



## The Consumer Council for Northern Ireland response to the Utility Regulator's consultation on the Draft Forward Work Programme 2020 - 2021

### 1. Introduction

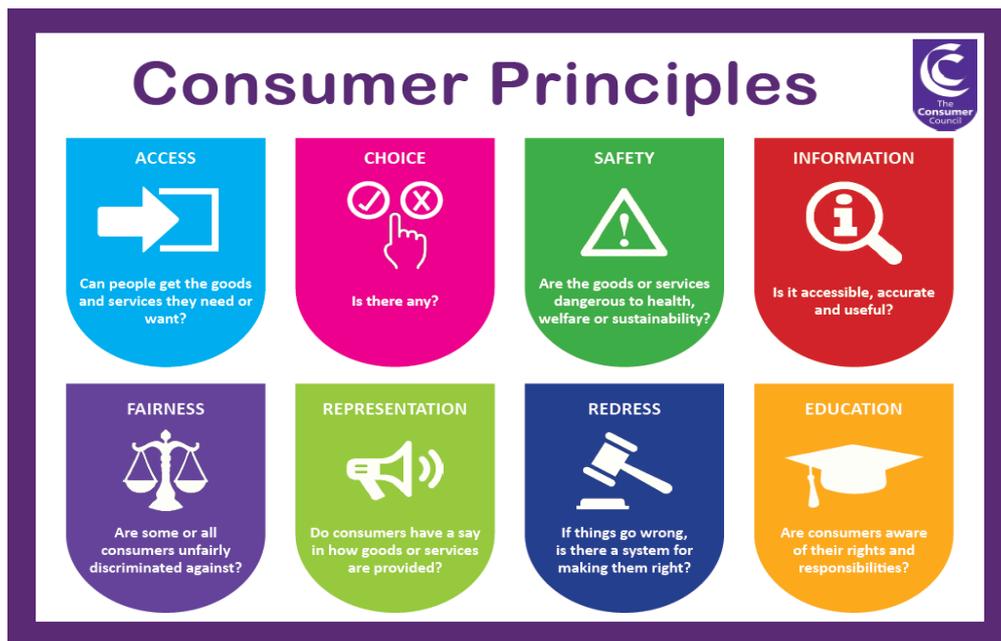
1.1 The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland.

### 2. General Comments

2.1 The Consumer Council is pleased to be able to offer comment on the Utility Regulator's (UR) Draft Forward Work Programme 2020/21 (DFWP).

2.2 As the statutory consumer body for electricity, gas and water consumers we look forward to working with UR across the full remit of its work. The DFWP builds on the partnership UR and The Consumer Council have built and provides a strong platform to develop this further.

2.3 We use eight consumer principles to set a consumer-focused framework within which we work; see below.



- 2.4 We believe these eight principles improve consumer outcomes and would encourage UR to use them during its 2020/21 work programme.
- 2.5 We reiterate our support for the overall approach that UR is proposing in its consumer-centred approach to the 2019 - 2024 Corporate Strategy and welcome the UR focus, through the Consumer Protection Programme, on practical initiatives to support consumers. The Consumer Council will continue to work with UR both in the context of our statutory duty and as chair of the Consumer Vulnerability Working Group
- 2.6 Below we make comment on some specific areas of work outlined in the DFWP.

**Objective 1 – Promoting markets that deliver effective competition, informed choice and fair outcomes**

- 2.7 The Consumer Council fully supports the work UR is doing via the Consumer Protection Programme and the safeguards for consumers that the project will deliver. We are happy to continue working with UR to deliver against this project and encourage a sustained pace to ensure consumers reap the benefits of the projects.
- 2.8 It is appropriate in the current retail market to ensure that supply price control regimes are fit for purpose and serving the best interests of consumers. The Consumer Council looks forward to working with UR on the assessment of the frameworks and providing a voice for the consumer in the process and ensuring lessons are learned from other regulatory regimes in order to maintain high levels of consumer protection.
- 2.9 The Consumer Council is committed to assisting and representing consumers in the journey to net zero 2050, we welcome the UR priority of supporting consumer empowerment throughout the energy transition.
- 2.10 We welcome the steps outlined by UR reviewing the SEM balancing market arrangements and the post go-live operational effectiveness of SEM. It is important that this review is carried out from the perspective of consumers and focusing on the benefits that SEM is expected to deliver. A robust and transparent review followed by appropriate actions and remedies, if required, should result in increased trust in the market.

**Objective 2 – Enabling 21<sup>st</sup> Century Networks**

- 2.11 A key element of the regulation of monopoly utilities in Northern Ireland is UR's price control determinations. In the essential services of energy and water it is crucial to the economy and society as a whole. The Consumer Council will engage with UR on these price controls and will

help UR and companies develop plans for continuing consumer engagement and participation to inform service improvements.

- 2.12 We note the work on the review of energy tariffs in light of energy transition and we are keen to work with UR to ensure consumers are suitably considered and protected in this process.
- 2.13 During 2019/20 The Consumer Council has been engaging with UR regarding the review of SONI governance. We look forward to continuing to contribute to this important work.

### **Objective 3 – Ensuring security of supply and a low carbon future**

- 2.14 The Consumer Council will continue to work with UR on the review of the Northern Ireland Sustainable Energy Programme to ensure that consumer views are represented as part of that review.
- 2.15 We would welcome early discussions on the implementation of the Clean Energy Package and the potential impacts on consumers in Northern Ireland.
- 2.16 It is important that Northern Ireland consumers can trust the energy market, including SEM. The Consumer Council welcomes UR's review of SEM generation capacity incentive arrangements and the proposed implementation of new market requirements.

### **3. Conclusion**

- 3.1 Overall, The Consumer Council welcomes the UR DFWP and the projects it sets out. We stress our commitment to continue working in partnership with UR for the benefit of consumers. We would welcome the opportunity to explore further areas of collaboration during 2020/21.
- 3.2 If you would like to discuss any of the above, or have any questions, please contact Sinead Dynan, Director of Regulated Industries, at The Consumer Council. [Sinead.dynan@consumercouncil.org.uk](mailto:Sinead.dynan@consumercouncil.org.uk) telephone 028 9025 1636.

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**February 2020**