Dear Sinead

UTILITY REGULATOR CONSUMER PROTECTION STRATEGY 2015-16 – 2019/20

On behalf of the Department for Regional Development (DRD) Water Policy & Shareholder Division, I would like to thank you for the opportunity to respond to the Utility Regulator’s draft Consumer Protection Strategy 2015 – 2020.

The draft Consumer Protection Strategy rightly focuses on domestic consumers particularly those in the energy sector. However, unlike the regulated energy utilities and indeed other UK water providers, domestic customers in Northern Ireland do not pay directly for water. Instead, DRD pays a subsidy to NI Water in lieu of domestic consumers’ contributions. Therefore rather than respond to the specific questions you ask in relation to the Strategy, I would like to make a number of short comments in relation to the general objectives behind the Strategy.
1. DRD welcomes the intention to improve protection for consumers who may be considered to be vulnerable. While, the statement in paragraph 3.1.12 of the draft Strategy that ‘any customer could face circumstances in which they may be considered vulnerable’ has merit, the Regulator should work with other stakeholders to develop a working definition of ‘vulnerable’ and the circumstances under which a consumer may be considered vulnerable which will allow the development of clear guidance on care registers and the support of consumers in crisis.

2. The Department also welcomes the intention to improve and increase co-operation between the Regulator and key stakeholders particularly in the area of critical care. The Strategy is a valuable opportunity to collaborate with others on vulnerable customer registers and improve communication during major incidents such as the Freeze Thaw event in 2010 and the more recent loss of supply following industrial action by NI Water staff. The energy and gas utilities have much to learn from the work in this area carried out by NI Water and the Consumer Council.

Regarding NI Water, the Regulator should encourage the company to learn from the gas and energy sector in the area of customer care and education. The Regulator should use examples of best practice in consumer services on a cross-sectoral basis within Northern Ireland rather than concentrate on water companies in England and Wales. There is a wealth of experience and skill in Northern Ireland which should be used to its full extent.

In addition to statutory stakeholders who have a clear role in the energy and water sectors, the Regulator should encourage community groups to be proactive and take greater responsibility for promoting these registers.

3. I note the work planned in relation to developing billing/statement clarity and to develop a Billing Code of Conduct for the energy sector. Again, the gas and energy sectors have much to learn from the work carried out by NI Water and the Consumer Council in simplifying bills and improving clarity of layout.
While the planned work relates to the domestic energy sector, I would encourage the Regulator to take an active role in the proposed ‘roundtable’ discussions with other key stakeholders to resolve concerns about NI Water billing errors and the levying of retrospective charges by the company on some of its non-domic customers.

Please do not hesitate to contact me if you have any questions on the issues raised in this response.

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