Annual Retail Energy Market Monitoring Report

Period: January – December 2020

Published: 14 October 2021

Abstract

The Annual Retail Energy Market Monitoring report (AREMM) is the latest of a series of Utility Regulator (UR) reports (previously known as the Annual Transparency Report (ATR)) that provide a range of information about the retail energy market in Northern Ireland (NI).

The data relates to market shares, market activity, complaints data and domestic prices in the electricity and gas retail markets. The data also includes information on non-domestic, or industrial and commercial (I&C), electricity prices.

We collect and monitor market information through the Retail Energy Market Monitoring (REMM) framework.

The information shown in this report comes from network companies, suppliers, BEIS (Department for Business, Energy & Industrial Strategy) and Eurostat. Some figures have been calculated internally.

Audience

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

Consumer impact

The information used to produce these reports allows us to monitor the retail market, flag potential concerns and to inform regulatory decisions. All of this directly impacts on consumers.

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.

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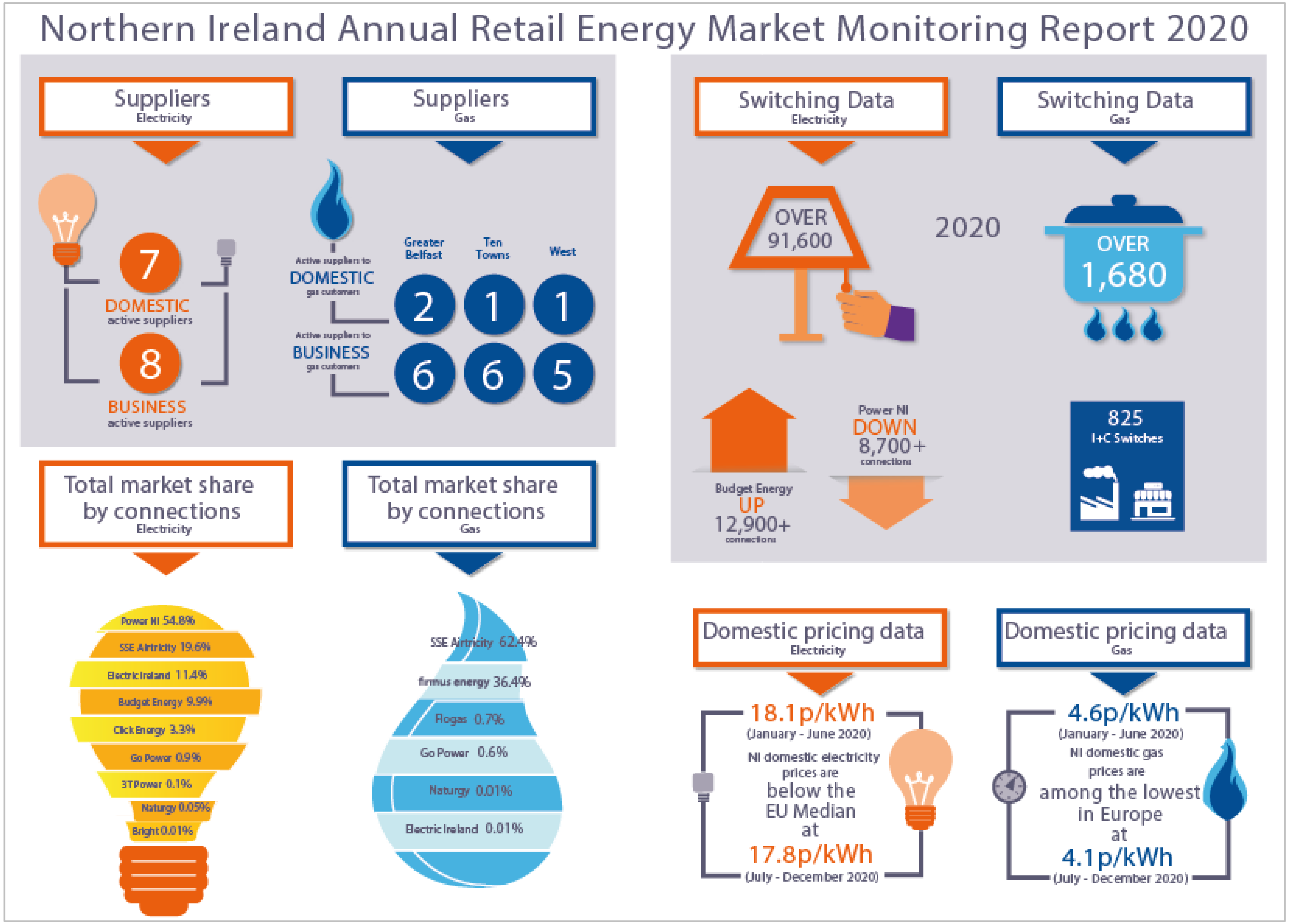
1. Summary of key market indicators



Key developments during 2020

1. The semester 2 (July to December) 2020 electricity pricing data is sourced from Eurostat and individual supplier's submissions under the REMM framework. The pricing data illustrates the following:
   - NI domestic electricity prices (17.8 p/kWh) continue to rank below the UK (18.9 p/kWh) EU median (19.3 p/kWh), and are lower than the Republic of Ireland (23.7 p/kWh).
   - The NI I&C electricity price for the Very Small connections (which represent c72% of I&C connections) is 15.6 p/kWh, which is lower than the EU median (16.4 p/kWh), UK (17.1 p/kWh) and Republic of Ireland (21.4 p/kWh).
   - For Large and Very Large I&C customers (c0.02% of connections) NI prices (9.0p/kWh) are just above RoI (8.3p/kWh) but below the UK (12.2 p/kWh).
2. The domestic gas prices in NI are amongst the lowest in Europe at 4.1 p/kWh. This is less than, UK (4.3 p/kWh), RoI (6.3 p/kWh) and EU median (6.8 p/kWh).
3. Market activity in the electricity domestic and I&C sectors during 2020 continues to illustrate a gradual change in the market dynamics. Power NI (the incumbent price controlled electricity supplier) retain their dominant position with 54.8% of connections in the domestic market with continued growth of the competing suppliers (representing 45.2% of domestic connections, an increase from 43.8% at the end of 2019).
4. Domestic customers continue to engage in the market with over c83,200 domestic switches completed during 2020, an indication that 9.3% of the market is participating. I&C switching activity increased from c7,200 in 2019 to c8,400 in 2020 – an increase of 16.7%.
5. In the gas sector, there was c1,680 switches during 2020. This equates to c850 domestic switches (domestic switching only applies to the Greater Belfast distribution network area) and c820 I&C switches.
6. During 2020, there were over 8,900 electricity complaints made by domestic and I&C customers and 2,900 gas complaints made by customers to their suppliers. The three most common supplier complaints made during 2020 related to: bills, payments and accounts, customer service and prepayment meter issues.

2. Introduction

2.1 The purpose of this report is to deliver transparency for stakeholders and consumers, providing readers with readily accessible information on the evolution and performance of Northern Ireland (NI) electricity and natural gas retail sectors.

2.2 This report (previously known as the Annual Transparency Reports (ATRs)) is one of the tools we use to communicate some of the main indicators we monitor in the retail energy markets. We protect consumers by promoting effective competition wherever appropriate, and by monitoring the markets. Therefore, monitoring the retail markets is key when complying with our statutory duties[1].

Energy suppliers in NI market

	Network Operator							
	NIE Networks		**PNGL**		**FeDL**		**SGN NG**	
	Electricity		Gas Greater Belfast		Gas Ten Towns		Gas West	
	Dom	I&C	Dom	I&C	Dom	I&C	Dom	I&C
Budget Energy	💡	💡						
Click Energy	💡	💡						
Electric Ireland	💡	💡		🔥		🔥		🔥
firmus energy			🔥	🔥	🔥	🔥		🔥
Flogas				🔥		🔥		🔥
Go Power	💡	💡		🔥		🔥		🔥
Power NI	💡	💡						
SSE Airtricity	💡	💡	🔥	🔥		🔥	🔥	🔥
Naturgy		💡		🔥		🔥		
3T Power		💡						
bright	💡							
Suppliers	**7**	**8**	**2**	**6**	**1**	**6**	**1**	**5**

Source: UR

[1] Detail on the background to this report, information sources and methodology is contained in Annex A.

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

2.4 The Ten Towns area opened to gas competition for large I&C customers (those consuming over 732,000 kWh per annum) in October 2012, and to domestic and small I&C customers in April 2015. The first gas connection to the new West [2] gas distribution area was a large I&C user during Q1 2017.

2.5 At the end of 2020 there were **nine** suppliers in the electricity market and **six** suppliers in the gas market although not all of these suppliers are certified to operate in all sectors (or in all gas distribution areas).

2.6 The detail of the dates of entry for the suppliers in each of the retail market segments is available in Annex of this report. For more information about the retail energy market in NI, please visit: https://www.uregni.gov.uk/supply.

[2] It is anticipated that gas in the West distribution area will be developed as per Annex 2, Part 3 of the Scotia Gas Networks Northern Ireland licence.

3. Electricity

Electricity 2020

Total Electricity Connections
(end of Q4 2020)

897,241

823,179
Domestic connections

Domestic Credit = 452,222
Domestic Prepayment = 370,957

74,062
I&C connections

I&C <20 MWh = 53,212
I&C 20 - 49 MWh = 11,669
I&C 50 - 499 MWh = 8,220
I&C 500 - 1,999 MWh = 714
I&C 2,000 - 19,999 MWh = 231
I&C >20,000 MWh = 16

Total Electricity Consumption
(2020)

7,412.9 (GWh)

2,884.7 (GWh)
Domestic consumption

Domestic Credit = 1,646.0 MWh
Domestic Prepayment = 1,238.7 MWh

4,528.2 (GWh)
I&C consumption

I&C <20 MWh = 326.6 GWh
I&C 20 - 49 MWh = 389.6 GWh
I&C 50 - 499 MWh = 1,170.9 GWh
I&C 500 - 1,999 MWh = 717.6 GWh
I&C 2,000 - 19,999 MWh = 1,253.0 GWh
I&C >20,000 MWh = 670.3 GWh

Total Electricity Complaints

8,947

Domestic Electricity Pricing

18.1p/kWh
January - June 2020

17.8p/kWh
July - December 2020

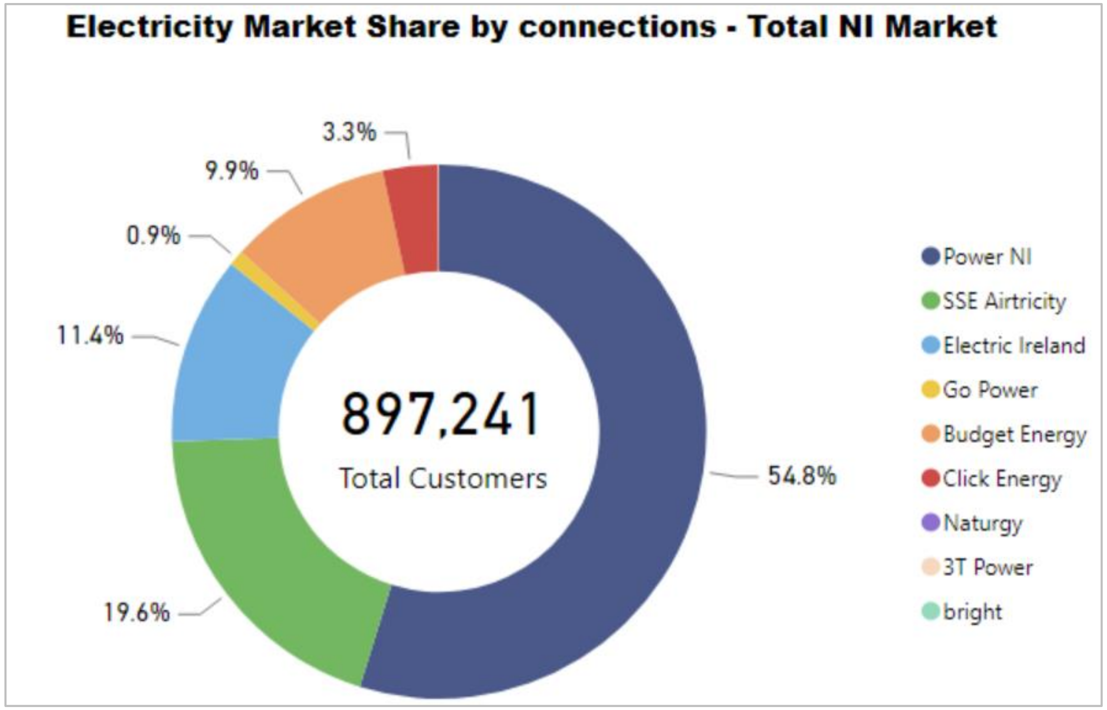
Total Electricity Switches

91,650

Total NI market shares (by connections)

3.1 The chart[3] to the right shows the percentage market share by connections[4] for each electricity supplier at the **end of December 2020**.

3.2 When looking at the electricity retail market as a whole by connections (domestic and I&C customers), Power NI, the incumbent supplier, has the leading position with 54.8% share of the market. This is a decrease in market share of 1.8% when compared to 2019.

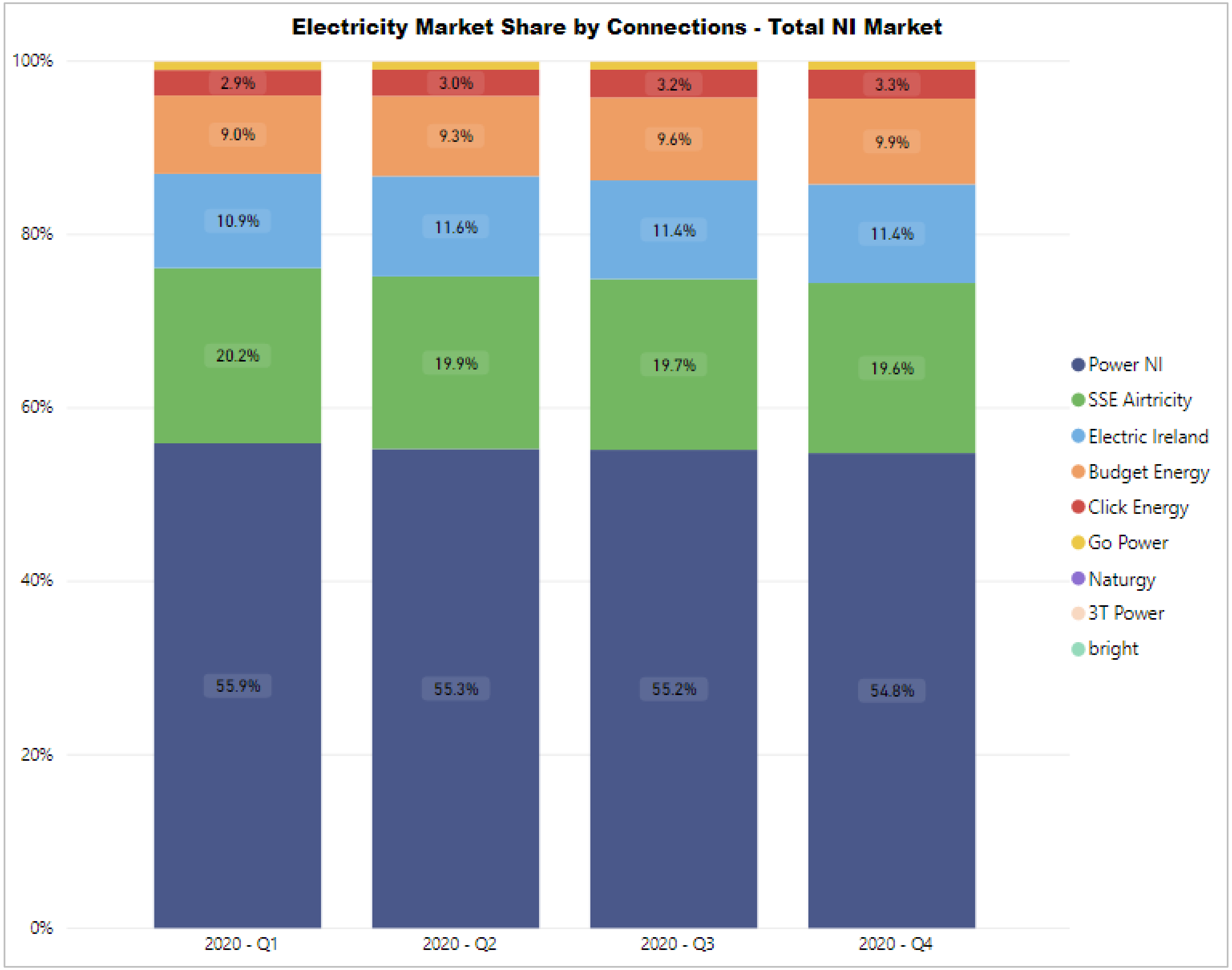


Market Segment	Power NI	SSE Airtricity	Electric Ireland	Budget Energy	Click Energy	Go Power	Naturgy	3T Power	bright	Total Customers
Domestic credit	291,456	97,407	49,429	10,859	2,375	635	0	0	61	452,222
Domestic prepayment	160,211	64,149	42,084	77,213	27,300	0	0	0	0	370,957
I&C < 20 MWh	31,692	10,104	5,672	396	209	4,976	28	135	0	53,212
I&C 20 – 49 MWh	4,902	2,914	2,245	103	28	1,440	3	34	0	11,669
I&C 50 – 499 MWh	3,115	1,292	2,380	44	16	1,137	14	222	0	8,220
I&C 500 – 1,999 MWh	235	89	283	0	2	72	16	17	0	714
I&C 2,000 – 19,999 MWh	76	30	91	0	2	26	3	3	0	231
I&C ≥ 20,000 MWh	3	3	7	0	0	3	0	0	0	16
Total	**491,690**	**175,988**	**102,191**	**88,615**	**29,932**	**8,289**	**64**	**411**	**61**	**897,241**

Data source: NIEN

[3] Please note the percentages in the chart may not tally to 100% as data for some suppliers are not labelled due to the size of their individual market share.
[4] Note that long-term vacant sites are not included in connection numbers, and that combined premises are included in the <20MWh category.

3.3 The bar chart below shows the trends in the market shares (by customer numbers) for each active domestic and I&C supplier in NI for the four quarters of 2020.

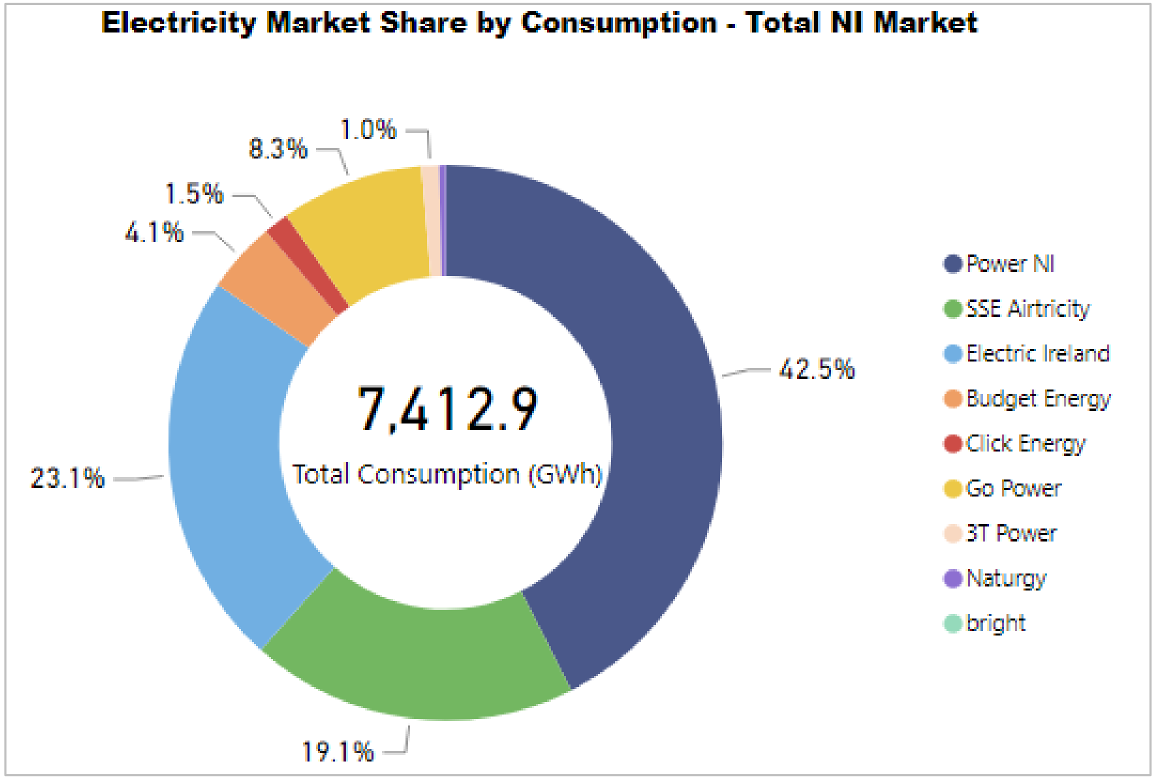


Data source: NIEN

Total NI market shares (by consumption)

3.4 The chart to the right shows the percentage market share by consumption for each electricity supplier for the period **January to December 2020.**

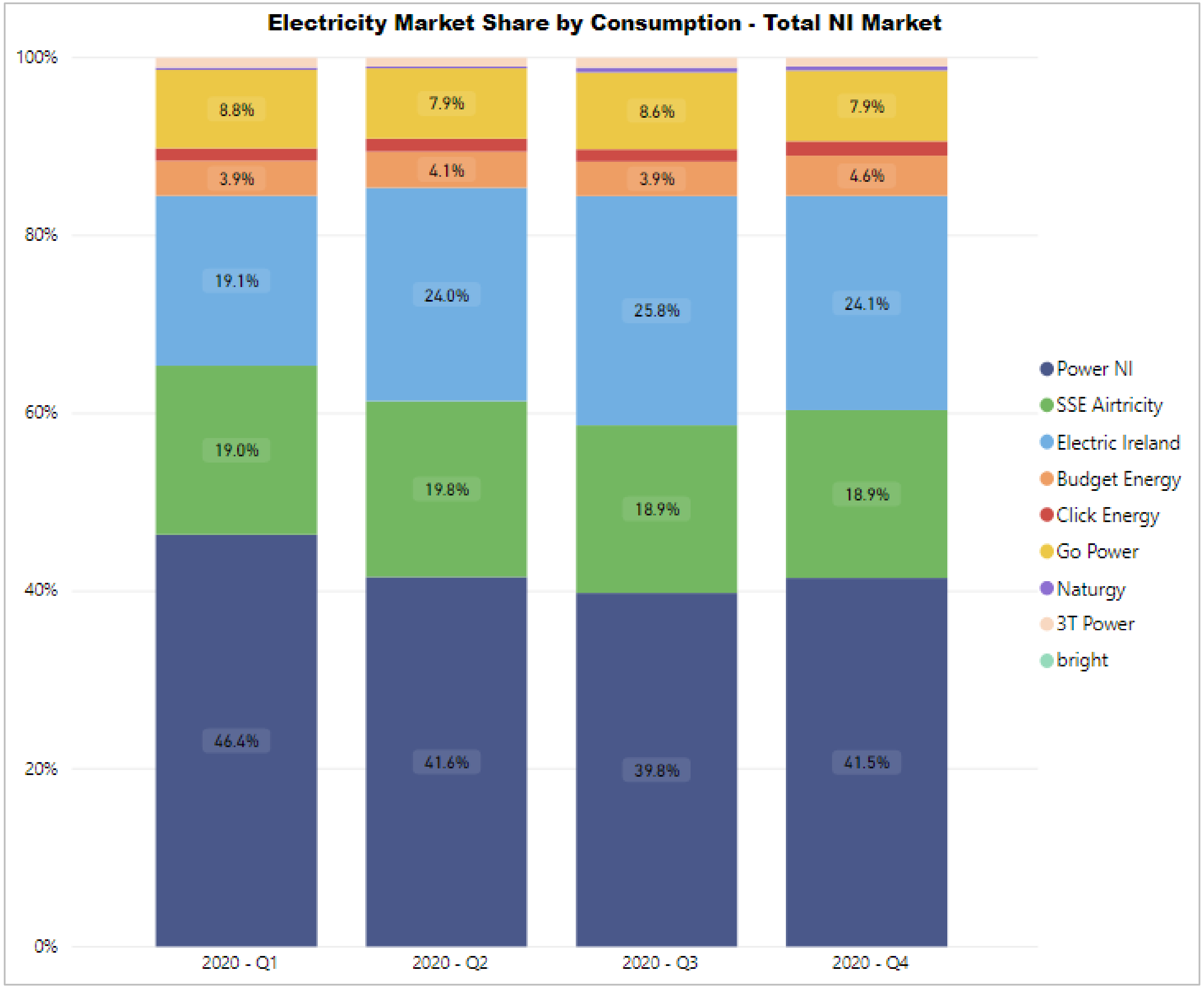
3.5 Electricity consumption in the NI retail market for 2020 was over 7,400 GWh, which indicates a year on year decrease when compared to 7,700 GWh consumed in 2019. Per customer type, domestic consumers consumed 2,884.7 GWh in 2020 and non domestic consumers 4,528.2 GWh.



Market Segment	Power NI	SSE Airtricity	Electric Ireland	Budget Energy	Click Energy	Go Power	3T Power	Naturgy	bright	Total Consumption (GWh)
Domestic credit	1006.9	400.7	184.6	40.2	7.7	5.9	0.0	0.0	0.0	1,646.0
Domestic prepayment	522.4	224.3	152.6	252.5	87.0	0.0	0.0	0.0	0.0	1,238.7
I&C < 20 MWh	184.8	66.0	37.4	2.5	0.9	32.5	2.4	0.1	0.0	326.6
I&C 20 – 49 MWh	179.4	95.2	62.6	3.8	0.8	46.0	1.8	0.1	0.0	389.6
I&C 50 – 499 MWh	467.3	183.8	310.6	5.4	1.9	151.9	47.3	2.8	0.0	1,170.9
I&C 500 – 1,999 MWh	277.6	87.8	225.2	1.1	1.7	90.8	17.9	15.4	0.0	717.6
I&C 2,000 – 19,999 MWh	431.0	184.0	495.4	0.0	9.7	116.6	7.2	9.0	0.0	1,253.0
I&C ≥ 20,000 MWh	80.7	174.5	241.1	0.0	0.0	174.0	0.0	0.0	0.0	670.3
Total	**3150.1**	**1416.3**	**1709.5**	**305.5**	**109.6**	**617.7**	**76.7**	**27.4**	**0.0**	**7,412.9**

Data source: NIEN

3.6 The bar chart below shows the trends in the market shares (by consumption) for each active domestic and I&C supplier in NI for the four quarters of 2020.

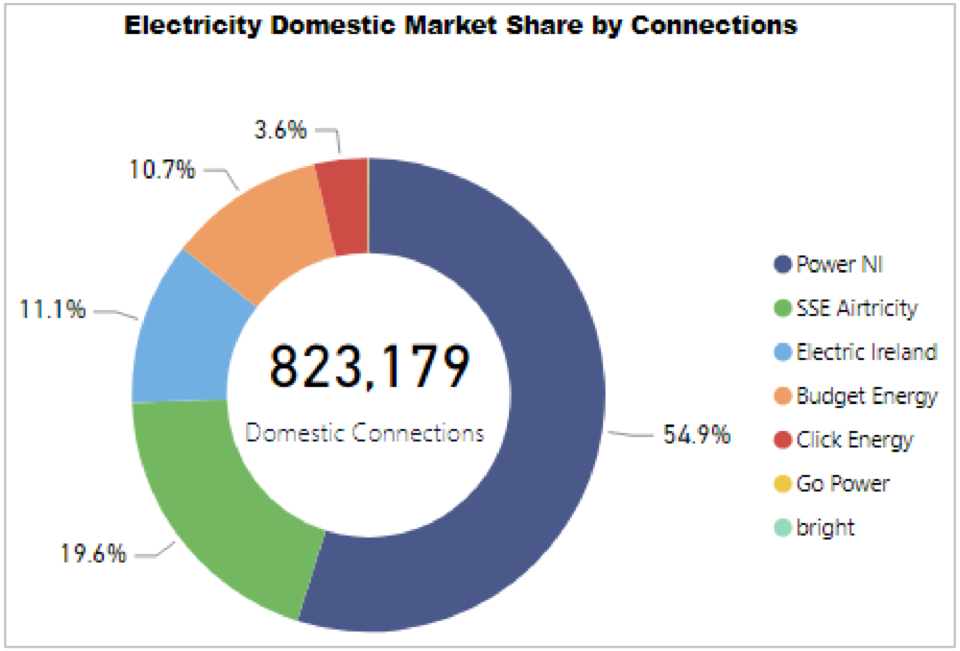


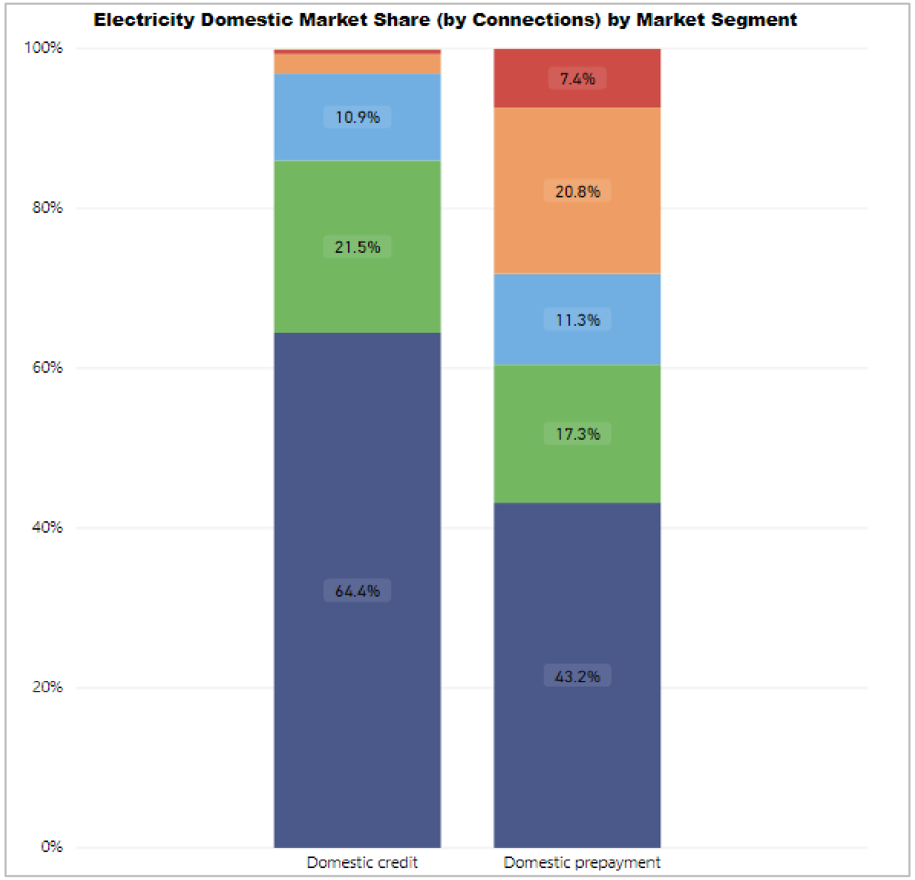
Data source: NIEN

Domestic Market Analysis (by connections)

3.7 This section of the report provides a more detailed analysis of the electricity domestic market, by connections.

3.8 At the end of 2020, the non-incumbents represented 45% of total domestic connections in NI (an increase from 44.3% at the end of 2019).



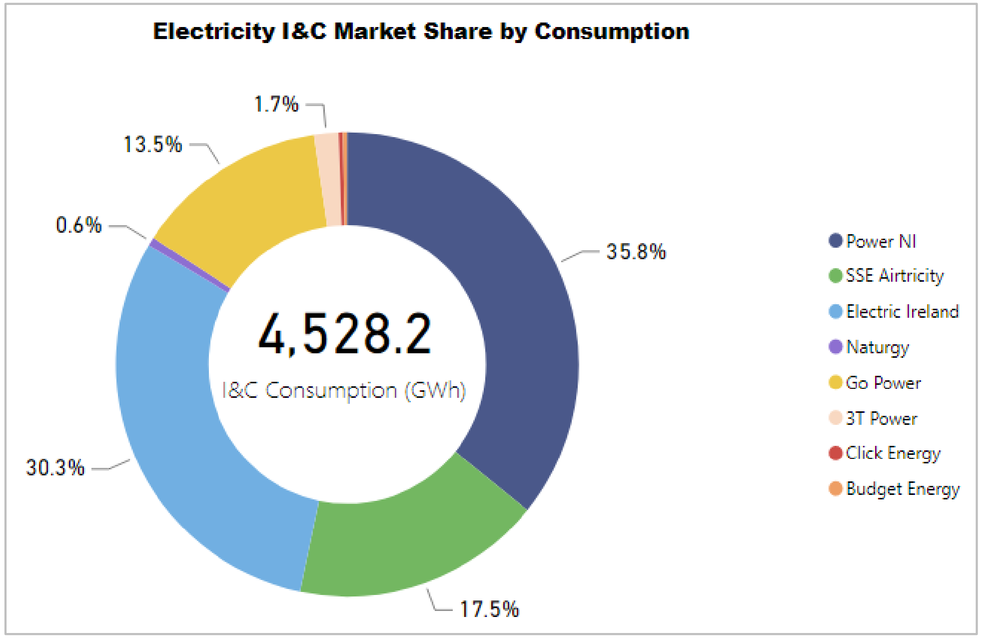


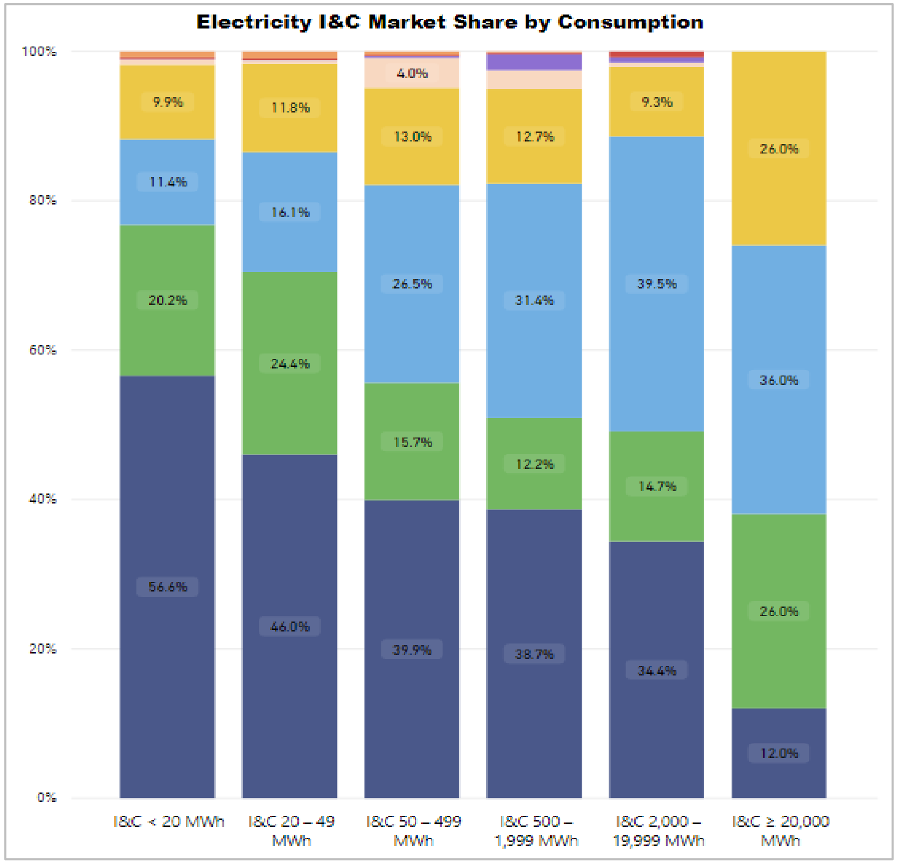
Market Segment	Power NI	Power NI %	SSE Airtricity	SSE Airtricity %	Electric Ireland	Electric Ireland %	Budget Energy	Budget Energy %	Click Energy	Click Energy %	Go Power	Go Power %	bright	bright %	Total Customers	Total Customers %
Domestic prepayment	160,211	35%	64,149	40%	42,084	46%	77,213	88%	27,300	92%	0	0%	0	0%	370,957	45%
Domestic credit	291,456	65%	97,407	60%	49,429	54%	10,859	12%	2,375	8%	635	100%	61	100%	452,222	55%
Total	**451,667**		**161,556**		**91,513**		**88,072**		**29,675**		**635**		**61**		**823,179**	

Data source: NIEN

I&C Market Analysis (by consumption)

3.9 This section of the report provides a more detailed analysis of the electricity I&C market, by consumption. I&C consumption for the period January to December 2020 was over c4,500 MWh, a decrease of 7.6% when compared to 2019 (c4,800 MWh).





Market Segment	Power NI	SSE Airtricity	Electric Ireland	Go Power	3T Power	Naturgy	Click Energy	Budget Energy	Total Consumption (GWh)
I&C < 20 MWh	184.8	66.0	37.4	32.5	2.4	0.1	0.9	2.5	326.6
I&C 20 – 49 MWh	179.4	95.2	62.6	46.0	1.8	0.1	0.8	3.8	389.6
I&C 50 – 499 MWh	467.3	183.8	310.6	151.9	47.3	2.8	1.9	5.4	1,170.9
I&C 500 – 1,999 MWh	277.6	87.8	225.2	90.8	17.9	15.4	1.7	1.1	717.6
I&C 2,000 – 19,999 MWh	431.0	184.0	495.4	116.6	7.2	9.0	9.7	0.0	1,253.0
I&C ≥ 20,000 MWh	80.7	174.5	241.1	174.0	0.0	0.0	0.0	0.0	670.3
Total	**1,620.8**	**791.3**	**1,372.3**	**611.8**	**76.7**	**27.4**	**15.0**	**12.9**	**4,528.2**

Data source: NIEN

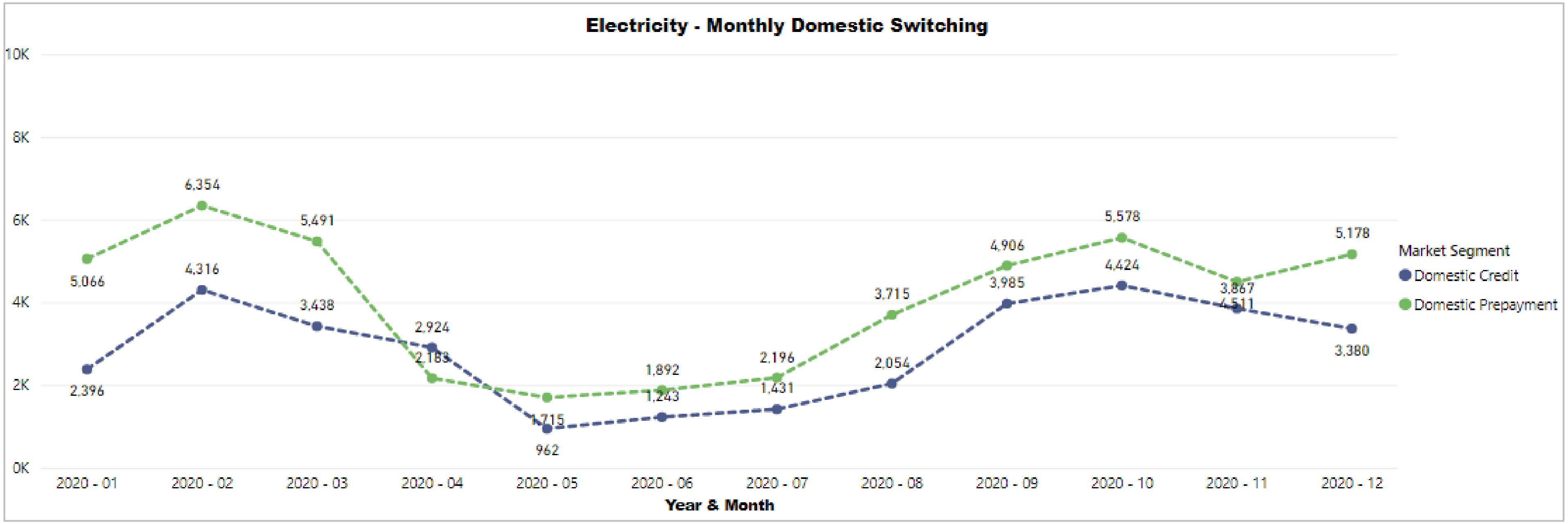
Market activity (Switching)

3.10 The table below shows the total market activity through changes of supplier (CoSs) on a quarterly basis for the domestic and I&C sectors including the quarterly switching rate[5]. The total number of switches in 2020 was 91,650.

Switching rate – Total NI Market				
Quarter	**2020 – Q1**	**2020 – Q2**	**2020 – Q3**	**2020 – Q4**
No. of switches	28,323	16,248	18,974	28,105
Switching rate (%)	3.2%	1.8%	2.1%	3.1%

Data source: NIEN

3.11 The graph below shows the number of domestic switches, split by domestic credit and domestic prepayment on a monthly basis.



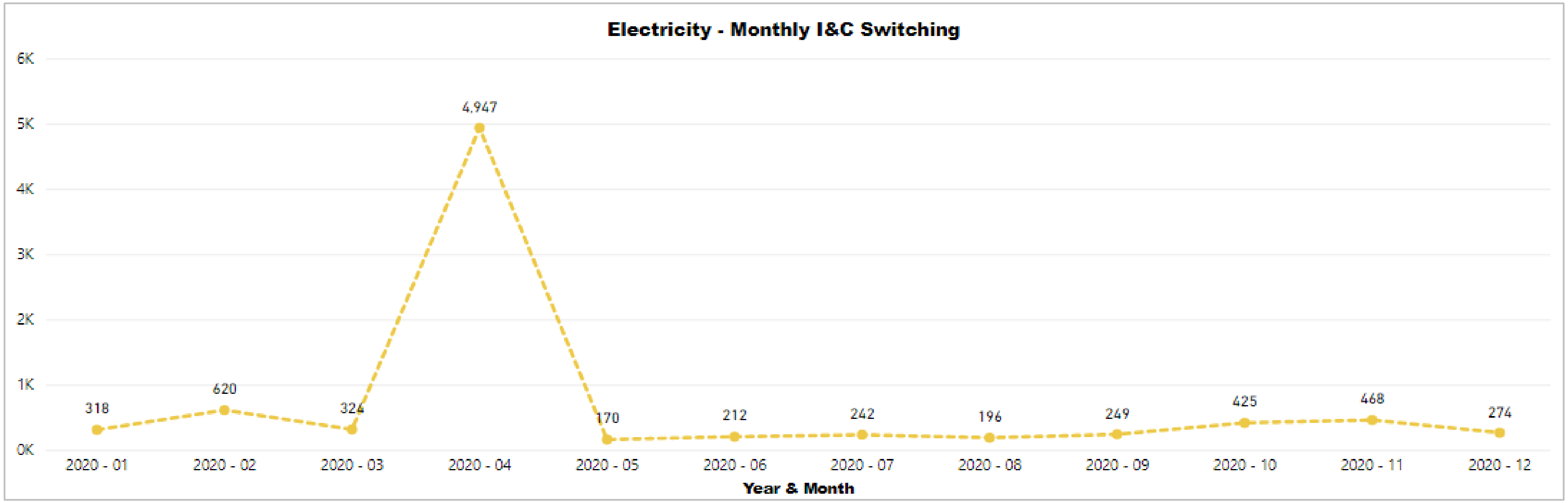
Data source: NIEN

[5] The switching rate percentages are calculated using the number of quarterly switches divided by the number of customers at the end of the quarter in the relevant market.

3.12 The table below shows the total domestic switches and switching rate for each of the four quarters for 2020.

Switching rate – Domestic market				
Quarter	2020 – Q1	2020 – Q2	2020 – Q3	2020 – Q4
No. of switches	27,061	10,919	18,287	26,938
Switching rate (%)	3.3%	1.3%	2.2%	3.3%

3.13 The graph below shows the number of I&C switches on a monthly basis, and the table details the total switches and switching rate for each of the four quarters for 2020



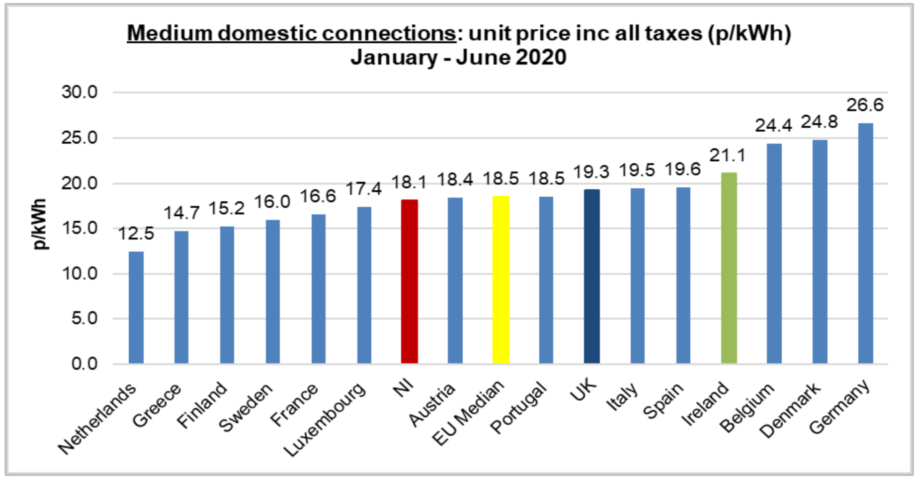
Switching rate – I&C market				
Quarter	2020 – Q1	2020 – Q2	2020 – Q3	2020 – Q4
No. of switches	1,262	5,329	687	1,167
Switching rate (%)	1.7%	7.2%	0.9%	1.6%

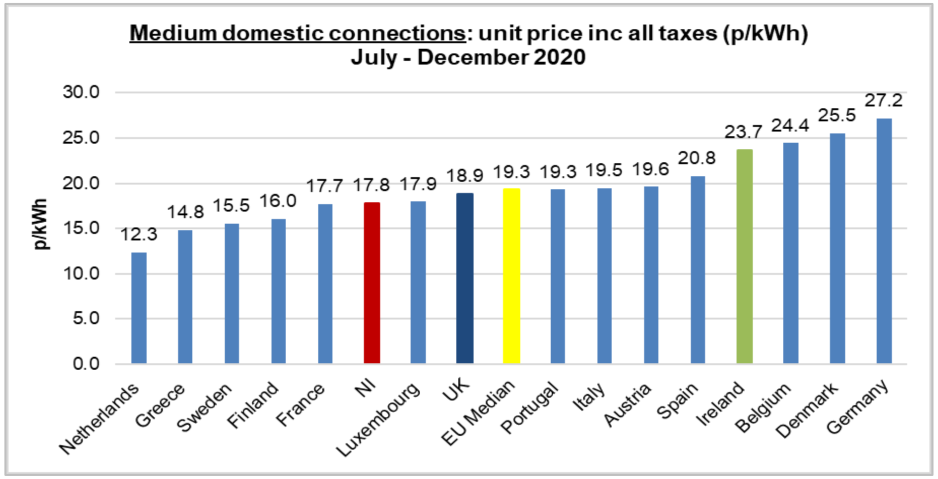
Data source: NIEN

4. Electricity Pricing – 2020

Domestic Electricity Pricing

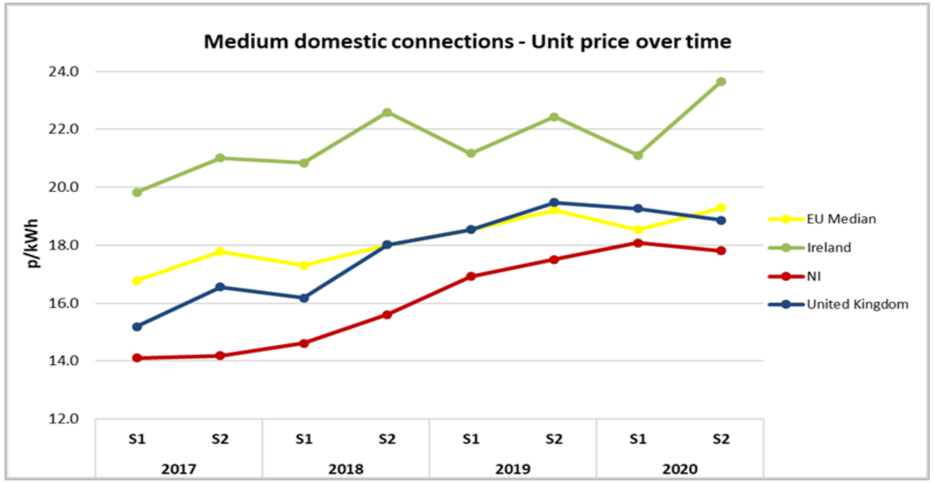
4.1 **<u>Domestic price</u> comparison with EU:** In the domestic graph shown below, we use unit prices which include Climate Change Levy (CCL) and include VAT as this reflects the final prices paid by domestic Customers. The medium sized domestic customers (annual consumption of between 2,500 and 4,999 kWh) have been selected for the purpose of analysis, as this consumption category reflects the majority of domestic customers in NI.





4.2 In semester 1 and semester 2 2020 the NI price was below the UK, EU median and considerably less than RoI.

4.3 The third graph shows the Medium domestic connections unit price (inc all taxes) over the last four years compared to the EU median, UK and ROI.



Source: NI electricity suppliers, BEIS, Eurostat and UR internal calculations

I&C Electricity Pricing

4.4 **<u>I&C price</u> comparison with EU**: These graphs show I&C electricity prices in the 15 EU[6] countries (converted to GBP) and in NI, per consumption size bands (following standard EU categorisation). The I&C graphs use unit prices which include Climate Change Levy (CCL) but exclude VAT, as VAT is a refundable expense for many businesses. This reflects the final prices paid by I&C customers. We amalgamate the two largest categories of annual consumption (large and very large connections) to avoid any confidentiality issues in sectors where there are a small number of customers and suppliers involved.

4.5 In S1 2020, for the Very Small I&C Category the NI prices are lower than the rest of the UK, the EU median and significantly lower than RoI (c69% of I&C connections in NI were in this size category in this semester). For large and very large I&C customers (c0.02% of connections) NI prices are just above RoI and the EU median but lower than the UK.

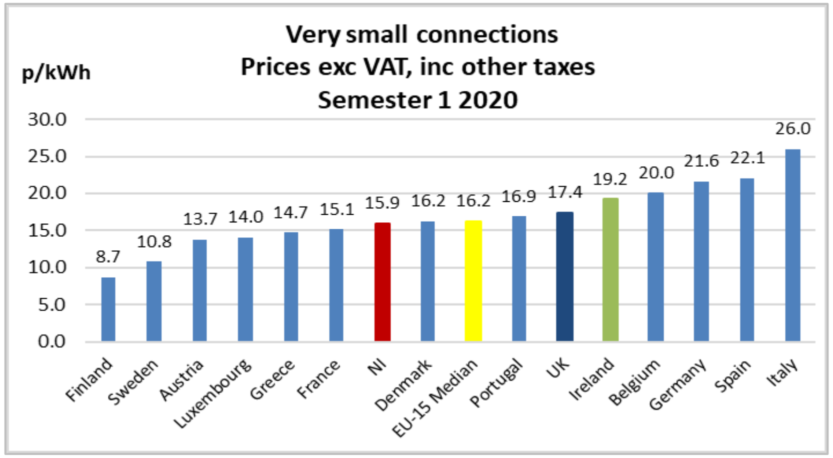
4.6 In S2 2020, for the Very Small I&C Category the NI prices are lower than the EU median and significantly lower than RoI (c72% of I&C connections in NI were in this size category in this semester). For large and very large I&C customers (c0.02% of connections), NI prices are just above RoI but are below the UK.

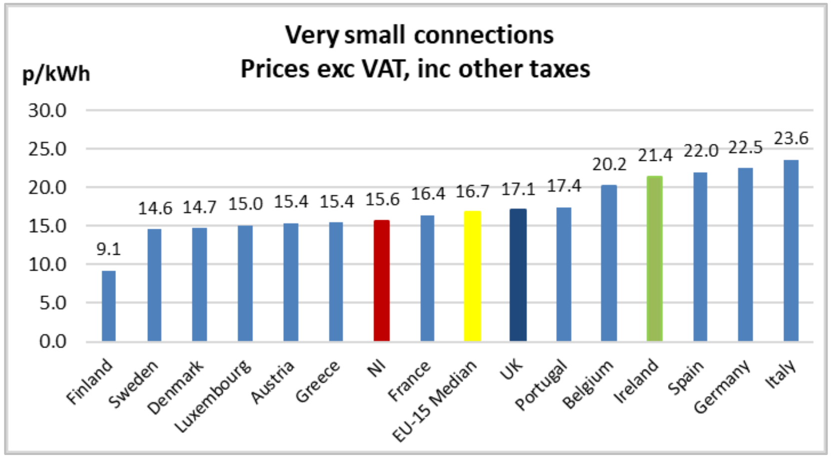
End of Q2 2020 (Semester 1 2020)	Size of Customer	Annual Consumption bands (MWh)	% of I&C connections	% of I&C consumption	I&C connection numbers
	Very small	< 20	68.6%	7.0%	50,628
	Small	20 – 499	30.0%	32.0%	22,139
	Small / Medium	500 – 1,999	1.0%	15.5%	9,281
	Medium	2,000 – 19,999	0.3%	29.8%	761
	Large & Very Large	>20,000	0.02%	15.7%	18

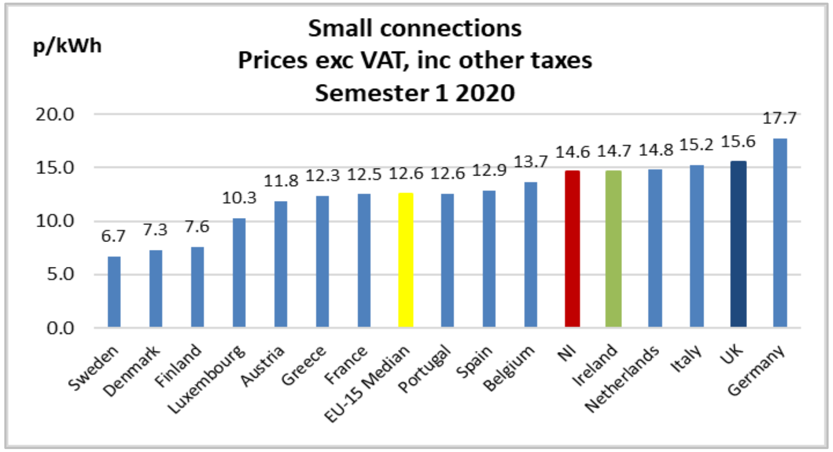
End of Q4 2020 (Semester 2 2020)	Size of Customer	Annual Consumption bands (MWh)	% of I&C connections	% of I&C consumption	I&C connection numbers
	Very small	< 20	71.8%	8.0%	53,212
	Small	20 – 499	26.9%	35.7%	19,889
	Small / Medium	500 – 1,999	1.0%	15.5%	714
	Medium	2,000 – 19,999	0.3%	26.8%	231
	Large & Very Large	>20,000	0.02%	14.0%	16

Source: NIEN

[6] Some graphs do not include all 15 EU countries due to availability of data from Eurostat or BEIS.


Very small connections
Prices exc VAT, inc other taxes
Semester 1 2020
p/kWh
30.0
25.0
20.0
15.0
10.0
5.0
0.0
8.7
10.8
13.7
14.0
14.7
15.1
15.9
16.2
16.2
16.9
17.4
19.2
20.0
21.6
22.1
26.0
Finland
Sweden
Austria
Luxembourg
Greece
France
NI
Denmark
EU-15 Median
Portugal
UK
Ireland
Belgium
Germany
Spain
Italy


Very small connections
Prices exc VAT, inc other taxes
p/kWh
30.0
25.0
20.0
15.0
10.0
5.0
0.0
9.1
14.6
14.7
15.0
15.4
15.4
15.6
16.4
16.7
17.1
17.4
20.2
21.4
22.0
22.5
23.6
Finland
Sweden
Denmark
Luxembourg
Austria
Greece
NI
France
EU-15 Median
UK
Portugal
Belgium
Ireland
Spain
Germany
Italy


Small connections
Prices exc VAT, inc other taxes
Semester 1 2020
p/kWh
20.0
15.0
10.0
5.0
0.0
6.7
7.3
7.6
10.3
11.8
12.3
12.5
12.6
12.6
12.9
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14.6
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17.7
Sweden
Denmark
Finland
Luxembourg
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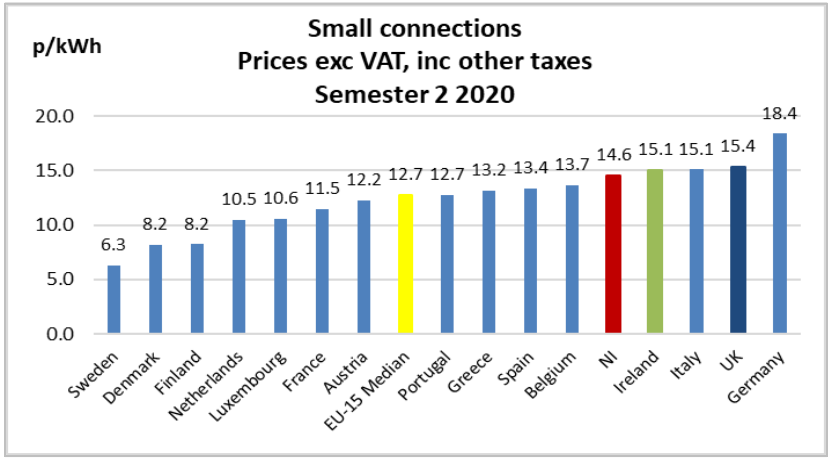
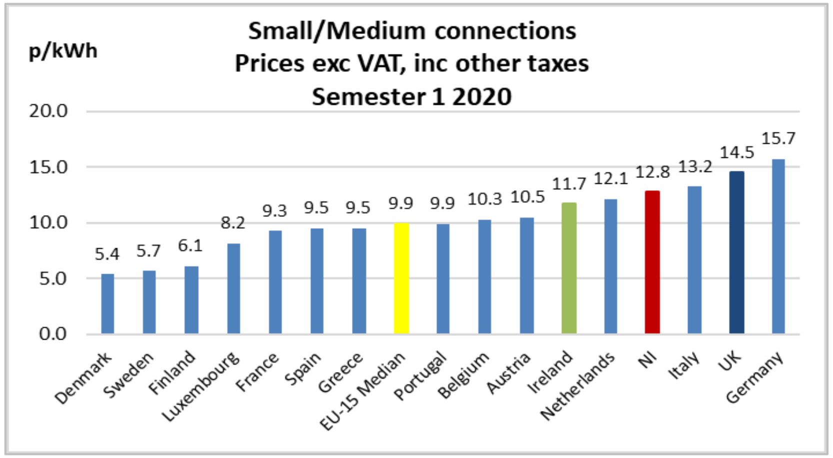
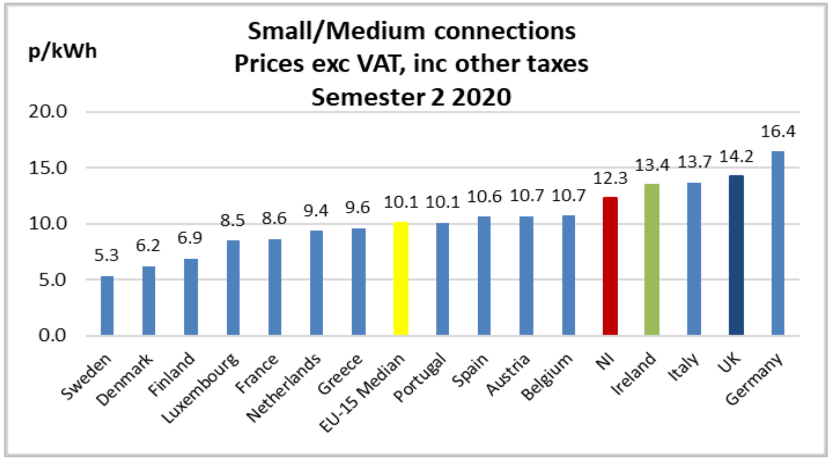
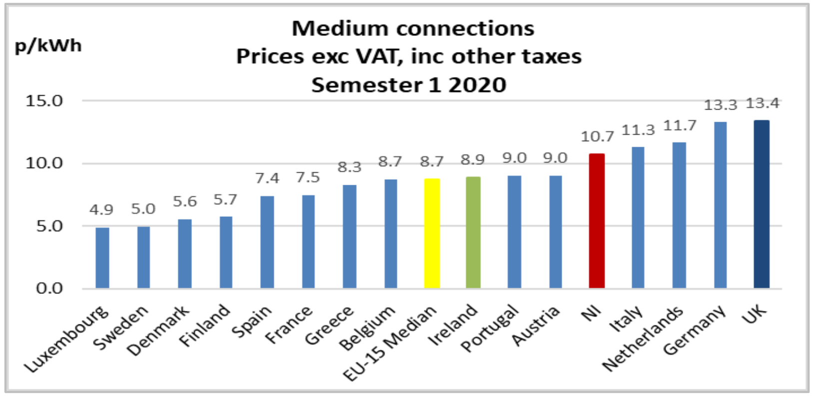
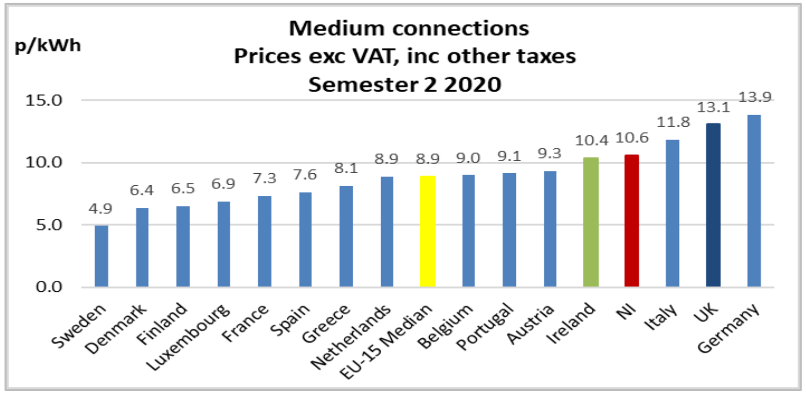
UK
Germany

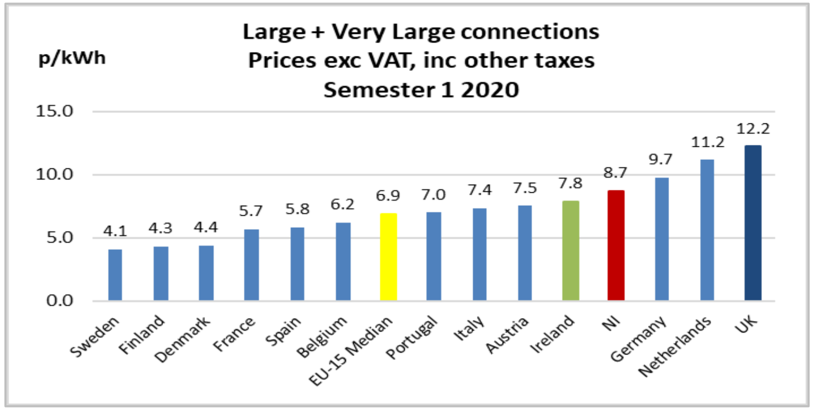

Small connections
Prices exc VAT, inc other taxes
Semester 2 2020
p/kWh
20.0
15.0
10.0
5.0
0.0
6.3
8.2
8.2
10.5
10.6
11.5
12.2
12.7
12.7
13.2
13.4
13.7
14.6
15.1
15.1
15.4
18.4
Sweden
Denmark
Finland
Netherlands
Luxembourg
France
Austria
EU-15 Median
Portugal
Greece
Spain
Belgium
NI
Ireland
Italy
UK
Germany

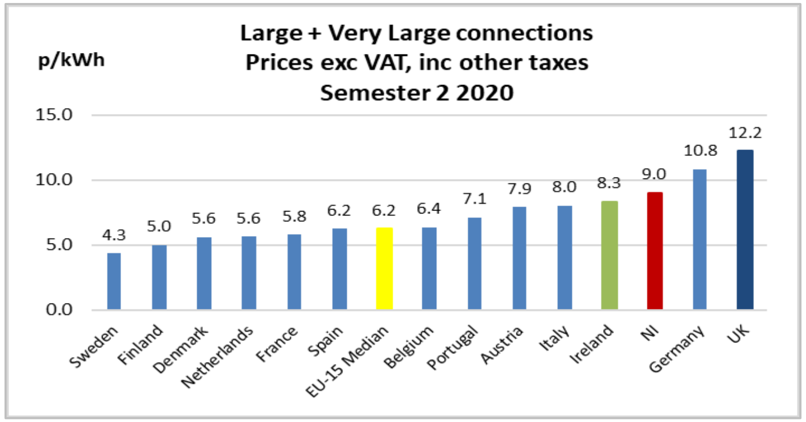

Small/Medium connections
Prices exc VAT, inc other taxes
Semester 1 2020
p/kWh
20.0
15.0
10.0
5.0
0.0
5.4
5.7
6.1
8.2
9.3
9.5
9.5
9.9
9.9
10.3
10.5
11.7
12.1
12.8
13.2
14.5
15.7
Denmark
Sweden
Finland
Luxembourg
France
Spain
Greece
EU-15 Median
Portugal
Belgium
Austria
Ireland
Netherlands
NI
Italy
UK
Germany


Small/Medium connections
Prices exc VAT, inc other taxes
Semester 2 2020
p/kWh
20.0
15.0
10.0
5.0
0.0
5.3
6.2
6.9
8.5
8.6
9.4
9.6
10.1
10.1
10.6
10.7
10.7
12.3
13.4
13.7
14.2
16.4
Sweden
Denmark
Finland
Luxembourg
France
Netherlands
Greece
EU-15 Median
Portugal
Spain
Austria
Belgium
NI
Ireland
Italy
UK
Germany

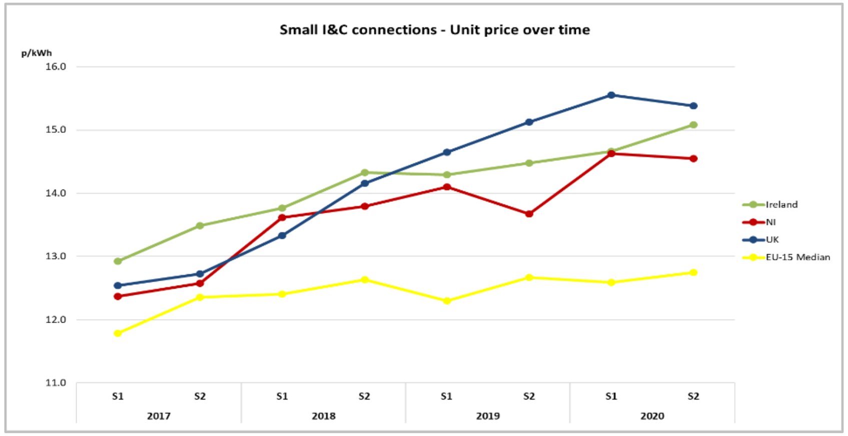


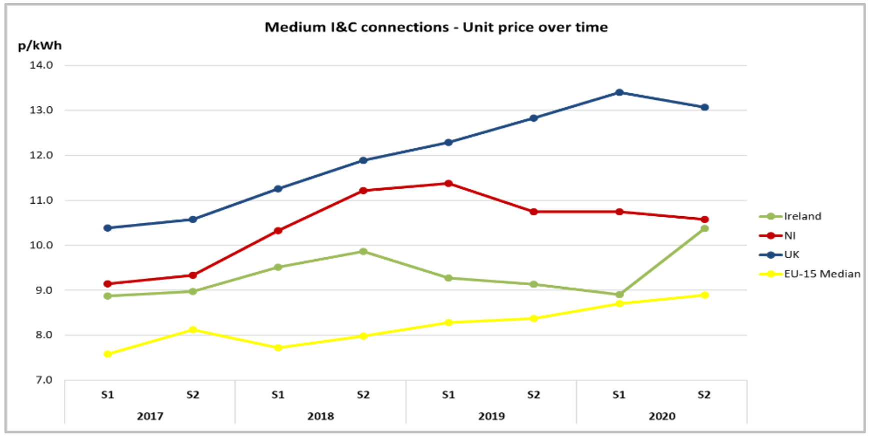






4.7 The graphs below show the unit price over time for the Small and Medium I&C groups which have the majority percentage share of I&C sector, by consumption.





Source: NI electricity suppliers, BEIS, Eurostat and UR internal calculations

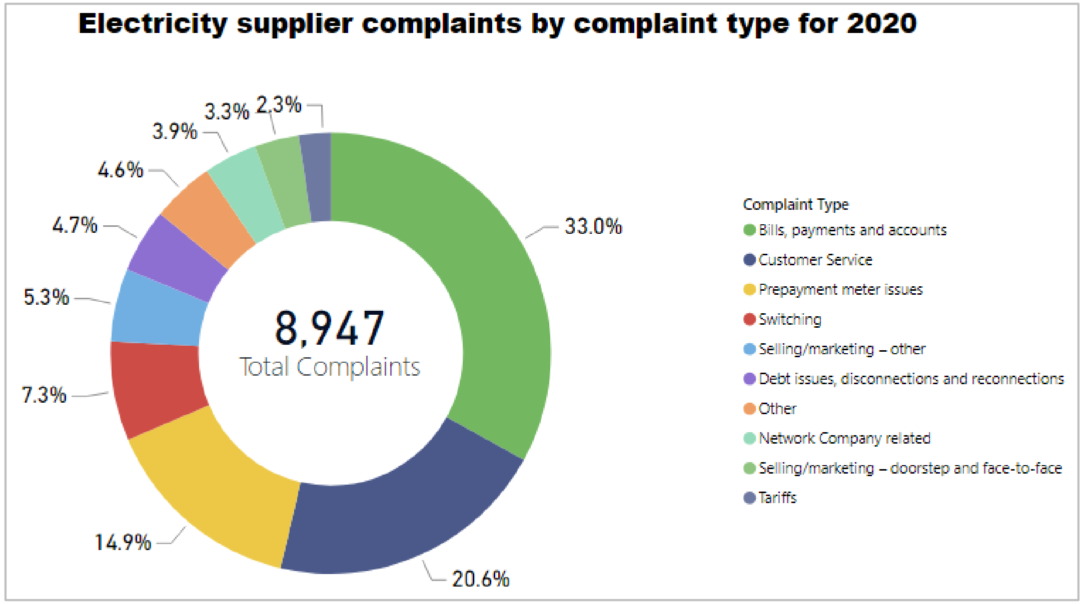
5. Electricity Supplier Complaints

5.1 This section of the report provides readers with information in relation to electricity supplier complaints collated in 2020. The definition of a complaint is outlined in our Code of Practice minimum standards on complaints handling[7]. The complaints data is provided by electricity suppliers as per the REMM framework[8] [9].

Total Supplier Complaints

5.2 The table below shows the total number of complaints received by suppliers during 2020, per complaint type, for domestic and I&C customers. The corresponding graph to the right shows the percentage breakdown of the type of complaints made to suppliers during 2020 for all customers. The total number of electricity complaints has increased from 5,341 in 2019 to 8,947 in 2020.

Complaint Type	No. of domestic complaints	No. of I&C complaints	No. of Total complaints
Bills, payments and accounts	2,766	188	2,954
Customer Service	1,772	75	1,847
Prepayment meter issues	1,336	0	1,336
Switching	622	29	651
Selling/marketing – other	469	9	478
Debt issues, disconnections and reconnections	337	83	420
Other	389	21	410
Network Company related	302	49	351
Selling/marketing – doorstep and face-to-face	287	5	292
Tariffs	178	30	208
Total	**8,458**	**489**	**8,947**



Source: Suppliers

5.3 The three most common electricity supplier complaints made during 2020 related to: bills, payments and accounts (33%), customer service (21%) and prepayment meter issues (15%) which is a similar profile to the complaints in 2019.

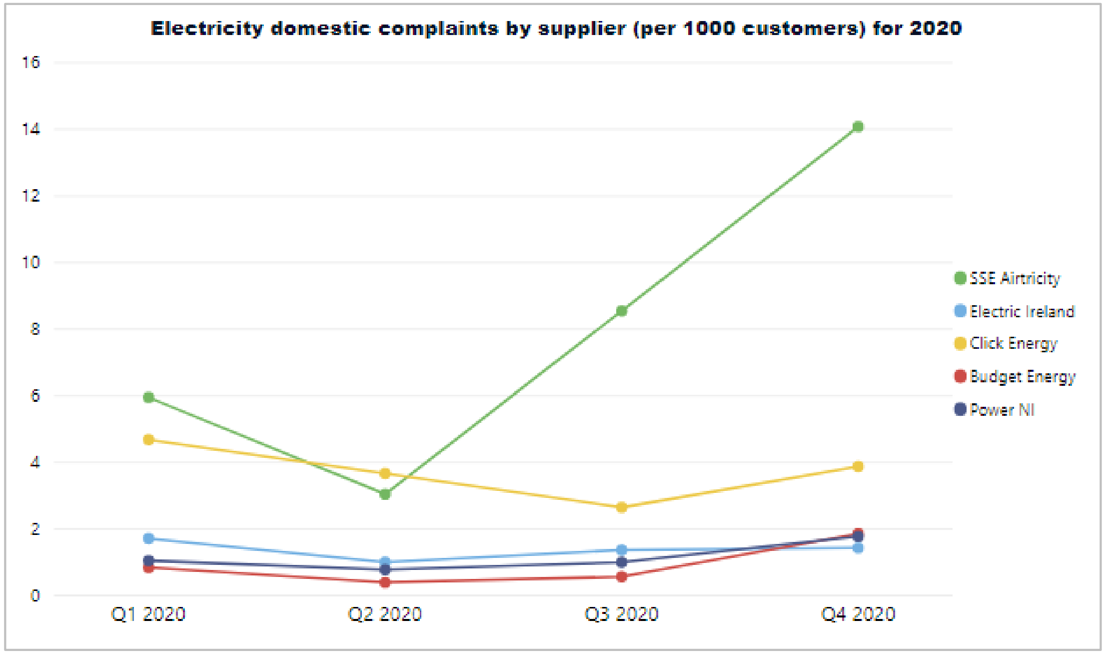
[7] A complaint is: "*The expression (through various possible channels: letter, email, phone call or physical claim) of a person's dissatisfaction*" as defined in the Code of Practice minimum standards on complaint handling (June 2015)

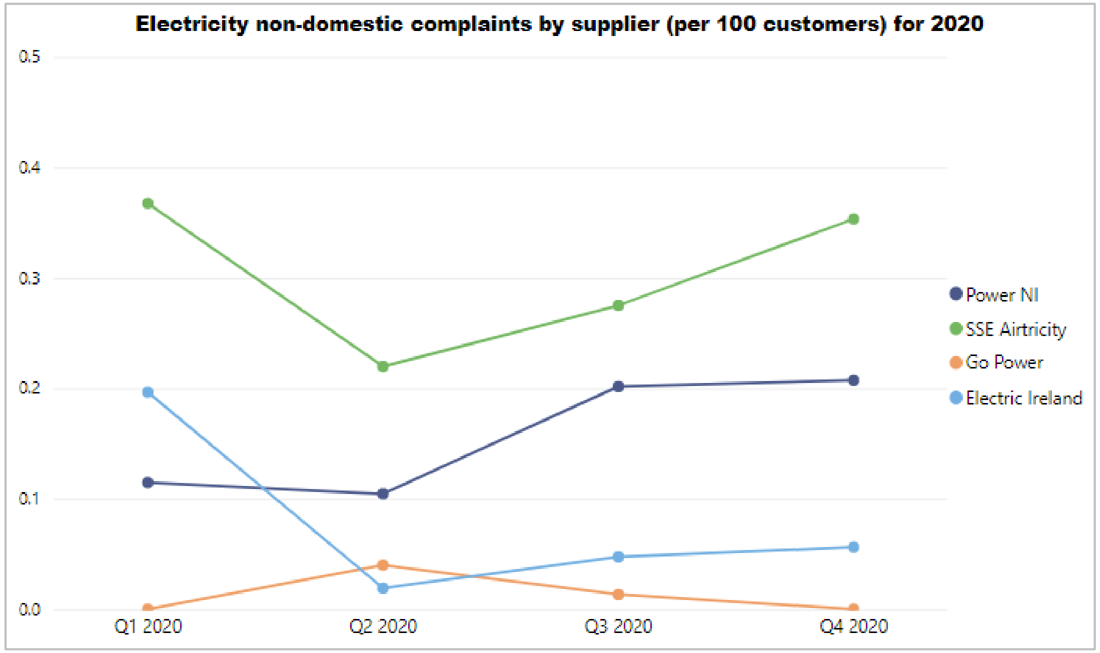
[8] REMM final decisions paper (June 2015)

[9] CCNI have a statutory duty to deal with customer complaints which they publish each year: CCNI Enquires and Complaints annual report 2020/21

Supplier complaints (per customer numbers)

5.4 In order to effectively compare electricity suppliers and the number of complaints received in relation to their total customer numbers, the graphs below show the number of complaints received by each supplier in relation to their customer base (per 1000 customers for domestic and per 100 customers for non-domestic)[10]. This is split over the four quarters of 2020.



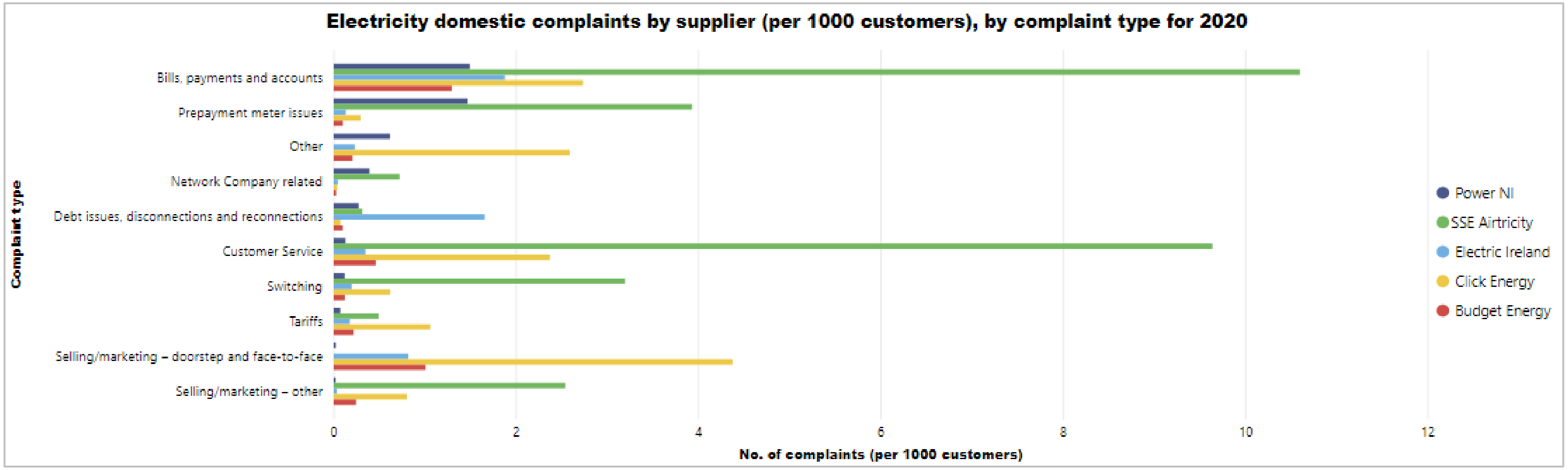


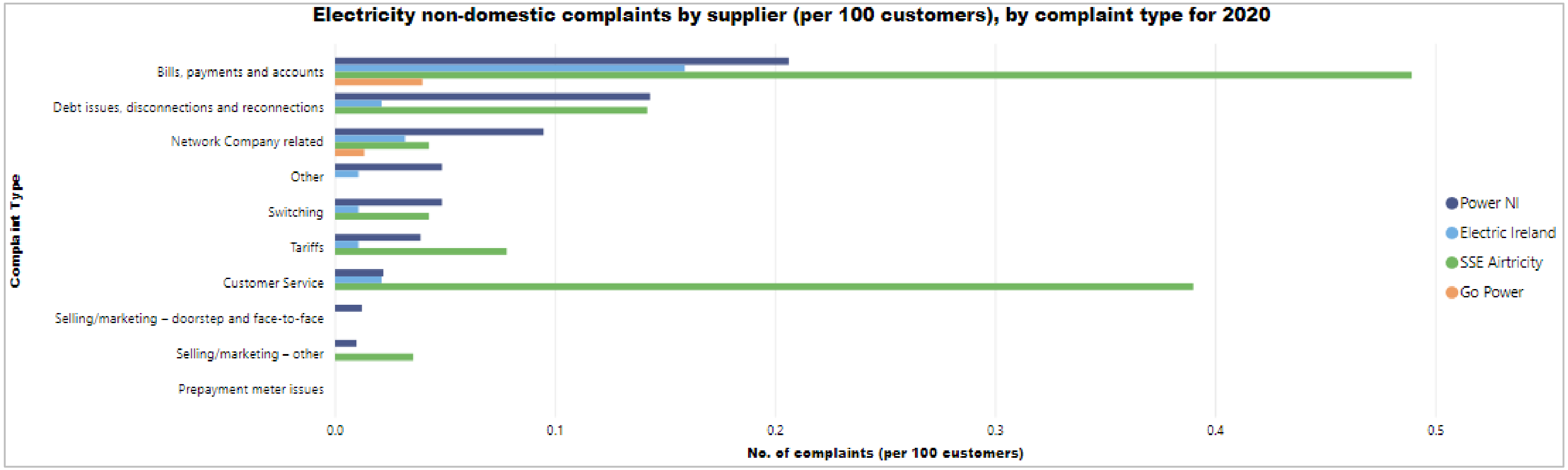
Source: Suppliers

[10] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

Supplier complaints by complaint type (per customer numbers)

5.5 The graphs below show the number of complaints received by suppliers (per 1000 domestic customers and per 100 I&C customers)[11], for each complaint type. This analysis is based on the supplier's average number of customers during 2020.





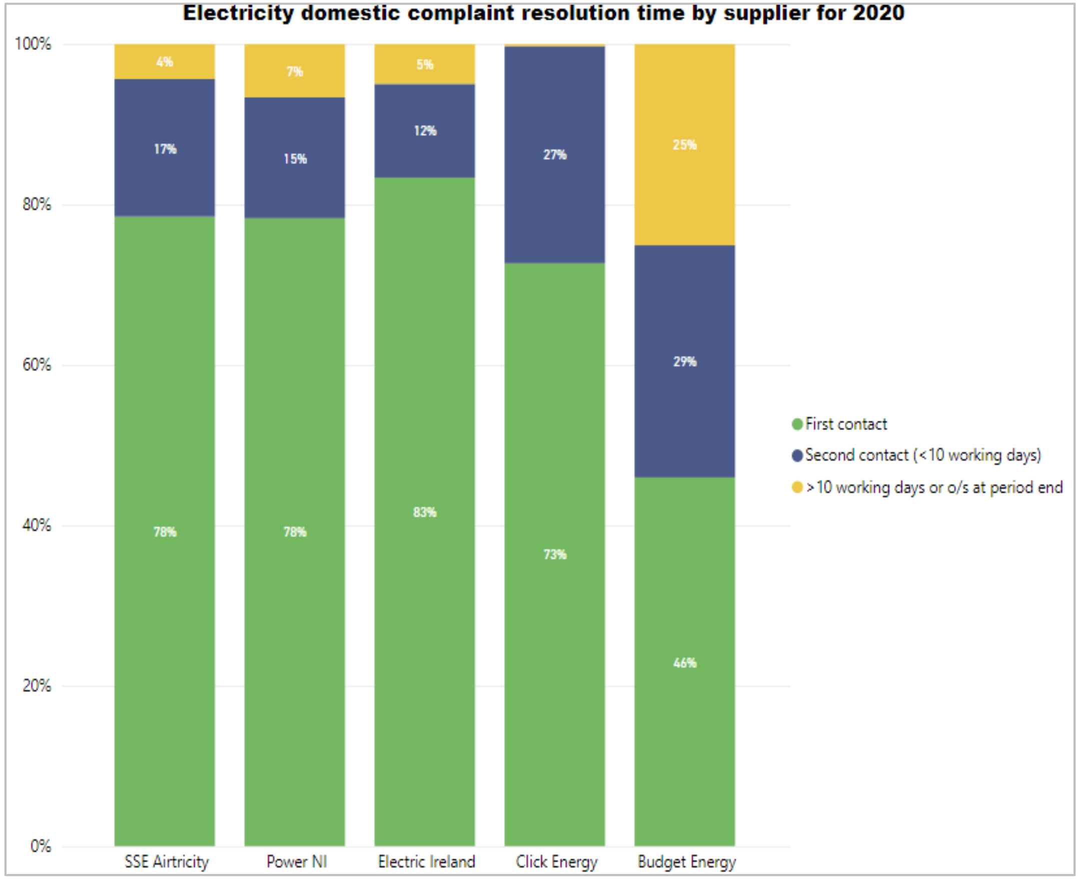
Source: Suppliers

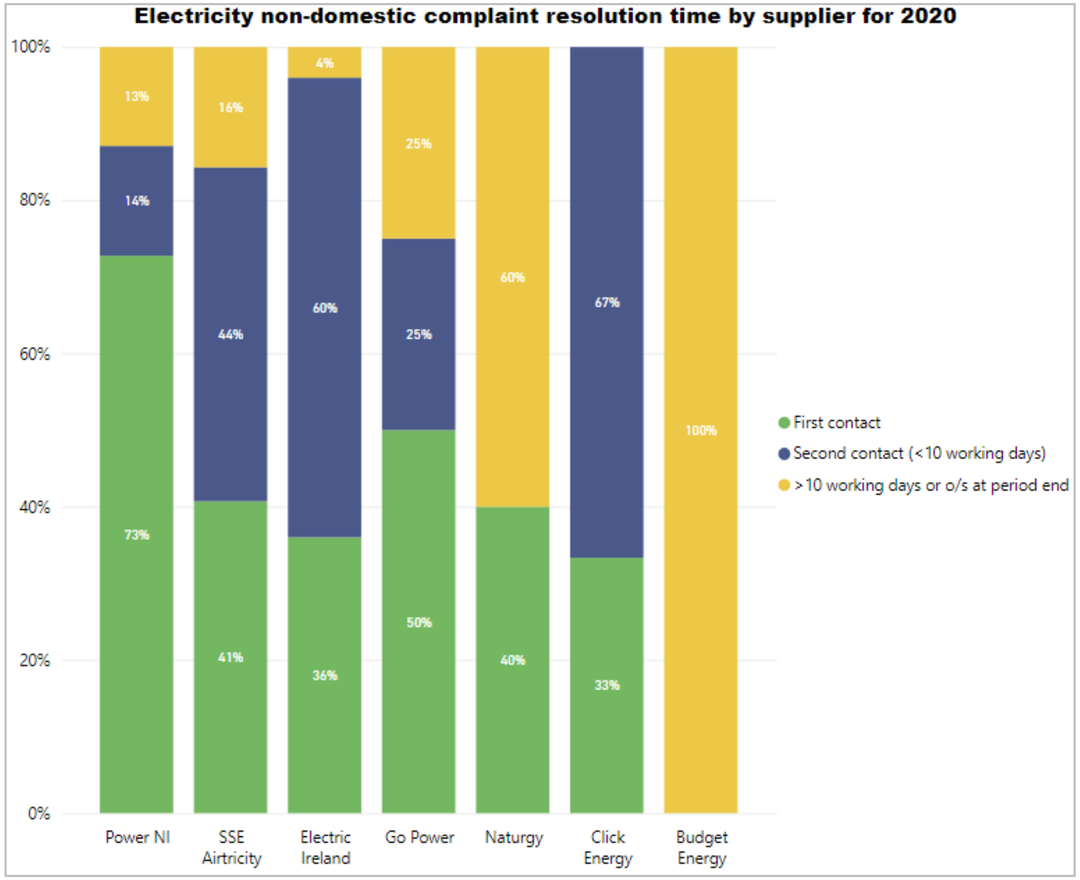
[11] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

Supplier complaints by resolution time

5.6 Of the total supplier complaints received during 2020, the graphs below provide an indication of how quickly complaints are resolved by suppliers[12]. There are three categories[13] in this analysis:

1. Resolved at first stage of contact
2. Resolved at second (or further) stage of contact, and within 10 working days.
3. Resolved greater than 10 working days or still outstanding at period end.





Source: Suppliers

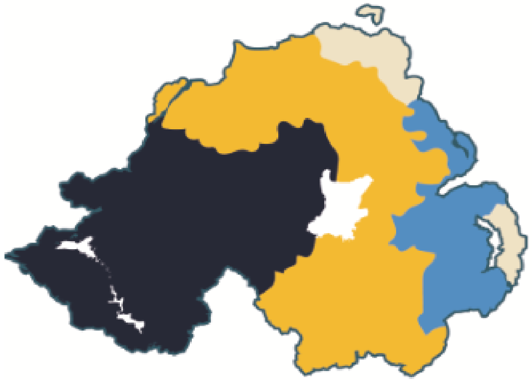
[12] Those suppliers with no complaints reported during the period are excluded from the graphs. Bright have also been excluded as they entered the market December 2020.
[13] Suppliers are required to record complaints in their REMM submissions to the UR as per the category definitions outlined in the [REMM final decisions paper (June 2015)] for complaint resolution times.

6. Gas[14]

GAS 2020

Total Gas Connections
(end of Q4 2020)
286,558

Total Gas Consumption
(2020)
7,217,558.4 (MWh)



West
Connections = 1,327

West
Consumption = 697,670 (MWh)

G.Belfast
Connections = 230,679

G. Belfast
Consumption = 4,648,068 (MWh)

Ten Towns
Connections = 54,552

Ten Towns
Consumption = 1,871,820 (MWh)

Total Gas Complaints
2,900

Domestic Gas Pricing
4.6 p/kWh (January - June 2020)
4.1 p/kWh (July - December 2020)

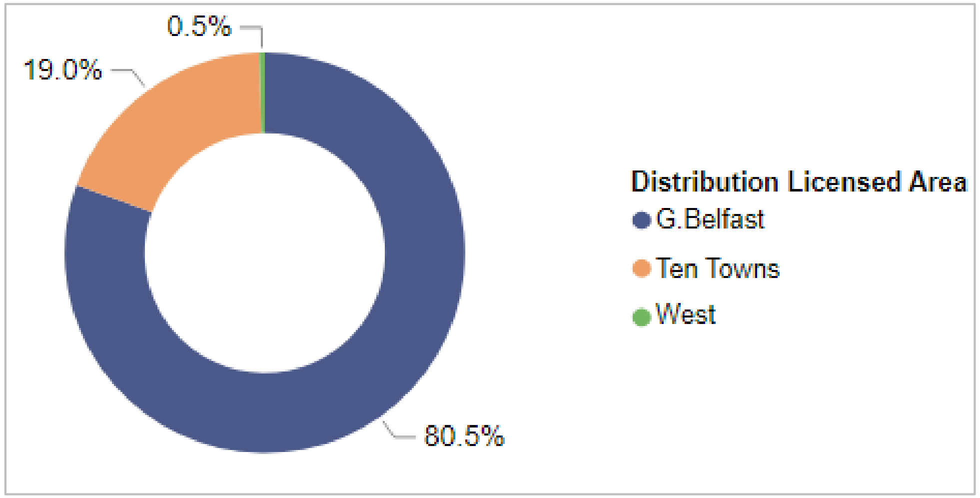
Total Gas Switches
1,686

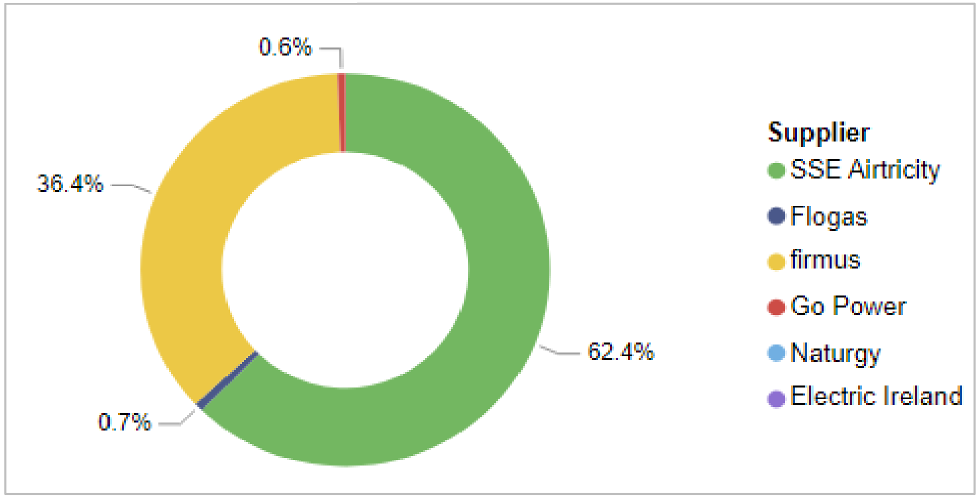
[14] Section 5 consolidates the gas connection, consumption and switching data from the three gas distribution areas (where applicable).

Total NI market share (by connections)

6.1 This section provides information on the connection numbers, by supplier, in all three-distribution areas. The market shares in terms of connections[15] are as at the end of Q4 2020.

Gas Market Share by Connections - Total NI Market





Distribution Licensed Area	Market segment	SSE Airtricity	firmus	Flogas	Go Power	Naturgy	Electric Ireland	Total Connections
G.Belfast	Domestic Only	170,706	48,561	0	7	0	0	219,274
G.Belfast	I&C Only	6,330	2,313	1,455	1,282	18	7	11,405
Ten Towns	Domestic Only	0	51,745	0	0	0	0	51,745
Ten Towns	I&C Only	352	1,620	539	286	1	9	2,807
West	Domestic Only	1,283	0	0	0	0	0	1,283
West	I&C Only	16	8	15	3	0	2	44
Total		**178,687**	**104,247**	**2,009**	**1,578**	**19**	**18**	**286,558**

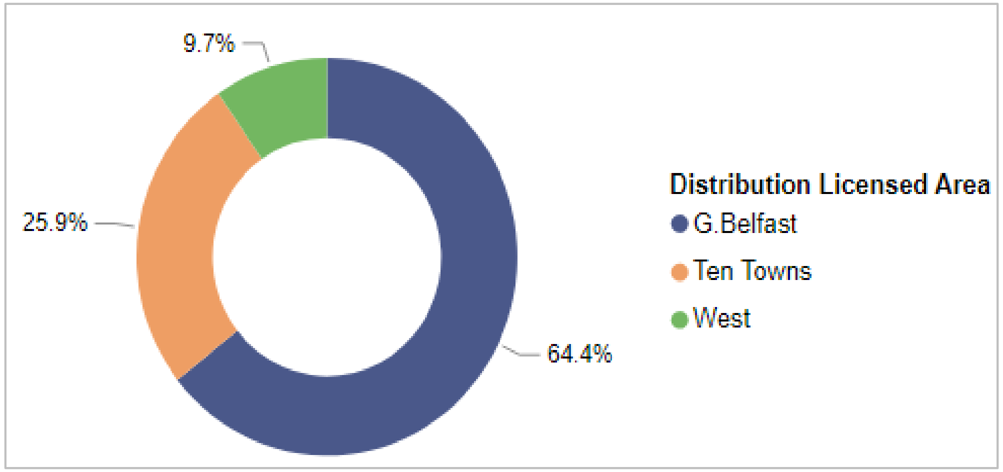
Data source: PNGL / FeDL / SGN NG

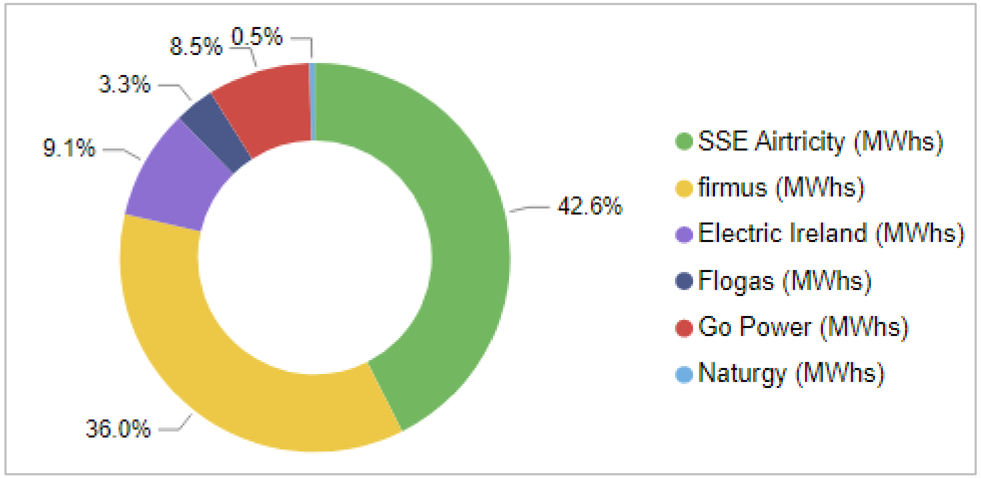
[15] Please note the percentages in the chart may not tally to 100% as the data for some suppliers are not reflected due to the size of their individual market share.

Total NI market share (by consumption)

6.2 The pie chart below shows the total gas consumption[16] in NI for the period **January to December 2020**, with a breakdown by distribution area. Total consumption of the period shows an increase of 6.4% when compared to 2019.

Gas Market Share by Consumption - Total NI Market



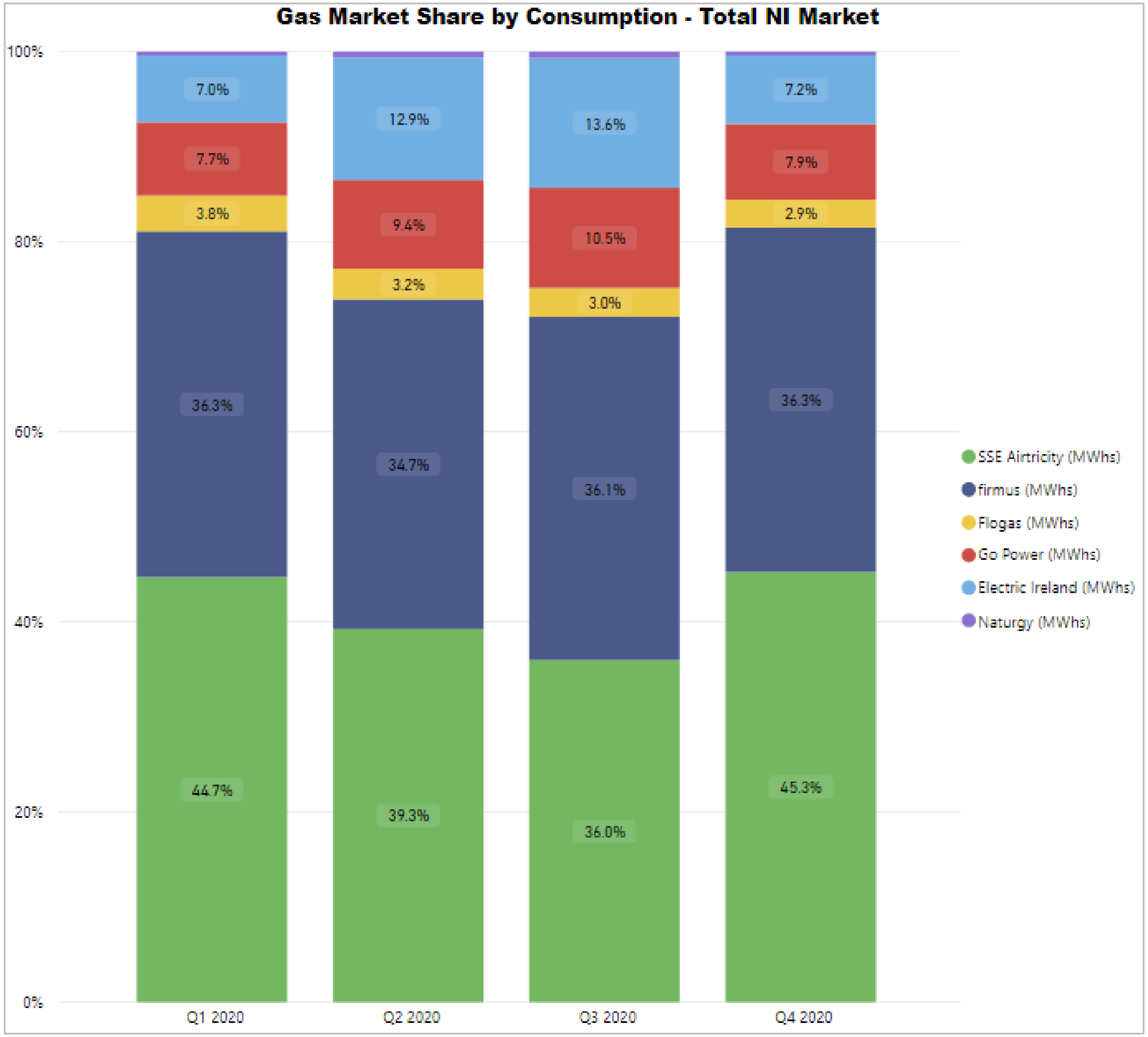


Distribution Licensed Area	SSE Airtricity (MWhs)	firmus (MWhs)	Electric Ireland (MWhs)	Naturgy (MWhs)	Go Power (MWhs)	Flogas (MWhs)	Total Consumption (MWhs)
G.Belfast	2,712,282.4	1,187,631.5	124,176.4	26,777.5	440,149.7	157,050.8	4,648,068.3
Ten Towns	335,236.1	1,234,150.4	124,863.8	8,058.1	95,165.0	74,346.7	1,871,820.1
West	27,582.3	176,076.6	409,490.8	0.0	78,114.4	6,405.9	697,670.0
Total	**3,075,100.7**	**2,597,858.6**	**658,531.0**	**34,835.6**	**613,429.1**	**237,803.4**	**7,217,558.4**

Data source: PNGL / FeDL / SGN NG

[16] Gas consumption presented in this QREMM is in MWh.

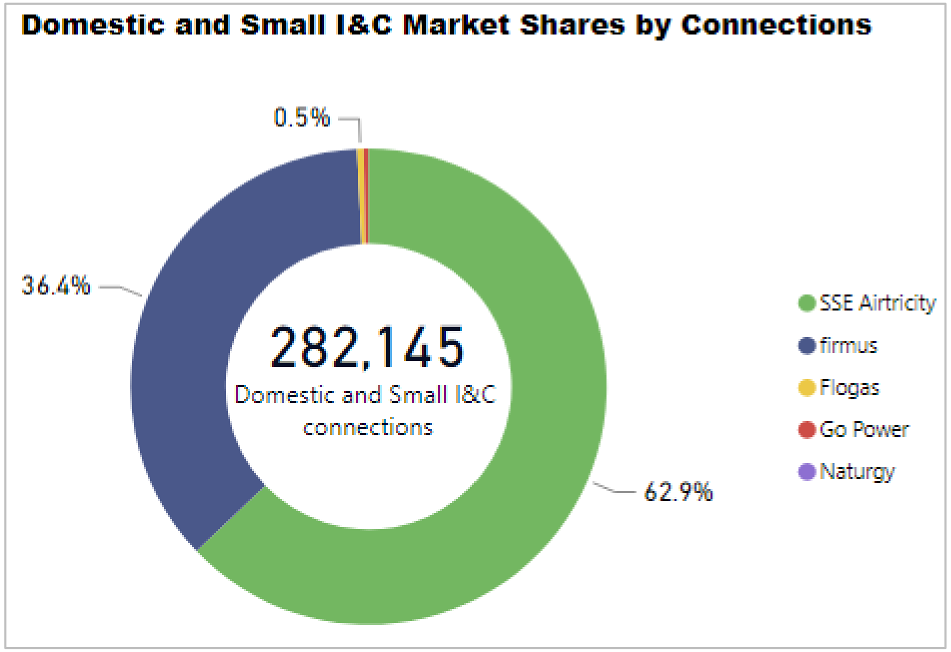
6.3 The bar chart below shows the trends in the market shares (by consumption) for each active domestic and I&C supplier in NI for the four quarters of 2020.

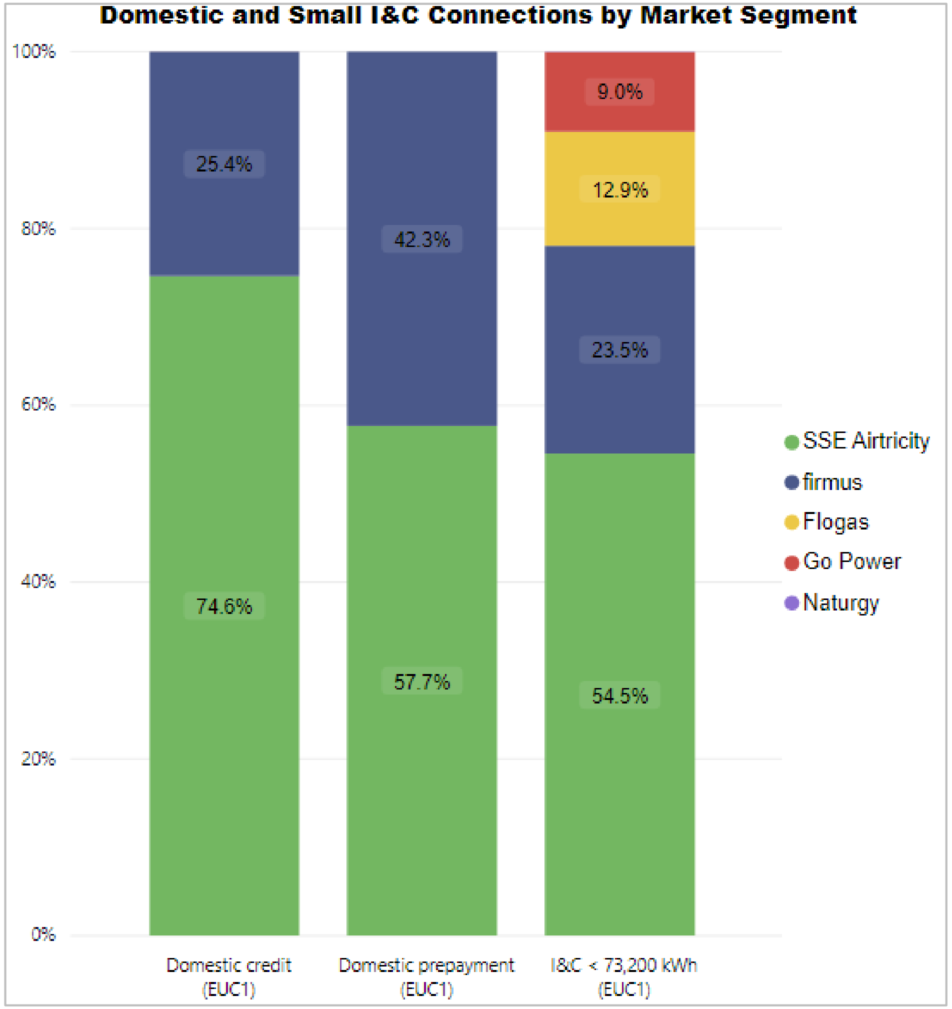


Data source: PNGL / FeDL / SGN NG

Domestic and Small I&C analysis (by connections)

6.4 This section of the report provides a more detailed analysis of the gas **domestic and small I&C sector**[17], by connections (at the end of Q4 2020).





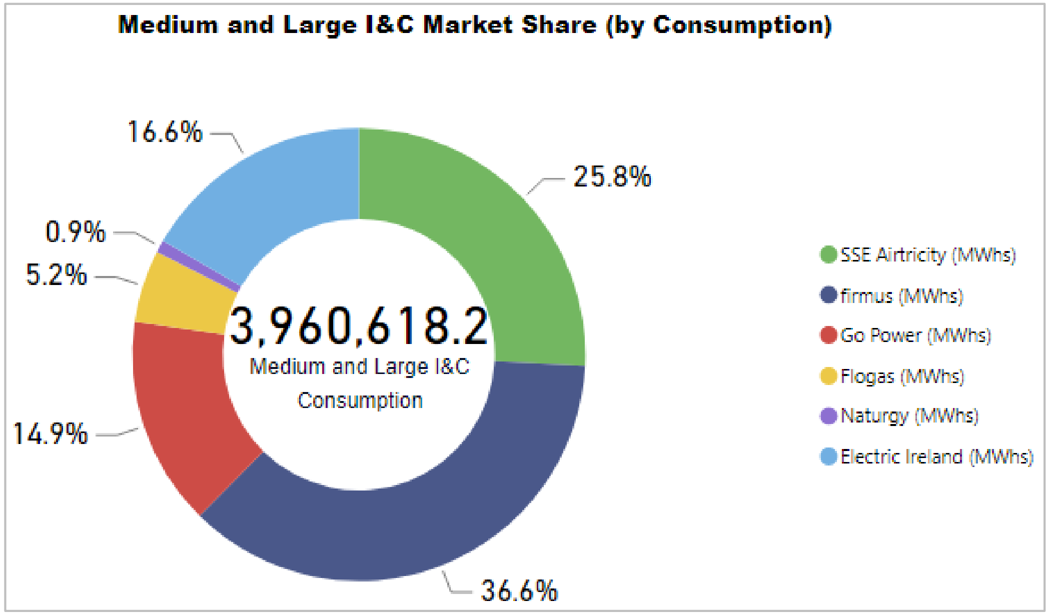
Distribution Licensed Area	Market segment	SSE Airtricity	firmus	Flogas	Go Power	Naturgy	Total Connections
G.Belfast	Domestic credit (EUC1)	65,548	13,259		7	0	78,814
G.Belfast	Domestic prepayment (EUC1)	105,158	35,302	0	0	0	140,460
G.Belfast	I&C < 73,200 kWh (EUC1)	5,258	1,304	935	749	5	8,251
Ten Towns	Domestic credit (EUC1)		9,170				9,170
Ten Towns	Domestic prepayment (EUC1)		42,575				42,575
Ten Towns	I&C < 73,200 kWh (EUC1)	101	1,012	330	135		1,578
West	Domestic credit (EUC1)	416					416
West	Domestic prepayment (EUC1)	867					867
West	I&C < 73,200 kWh (EUC1)	7		7			14
Total		**177,355**	**102,622**	**1,272**	**891**	**5**	**282,145**

Data sources: PNGL / FeDL / SGN NG

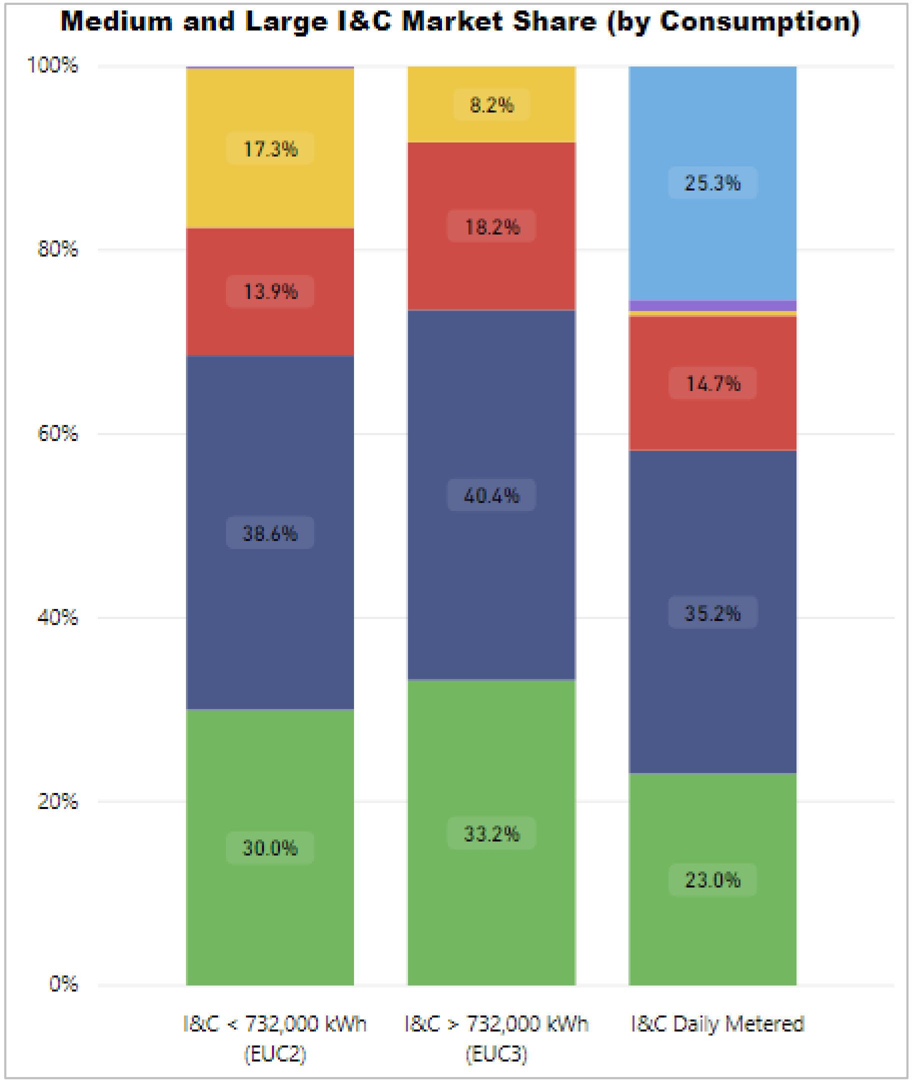
[17] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum.

Medium and Large I&C analysis (by consumption)

6.5 This section of the report provides a more detailed analysis of the gas **medium and large I&C sector**[18], by consumption, for the period January to December 2020.



Distribution Licensed Area	Market segment	SSE Airtricity (MWhs)	firmus (MWhs)	Flogas (MWhs)	Go Power (MWhs)	Naturgy (MWhs)	Electric Ireland (MWhs)	Total Consumption (MWhs)
G.Belfast	I&C < 732,000 kWh (EUC2)	211,086.7	211,241.4	105,935.2	97,205.7	1,936.0	0.0	627,404.9
G.Belfast	I&C > 732,000 kWh (EUC3)	105,714.1	102,423.7	25,445.5	68,111.1	0.0	0.0	301,694.4
G.Belfast	I&C Daily Metered	356,034.2	239,983.3	625.7	256,543.7	24,749.4	124,176.4	1,002,112.7
Ten Towns	I&C < 732,000 kWh (EUC2)	50,192.0	126,383.2	44,550.1	24,086.4	0.0	142.3	245,354.0
Ten Towns	I&C > 732,000 kWh (EUC3)	54,539.6	92,960.8	13,881.2	18,909.4	0.0	0.0	180,291.0
Ten Towns	I&C Daily Metered	227,912.2	500,637.8	7,533.9	48,829.0	8,058.1	124,721.6	917,692.6
West	I&C < 732,000 kWh (EUC2)	888.6	463.9	819.7	0.0	0.0	0.0	2,172.2
West	I&C > 732,000 kWh (EUC3)	1,103.1	809.6	756.9	1,347.6	0.0	0.0	4,017.1
West	I&C Daily Metered	14,235.5	174,753.2	4,633.0	76,766.8	0.0	409,490.8	679,879.3
Total		**1,021,706.0**	**1,449,656.8**	**204,181.2**	**591,799.7**	**34,743.5**	**658,531.0**	**3,960,618.2**

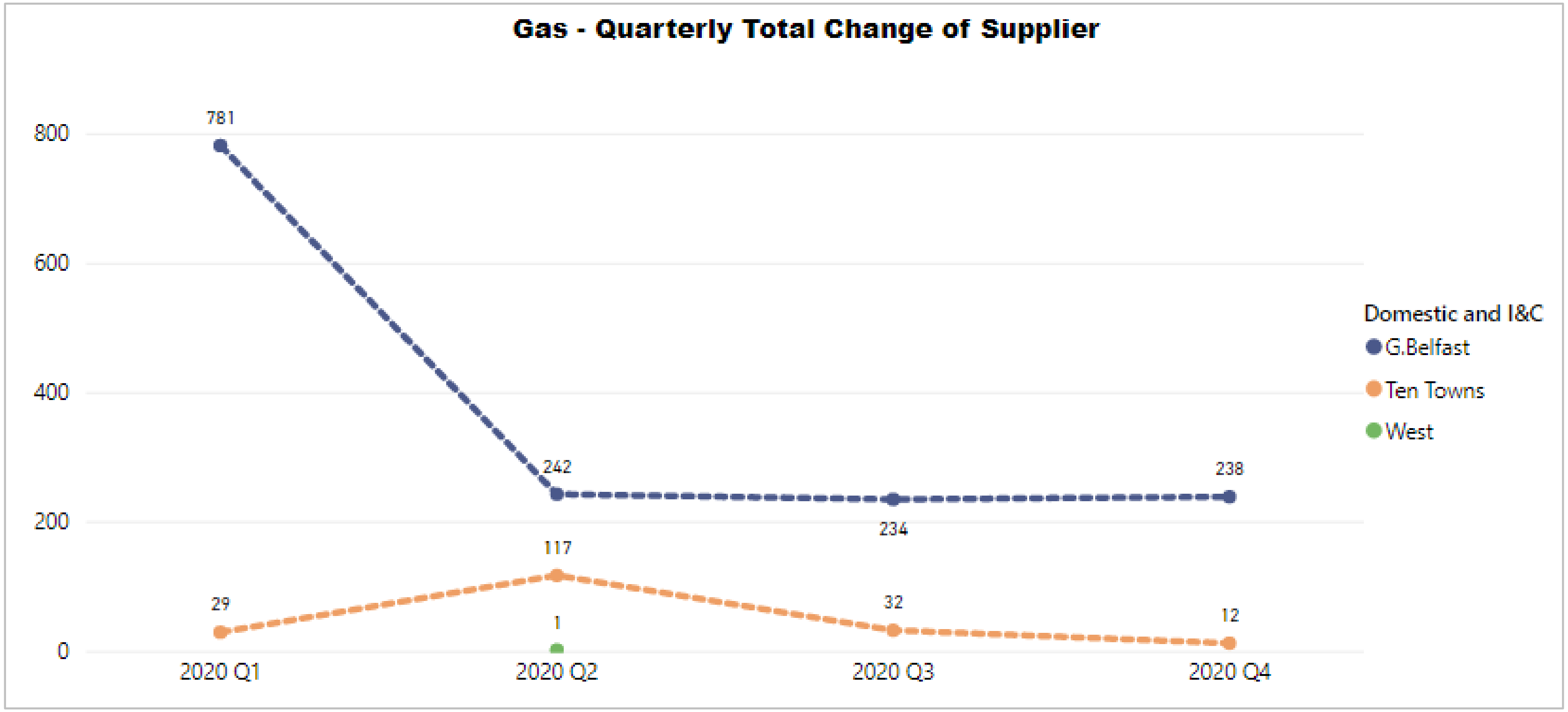


Data sources: PNGL / FeDL / SGN NG

[18] The medium and large I&C sector relates to any customers with annual consumption that is greater than or equal to 73,200 kWh per annum. The I&C Daily Metered sector relates to any customer with annual consumption that is greater than 2,196,000 kWh per annum.

Market activity (Switching)

6.6 The graph below shows the market activity through changes of supplier (CoSs) on a quarterly basis in the NI gas market (domestic and I&C) across the three distribution areas. The table that follows shows the number of switches and switching rate[19] for each quarter of 2020. There were a total of 1,686 gas switches in 2020.

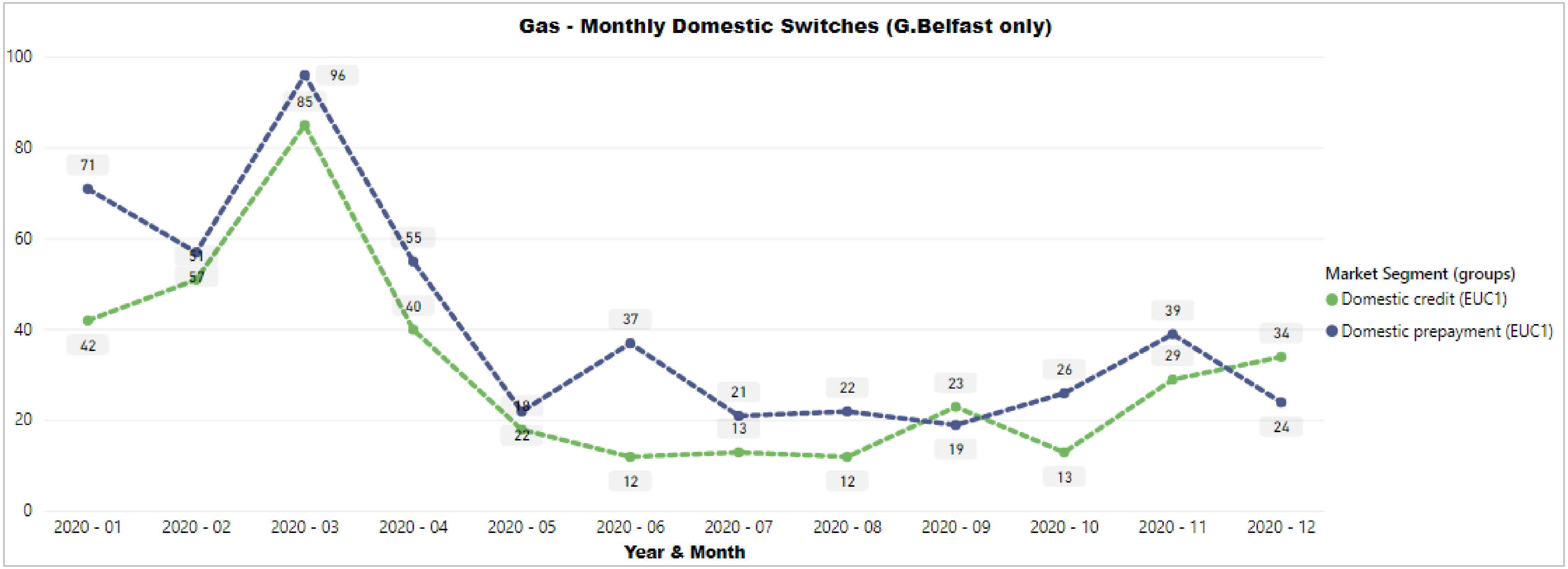


Switching rate – Total NI market				
Quarter	**2020 – Q1**	**2020 – Q2**	**2020 – Q3**	**2020 – Q4**
No. of switches	810	360	266	250
Switching rate (%)	0.3%	0.1%	0.1%	0.1%

Data source: PNGL / FeDL / SGN NG

[19] The switching rate percentages are calculated using the number of quarterly switches divided by the number of customers at the end of the quarter in the relevant market.

6.7 Greater Belfast is the only distribution area in which there is competition within the domestic credit and prepayment[20] sectors. The line chart below reflects the monthly change of customer numbers (gains), per market segment within the domestic sector. The table shows the total domestic gains and switching rate for each quarter of 2020. The total number of gas domestic switches in 2020 was 858.

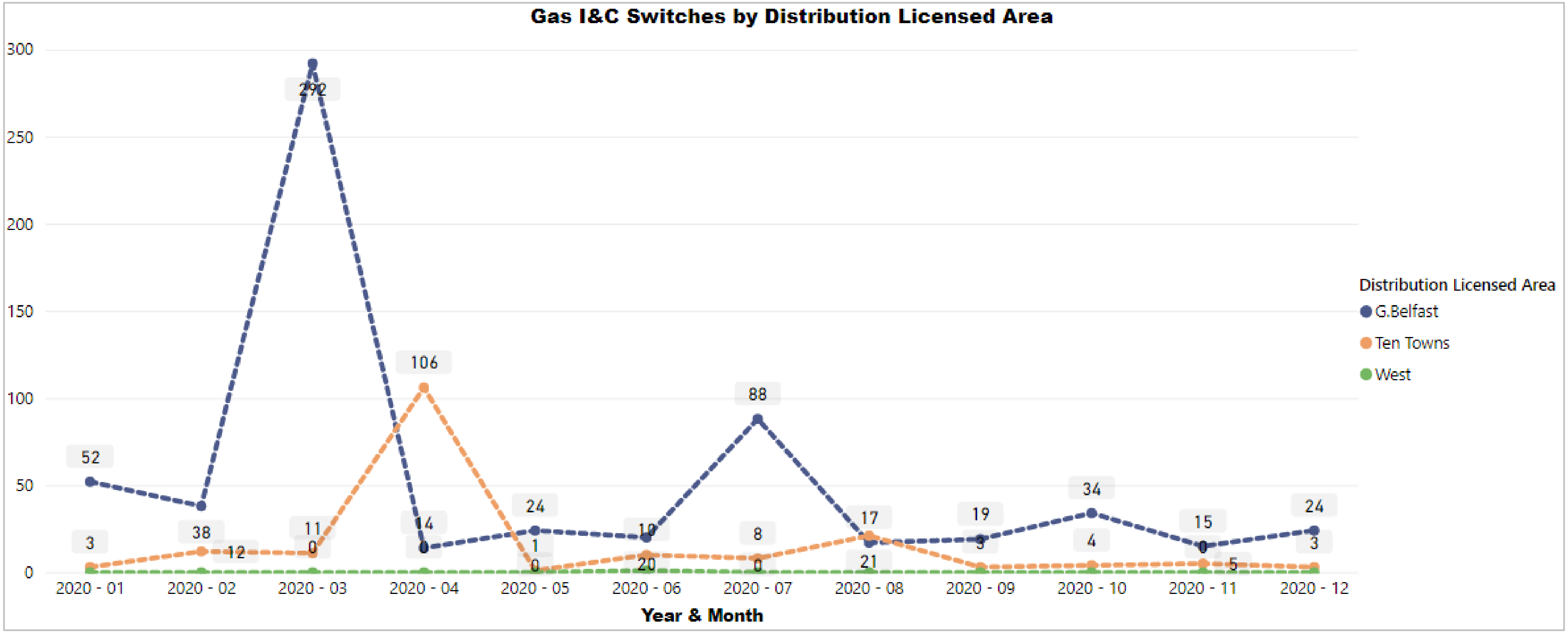


Switching rate – Domestic market (G. Belfast only)				
Quarter	2020 – Q1	2020 – Q2	2020 – Q3	2020 – Q4
No. of switches	399	184	110	165
Switching rate (%)	0.2%	0.1%	0.1%	0.1%

Data source: PNGL

[20] Note that prepayment switches, within the domestic sector, include switches back to the previous supplier in cases where the customer has not taken the required action to complete their switch.

6.8 The line chart below reflects the monthly change of customer numbers (gains), within the I&C sector across the three gas distribution areas. The table that follows shows the number of I&C switches and switching rate for each quarter of 2020. The total number of gas I&C switches in 2020 was 825.



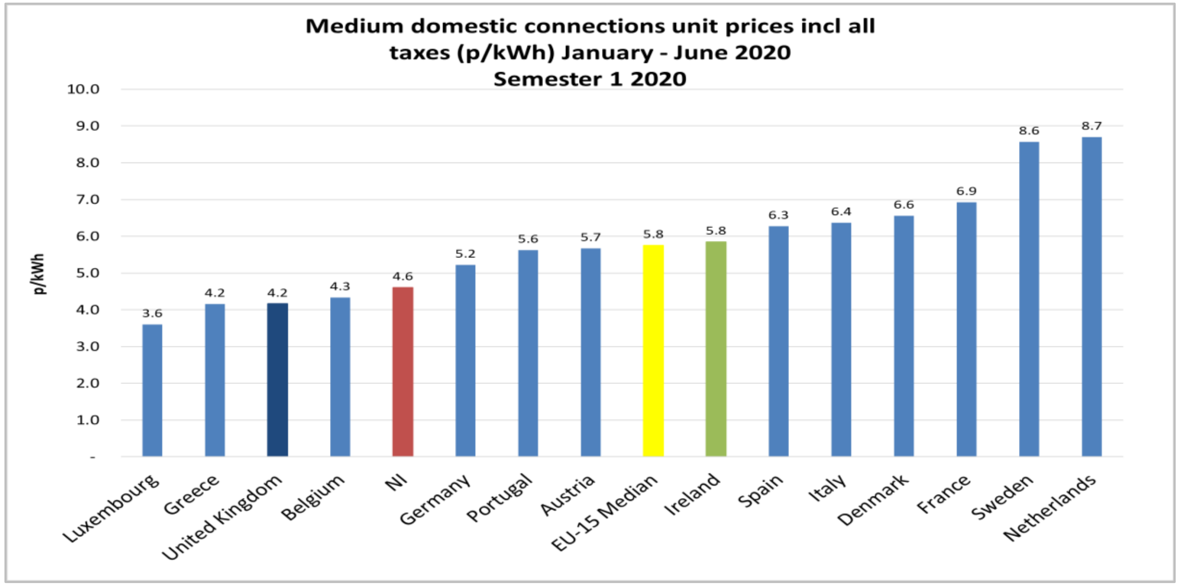
Switching rate – I&C Market				
Quarter	**2020 – Q1**	**2020 – Q2**	**2020 – Q3**	**2020 – Q4**
No. of switches	408	176	156	85
Switching rate (%)	2.9%	1.3%	1.2%	0.6%

Data source: PNGL / FeDL / SGN NG

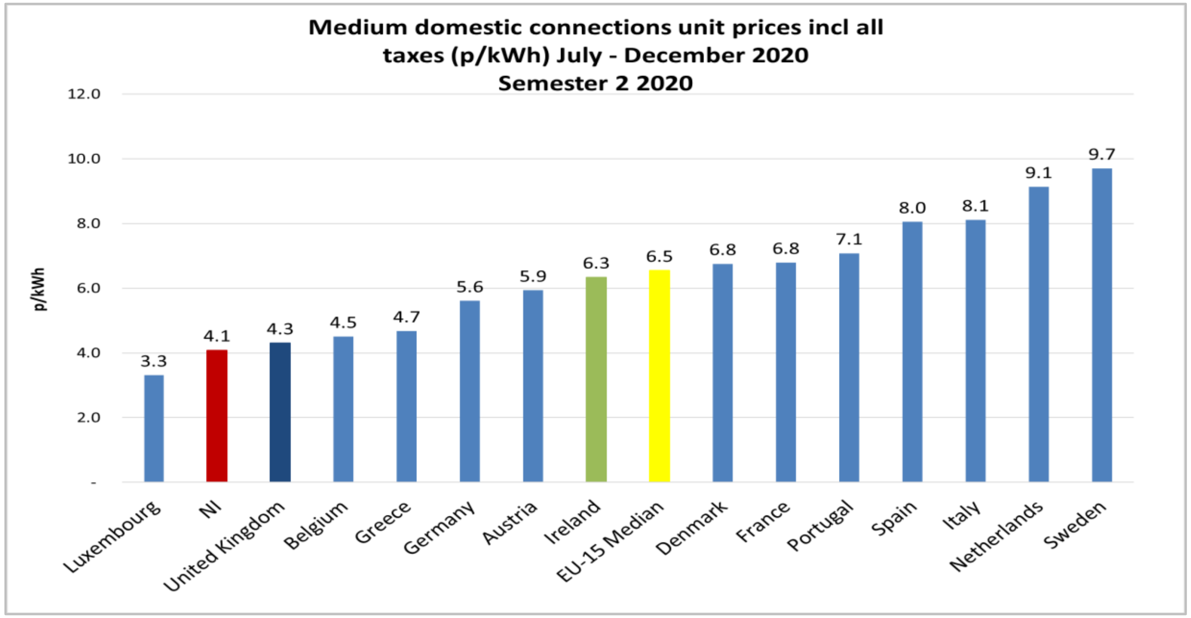
7. Gas Pricing – 2020

Gas Domestic Pricing

7.1 The pricing data detailed in this AREMM report provides a comparison for the period January – June 2020 (semester 1) and July – December 2020 (semester 2). In the domestic graph show below, we use unit prices which include Climate Change Levy (CCL) and include VAT, as this reflects the final prices paid by domestic customers. The medium sized domestic customers (annual consumption between 5,557 - 55,557 kWh) have been selected for the purpose of analysis, as this consumption category reflects the majority of domestic customers in NI.

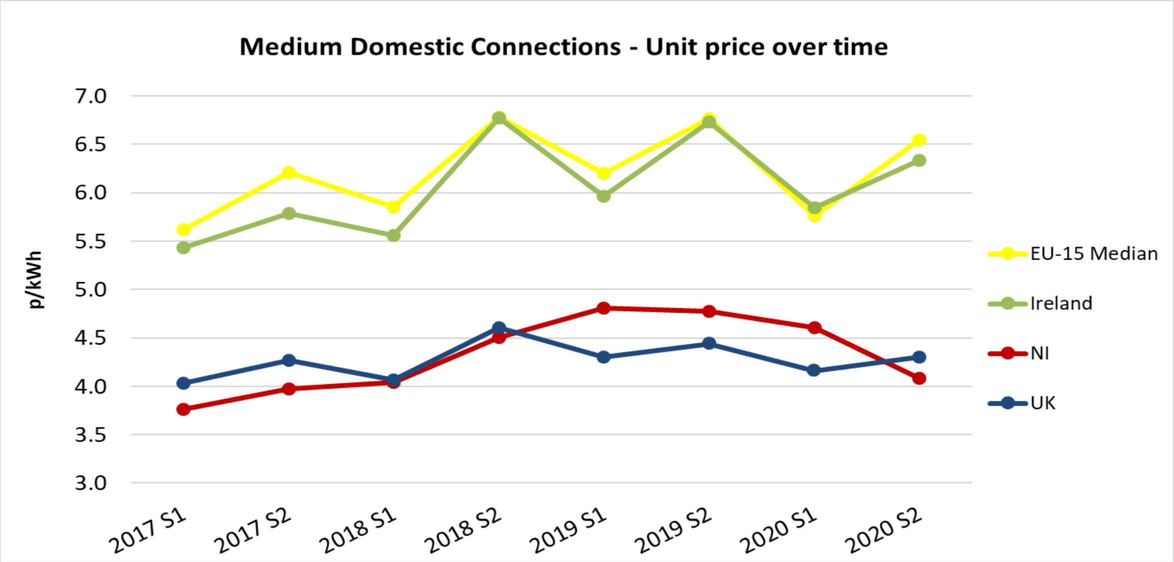


7.2 The NI unit price is the average pence per kWh for medium customers for the Greater Belfast, Ten Towns and West network areas. The NI domestic gas prices still rank among the lowest in the EU. In semester 1 2020, the NI gas prices is less than RoI and the EU median, but just above the UK. For semester 2 2020, the NI domestic gas price ranked below UK, ROI and EU median. It should be noted that the vast majority of NI domestic gas connections are customers of the relevant network incumbent suppliers and are therefore subject to their regulated tariffs.



Data source: Eurostat and NI gas suppliers collated by UR

7.3 The graph to the right shows the Medium domestic connections unit price (inc all taxes) over the last four years compared to the EU median, UK and RoI.



Data source: Eurostat and NI gas suppliers collated by UR

7.4 During the period there was a decrease to the regulated tariff within the Greater Belfast and Ten Towns area. Further detail on the latest regulated tariffs are available in the UR tariff review briefing notes[21]. The table on the next page illustrates the regulated tariffs for the calendar year 2020.

01 October 2019 to 31 March 2020	Greater Belfast SSE Airtricity	Ten Towns firmus energy	01 April 2020 to 30 September 2020	Greater Belfast SSE Airtricity	Ten Towns firmus energy	01 October 2020 to Present	Greater Belfast & West SSE Airtricity	Ten Towns firmus energy
Domestic Regulated Tariff Usage for first 2,000 kWh	6.508 p/kWh	7.300 p/kWh	Domestic Regulated Tariff Usage for first 2,000 kWh	5.291 p/kWh	5.756p/kWh	Domestic Regulated Tariff Usage for first 2,000 kWh	5.291 p/kWh	5.038 p/kWh
Domestic Regulated Tariff Usage >2,000 kWh	4.459 p/kWh	4.921 p/kWh	Domestic Regulated Tariff Usage >2,000 kWh	3.626 p/kWh	3.880 p/kWh	Domestic Regulated Tariff Usage >2,000 kWh	3.626 p/kWh	3.396 p/kWh

Source: UR

[21] Firmus energy (Supply) Ltd October 2020 UR tariff review for the Ten Towns is available here. Latest SSE Airtricity Gas Supply (NI) Ltd UR tariff review for Greater Belfast & West April 2020 is available here.

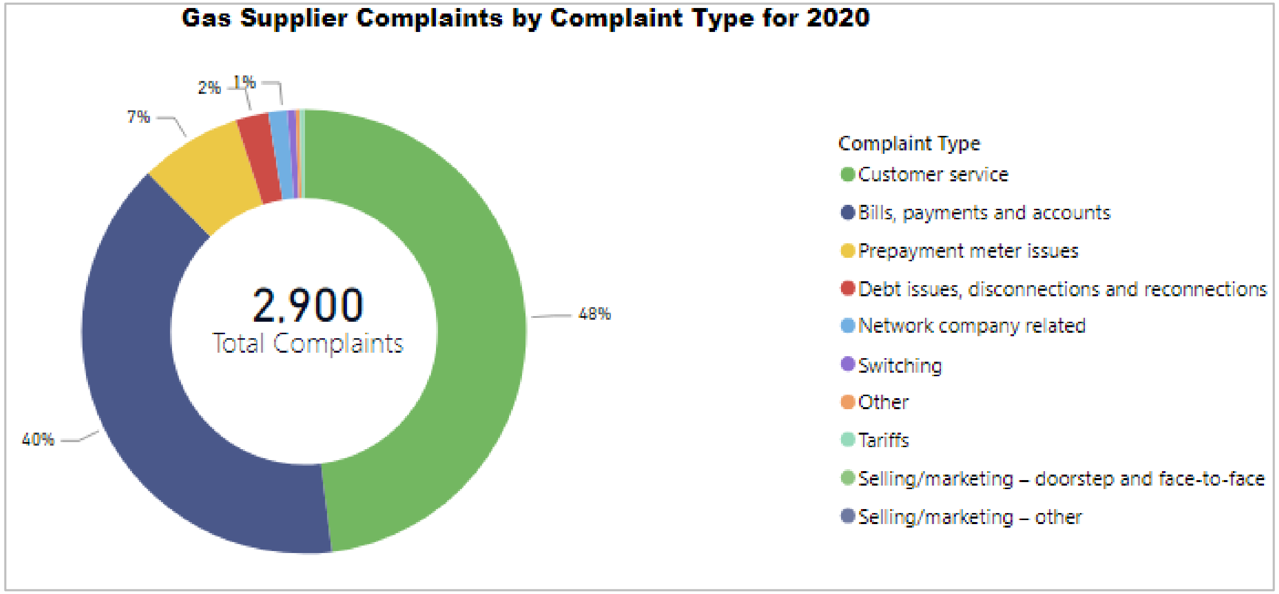
8. Gas Supplier Complaints

8.1 This section of the report provides readers with information in relation to gas supplier complaints collated in 2020. The definition of a complaint is outlined in our Code of Practice minimum standards on complaints handling[22]. The complaints data is provided by gas suppliers as per the REMM framework[23] [24].

Total Supplier Complaints

8.2 The table below shows the total number of complaints received by suppliers during 2020, per complaint type, for domestic and I&C customers. The corresponding graph to the right shows the percentage breakdown of the type of complaints made to suppliers during 2020 for all customers. The total number of gas complaints in 2020 from 1,578 in 2019 to 2,900 in 2020.

Complaint Type	No. of domestic complaints	No. of I&C complaints	No. of Total complaints
Bills, payments and accounts	1,110	39	1,149
Customer service	1,359	33	1,392
Debt issues, disconnections and reconnections	65	4	69
Network company related	39	1	40
Other	9	0	9
Prepayment meter issues	215	0	215
Selling/marketing – doorstep and face-to-face	0	0	0
Selling/marketing – other	0	0	0
Switching	16	1	17
Tariffs	4	5	9
Total	**2,817**	**83**	**2,900**



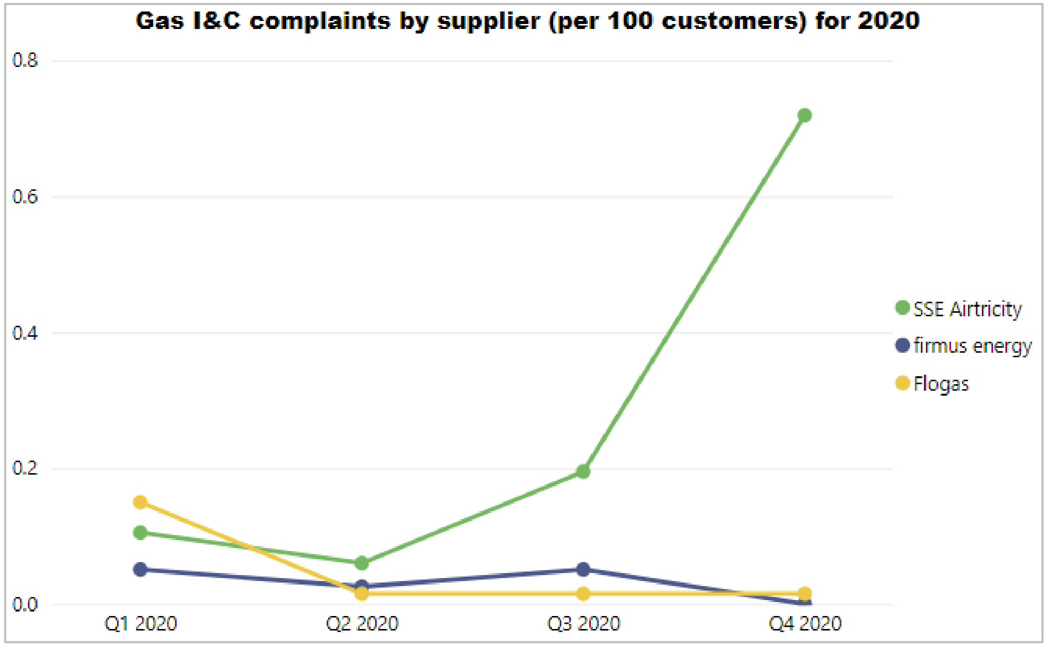
Source: Suppliers

[22] A complaint is: "*The expression (through various possible channels: letter, email, phone call or physical claim) of a person's dissatisfaction*" as defined in the [Code of Practice minimum standards on complaint handling (June 2015)]
[23] [REMM final decisions paper (June 2015)]
[24] CCNI have a statutory duty to deal with customer complaints which they publish each year: [CCNI Enquires and Complaints annual report 2020/21]

8.3 During 2020, the three most common gas supplier complaints made by gas customers related to; customer service (17%), bills, payments and accounts (40%) and prepayment meter issues[25] (7%).

Supplier complaints (per customer numbers)

8.4 In order to effectively compare electricity suppliers and the number of complaints received in relation to their total customer numbers, the graphs below show the number of complaints received by each supplier in relation to their customer base (per 1000 customers for domestic and per 100 customers for non-domestic)[26]. This is split over the four quarters of 2020.

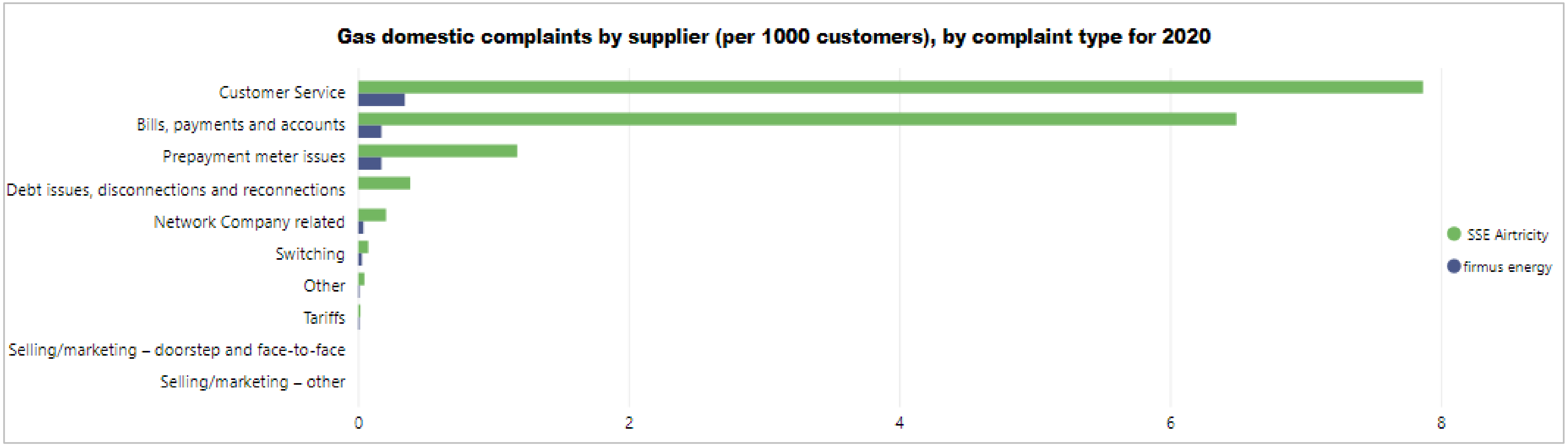


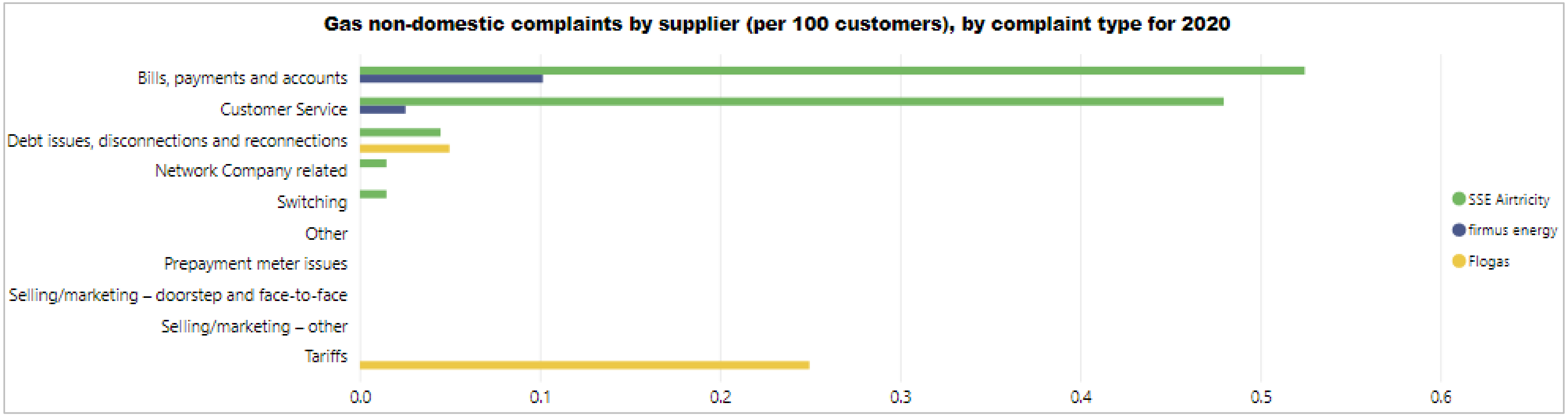
Source: Suppliers

[25] Please note that complaints in relation to prepayment meter issues are only applicable to domestic customers (and hence domestic suppliers).
[26] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

Supplier complaints by complaint type (per customer numbers)

8.5 The graphs below show the number of complaints received by suppliers (per 1000 domestic customers and per 100 I&C customers)[27], for each complaint type. This analysis is based on the supplier's average number of customers during 2020.





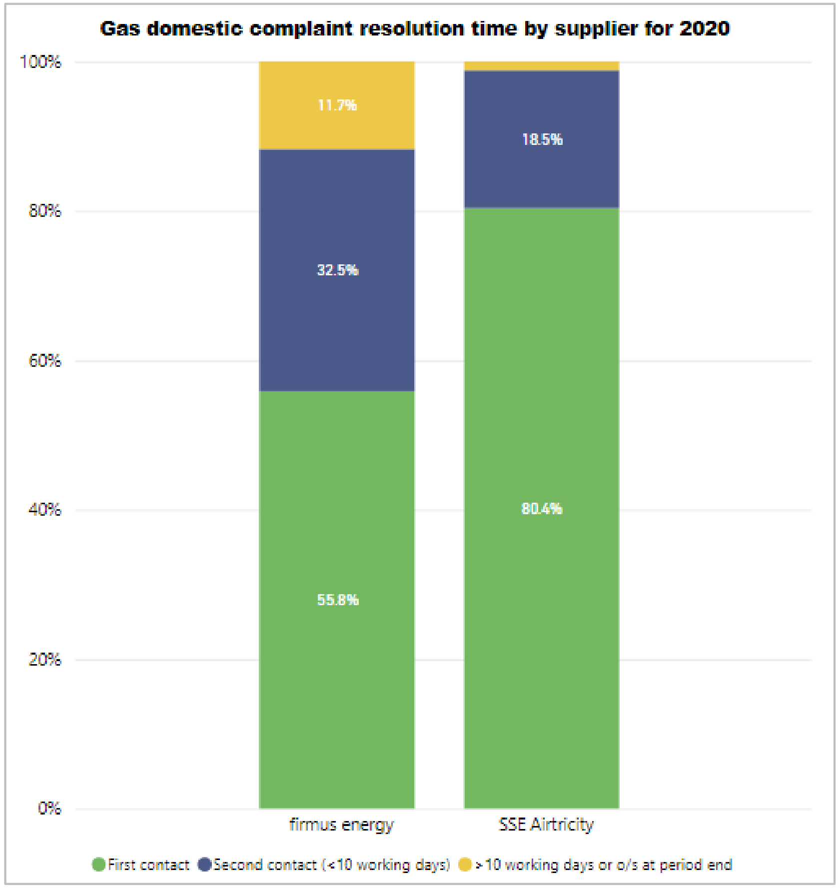
Source: Suppliers

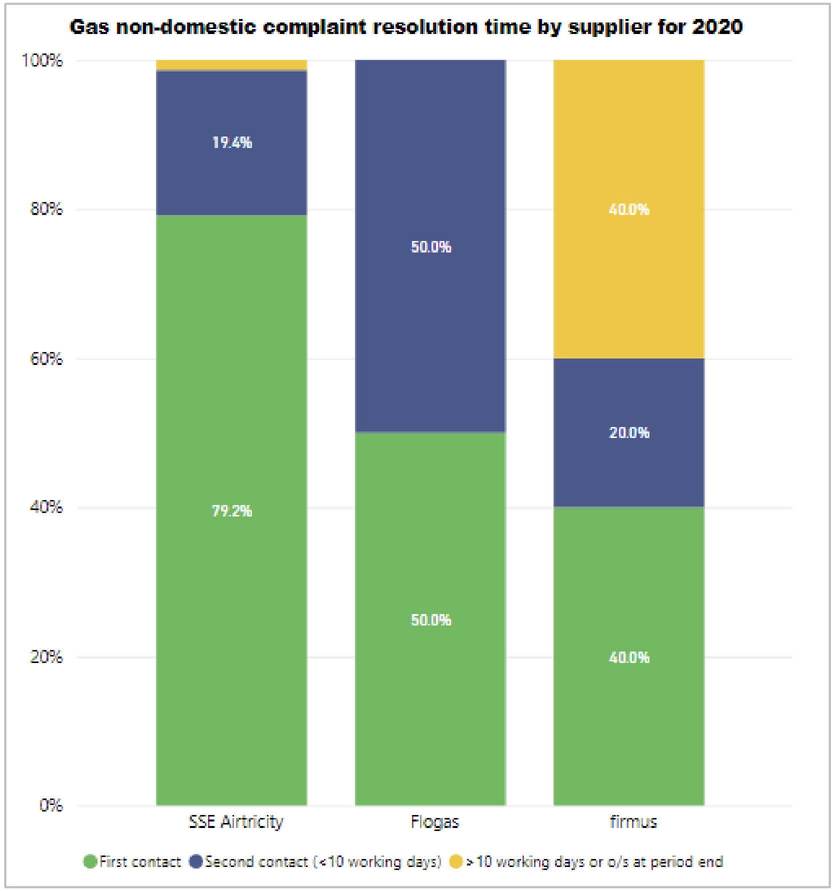
[27] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

Supplier complaints by resolution time

8.6 Of the total supplier complaints received during 2020, the graphs below provide an indication of how quickly complaints are resolved by suppliers[28]. There are three categories[29] in this analysis:

1. Resolved at first stage of contact.
2. Resolved at second (or further) stage of contact, and within 10 working days.
3. Resolved greater than 10 working days or still outstanding at period end.





Source: Suppliers

[28] Those suppliers with no complaints reported during the period are excluded from the graphs.
[29] Suppliers are required to record complaints in their REMM submissions to the UR as per the category definitions outlined in the REMM final decisions paper (June 2015) for complaint resolution times.

Annex A: Background & Sources

Purpose, methodology and data sources

The framework in which this set of quarterly reports lies is called Retail Energy Market Monitoring (REMM) which was introduced in July 2015. The ultimate objective of introducing this enhanced framework was to develop the current monitoring of retail indicators and to provide increased transparency in the retail energy markets in NI.

The main data sources for this report are as follows:

1. Connections and consumption, market shares and market activity information is provided by the network companies;
2. Northern Ireland Electricity Networks (NIEN) for electricity data; and
3. Phoenix Natural Gas Limited (PNGL), firmus energy (Distribution) Limited (feDL) and Scotia Gas Networks Northern Ireland (SGN NG) for gas data.

EU domestic and I&C electricity prices are from Eurostat and BEIS. NI domestic and I&C electricity prices are derived directly from REMM data submitted by suppliers. NI domestic gas prices are also derived from REMM data submitted by suppliers.

Electricity pricing

For the electricity prices section, we follow Eurostat's format and methodology. As a result the average prices for NI are comparable with prices in other EU countries (those published in the Department for Business, Energy & Industrial Strategy's (BEIS) Quarterly Energy Prices reports[30] and Eurostat data base[31]) once these figures have been converted to GBP. (Note: from 01 January 2021, BEIS no longer provide pricing data to Eurostat. Therefore, the UK figures reported in the pricing graphs have been obtained directly from BEIS publicised data).

The base figures are all submitted on a quarterly basis by suppliers, split by domestic and non-domestic (I&C). The UR performs a high level reasonableness check of the base figures, but the suppliers are responsible for the accuracy of the information that is provided to the UR. The base figures are as follows:

1. **Volume** of electricity sold to consumers.

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[30] https://www.gov.uk/government/collections/quarterly-energy-prices
[31] http://ec.europa.eu/eurostat/web/energy/data/database

2. The **value**, or revenue gained from the sale, split into three categories: excluding all taxes, excluding VAT, and including all taxes.

3. The **number** of customers supplied in that particular size category.

The volume and value are used to calculate a NI quarterly average value 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 calculate the average value or revenue collected per unit in that particular size category, as per the Eurostat methodology.

As the Eurostat figures are published on a semester basis (semester 1 (S1) January to June and semester 2 (S2) July to December) we therefore average the two relevant quarters to obtain the comparable six-month period for NI.

It should be noted that the comparability of the derived NI prices to the other Member States can be greatly affected by fluctuations in the Euro GBP exchange rate. For the purposes of tariff comparisons we convert the EU tariff data from Euro to GBP using the monthly average exchange rate applicable for the semester (published by Eurostat). Therefore tariff movements and comparisons between NI and other Member States can be impacted by both an increase and decrease in a tariff and/or also by any variation in exchange rates.

Gas pricing

The gas prices section, also follows the Eurostat format and methodology (as outlined in Electricity Prices). As a result the average prices for NI are comparable with prices in other EU countries (those published in BEIS's Quarterly Energy Prices reports[32] and Eurostat data base[33]) once these figures have been converted to GBP.

Electricity wholesale market monitoring data

Readers should also be aware of the Quarterly Market Monitoring Report which provides an overview of the SEM and sets out recent trends in the market in relation to pricing, demand, scheduling and contract prices. It focuses in particular on the wholesale element of electricity prices, which makes up roughly 60% of customers' bills. These reports[34] are prepared by the Market Monitoring Unit (MMU) within the UR in joint collaboration with the Commission for Regulation of Utilities (CRU).

Northern Ireland gas markets

The gas distribution network licensees are responsible for the medium and low pressure mains that convey to the licensed areas throughout Northern Ireland. There are three Distribution Network Operators[35] (DNOs) who operate in separate distribution areas as follows:

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[32] www.gov.uk/government/collections/quarterly-energy-prices
[33] http://ec.europa.eu/eurostat/web/energy/data/database
[34] The latest SEM market monitoring report is here
[35] Natural Gas NI – Natural Gas Network Operators and Suppliers

1. firmus energy (Distribution) Ltd (feDL) from the North West through the Central region to the Southern areas of Northern Ireland;
2. Phoenix Natural Gas Ltd (PNGL) mainly Greater Belfast, Larne and a recent extension into East Down; and
3. SGN Natural Gas Ltd (SGN NG) in the West of Northern Ireland.

Each DNO owns and manages the natural gas distribution network in their distribution area. Those companies who supply gas (suppliers) pay the relevant DNO a fee to transport natural gas and then sell it straight to the consumer. Although a DNO is responsible for making sure the natural gas reaches individual homes, it is the responsibility of the gas supplier to bill consumers for the gas they use.

Annex B: Supplier Entry to NI Retail Markets

The tables below set out the dates that each supplier entered the retail market sectors.

Electricity	
Domestic	Incumbent supplier: Power NI June 2010: SSE Airtricity June 2009: firmus supply June 2011: Budget Energy October 2011: Electric Ireland October 2015: Click Energy October 2015: Open Electric December 2016: Open Electric ceased supply October 2019: Go Power November 2020: bright
I&C	Incumbent supplier: Power NI July 1999: ESB Independent Energy (NI) t/a Electric Ireland August 1999: Energia January 2008: SSE Airtricity April 2009: firmus supply[39] July 2011: Budget Energy February 2012: VAYU (Naturgy as of 29th November 2018) April 2012: Go Power October 2015: Click Energy April 2018: 3T Power October 2019: Energia supply business transferred to Power NI

Gas: Greater Belfast[36]	
Domestic	Incumbent supplier since September 1996: SSE Airtricity[37]
I&C	Incumbent supplier since September 1996: SSE Airtricity September 2008: firmus energy March 2009: Vayu (Naturgy as of 29th November 2018) May 2013: Electric Ireland August 2014: Go Power December 2014: Flogas

Gas: Ten Towns[38]	
Domestic	Incumbent supplier since 2005: firmus
I&C	Incumbent supplier since 2005: firmus January 2013: SSE Airtricity May 2015: Flogas June 2015: Go Power January 2017: Vayu (Naturgy as of 29th November 2018) April 2017: Electric Ireland

Gas: West[40]	
Domestic	July 2017 Designated Commissioning Supplier: SSE Airtricity
I&C	January 2017: Electric Ireland July 2017: SSE Airtricity January 2018: Flogas Q1 2019: firmus energy Q3 2019: Go Power

[36] The Greater Belfast area is defined in Schedule 1 of the Phoenix Natural Gas Limited conveyance licence.
[37] Formerly Phoenix Supply Ltd (PSL).
[38] The Ten Towns area is defined in Schedule 1 of the firmus energy (Distribution) Limited conveyance licence.
[39] Note that firmus supply left the electricity market at the end of 2015.
[40] The West area is defined in Schedule 1 of the Scotia Gas Networks Northern Ireland Ltd (Distribution) Limited conveyance licence.

Glossary

CCL	The Climate Change Levy (CCL) is a tax on electricity, gas and solid fuels delivered to I&C consumers. Its objective is to encourage businesses to reduce their energy consumption or use energy from renewable sources. The rate changes every year.	S2	Semester 2
CoS	Change of supplier	UR	Utility Regulator
EU	European Union	VAT	Value Added Tax
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	UK	United Kingdom
feDL	firmus energy (Distribution) Limited		
firmus energy	firmus energy (Supply) Limited		
GB	Great Britain		
GBP	Great British Pound		
I&C	Industrial and Commercial		
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		
NIEN	Northern Ireland Electricity Networks		
LEU	Large Energy Users		
Ofgem	Office of the Gas and Electricity Markets		
PNGL	Phoenix Natural Gas Limited		
Q	Quarter. In this report, Q refers to the calendar year (i.e. Q1 refers to the quarter January-March).		
QTRs	Quarterly Transparency Reports published by the UR at the end of the second month after each calendar quarter (at the end of Feb, May, Aug and Nov).		
REMM	Retail Energy Market Monitoring		
RoI	Republic of Ireland		
SGN NG	SGN Natural Gas		
S1	Semester 1		