



# Power NI Supply Price Control 2025

UR Approach  
March 2024



## About the Utility Regulator

The Utility Regulator is the economic regulator for electricity, gas and water in Northern Ireland. We are the only multi-sectoral economic regulator in the UK covering both energy and water.

We are an independent non-ministerial government department and our main duty is to promote and protect the short- and long-term interests of consumers.

Our role is to make sure that the energy and water utility industries in Northern Ireland are regulated, and developed within ministerial policy, as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly.

We are based at Queens House in Belfast. The Chief Executive and two Executive Directors lead teams in each of the main functional areas in the organisation: CEO Office; Price Controls, Networks and Energy Futures; and Markets and Consumer Protection.



### Our mission

To protect the short- and long-term interests of consumers of electricity, gas and water.



### Our vision

To ensure value and sustainability in energy and water.



### Our values

- Be a best practice regulator: transparent, consistent, proportionate, accountable and targeted.
- Be professional – listening, explaining and acting with integrity.
- Be a collaborative, co-operative and learning team.
- Be motivated and empowered to make a difference.



## Abstract

This paper sets out Utility Regulator's (UR) approach to the next supply price control for Power NI (SPC25) which is due to begin 1 April 2025. This is the first in a series of documents which UR will publish in relation to the Power NI SPC25 price control. This paper sets out the high-level approach we will adopt in relation to the main areas within the control including: structure and form; scope and coverage of regulated tariffs; duration of control; operating cost levels and allocations; and allowed margin.

## Audience

Consumers and consumer groups; industry; and statutory bodies.

## Consumer impact

This paper sets out UR's approach for the Power NI SPC25 price control. The regulated price control applies to the domestic consumer sector only and sets future revenues and tariffs forming circa 7% of a typical domestic consumer electricity bill (based on average domestic bill at July 2023).



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## Executive Summary

This paper sets out the Utility Regulator's (UR's) plans to undertake a price control which will continue the regulation of the maximum tariff Power NI can charge domestic consumers for the supply of electricity. The new price control will replace existing arrangements for regulated tariffs which come to an end on 31 March 2025.

We have concluded that we should continue to regulate Power NI's domestic tariffs because it still holds a dominant position in the domestic supply market. At present, Power NI supplies electricity to 58% of domestic consumers and it supplies almost three times the number of domestic consumers compared to its nearest competitor.

We plan to maintain much of the structure and form of the current price control but we will consider amendments where these are in the interest of consumers.

A key part of this price control will be a review of the margin through which Power NI recovers the cost of financing its activities and is remunerated for the services it provides. The appropriate scale of the margin and how it might flex to reflect changes in pass through costs will be considered.

We plan to set a new price control for a four year period, covering the period from 1 April 2025 to 31 March 2029. This will reduce the regulatory burden of shorter price controls on both the company and Utility Regulator. We are aware that setting a price control for a longer period than previous price controls increases the risk of forecasting errors, and we will consider whether it is appropriate to introduce cost risk sharing mechanisms to mitigate this risk.

We consulted on our plans for the next Power NI price control in November 2023 and we received five responses to the consultation. We appreciate the time taken by stakeholders to respond to the consultation and acknowledge their contribution in developing this Approach.

The next key stage in this price control will be the publication of a draft determination in August 2024. At that point we will consult on the decisions we propose to make on the scope and form of the price control and key determined values for costs and margin.

# 1. Introduction

## Purpose of this document

- 1.1 This approach sets out our plans to undertake a price control which will regulate the tariffs Power NI can charge its domestic electricity consumers in the four year period from 1 April 2025 to 31 March 2029. It sets out the rationale for regulating these tariffs and how we intend to approach the price control.

## Background

- 1.2 In the electricity sector, the principal objective of Utility Regulator (UR) is "*to protect the interests of consumers of electricity supplied by authorised suppliers, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the generation, transmission, distribution or supply of electricity*"<sup>1</sup>.
- 1.3 As the incumbent supplier at the time supply competition was introduced, Power NI has been price-controlled for many years. The electricity supply market in Northern Ireland now has a number of competing suppliers in the market. Most of these suppliers supply to both domestic and Industrial and Commercial (I&C) customers.
- 1.4 There are approximately 840,000 customers in the domestic electricity market and approximately 76,000 in the I&C market. Power NI currently supplies 58% of the domestic market and 48% of the I&C market (by customer numbers).
- 1.5 Following a three year price control in 2014, recent price controls (2019-2021, 2021-2023, and 2023-2025) have covered two year periods and broadly extended the existing regulatory arrangement. The current Power NI price control comes to an end on 31 March 2025. It is anticipated that our work on the development of the next price control will be complete by the end of February 2025 with the view to having a new price control in place by 1 April 2025.

## Consultation on this Approach

- 1.6 The publication of this final approach document follows a consultation on our draft approach published in November 2023. We received five responses

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<sup>1</sup> Article 12(1) of the Energy (Northern Ireland) Order 2003

(including one confidential response) to the consultation. The non-confidential responses were received from:

- Consumer Council for Northern Ireland (CCNI)
- Energy Saving Trust
- Firmus Energy
- Power NI

1.7 The four non-confidential responses have been published in addition to this document.

### **About this document**

1.8 The purpose of this document is to set out our plans for the next price control for Power NI and the approach UR intends to take to develop that price control.

1.9 Our approach to this price control will shape our consultation on a draft determination planned for August 2024. That future paper will include details of our proposals on Power NI's operating costs and margin as well as the scope of the control and the duration. These will be consulted upon prior to final decisions being made for April 2025.

1.10 The document is structured as follows:

- Section 2 provides detail on those sectors of the market we have concluded should fall within the scope of this price control;
- Section 3 set our approach to key areas of the price control; and,
- Section 4 sets out the proposed timelines for this price control and next steps.

### **Consumer impact**

1.11 A large proportion of the tariffs which Power NI can charge (for example the commodity cost of electricity supplied and buyout of renewable obligations) are determined when the cost of these elements can be properly assessed. The price control sets the mechanisms by which these costs are determined and recovered from consumers. The price control does determine financial values which set the operating costs and margin which Power NI can recover to supply electricity to domestic consumers. As an indication of the immediate impact of the forthcoming determination, the current value of

operating costs and margin determined through the existing price control is c.£30m, 7% of a typical domestic bill per annum (as of 1 July 2023).

- 1.12 The primary impact of this upcoming price control is to continue to ensure that the dominant position of Power NI in the domestic electricity supply market (currently serving 58% of customers) is not a barrier to the entry of new suppliers who might compete on both service and price to the longer term benefit of consumers.



## 2. Scope and Coverage of this Price Control

- 2.1 Power NI is currently subject to price control regulation in respect of “regulated premises” as defined within Annex 2 of the Power NI Licence<sup>2</sup>.
- 2.2 “Regulated premises” are defined in the Licence as: *any premises supplied by the Licensee, other than the following: (a) Non-Domestic Premises and (b) other premises as may be agreed by the Authority and the Licensee from time to time.* In effect, the domestic premises served by the company.
- 2.3 Historically, tariffs charged by Power NI have been regulated because the company had a dominant position in electricity supply in Northern Ireland. As the incumbent supplier at the time supply competition was introduced, the company’s position could have been a barrier to the entry of new suppliers. At that time, we concluded that the regulation of Power NI’s tariffs was in the interest of consumers.
- 2.4 Initially, all domestic tariffs and some industrial and commercial (I&C) tariffs up to 50MWh per annum were regulated. Further deregulation took place during the 2017 price control which removed price regulation from the 0-50MWh I&C market, leaving only domestic customers within the scope of the price control.
- 2.5 When we removed I&C tariffs from the scope of the regulated price control in 2017, the combined market share of Power NI / Energia<sup>3</sup> in the 0-50 MWh sector of the market was 53% by consumption<sup>4</sup>. Data published in our Quarterly Retail Energy Market Monitoring Report for Q2 2023<sup>5</sup> shows that for Power NI the equivalent market share by consumption has fallen to 43.3%.
- 2.6 When we consulted on our approach to the 2017 Power NI price control, the company’s share of the domestic market was 66% by customer number and 64% by consumption. In the decision paper for the 2014-2017 price control, we had set a market share level of 50% as the threshold for consulting on the possible removal of a control on Power NI tariffs. As of August 2023, Power NI remains dominant in the domestic consumer market with a market share of c.58% by customer number and 57% by consumption<sup>6</sup>. While there are now five other companies supplying domestic consumers, Power NI continues to supply three times the number of domestic consumers as its nearest competitor. Concentration analysis conducted by Utility Regulator

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<sup>2</sup> [The Northern Ireland Authority for Utility Regulation \(uregni.gov.uk\)](http://uregni.gov.uk)

<sup>3</sup> Power NI is part of the Energia Group

<sup>4</sup> [Approach Consultation \(uregni.gov.uk\)](http://uregni.gov.uk)

<sup>5</sup> Data taken from [Q2 2023 QREMM.pdf \(uregni.gov.uk\)](http://uregni.gov.uk)

<sup>6</sup> Data taken from [Q2 2023 QREMM.pdf \(uregni.gov.uk\)](http://uregni.gov.uk)

produced a Herfindahl-Hirschman Index (HHI)<sup>7</sup> of c.3,800 for the domestic market. A HHI below above 2,500 indicates a highly concentrated market. Hence, the Northern Ireland Market remains highly concentrated and we are of the view that the current regulatory framework for price controlling Power NI's domestic tariffs should be maintained.

- 2.7 In view of the dominant position Power NI continues to hold in the domestic market, UR has concluded that price control regulation, i.e. the setting of regulated tariffs offered by Power NI, will continue to apply to the whole domestic market. However, UR will continue to monitor the situation as competition develops and in light of our statutory duties.
- 2.8 In response to our consultation, respondents broadly agreed with the proposed scope and coverage of SPC25 which is outlined above. The importance of encouraging competition was noted and we will continue to assess whether Power NI continues to hold a dominant position in the domestic supply market for future price controls. Respondents noted the metrics used in our supporting our assessment of market dominance, but also noted that other evidence of increased competition should be considered in any future decision to end price regulation for domestic consumers.
- 2.9 CCNI noted that the regulated tariff promotes competition by setting a price for other suppliers to match or beat while also providing a safety net for consumers. Annual bill comparisons were described as being very competitive when compared with the unregulated electricity suppliers in NI and with other jurisdictions, as well as comparing favourably to those in Great Britain therefore reinforcing the scope and coverage of SPC25. The need to use the price control to encourage Power NI to drive efficiencies and innovations in its business practices to minimise the cost to consumers and avoid undue profits was also noted. We will continue to consider the points raised in the responses as we develop the price control.

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<sup>7</sup> The Herfindahl-Hirschman Index (HHI) is a common measure of market concentration and is used to determine market competitiveness

### 3. Our Approach to Key Areas

#### Duration of the price control

- 3.1 Recent Power NI price controls, including extensions of price controls, have covered three and two year periods 2014-2017, 2017-2019, 2019-2021, 2021-2023 and 2023-2025. Prior to that, the duration of Power NI price controls have varied from a one year control to a five year control.
- 3.2 The duration of a price control is a matter of judgement:
- If the duration is too short, the incentive for the regulated company to deliver efficiencies is muted and the regulatory burden on both the regulated company and regulator is increased.
  - If the duration is too long, the risk of forecasting errors for both costs and, in the case of a competitive retail market, consumer market share is increased. In addition, it is more likely that a longer duration price control could be affected by extreme events, such as the recent volatility in commodity prices and inflation before tariffs are reset.
- 3.3 We believe that there is merit in extending the duration of the Power NI price control to four years to reduce the regulatory burden of carrying out short duration controls. This will also provide a period of stability while further consideration is given to initiatives such as SMART metering and the implementation of alternative tariff structures which will be part of the delivery of net-zero. A four year duration will align with our proposals for the regulated retail gas businesses.
- 3.4 We are aware that increasing the duration of the price control to four years increases the risk of cost forecasting errors. We will consider whether it is appropriate to introduce cost risk sharing mechanisms to reduce the impact of that increased risk. We will consult on appropriate mechanisms when we publish our draft determination in August 2024.
- 3.5 In response to our consultation, respondents acknowledged the balance to be struck when determining the duration of a price control but there was broad support for a four year duration. Some respondents did note that aligning the duration of this price control with gas supply price controls was not strong justification for this change.
- 3.6 The need to consider cost risk sharing to mitigate forecasting errors over a longer duration price control was noted. CCNI commented that it would expect to see appropriate mechanisms in the draft determination to help minimise the risk of forecasting errors and ensure Power NI is encouraged to

maximise its efficiency across the period. Power NI noted that cost risk sharing could be an important risk mitigation factor but will need to understand the mechanics of how such a mechanism would be implemented. We have concluded that we should proceed with a four year control and will consider the practicality and effect of introducing a cost risk sharing mechanism as we develop the draft determination.

## Structure and form of the price control

- 3.7 The structure and form of Power NI's supply price control is defined in its Licence. In particular, the financial mechanisms which determine Power NI's regulated tariffs and the revenue it recovers through those tariffs are set out in Annex 2 of the Licence.
- 3.8 At present, Power NI's maximum allowed unit price of electricity ( $M_{St}$ ) for domestic customers is made up of a number of components presented in the formula below. This formula is used to calculate Power NI's tariff on an annual, or more frequent basis as necessary.

$$M_{St} = G_t + U_t + S_t + K_{St} + J_t + E_t - D_t$$

in any given year 't'.

- 3.9 We intend to maintain this broad structure for the 2025-2029 Price Control.
- 3.10 The terms of the equation cover different aspects of Power NI's costs. A number of these terms are determined during the implementation of the price control to reflect actual costs incurred and they are not determined as part of the price control itself, as follows:
- The **G<sub>t</sub> term** covering costs incurred in the purchase of electricity.
  - The **U<sub>t</sub> term** covering transmission and distribution network costs.
  - The **K<sub>St</sub> term** covering revenue under or over-recovery in the previous year which can be collected by the business (under-recovery) or given back to consumers (over-recovery).
  - The **J<sub>t</sub> term** covering the cost of the buy-out from the Northern Ireland Renewables Obligation.
  - The **E<sub>t</sub> term** covering certain categories of costs defined in the Licence to be passed through to consumers. As part of the price control the scope of these pass through cost categories will be reviewed and particular amounts, such as the pension deficit costs, updated as necessary.

- The **D<sub>t</sub> term** covering the sharing of any savings of costs between the Licensee and consumers in respect of costs of meeting renewables obligations and other costs specified by UR from time to time.
- 3.11 While the 2025-2029 price control will consider the definition of these terms and provide further definition and clarification as appropriate, the financial focus of the price control will be the determination of the **S<sub>t</sub> term** of the tariff formula. This S<sub>t</sub> term determines the operating costs and margin which Power NI can recover through its tariffs. This amount must be sufficient to run and finance an efficient supply business.
- 3.12 How we determine operating costs and margin are discussed later in this paper.
- 3.13 In response to our consultation, respondents agreed that the structure and form of the existing price control should be maintained. However, the need for flexibility was noted to reopen aspects of the price control where there are material unexpected costs to consumers or Power NI was noted. The E<sub>t</sub> term of the Licence allows for adjustments in respect of unexpected costs and we will consider the scope of this term for the draft determination. In particular we expect to expand the E<sub>t</sub> term to make provision for future costs of SMART metering.

### **Treatment of operating expenditure (OPEX)**

- 3.14 This section of the approach sets out how we plan to assess operating expenditure within the Power NI price controls.
- 3.15 One of the main work areas during the price control project will be to estimate the efficient level of Power NI's own costs (part of the **S<sub>t</sub> term** in the price control formula). These costs are mainly the operating expenditure that Power NI incurs in providing retail services to domestic customers, including its staff costs, out-sourced billing and customer service costs, corporate overheads and provisions for bad debt.
- 3.16 There are a number of potential approaches to assessing OPEX requirements over the control period:
- a) 'Bottom up' analysis - Build up the OPEX on a line-by-line basis with a detailed review of each cost line (with historical trend analysis);
  - b) 'Top down' analysis - Review of the total OPEX as a whole (with historical trend analysis or comparative benchmarking);
  - c) Combination of 'bottom up' and 'top down' analysis (with historical trend analysis).

- 3.17 We will consider the use of these different types of analysis and apply those we consider most appropriate. We will adopt a proportionate approach, examining higher value cost categories and those with material increases in greater detail. We will undertake a less detailed assessment of costs where future cost projections are a reasonable reflection of historical costs.
- 3.18 For the forthcoming control we propose to collect approximately five years of financial data from Power NI on forecast OPEX. This financial information will be submitted through a Business Efficiency Questionnaire (BEQ). We will ask the company to submit a supporting paper explaining the basis of its cost projections and variances from historical trends.
- 3.19 There are a number of potential areas which we may examine using more detailed bottom up analysis supported by external advisers as appropriate, such as IT/outsourced costs; Digital Engine Costs; ISEM costs; and Pension Deficit costs.
- 3.20 We are considering moving two cost categories from the ex-ante  $S_t$  term to the  $E_t$  (pass through) term:
- a) We are considering moving the provision for bad debt from an ex-ante allowance in the  $S_t$  term to an allowance for actual bad debt write-offs recovered through the  $E_t$  term. This will remove the potential forecasting error and address the risk of changing economic circumstances. We will consider the impact of this on the incentive to manage bad debt.
  - b) We are also considering moving Printing, Mailing and Agency costs, from an ex-ante allowance in the  $S_t$  term to recovery through the  $E_t$  term based on actual costs or an ex-post volume driven allowance. This change would address the high level of variability in these costs from year to year.

We will consider and consult on these changes, and any other changes in the treatment of costs, in our draft determination.

### ***Additional OPEX***

- 3.21 We will make appropriate adjustments for any incremental increase or reduction in expenditure that result from changes in the scope and nature of business activities.
- 3.22 We will ask Power NI to submit claims for additional cost items in its response to UR's business plan questionnaire. It will also be asked to identify any activity which is to be discontinued and where spending will not reoccur. Additional OPEX will only be allowed when:

- a) Any net increase in costs is due to exogenous changes in business obligations and is unavoidable; and
- b) Power NI is able to provide compelling evidence for the amounts claimed.

***Cost allocation and adjustments for loss of market share***

3.23 As a final step in the OPEX analysis, it is necessary to deal with two related tasks:

- a) Allocating Power NI's total OPEX between price controlled and non-price controlled customers; and
- b) Adjusting price controlled OPEX for future customer numbers.

3.24 The allocation of costs between price control (domestic) and non-price control (non-domestic) is set as part of the price control determination. In addition, the Licence makes provision for the methodology to be amended during the course of the price control as approved by UR. The current methodology is well established and tested over time. For this price control, we will review the existing methodology and consider whether to continue to use the existing cost drivers or introduce new cost drivers to better allocate costs.

3.25 Adjusting for future customer numbers was reviewed during the last price control review and costs were allocated to a 70% fixed amount and 30% variable amount. We will review this allocation for the draft determination.

3.26 In response to our consultation, respondents:

- a) Highlighted the impact of recent exceptional circumstances (COVID-19, the energy cost shock and inflation shock) on historical costs and the need for careful consideration of these issues when using historical costs to project future costs. Respondents also noted the need to take account of changes in circumstances relating to future energy strategy and net-zero ambitions when assessing future costs and outputs.
- b) Questioned the merits of amending the existing process for determining allowances for bad debt and Printing, Mailing and Agency costs and the impact this would have on promoting efficient delivery.
- c) Highlighted the need for investment in research and development and innovation to meet future energy challenges.

We will consider the issues raised as we develop our draft determination.

## Margin

- 3.27 The other input to the **S<sub>t</sub> term** in Power NI's current price control is an allowance for margin which covers the costs of financing the business and profit. The margin methodology for the current control is based on an amount per customer times the number of customers. However, this is applied as an ex-ante sum in the determination for the terms underpinning the S<sub>t</sub> term.
- 3.28 This margin was last subject to a significant review for the 2014-2017 price control for Power NI. Power NI has argued that the level of margin recovered is no longer appropriate given the increase in costs (for example the increase electricity commodity costs) which it must manage and finance through its business.
- 3.29 Given the length of time since the last significant review, we intend to review the scale of Power NI's margin and the method by which it is recovered as part of this price control. This will include an review of the relationship between risk and reward to determine an appropriate level of margin for the next price control period.
- 3.30 We will consider, the appropriate metric(s) used to assess the margin in respect of the need to finance turn over, recover a return on capital invested and make a reasonable profit. This will include consideration of regulatory precedents and benchmarking as appropriate.
- 3.31 As a first step, we have asked Power NI to submit its own analysis and proposals for future margin with supporting evidence. We will then consider this evidence and undertake further analysis before publishing our proposals on margin for consultation. At the latest, this will form part of our consultation on a draft determination for the price control in August 2024.
- 3.32 In response to our consultation, respondents generally agreed with the need to reassess margin to take account of changing circumstances. The need to ensure that the margin is at the appropriate level to secure the finances of the company while not imposing unnecessary costs on consumers was noted. The need for stakeholders to have adequate information and opportunity to engage with the detail of this review and its proposed outcomes was also raised.

## Treatment of inflation and base year

- 3.33 The current price control uses CPIH as the general measure of inflation which is applied to inflate determined values from base year prices when calculating the maximum allowed unit price of electricity in tariff year prices. The index of October is used for the relevant regulatory year. We intend to



continue to use CPIH as the general measure of inflation for the 2025-2029 price control.

- 3.34 We intend to use the 2022/23 tariff year as the base year for the price control for the submission of regulatory data and statement of determined values.
- 3.35 In response to our consultation, respondents agreed with the continued use of CPIH as a general measure of inflation for the Power NI price control.

### **Consumer service**

- 3.36 We will review and consider the level of service which Power NI provides to consumers as we develop the price control.
- 3.37 The existing Licence makes provision for Power NI to implement UR's 'Consumer Protection Programme', allowing the recovery of its reasonable costs of doing so through the  $E_t$  term. For the draft determination, we will consider whether compliance with this programme should now be embedded in the company's base costs or whether it is necessary to continue to make provision for additional costs under the  $E_t$  term for the current Consumer Protection Programme or future development of it.
- 3.38 In response to our consultation, one respondent noted that it was vital that Power NI receives the necessary allowances to implement and develop the Utility Regulator's Consumer Protection Programme. Another highlighted the need for high levels of engagement and transparency to understand and act on the views and needs of consumers.

### **SMART metering**

- 3.39 The Department for the Economy (DfE) recently conducted an analysis of the costs and benefits of SMART metering for electricity supply and concluded that it would be cost beneficial<sup>8</sup>. Work has begun to develop policies on how SMART metering can be delivered and timeframes for delivery. SMART metering will provide opportunities to develop alternative tariffs to support the use of renewable electricity and shift consumption to reduce network costs. It is likely that SMART metering will begin to be implemented before the end of the current price control. However, at this stage, the scale of SMART meter penetration and the impact it will have on electricity suppliers' reasonable costs is not known. We therefore intend to determine costs for this price control on the basis of business as usual with

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<sup>8</sup> [Northern Ireland Smart Meters - Cost Benefit Analysis Report \(economy-ni.gov.uk\)](https://www.economy-ni.gov.uk/northern-ireland-smart-meters-cost-benefit-analysis-report)

the existing meter stock and make provision for the impact of SMART metering as it is defined through the E<sub>t</sub> term of the Licence.

- 3.40 In response to our consultation, one respondent noted the potential scale of future cost of SMART metering including the technology required to support it and suggested that consideration should be given to start to recover costs now to smooth their recovery and avoid larger tariffs increases in the future. Our initial view is that this would not be practical within the Power NI price control, but will consider the issue further for the draft determination.

## **Equality Considerations**

- 3.41 As a public authority, UR has an obligation arising from Section 75 of the Northern Ireland Act 1998 in relation to the promotion of equality of opportunity between:
- Persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
  - Men and women generally;
  - Persons with disability and persons without; and
  - Persons with dependants and persons without.
- 3.42 UR must also have regard to the promotion of good relations between persons of different religious belief, political opinion or racial groups.
- 3.43 In the development of its policies UR also has a duty to have due regard to the needs of vulnerable customers i.e. individuals who are disabled or chronically sick, individuals of pensionable age, individuals with low incomes and individuals residing in rural areas. Some of the above equality categories will therefore overlap with these vulnerable groupings.
- 3.44 In order to assist with equality screening of the proposals in this approach, our consultation included a request for respondents to provide any information or evidence in relation to the needs, experiences, issues and priorities for different groups which they feel is relevant to the implementation of any of the proposals. In response to the consultation, respondents highlighted the need to protect the vulnerable in society. We take account of the responses as we complete our Section 75 Equality screening and as we develop our draft determination.

## 4. Price Control Timelines

4.1 The following timetable highlights the various stages of the price control and when UR expects each milestone to be achieved.

Date	Milestone
November 2023	Issue draft approach for Power NI SPC25 price control
January 2024	Consultation on approach closes
November 2023	Business Plan Questionnaire issued
January 2023	Business Plan Questionnaire finalised
March 2024	UR publishes final approach for SPC25
March 2024	Business Plan submitted by Power NI
August 2024	UR publishes draft determination for 8 week consultation.
October 2024	Consultation on draft determination closes
December 2024	UR publishes final determination and proposed licence modifications
January 2025	Consultation on licence modifications closes
February 2025	Decision on licence modifications published
April 2025	Licence Modifications become effective

**Table 4.1: Key Milestones for SPC25 Price Control**

4.2 We provided an initial timeline in our consultation. Since then Power NI has confirmed that it will in a position to submit its Business Plan by the end of March and we have adjusted the programme to suit. In response to our consultation, respondents emphasised the need to set a programme which was robust and deliverable. Respondents also emphasised the need for effective engagement and consultation. The revised timeline above takes account of this feedback.