

Forward Work Programme 2014-15

Our business plan for year 1 of
our Corporate Strategy 2014-19



About the Utility Regulator

Our Mission:	Value and sustainability in energy and water
Our Vision:	We will make a difference for consumers by listening, innovating and leading
Our Values:	
	<ul style="list-style-type: none">Be a best practice regulator: transparent, consistent, proportional, accountable and targetedBe a united teamBe collaborative and cooperativeBe professionalListen and explainMake a differenceAct with integrity

Abstract

This paper presents our annual plan for the financial year 2014-2015. It contains a general description of the non-routine projects we will carry out from 1 April 2014 to 31 March 2015 and sets out a budget.

A draft of this plan was published for consultation on 20 December 2013, alongside the draft of our new corporate strategy. This final paper includes our consideration of the feedback received.

Audience

The plan is likely to be of most interest to the regulated utilities, consumer associations, other regulators, politicians and researchers.

Consumer impact

The business plan sets out a range of projects that are expected to benefit consumers directly in both the short- and long-term.

Foreword

As I consider the Utility Regulator's Forward Work Programme 2014-15 (our business plan for year one of our corporate strategy), my first as Chief Executive, I am struck by the context of change and challenge.

During the past year, we started the journey to set a new direction for our organisation. Our board and senior management team have been developing our second corporate strategy. This plan has been developed within the new direction set by the corporate strategy. We also consulted on both documents at the same time.

The appointment of three new board members in September, and my own appointment in November, has also been part of organisational change. Towards the end of the year we commenced the roll out of a new organisational structure to help us align our resources in order to better deliver our corporate strategy.

The organisational changes will prepare us for the challenges ahead, including those described in the business plan. They also reflect the challenges faced by independent regulation in protecting consumers today and tomorrow. They include: tackling high energy prices, addressing electricity security of supply concerns (and in particular the critical need for the construction of a second north-south electricity interconnector), developing wholesale and retail energy markets, growing the natural gas industry, protecting consumers and regulating a publicly-owned monopoly water utility. Our business plan for 2014-15 identifies projects that face these challenges head-on and seek to stretch us as a best practice regulator.

In delivering on projects that address these challenging issues we are delivering for Northern Ireland. Our regulation facilitates investment that assists economic growth. Our scrutiny of prices is aimed at reducing business and household utility costs. We take steps directly to protect consumers. All these things matter to communities, businesses and consumers.

Of course bringing benefits to Northern Ireland can't be achieved by us alone. We work with government, industry, the third sector and others to help deliver our plan. We want the utilities we regulate to be successful because we believe that this can bring benefits to consumers and indeed Northern Ireland as a whole.

Most of all I am grateful to the people who work for the Utility Regulator. They have been unstinting in their commitment and have never failed to meet the challenges that have been presented to them. A new business plan brings new challenges and I am confident that our staff can meet them once more.

Jenny Pyper
Chief Executive

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1. About this document

The Energy (Northern Ireland) Order 2003 and the Water and Sewerage Service (Northern Ireland) Order 2006 requires the Utility Regulator to publish a Forward Work Plan (FWP, or business plan) each year. The plan should 'contain a general description of the projects, other than those comprising routine activities in the exercise of its functions, which it plans to undertake during the year'.

A draft of this plan, alongside a draft corporate strategy 2014-19, was published for consultation on 20 December 2013. It set out the projects that we propose to undertake during 2014-15.

During this consultation, we asked for stakeholders' feedback on whether we had identified the right projects or had not included certain projects in the draft plan and encouraged our respondents to give us general comments on the drafting.

The consultation closed on 20 February 2014 and we received 13 responses. We have published these responses alongside this document (www.uregni.gov.uk/publications/). Additionally, we held a stakeholder briefing during the consultation period, on 14 February, where attendees had the opportunity to clarify aspects of the draft plan with our senior management team.

The comments we have received during and after the consultation were very helpful to us. There were no proposals to remove any of the projects we had included in the draft.

There were comments proposing:

1. some additional projects (e.g. on EMR implementation and to review the contract arrangements for the operation and repair of the interconnector);
2. expanding the scope of some projects (e.g. electricity charging policy, operational impact of **SEM** Committee);
3. clarifying the scope of some projects (eg project that addresses the costs of green measures, steps needed to deliver the target model for **regional integration**);
4. giving greater emphasis (e.g. **smart metering**, electricity pricing research).

We have taken account of these comments and incorporated these as necessary in our final plan. We will be providing specific feedback directly to respondents if required.

Key terms used in the plan are highlighted in **purple** and explained in a Glossary (at the end of the document).

2. About us

Who we are

We are the independent non-ministerial government department responsible for regulating Northern Ireland's (NI's) electricity, gas, water and sewerage industries.

We are governed by a board whose members are appointed by the Minister for Finance and Personnel.

We are ultimately accountable to the NI Assembly and our work contributes to the overall Programme for Government (PfG) in NI.

What we do

Our work is based on our statutory duties which include:

Energy – electricity and gas

protecting the interests of electricity consumers with regard to price and quality of service, where appropriate by promoting effective competition; and promoting the development and maintenance of an efficient, economic and coordinated gas industry.

Water

protecting the interest of water and sewerage consumers by promoting an efficient industry delivering high quality services.

We have a wide statutory remit covering regulatory functions and competition powers. Our competition powers are held concurrently with the UK Competition and Markets Authority (CMA).

Our work includes the following:

- 1 **issuing licences that allow gas, electricity and water companies to operate in NI;**
- 2 **making sure licensed companies meet relevant legislation and licence obligations;**

- 3 **setting the minimum standards of service which regulated companies must provide to consumers in NI;**
- 4 **ensuring consumers only pay what is necessary for the services they receive now and into the future;**
- 5 **challenging companies to ensure they operate ever more efficiently and deliver value for consumers as well as shareholders;**
- 6 **working to provide greater choice and encourage competition in the gas and electricity markets;**
- 7 **ensuring regulated companies can finance their activities and innovate effectively;**
- 8 **acting as an adjudicator on individual complaints, disputes and appeals.**

Who we work with

We work with a wide range of stakeholders across several areas to help us protect the interests of consumers.

In carrying out our duties, in relation to energy markets, we work within a policy framework set by the Department of Enterprise, Trade and Investment (DETI). Our principal statutory objectives are the same as the Department's. In relation to water, we work within a policy framework set by the Department for Regional Development (DRD).

We work closely with the statutory consumer representation body the Consumer Council for Northern Ireland (CCNI) and other stakeholder groups across NI.

The socio-economic context

Since our job is about protecting the short- and long-term interests of consumers we are also mindful of the particular socio-economic context in Northern Ireland.

We regulate the all-island single electricity market (**SEM**) which was established in 2007. We work in partnership with the energy regulator for the Republic of Ireland (the Commission for Energy Regulation – CER).

Our work sits within a broader European Union (EU) and United Kingdom (UK) context and we liaise closely with other regulators. These include the energy and water regulators for Great Britain (Ofgem, Ofwat and the Water Industry Commission for Scotland (WICS) respectively) and the EU energy regulatory body – the Agency for the Co-operation of Energy Regulators (**ACER**).

Following changes to the competition regime across the UK we will be working with the CMA which was established on 1 October 2013 and with other sectoral regulators across the UK through the UK Competition Network (UKCN). The UKCN aims to provide a co-ordinated approach to the implementation of the new competition regime.

We also work with the United Kingdom Regulators Network (UKRN). The UKRN comprises representatives from economic regulators and is a forum for enhancing investment, efficiency and consistency in the UK system of economic regulation.

3. The context for our business plan

The external context

(1) External policy developments

External policy developments influence our priorities. The NI Executive's Programme for Government 2011-15 sets out an overall context for all public service activity. It identifies a series of priorities of which growing the economy is the most important. Within this priority area there is specific target to encourage the achievement of 20% of electricity consumption from renewable sources by 2015.

The NI Executive's Strategic Energy Framework, which was published by DETI in 2010, set a target of 40% electricity consumption from renewables by 2020. Additionally, the DRD publishes social and environmental guidance which informs NI Water's investment requirements.

At a UK level, the Department of Business, Innovation and Skills issued its Principles of Economic Regulation in 2011. The **Energy Bill** being progressed in Great Britain contains enabling provisions for Feed in Tariffs with Contracts for Differences applying in Northern Ireland.

At the EU level, the EU third package of energy directives (**IME3**) which became law in September 2009, introduced measures to protect consumers, promote competition, legislate for enhanced regulatory functions and also amended our statutory duties. **IME3** also envisaged a move to a regional electricity market by 2016 and established **ACER**.

Other key elements of EU legislation relevant to our work include the Energy Efficiency Directive (EED) which was published in 2012, the Renewable Energy directive which was published in 2009 and the Water Framework directive which introduces a holistic approach to the management of water quality.

(2) Strategic challenges

The key strategic challenges include the following:

- **playing a role in addressing the impact of higher energy prices for business and domestic consumers;**
- **ensuring efficient investment in a modern, high-performing and sustainable utility infrastructure;**
- **supporting utility companies by providing incentives to innovate and promote best practice;**
- **contributing to the achievement of the NI Executive's renewable energy targets;**
- **reviewing the effectiveness of competition in the retail energy markets;**
- **promoting effective competition in the SEM and delivering a regional European electricity market by 2016 – called the I-SEM;**
- **addressing security of supply concerns in NI, and in particular the critical need for the construction of a second north-south electricity interconnector;**
- **enhancing our monitoring of the outcomes of the retail energy markets for consumers and ensuring consumers are properly protected;**
- **working to effectively implement the new competition arrangements;**
- **working with DETI to implement legislative requirements in respect of energy - the Energy Bill and the Energy Efficiency directive;**
- **supporting an integrated approach in water for complying with the Water Framework directive;**
- **improving outcomes in the provision of water and sewerage services.**

The internal context

We have been developing our plan in the context of a new corporate strategy for the period 2014-19. The strategy provides the basis for developing our annual plans. For that reason we consulted on the draft corporate strategy and the draft plan together.

Following an assessment of the responses to the draft corporate strategy we agreed three objectives (see below). These objectives form the basis for our new corporate strategy which we aim to publish in April 2014.

Corporate Strategy objectives 2014-19

Objective 1

- Encouraging efficient and effective monopolies

Objective 2

- Promoting efficient and competitive markets

Objective 3

- Protecting the long-term interests of business and domestic consumers

4. Business plan projects overview

We have set out in our plan the types of activities that will ensure that we will meet our strategic objectives.

While the projects we identify reflect our assessment of the work that needs to be done during 2014-15, there are some which will have greater significance (see below).

Advancing the I-SEM	Establishing a Retail Energy Market Monitoring (REMM) framework	Developing a Domestic Customer Protection Strategy
Extending the gas network to the west of Northern Ireland	Establishment of a single gas transmission system operator (TSO)	Complete the PC15 price control review
Assessing the effectiveness of competition in retail electricity markets	Addressing electricity security of supply	Develop and progress arrangements for smart metering

These 'flagship' projects are significant because they variously meet legal/regulatory requirements, have a substantial impact on our strategy objectives or require a greater relative allocation of our resources to deliver. The flagship projects are identified in the list of projects in section 6 of this plan.

While our programme provides a list of the key non-routine projects that we intend to undertake, these are only one part of our overall energy and water regulatory activities. We also undertake a broad range of routine regulatory activities. These include: the issue and monitoring of licences that allow gas, electricity and water companies to operate in NI; **cost reporting** and monitoring of utility companies; market monitoring for both wholesale and retail markets; determining regulatory appeals, complaints and disputes; the management and oversight of the Northern Ireland Renewables Obligation (NIRO); and ongoing communications and engagement with industry, the voluntary and statutory sectors (eg in respect of statutory consultation exercises).

The projects set out in our plan are reflected in internal workplans for each part of the organisation, along with projects and workstreams which are more routine in nature.

We will report on progress against our business plan in our Annual Report.

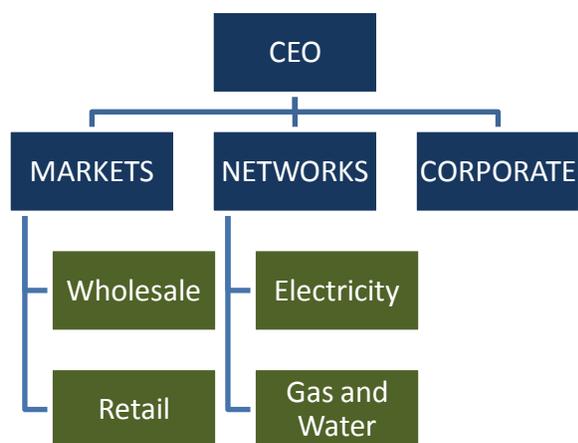
Delivering our business plan

In delivering the plan we apply our organisational values which are: best practice regulation, a united team, be collaborative and co-operative, be professional, listen and explain, make a difference and act with integrity.

Our staff are key to delivering the new strategy. They are our best asset. We recognise that supporting the development of the people who work for us is critical for delivering the strategy. For that reason, we intend to focus on developing our staff so that they and the organisation benefit.

As non-Ministerial government department we adhere to relevant policies, processes and controls. In support of our aim to be a best practice regulator, we will be taking steps to enhance our regulatory processes and our communications with stakeholders. We plan to develop a new communications strategy in early 2014 to enhance the way we engage, inform and communicate with stakeholders.

We reviewed our organisational structure early in 2014, aiming to have a structure that facilitates delivery of our strategy and business plan commitments. The high-level outline of the new structure is presented below.



This new structure will also enable us to work more effectively with our stakeholders in NI and further afield. Additionally, as the UK's only multi-utility economic regulator, we will also harness the benefits of cross-sectoral working.

5. Resourcing

We aim to manage our resources in an ever more efficient manner.

We have significantly reduced our budget in the previous years. The budget for 2014-15 is presented in Annex 1. We are again planning to keep our budget in 2014-15 within RPI (inflation) – 2% of our 2013-14 budget.

Our focus is on ensuring that we apply our resources efficiently and our business plan will be challenging to resource and deliver. Flagship projects are priority projects for us. These projects are legislatively driven and/or major policy priorities. We make a distinction on the remaining projects. On the one hand we intend to commit resources and aim to deliver most of the remaining (non-flagship) projects. There are, however, a small number of projects that we will only include in the plan and deliver in-year if resources allow. Those projects are shaded in orange in the list of projects in section 6.

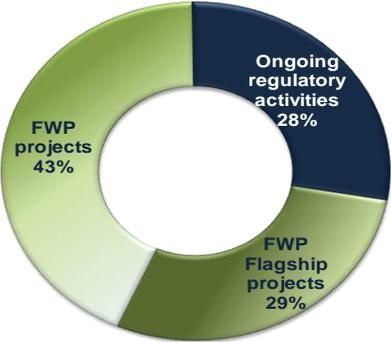
In this context, where new priorities emerge in-year, we will take steps to ensure that these are met. This may mean deferring or reducing our commitment to, or extending the time allowed for, other projects to enable the new priorities to be addressed. In these situations we will, as far as possible, seek to communicate effectively with external stakeholders.

The business plan is based on a complement of around 72 permanent full-time equivalent staff currently organised across five directorates and the Chief Executive's office. In recent years we have focused on developing our staff resources and that has enabled us to constrain the extent of our reliance on external support.

With the exception of the costs associated with some environmental responsibilities, all of our funding is received through licence fees. Corporate and shared costs (such as finance, HR, accommodation and IT) are included in Other Costs and are, along with the Chief Executive's office, recharged across the utilities for the purpose of calculating the fees payable by each utility licensee.

Our anticipated use of resources for 2014-15 across each type of activity is summarized in the following graph.

Indicative use of resources on workstreams:



The budget for 2014-15 is presented at Annex 1 below.

6. List of business plan projects

STRATEGY OBJECTIVE 1: ENCOURAGE EFFICIENT AND EFFECTIVE MONOPOLIES

Ref	Project description	Anticipated project outcome/s	Team	Timing
1	Advance the delivery of the new gas network to the west of Northern Ireland¹	This project will pave the way for bringing the benefits of natural gas to consumers.	Networks	Full year ²
2	Complete PC15 price control review	Establish a clear price control contract for NI Water, with specified outcomes which will deliver benefits for consumers.	Networks	Full year
3	Progress the establishment of a single gas transmission system operator (TSO) in conjunction with the implementation of European network codes	Increase efficiency of the operation of the transmission network . Compliance with EU network codes to enhance cross border gas operations.	Networks	Full Year
4	Develop process for a mid-term review of the PC15 Price Control for NI Water	Improve the definition of the PC15 outputs part way through a 6 year price control to make provision for managed changes in funding and provide an opportunity to implement innovative and sustainable solutions.	Networks	Q3
5	Develop new approaches to operational and capital efficiencies for the regulated companies	Support the drive to increase regulated companies' efficiency and effectiveness.	Networks	Full year

¹ Highlighted items in **blue text** are flagship projects.

² Projects **shaded in orange** relate to those projects we will do if resources allow.

³ In relation to timing when we specify that a project is full year, this means that the duration of the project spans the whole year. Otherwise the projects will complete by the end of the quarter identified.

Ref	Project description	Anticipated project outcome/s	Team	Timing
6	Review Power NI and Airtricity Gas Supply regulated tariffs	Scrutiny will ensure that the approved tariffs reflect the costs of supply.	Markets	Q2
7	Enhance cost reporting requirements for gas distribution network companies as part of designing our approach to GD17	We will be able to more effectively benchmark NI GDNs with comparators and help inform us in the setting of targets for these companies. We will have a GD17 Approach document in place to provide transparency on the price control .	Networks	Q3
8	Review our approach to gas distribution connections	Will help us to develop our approach to the approval of gas connection policy.	Networks	Q3
9	Complete supply price controls reviews for firmus and Airtricity Gas Supply	To promote cost efficiency in gas supply companies.	Networks	Full year
10	Introduce a monitoring and reporting framework for the NIE T&D price control	We will improve reporting, increase transparency and help promote efficiency.	Networks	Q3
11	Develop a price control for SONI	A price control which enables the company to efficiently finance its activities.	Markets	Full year
12	Continue work to ensure that all arrangements are in place to achieve the appropriate balance of resources between SONI and NIE	Ensures compliance with EU legislation.	Markets/N etworks	Full year
13	To assess the options and decide on the future of landbank sites	Will provide for the utilization of vacant and bank sites for the benefit of consumers.	Networks	Q2
14	Develop our approach for the next NIE T&D price control (RP6)	Ensure that there is a clear, approach in place for undertaking the next price control .	Networks	Q2

Ref	Project description	Anticipated project outcome/s	Team	Timing
15	Progress the delivery of contestability for connection to networks	To offer choice in connecting to networks , promote a decrease in prices, and reduce connection time.	Networks	Full year
16	Develop new information requirements for Annual Information Returns (AIR)	Assist in monitoring NI Water's performance and decrease the burden on the company by aligning AIR requirements with company and regulatory processes.	Networks	Full year

STRATEGY OBJECTIVE 2: PROMOTING EFFICIENT AND COMPETITIVE MARKETS

Ref	Project description	Anticipated project outcome/s	Sector	Timing
17	Review the effectiveness of competition in the retail electricity and gas markets	Assessment of the effectiveness of competition in energy markets and the implications for our regulatory framework.	Markets	Full year
18	Design and implement a robust Retail Energy Market Monitoring (REMM) framework	A supply licence and retail market monitoring framework will be in place that adequately monitors the retail markets, informs policy and protects consumers.	Markets	Full year
19	Develop enduring arrangements for regional integration of the electricity market (the I-SEM), by January 2016	The agreement of a high level design and the achievement of a significant milestone which will allow us to meet EU legislative requirements.	Markets	Full year
20	Complete research on NI electricity pricing, and compare with other jurisdictions	To gain a better understanding of non-domestic prices in NI, to be able to benchmark different cost elements against other EU countries and to inform regulatory and energy policy.	Markets	Q1
21	Research customer experiences in energy retail markets	The published findings will provide an evidence base for us to help address any policy issues relevant to several business plan issues	Markets	Q3
22	Review market monitoring to improve transparency and targeting of regulatory focus	Ensure appropriate market behavior and mitigates the risk of market abuse.	Markets	Full year

Ref	Project description	Anticipated project outcome/s	Sector	Timing
23	Work with Competition and Markets Authority and the UKCN to further develop our approach to competition	Consistent and co-ordinated approach to implementing the requirements of the Enterprise and Regulatory Reform Act.	Corporate	Full year
24	Consider and develop measures to improve the competitiveness in SEM in advance of the regional integration of the electricity market	Ensure appropriate profitability in wholesale market.	Markets	Full year

STRATEGY OBJECTIVE 3: PROTECTING THE LONG-TERM INTERESTS OF BUSINESS AND DOMESTIC CONSUMERS

Ref	Project description	Anticipated project outcome/s	Sector	Timing
25	Produce a new Consumer Protection Strategy	A co-ordinated approach to the protection of, especially vulnerable electricity, gas and water consumers in line with our statutory duties.	All	Full year
26	Work with DETI to address security of supply risks in NI beyond 2016	Better management of risks to security of supply, with progress on North-South interconnector and solution to ensure long term reliability of Moyle interconnector being monitored.	Markets	Full year
27	Progress development of plans for smart metering in NI, in line with DETI objectives and EU Directives	Will provide a road map for developing smart meters in Northern Ireland, in line with DETI objectives and EU Directives.	Networks/ Markets	Full year
28	Work with DETI on the formulation and implementation of Energy Efficiency Directive requirements	A co-ordinated and integrated approach with DETI to complying with EU energy efficiency requirements.	All	Full year
29	Work with DETI to progress implementation of the Energy Bill and assist DETI with the implementation of the Northern Ireland aspects of GB Electricity Market Reform	The implementation of the Energy Bill will bring new arrangements and regulatory duties, such as sustainability duties in relation to regulation. Electricity Market Reform will impact Northern Ireland customers in terms of the price they pay and it will also set the scope for supporting deployment of renewable energy into the future.	All	Full year

Ref	Project description	Anticipated project outcome/s	Sector	Timing
30	Develop and consult on billing guidance for energy suppliers	The purpose of this billing guidance will be to ensure that billing information is transparent to benefit consumers. The guidance will also provide clarity for suppliers and help them ensure that their bills are of a high standard.	Markets	Q3
31	To finalise and implement enhanced supplier codes of practice (CoPs)	Increasing protection for domestic and non-domestic energy consumers.	Markets	Full year
32	Projects to enhance non-domestic consumers regulation and protection in energy retail markets	We will prioritise projects to improve our regulatory framework in retail markets (e.g. to increase protection of non-domestic customers).	Markets	Full year
33	Implement arrangements for payments to generators if a fuel security event occurs	Increased security of supply and will enable payments to generators through an auditable approved mechanism.	Markets	Full year
34	Consider new ancillary services to facilitate renewable generation (under DS3 initiative)	Will support the increasing penetration of renewables in line with the NI Executive's 40% renewables target.	Markets	Full year
35	Review NI Water Codes of Practice	Better protection of consumers through compliance with service standards by the company.	Networks	Full year
36	Develop new customer measures and a Customer Satisfaction Survey of NI Water's consumers	We will be able to hold NI Water to account and protect consumers. We shall trial new measures and the new survey in early PC15 before a review to set more consumer focused targets.	Networks	Full year

Ref	Project description	Anticipated project outcome/s	Sector	Timing
37	Consult on and implement interim systems for regulating Aggregated Generating Units and Demand Side Units .	Aggregated Generating Units and Demand Side Units fully participating on an equal basis to other market participants.	Markets	Q2
38	Work with UKRN to progress delivery of the UKRN work plan	We have contributed to developing UKRN's governance arrangements and input as required to relevant UKRN projects.	All	Full year

Annex 1: Budget for 2014-15

	CA	CEO	Wholesale	Retail	Networks	Total	13/14 Budget
Salaries	1,206,500	183,000	849,000	748,000	1,588,000	4,574,500	4,582,000
Programme	96,123	-	734,081	325,361	771,168	1,926,733	1,973,000
Other Costs	783,379	6,200	18,134	10,400	36,966	855,079	807,800
Total	2,086,002	189,200	1,601,215	1,083,761	2,396,134	7,356,312	7,362,800

Glossary

ACER	ACER is the Agency for the Co-Operation of Energy Regulators. It was formally established in 2011. It brings together European energy regulators with the objective of co-ordinating their actions whenever necessary to achieve a competitive, sustainable, secure and transparent Internal Energy Market by 2014.
Aggregated Generating Units (AGU's)	The Aggregated Generating Units relate to the concept of aggregation of small loads/generators by an intermediary actor in the market. These units can operate commercially within SEM and be centrally dispatched by the system operators. Units like this can assist with the operational integration of renewable generation by providing flexible system services.
Ancillary services	Services necessary for the secure operation and restoration of the electricity system.
Codes of practice	Codes of Practice are documents that provide information on the standards of a range of services that customers can expect from energy and water customers.
Cost reporting	A process of collecting information from regulated companies to enable us to assess, monitor and benchmark costs.
Demand Side Units (DSU's)	A Demand Side Unit consists of one or more individual demand sites (is typically a medium to large industrial premises) in which the Transmission System Operator (TSO) can control consumption.
Networks	Systems of wires or pipelines that convey electricity, gas or water.
DS3	Delivering a secure, sustainable electricity system. A project involving both regulatory authorities (the UR and CER) and the Transmission System Operators (TSO's) on the island of Ireland aimed at ensuring continued security of supply and assist in the delivery of renewable targets in respect of electricity. The three main work areas relate to: (1) system performance, (2) system policies and (3) system tools.
Energy Bill	The Energy Bill relates to DETI proposal on making new primary legislation to allow for greater powers for sustainable energy and additional regulatory measures relating to natural gas and electricity.

Fuel security event	A fuel security event begins and ends when DETI gives a direction that a generating station is to be operated in a certain way or with a view to achieving specific objectives. Some examples of what may cause such an event are: where gas have been disrupted or reduced by a geopolitical issue, where there is an outage on the pipelines and equipment between the GB exit point at Moffat and the island of Ireland, where any incident has impacted on the integrity of the gas pipelines across the Irish Sea, where there is disruption to the routine replenishment of supplies of other fuel stocks(eg coal or oil), etc.
IME3	EU Third Energy Package of directives. This is the two directives and three regulations aimed at liberalizing gas and electricity markets across Europe. It focuses on developing internal markets but also adds new customer protection and information aspects.
Price controls	Price controls are one of the key regulatory tools used to protect consumers. This involves the regulator scrutinising the business plans of monopoly utility companies and determining the revenue required to finance its activities while providing incentives to invest in the business.
PC15	PC15 is the name of the Utility Regulator price control, which is at the early stage of development, relating to NI Water for the period 2015-20.
Regional integration	Regional integration refers to the integration of electricity markets in Europe.
SEM	Single Electricity Market. The SEM is the single all-island wholesale market for electricity, operating in the RoI and NI, set up in November 2007. It aims to enhance security and diversity of supply, encouraging market efficiencies and economies of scale and promoting greater competition.
Smart metering	The definition of what is a smart meter is subject to much debate. In broad terms, it is a meter that enables two- way communication between the electricity/gas/water customer and the supplier. Such a meter can include a number of functions such as facilitating remote meter reading, provision of detailed consumption information, multiple time of use tariffs, etc.