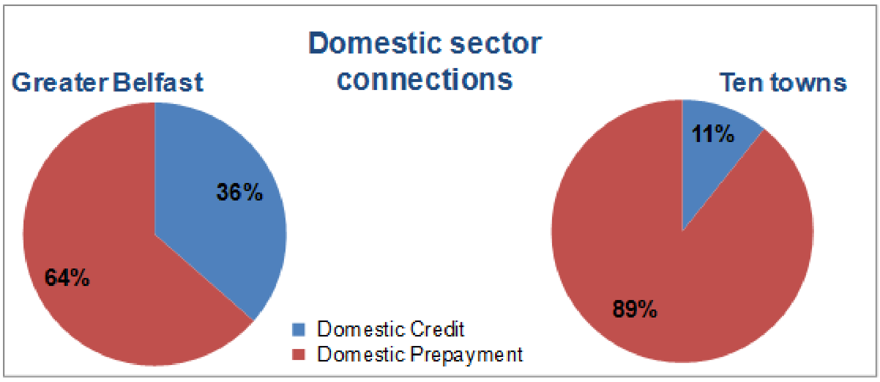
Year	2014	
End of quarter	Q2	
Market segments	**Connections**	**Consumption (therms)**
Greater Belfast	**171,303**	**23,909,861**
Domestic & Small I&C	168,092	10,651,036
I&C 73,200 - 732,000 kWh	2,799	3,124,700
I&C > 732,000 kWh	298	2,056,518
I&C Daily Metered	114	8,077,606
Ten towns	**23,368**	**12,165,860**
Domestic credit	2,224	210,743
Domestic prepayment	18,943	746,442
Small I&C	1,022	188,145
I&C 73,200 - 732,000 kWh	934	1,197,160
I&C > 732,000 kWh	161	1,105,716
I&C > 2,196,000 kWh	84	8,717,654
Total	**194,671**	**36,075,721**

- In the Greater Belfast area, the market segments are split following the Distribution Code:
  - Domestic and Small I&C (<73,200 kWh/annum), which in this quarter represents 98% of the connections and 45% of the quarterly consumption.
  - The rest of the categories, medium and large I&C (>73,200 kWh/annum) in this quarter represent 2% of the connections in this area, and 55% of the quarterly consumption.

- In the 10 towns area, competition in the large I&C segment opened in October 2012.
- Total connections in 10 towns are currently more than 23,300. In this distribution licensed area, domestic premises represent 91% of the connections (and 8% of the quarterly consumption), while the I&C sector represents the remaining 9% of connections (and 92% of quarterly consumption).
- Source: PNGL and firmus Distribution

Payment split in the domestic sector

Year	2014		
End of quarter	Q2		
Connections	**Greater Belfast**	**Ten towns**	**Total NI**
Domestic Credit	58,805	2,224	61,029
Dom Prepayment	103,812	18,943	122,755
Total NI	**162,617**	**21,167**	**183,784**



- Within the domestic sector, prepayment customers represent 64% of the Greater Belfast distribution Licensed Area, and 89% in the 10 Towns distribution Licensed Area.
- Prepayment meters are a popular choice for customers in NI as customers can pay for energy as they consume it. The display unit also helps customers to manage usage and control their energy costs.
- Source: gas suppliers' returns.

4 Market shares and market activity

4.1 Electricity shares

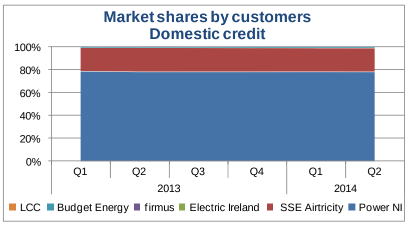
Electricity shares by customer numbers

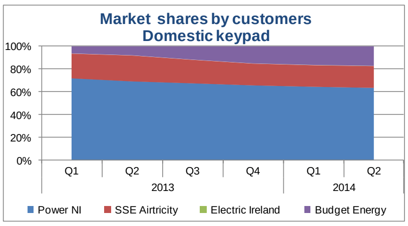
Year 2014
Month Q2

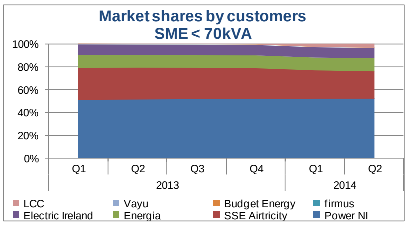
Suppliers	Domestic Credit	Domestic Keypad	SME <70kVA	SME >70kVA	LEU >1MW	Total
Power NI	366,022	200,483	28,890	1,208	22	596,625
SSE Airtricity	97,994	61,358	13,266	1,078	44	173,740
Energia		0	6,327	976	44	7,348
Electric Ireland	1,175	322	5,123	1,143	45	7,808
firmus	246	0	22	32	4	304
Budget Energy	3,052	55,027	143	4	0	58,226
Vayu	0	0	2	9	2	13
LCC	71	0	1,799	381	22	2,273
Total Market	**468,561**	**317,190**	**55,572**	**4,831**	**183**	**846,337**

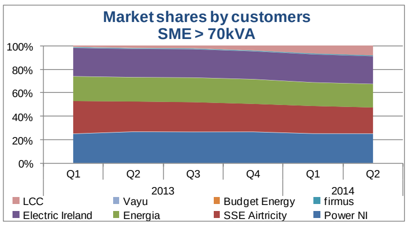
Year 2014
Month Q2

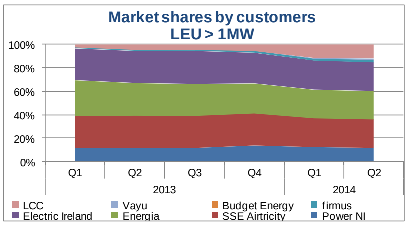
% cust. numbers per supplier	Domestic Credit	Domestic Keypad	SME <70kVA	SME >70kVA	LEU >1MW	Total
% Power NI	78.1%	63.2%	52.0%	25.0%	12.0%	70.5%
% Airtricity	20.9%	19.3%	23.9%	22.3%	24.0%	20.5%
% Energia	0.0%	0.0%	11.4%	20.2%	24.0%	0.9%
% Electric Ireland	0.3%	0.1%	9.2%	23.7%	24.6%	0.9%
% firmus	0.1%	0.0%	0.0%	0.7%	2.2%	0.0%
% Budget Energy	0.7%	17.3%	0.3%	0.1%	0.0%	6.9%
% Vayu	0.0%	0.0%	0.0%	0.2%	1.1%	0.0%
% LCC	0.0%	0.0%	3.2%	7.9%	12.0%	0.3%

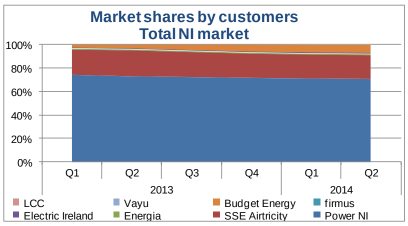










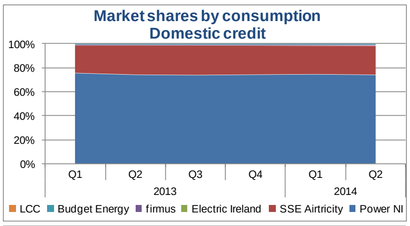


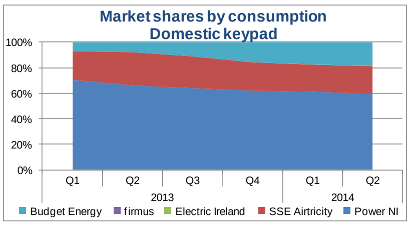
- The charts above show the trends in market shares (by customer numbers) for each active supplier in NI, by market segment from Q1 2013.
- The total number of domestic customers at the end of Q2 2014 was 846,337. There is still a large share of domestic customers remaining with the previously incumbent supplier. Although, this situation has been progressively changing over the last years, the percentage of domestic credit (including direct debit) customers supplied by Power NI has remained stable at around 78% since Q2 2013. Power NI currently supplies 63% of keypad customers, which is a decrease from 64% from the previous quarter. The current non-incumbent share by customer numbers is 22% for credit domestic customers and 37% for keypad customers.
- Competition in the non-domestic market is more developed, and shares are more dispersed than in the domestic sector. There were eight active suppliers in Q2 2014. Based on customer numbers, four of these suppliers have shares in excess of c10% in each of the business segments. Within this sector, LCC shares continue to grow in each of the I&C market segments.
- Source: NIE

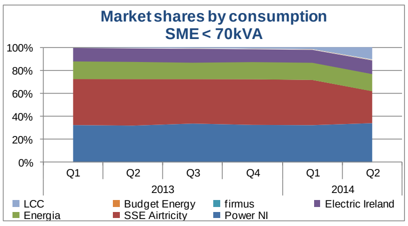
Electricity shares by consumption (GWh)

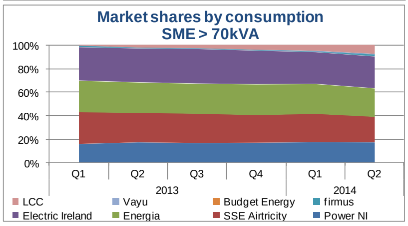
Year	2014					
Month	Q2					
Suppliers	Domestic Credit	Domestic Keypad	SME <70kVA	SME >70kVA	LEU >1MW	Total
Power NI	326.2	159.0	95.1	80.9	31.5	692.6
SSE Airtricity	106.9	57.3	78.8	105.2	118.4	466.7
Energia	0.0	0.0	42.4	117.3	79.1	238.7
Electric Ireland	1.3	0.3	33.5	128.9	83.9	247.9
firmus	2.0	0.0	0.3	9.8	4.3	16.4
Budget Energy	3.3	49.8	0.5	0.0	0.0	53.6
Vayu	0.0	0.0	0.0	2.4	1.1	3.5
LCC	0.3	0.0	30.7	35.0	80.5	146.6
Consumption (GWh)	**440.0**	**266.5**	**281.4**	**479.5**	**398.7**	**1,866.0**

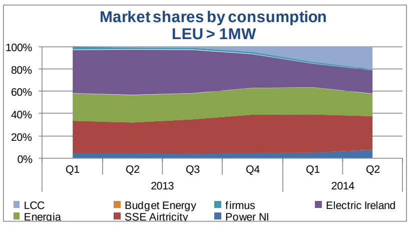
Year	2014					
Month	Q2					
% consumption per supplier	Domestic Credit	Domestic Keypad	SME <70kVA	SME >70kVA	LEU >1MW	Total
% Power NI	74%	60%	34%	17%	8%	37%
% SSE Airtricity	24%	22%	28%	22%	30%	25%
% Energia	0%	0%	15%	24%	20%	13%
% Electric Ireland	0%	0%	12%	27%	21%	13%
% firmus	0%	0%	0%	2%	1%	1%
% Budget Energy	1%	19%	0%	0%	0%	3%
% Vayu	0%	0%	0%	1%	0%	0%
% LCC	0%	0%	11%	7%	20%	8%

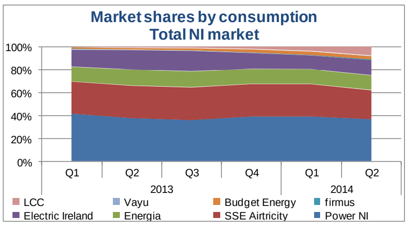






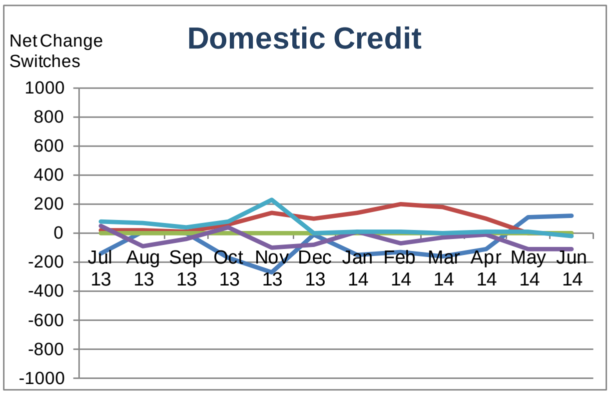


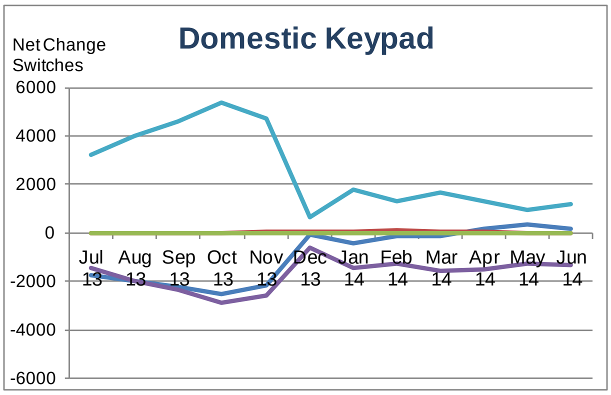


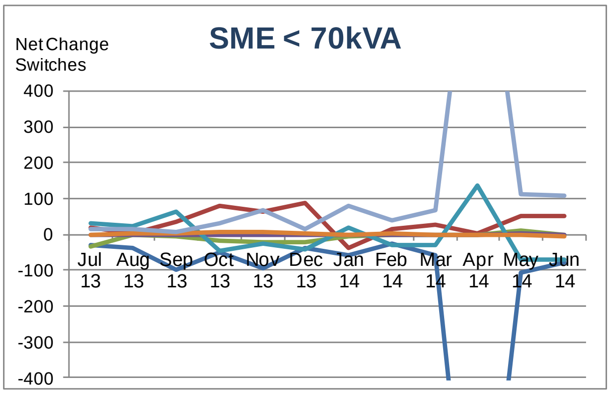


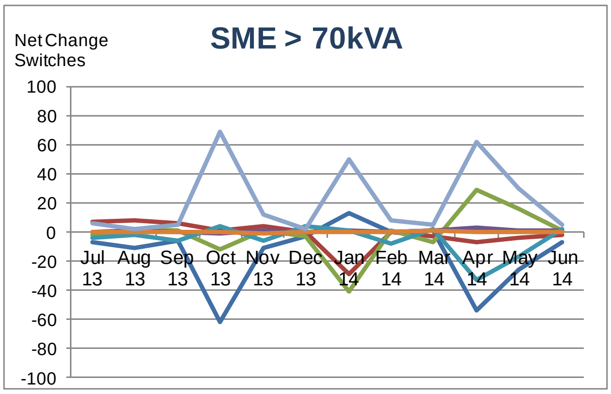
- The charts above reflect the market share of each active supplier in NI by consumption (sales units in GWh).
- Power NI's share of the total NI electricity market by consumption is 37%, a decrease from 39% in the last quarter. This supplier retains a large market share by consumption in the domestic market (credit and keypad) of around 69%.
- In the non-domestic market, the main suppliers are SSE Airtricity (26%), energia (21%) and Electric Ireland (21%). In this sector, Power NI has a share of 18%. LCC share in the I&C sector has experienced a strong increment, from 7% in the last quarter to 13% in Q2 2014.
- The non-incumbent suppliers have currently 63% of the total NI electricity market by consumption. This percentage is mainly split between SSE Airtricity with 25%, energia with 13%, and Electric Ireland with 13%. LCC has duplicated its consumption share in the NI market since last quarter.
- Source: NIE

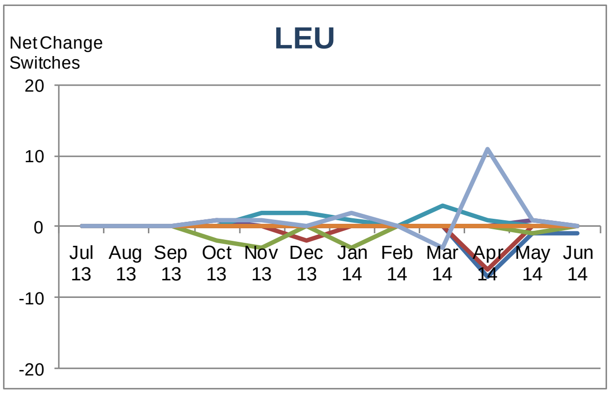
4.2. Electricity market activity

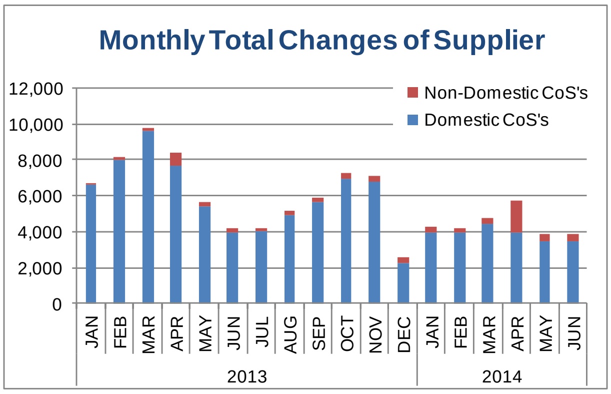












	% Domestic switching	% Non-Domestic	% Total switching
2013			
Q1	3.1%	0.8%	2.9%
Q2	2.2%	2.0%	2.2%
Q3	1.9%	1.1%	1.8%
Q4	2.0%	1.6%	2.0%
2014			
Q1	1.6%	1.5%	1.6%
Q2	1.4%	4.2%	1.6%

- The first five charts above reflect the net change of customer numbers (customer gains less losses), per market segment and anonymised supplier.
- The bar graph shows the market activity through changes of supplier (CoS) on a monthly basis in the whole market in NI, split by domestic and non-domestic markets.
- The number of domestic switches over this quarter has decreased, with an average of 3,600 switches per month (there were around 4,000 domestic switches per month in the last quarter).
- Non-domestic switches show a strong increment over Q2, particularly in April, with an average per month around 850 switches.

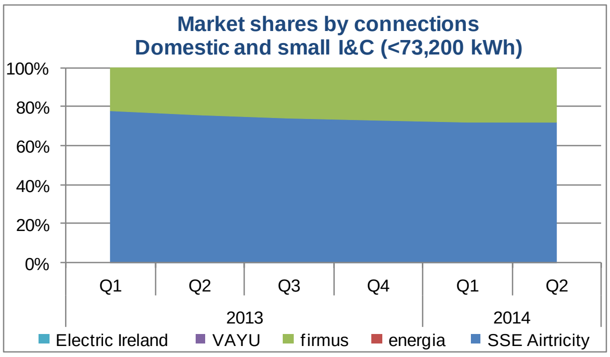
- The table above shows % rates of quarterly switching. These percentages are calculated using the number of actual quarterly switches over the number of actual customers at the end of the quarter in the relevant market. Following the CoS movements above, the table shows a slight decrease in the number of domestic switches and a strong increase in the non-domestic switches.
- Source: NIE

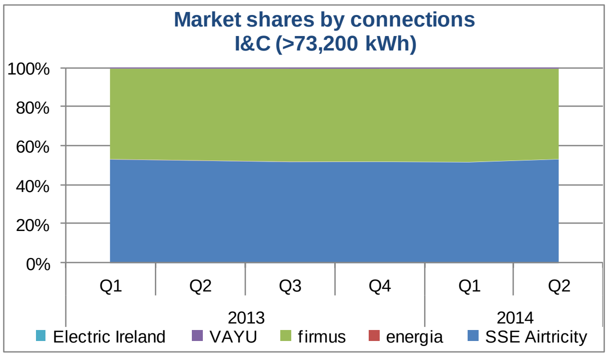
4.3. Gas – Greater Belfast area: shares

Shares by connections

Year	2014		
End of quarter	Q2		
Suppliers	Domestic & Small I&C	I&C > 73,200 kWh	Total
SSE Airtricity	120,706	1,697	122,403
firmus	47,371	1,505	48,876
VAYU	15	8	23
Electric Ireland	0	1	1
Connections	**168,092**	**3,211**	**171,303**

Year	2014		
End of quarter	Q2		
% Connections per supplier	Domestic & Small I&C	I&C > 73,200 kWh	Total
SSE Airtricity	71.81%	52.85%	71.45%
firmus	28.18%	46.87%	28.53%
VAYU	0.01%	0.25%	0.01%
Elec. Ireland	0.00%	0.03%	0.00%

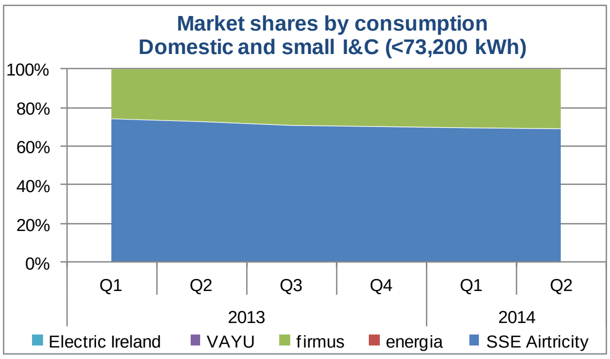


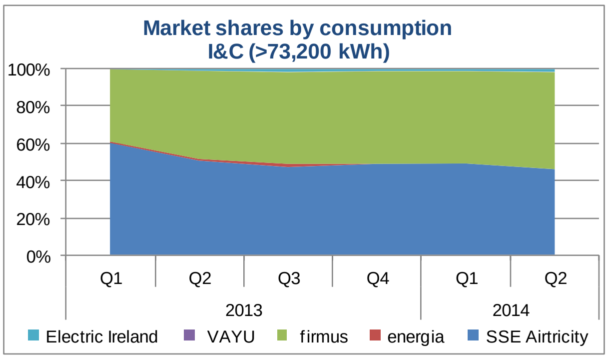


Shares by consumption (therms)

Year	2014		
Quarter	Q2		
Suppliers	Domestic & Small I&C	I&C > 73,200 kWh	Total
SSE Airtricity	7,346,962	6,072,039	13,419,002
firmus	3,301,971	6,957,096	10,259,067
VAYU	2,103	8,547	10,650
Electric Ireland	0	221,142	221,142
Consumption (therms)	**10,651,036**	**13,258,825**	**23,909,861**

Year	2014		
Quarter	Q2		
% Consumption per supplier	Domestic & Small I&C	I&C > 73,200 kWh	Total
SSE Airtricity	68.98%	45.80%	56.12%
firmus	31.00%	52.47%	42.91%
VAYU	0.02%	0.06%	0.04%
Electric Ireland	0.00%	1.67%	0.92%





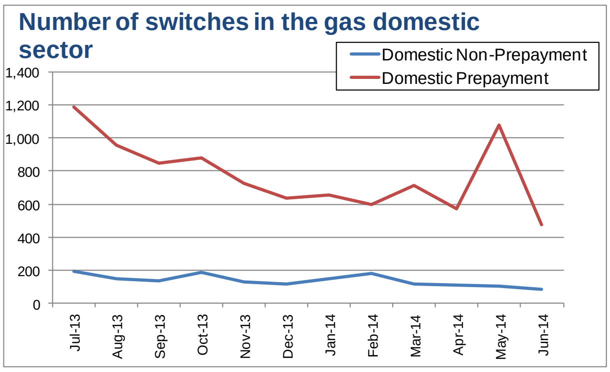
- The information above, on connections and consumption, relates to the Phoenix Natural Gas Ltd distribution Licensed Area.
- Market shares in terms of connections are as at end June 2014.
- Market shares in terms of consumption relate to consumption during Q2 2014.
- There were three active suppliers in the domestic and small I&C (<73,200 kWh) gas market during this quarter – only two of them were active in the domestic market. There were four active suppliers in the medium and large I&C segment (>73,200 kWh) during this quarter.
- Over Q2, SSE Airtricity has maintained its 71% share by connections in the total gas market, while its share by consumption has slightly decreased to 56% from 60% in the last quarter.
- Source: Phoenix Natural Gas.

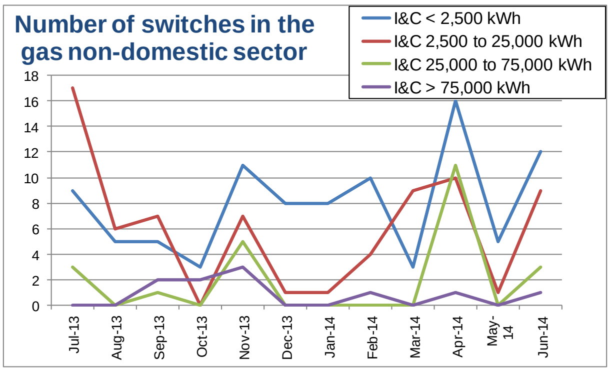
4.4. Gas – Greater Belfast area: market activity

- The information below relates to the Phoenix Natural Gas Ltd distribution licensed area.
- Switching activity shown reflects completed switches. Note that prepayment switches, within domestic switches, include switches back to the previous supplier in cases where the customer has not taken the required action to complete their switch.

- The table below shows the switching rate for the domestic and non-domestic markets in Greater Belfast area. These percentages are calculated using the number of Supply Meter Point switches during the quarter as a percentage of the total number of Supply Meter Points in the market segment at the end of the quarter.
- The switching activity in the non-domestic sector has increased significantly compared to the previous quarter. The switching rate has therefore increased, from 0.4% to 0.7%.
- Source: Phoenix Natural Gas and gas suppliers.

	% Domestic	% Non-Domestic switching	% Tota switchi
2013	9.1%	4.9%	8.9
Q1	2.6%	3.4%	2.7%
Q2	2.6%	0.6%	2.5%
Q3	2.2%	0.5%	2.1%
Q4	1.7%	0.4%	1.6%
2014	3.0%	1.0%	2.9
Q1	1.5%	0.4%	1.4%
Q2	1.5%	0.7%	1.4%



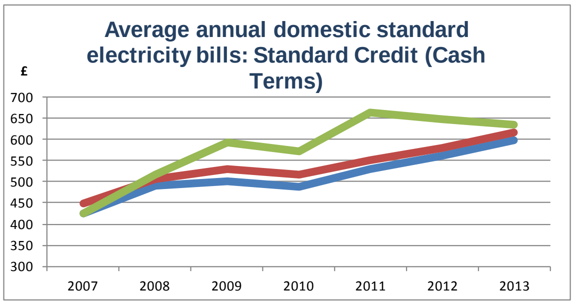


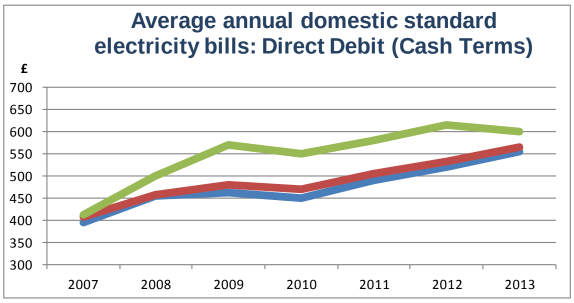
4.5. Gas – 10 towns area: shares and market activity

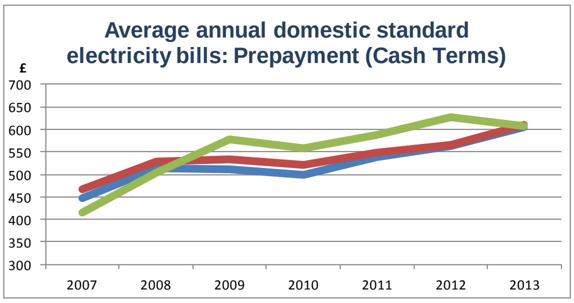
- Competition opened in the 10 towns large I&C market (>732,000 kWh) in October 2012.
- SSE Airtricity entered the large I&C market in January 2013, and as at end June 2014, 30 supply meter points had switched from firmus to SSE Airtricity. This equates to 12% market share of the large I&C market (consumption over 732,000 kWh) in terms of connections at the end of this quarter, and 10% market share in terms of consumption during Q2 2014 in the same market segment.
- The remainder of the market (i.e. small I&C and domestic market) will open to competition from April 2015.
- Source: firmus energy Distribution

5 Domestic prices

5.1 Electricity domestic prices



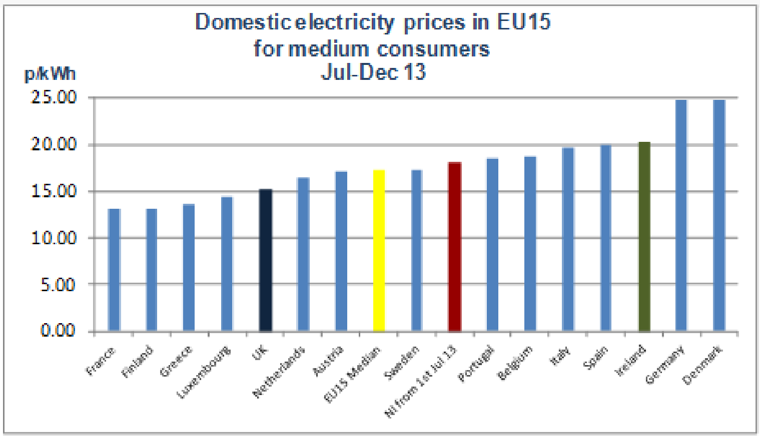




- Average domestic bills are calculated assuming an annual consumption of 3,800 kWh (please note that average annual consumption has increased from 3,300 kWh on these charts due to recent changes made by DECC). Data is inclusive of VAT.
- These bills relate to the total amount charged during the year, 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 costs, small size of the market that reduces chances of economies of scale, 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. In 2013, the prepayment option in NI was slightly cheaper than in Scotland.
- Source: Table 2.2.2 on DECC last Quarterly Energy Prices (https://www.gov.uk/government/organisations/department-of-energy-climate-change/series/quarterly-energy-prices).

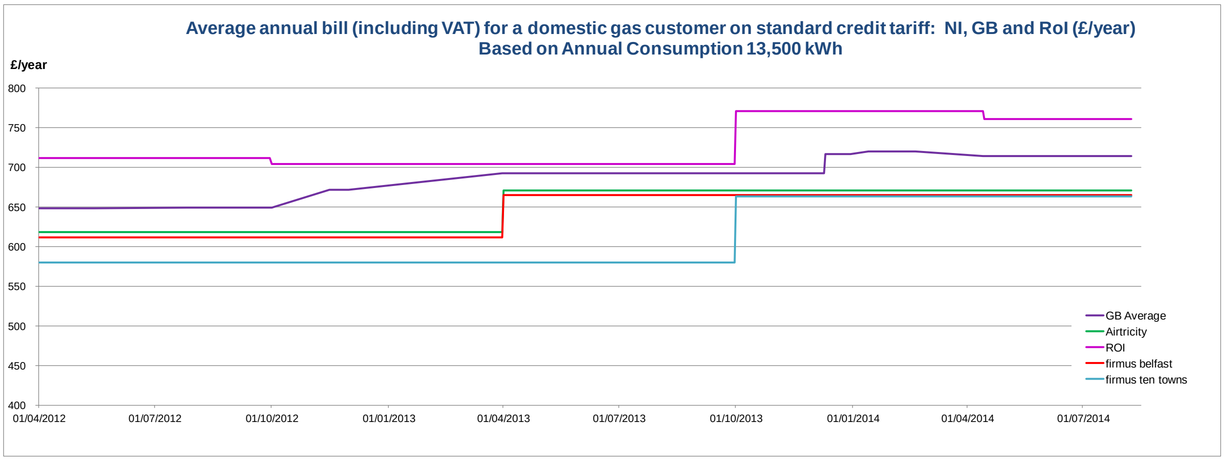
England & Wales Scotland Northern Ireland

- The graph below compares NI domestic price with the most recent available prices for other countries in Europe (including taxes).
- For a domestic customer, including taxes, the NI regulated tariff over July - December 2013 was 18.04 p/kWh. The NI tariff remains the same for 2014.

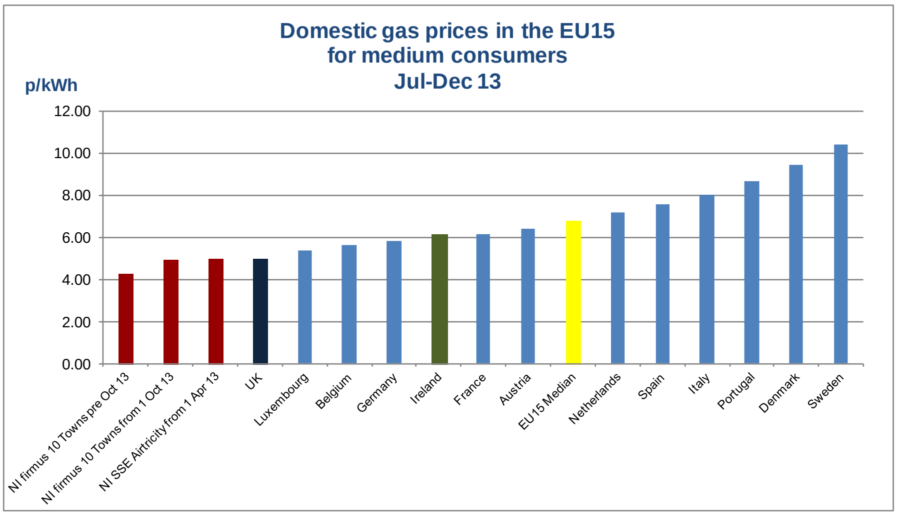


- Source: DECC Quarterly Energy Prices. Table 5.6.2. Medium consumers (2,500-4,999 KWh) including taxes.

5.2 Gas domestic prices



- The graph above compares gas domestic prices for standard gas tariffs. It shows a GB average which includes the six big suppliers. The annual usage estimate is 13,500 kWh.
- The tariffs used for comparison purposes are the standard tariff rates for domestic credit customers excluding any discounts available for payment by direct debit, viewing bills online, etc.
- In RoI, BGE increased tariffs by 1.47% from 14 April 2014. The graph however shows a decrease at this time. This is due to the changes in the exchange rate because for the purposes of this tariff comparison we convert the ROI tariff from euro to pound sterling using the exchange rate applicable at the date of each tariff change.
- Source: UR internal data.



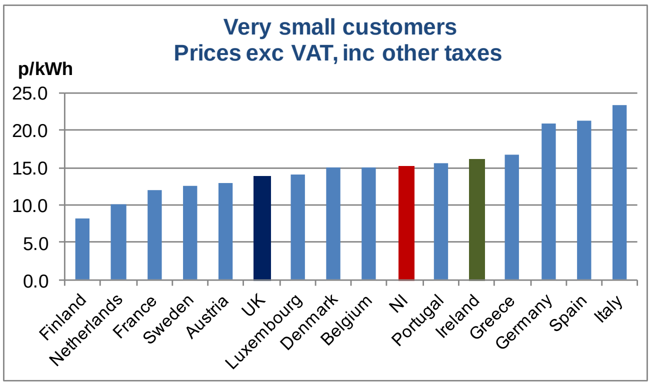
- This graph compares NI domestic gas tariff with the prices for other countries in Europe, including taxes, for the period July to December 2013.

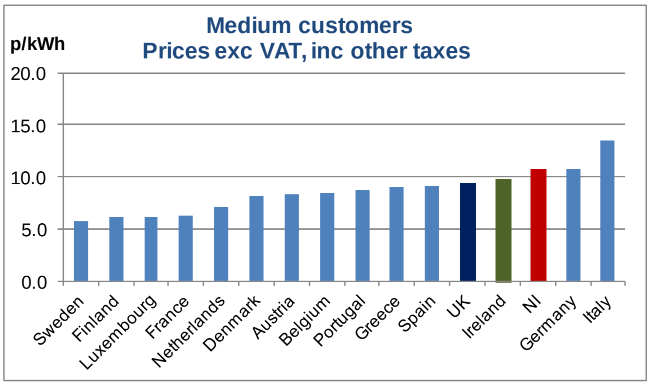
- The NI price used is based on the SSE Airtricity credit tariff applying from April 2013, for a customer on a standard tariff consuming 13,500 kWh per annum (6.957p/kWh for first 2000 kWh, then 4.629p/kWh). It also shows the credit tariffs for 10 Towns customers, as follows:
  - Until 30 Sep 2013: 5.948p/kWh for the first 2000 kWh, and then 4.009 p/kWh
  - From 1 Oct 2014: 6.804 p/kWh for first 2000 kWh, and then 4.586 p/kWh
- Source: DECC Quarterly Energy Prices: Table 5.10.2. Medium consumers (5,557-55,556 kWh/annum) including taxes, and UR data.

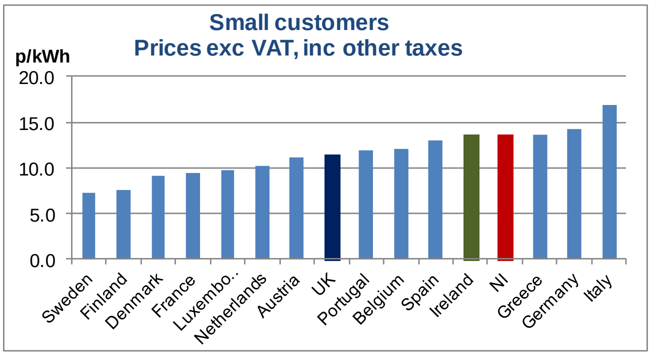
6 Electricity non-domestic prices

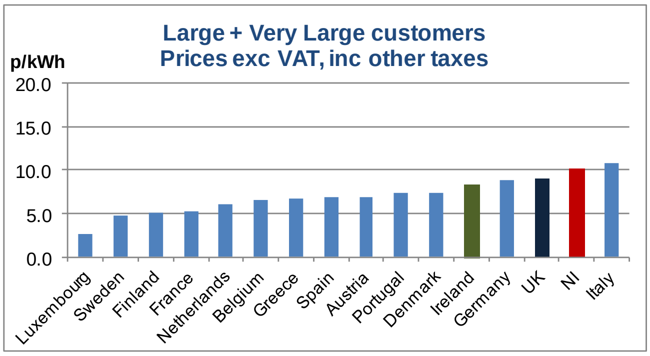
6.1. Price comparison with EU

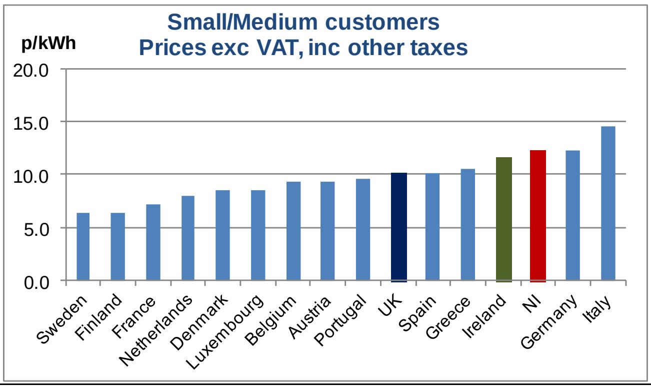
Jul-Dec 2013











Size of consumer	Annual consumption bands (MWh)	% of I&C customers	% of I&C consumpt.
Very small	0 - 20	65.82%	7%
Small	20 - 499	32.32%	37%
Small/Medium	500 - 1,999	1.35%	16%
Medium	2,000 - 19,999	0.47%	28%
Large + Very Large	20,000 - 150,000	0.03%	12%

- The graphs above show non-domestic electricity prices in the 15 EU countries, in comparison with NI prices, per consumption size bands (following EU categorisation).
- Prices for the very small customers are around the middle of the EU range. However, prices for larger non-domestic customers sit towards the top end of the EU comparisons.
- The table above shows percentages of NI non-domestic customers at the end of Q4 2013, and the consumption over Jul-Dec 2013 in each of those consumption categories.
- NI non-domestic customers are very heavily grouped in the smallest size band (consuming less than 20 MWh per annum). These customers account for 66% of the total customers in the I&C sector, while they represent approximately 7% of the I&C consumption.
- The next edition of the QTR will update comparisons for the first six-month period of 2014, based on Eurostat update.
- Source: NI electricity suppliers, Eurostat and UR internal calculations

Glossary

AGS	SSE Airtricity Gas Supply Limited
CCL	The Climate Change Levy (CCL) is a tax on electricity, gas and solid fuels delivered to non-domestic consumers. Its objective is to encourage businesses to reduce their energy consumption or use energy from renewable sources. The rate changes every year.
DECC	Department of Energy and Climate Change
ERGEG	European Regulators' Group for Electricity and Gas
EU	European Union
Eurostat	Statistical office of the EU. Its task is to provide the EU with statistics at European level that enable comparisons between countries and regions
firmus Distribution	firmus energy (Distribution) Limited
firmus	firmus energy (Supply) Limited
GB	Great Britain
I&C	Industrial and Commercial
kVA	Kilo volt-ampere
kWh	Kilowatt hour. Unit of energy equivalent to one kilowatt (1kW) of power expended for one hour (1h) of time. 1,000kWh = 1MWh. 1,000MWh = 1GWh.
NI	Northern Ireland
NIE	Northern Ireland Electricity
NRAs	National Regulatory Authorities
QTR	Quarterly Transparency Reports
LCC	Lissan Coal Company
LEU	Large Energy Users
Ofgem	Office of the Gas and Electricity Markets
PNGL	Phoenix Natural Gas Limited
PSL	Phoenix Supply Limited
Q	Quarter. In this report, Q refer to the calendar year.
QTR's	Quarterly Transparency Reports published by the UR at the end of the second month after each calendar quarter (in Feb, May, Aug and Nov).
REMM	Retail Energy Market Monitoring
RoI	Republic of Ireland
SME	Small and Medium Enterprises
UR	Utility Regulator
VAT	Value Added Tax