



Forward Work Programme 2024-2025

Our draft business plan
for the first year of our
Corporate Strategy
2024-2029

Foreword

This Forward Work Programme (FWP) 2024/2025 is an important milestone at an exciting time for the Utility Regulator (UR). The FWP is developed in the context of our new Corporate Strategy 2024-2029, Protecting Consumers on the way to Net Zero. Our new strategy sets out an ambitious vision of delivering a low carbon future and making sure that consumers benefit from, and are protected during, the journey to net zero.

Over the last year we have maintained a constant focus on protecting consumers. At a time when increased utility bills put pressure on household and business budgets, we took action to protect consumers. Our scrutiny of regulated energy prices has led to welcome reductions in consumer bills. We worked with Government Departments and the Consumer Council to extend a series of practical commitments to protect consumers, called the Consumer Energy Charter, over the winter of 2023/24. It was pleasing that the UK Collaboration Network recognised the impact of the Charter by awarding UR its Gold Award.

In a busy year we worked closely with the Department for the Economy (DfE) to implement the energy strategy action plan. We also engaged in cross government carbon reduction work, led by the Department for Agriculture, Environment and Rural Affairs (DAERA). Our proposals for the major electricity network price control were published in November 2023, with a mid-term review of the NI Water price control also launched. Consultations were also published on electricity connections and network clusters. We also published a draft Consumer Protection Programme, sought views on a Best Practice Framework and moved forward work on Guaranteed Standards of Service. The operation of the Single Electricity Market also continued to be critical to securing our energy supply.

Our FWP gives practical effect to the new strategic direction in Protecting Consumers on the way to Net Zero. A range of projects are included that make clear our commitment to delivering a Just Transition to net zero. We understand the importance of making sure that Northern Ireland enjoys a secure

energy and water supply. The suite of projects identified in our FWP demonstrate our ongoing efforts to keep energy and water security to the fore. A series of price control reviews will provide us with the opportunity to deliver on our strategic objective of enabling best in class energy and water companies. Our aspiration that Northern Ireland energy and water consumers deserve the best, is reflected in consumer protection projects in our FWP.

I am grateful to those who responded to our FWP consultation. These comments have helped us shape our FWP - for instance, regarding comments about clarifying the scope and timing of projects. We will continue to engage with and collaborate with our stakeholders to help us meet our objectives.

In a year when our organisation transformed to help us meet the challenges of the future, I am proud of the enthusiasm and dedication of our team. As we move forward as an organisation, with an ambitious agenda I am looking forward to working with our team to deliver this FWP.



John French
Chief Executive

A handwritten signature of John French in black ink, positioned below his name and title.



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

ACCOUNTABLE:

We take ownership of our actions.

TRANSPARENT:

Ensuring trust through openness and honesty.

COLLABORATIVE:

Connecting and working with others for a shared purpose.

DILIGENT:

Working with care and rigour.

RESPECTFUL:

Treating everyone with dignity and fairness.



ABSTRACT

This Forward Work Programme (FWP) sets out the non-routine projects that we plan to undertake during 2024-2025. The projects are organised under the four corporate strategy objectives that are outlined in our Corporate Strategy 2024-2029, Protecting Consumers on the way to Net Zero.

AUDIENCE

Given that the document is our corporate business plan with an extended range of projects it is likely that it will be of interest to a variety of audiences – such as industry, other regulators, government bodies and consumer representative organisations.

CONSUMER IMPACT

While the consumer impact of our business plan is difficult to directly assess in numerical terms, it is likely that the range of projects will contribute to our overarching corporate strategy purpose of protecting and empowering consumers.



Contents

- 1 About this document
- 2 The context for our business plan
- 3 Our business plan and resources
- 4 Our business plan projects

6

7

12

14

Annexes:

- 1: About Us
- 2: Glossary

19

22



1. About this Document

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

This FWP lists the projects that we are planning to do during 2024/2025. Most of the projects are major pieces of work which will span the business planning year (and in some cases will take more than one year to complete).

On 20 December 2023, we published a draft of this plan for consultation. It set out the projects we proposed to undertake during 2024/2025. During this consultation, we asked for feedback on whether we had identified the right projects or had not included certain projects. It also encouraged people to give us general comments on our draft document. The consultation closed on 1 March 2024, and we received 11 responses (via email and through the

CitizenSpace online portal). We have published these responses on our website at www.uregni.gov.uk/publications/

The comments that we received have, overall, endorsed our proposed programme of planned projects. Many of the comments related to broader issues, including opportunities to work with us, and we will consider these in our planned work. Specific comments around the projects, such as around timing, scope and prioritisation, have been considered and will be reflected in the FWP. We will provide direct feedback to all respondents following the publication of our final FWP.

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

The structure of this document

The rest of the document is structured as follows:

Section 2

sets out the context for developing the business plan;

Section 3

outlines how we decide on our business plan projects, our core business and the resourcing of our work; and

Section 4

lists our business plan projects – with new projects shaded in blue.



2. The context for our business

In this section we briefly outline the key areas influencing the development of our business plan and set out our corporate planning framework.

External



Delivering on net zero targets

In June 2019, the UK Government passed legislation requiring the UK Government to reduce the UK's net emissions of greenhouse gases by 100% (relative to 1990 levels) by 2050. Last year, the Northern Ireland Assembly passed the Climate Change Act (Northern Ireland) 2022, which set out local statutory targets for reducing emissions. To achieve these targets, a very significant increase in renewables, and low carbon electricity, will be needed. Delivering enhanced energy efficiency will also be important. The energy system will have to adapt, to be able to accommodate low carbon technologies, whilst continuing to meet the needs of consumers through a reliable, efficient supply. The principle of a Just Transition is a core element of Climate Change Act (Northern Ireland) 2022 and underscores the need to promote fairness across all sections of society in the journey to net-zero.



Addressing affordability concerns for consumers

In recent years, Northern Ireland households and businesses, like those in the rest of the UK and the rest of Europe, have experienced significant increases in energy costs. The impact of these rises has seen subsequent increases in food and other costs, that has resulted in UK inflation rates being the highest for 40 years. The cost-of-living pressures faced by consumers saw the UK Government directly intervening to mitigate the impact of higher energy bills. While the headline rate of inflation has decreased recently, and energy prices have fallen from their peak, current prices remain at above trend levels. The need for regulators to support consumers to mitigate affordability concerns remains a key issue.



2. The context for our business

External



Energy and water policy and strategy

We operate within a statutory remit to support the Northern Ireland Government's energy and water strategies. In December 2021, the Northern Ireland Executive published its Energy Strategy for Northern Ireland, called "The Path to Net Zero". The Strategy sets out a pathway for energy to 2030 and sets out a vision of net zero carbon and affordable energy by 2050. Following the publication of the Strategy, the Climate Change Act (Northern Ireland) 2022 sets a target of an at least 100% reduction in net zero greenhouse gas emissions by 2050. The Act also sets carbon budgets (the maximum total amount of emissions permitted for a budgetary period) and other sectoral targets (including at least 80% of electricity consumption from renewable sources by 2030). Northern Ireland departments are also required to produce and publish various sectoral plans setting out how specific sectors will contribute to meeting the emissions reduction targets. In water, the Department for Infrastructure is working within its long-term strategy, "Sustainable Water - A Long-Term Water Strategy for Northern Ireland (2015-2040)", to help achieve a vision of a sustainable water sector in Northern Ireland. Stakeholders at our pre-consultation events were clear that they expected the Utility Regulator to fully support these strategies, and the delivery of the Climate Change Act.



Securing energy and water supply

The need for a secure and reliable supply remains a key statutory and strategic priority for us. It is one of the key principles of the Northern Ireland Executive's Energy Strategy, which has a focus on making Northern Ireland more self-sufficient in generating and supplying its own energy and reducing our reliance on others. Decarbonisation presents a further challenge, as we will seek to facilitate the right mix of technologies to meet business and household demand, as older forms of generation are replaced by new technologies. The need to attract investment in new types of energy generation will also be important. Running hand-in-hand with this, is the need to modernise energy networks to ensure that they can accommodate new technologies, while meeting customer demand. In electricity, the capacity arrangements in the Single Electricity Market (SEM) provide a basis for managing long-term security of supply risks. In gas, continuing to ensure there is a reliable supply will be essential, and in water, the Long-Term Water Strategy's high-level aims are to provide sustainable, reliable water and sewerage services that meet customers' needs.



2. The context for our business

External



Protecting consumers in energy markets

We continue to keep under review the effectiveness of our energy markets to ensure that businesses and households get a fair deal. As well as putting in place robust market monitoring regimes to protect consumers, we also act when required to address any market abuse. Protecting consumers also means that we take action to protect the most vulnerable when required. For instance, in November 2022, we worked in partnership with the Consumer Council for Northern Ireland and energy suppliers to introduce the Consumer Energy Charter, which provided nine commitments from energy suppliers to support consumers through the winter period. We have continued with this initiative into the winter of 2023/2024 and further enhanced these commitments which are now live.

Internal



Our Regulation

Given the amount of change that is underway to meet the net zero targets, we recognise that as a regulator we need to adapt and become more agile. The challenge will be to stay ahead of consumer expectations, and more generally anticipate the changes that are required. In practice, this will mean that we need to be more pragmatic, and focused, on achieving the best possible outcomes for Northern Ireland. We need to support the development of world-class efficient electricity, gas, and water companies, that are focussed on providing the best levels of service to households and businesses and are fully compliant with their licence conditions and codes of practice. We want to optimise this opportunity to make a real and positive difference, whilst enabling the delivery of statutory and strategic targets. Protecting consumers and providing a long-term direction for the energy and water sectors, is an important responsibility for us. We aim to be fully transparent, and accountable, for our work, and we will look to constantly improve our own performance, to maximise the benefits to energy and water consumers.



Organisational transformation

Our draft Corporate Strategy identifies key enablers which are critical to the kind of organisation we aim to be. We have been implementing an organisational transformation programme, Shaping UR for the Future. This will see the size of our organisation grow, re-structure our organisation and better promote matrix working. These changes will help us deliver on the ambition set out in our draft Corporate Strategy and will also allow us to focus on those strategic enablers (e.g. being data led) that will help us deliver on our Strategy and FWP.



Our corporate planning framework

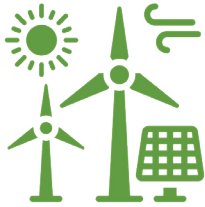
The FWP is one element of an interlinked corporate planning framework which joins up.

The performance chain

Corporate Strategy 2024-2029

Our new Corporate Strategy 2024-2029, Protecting Consumers on the way to Net Zero, was published in April 2024. The strategy sets out four strategic objectives which provide the framework for the FWP.





Supporting the Just Transition to net zero



Securing our energy and water supply

Strategy Objectives



Enabling best in class energy and water companies



Providing the highest level of consumer service and protection



3. Our business plan and resources

In this business plan we have set out the projects that will help us to meet our strategic objectives. Most of these projects take more than one year to deliver. Our business plan projects are set out in section five.

This is the first year of a new corporate strategy period. We have considered projects that commenced during 2023/2024 (or earlier), and new workstreams that have emerged. Our assessment process has also considered the scope of our core business and those necessary activities which are undertaken every year to support our regulatory role.

In assessing the projects that are in this FWP we have identified those that should be included in the business plan because they meet one or more of the following criteria:

- (1) legislative or statutory requirements;
- (2) government policy requirements;
- (3) regulatory requirements; and
- (4) contribute to the delivery of our corporate strategy objectives.

We have previously estimated that around half of our resources (in terms of staff time across the organisation) will be involved in delivering projects that are in this business plan. This will vary, with some parts of the organisation having a greater balance of work towards business plan projects and others having a greater focus on core business.

Our corporate strategy, Protecting Consumers on the way to Net Zero, sets the direction for our work between 2024 and 2029. To help us deliver this strategy, and our FWP projects, the granting of new powers or vires will be critical. With these new powers, we will be able to fully play our part in delivering on our ambitious decarbonisation agenda. This will also require increasing levels of resource inputs over the next few years. Our organisational transformation programme, Shaping UR for the Future, has put in place a new organisational structure that provides an additional level of staffing and expertise that will allow us meet the strategic challenges.

Our core business

This FWP provides a list of the non-routine projects that we intend to undertake but these are only part of our overall activities. Work to deliver our core business is described briefly below.

In terms of monopolies, an ongoing part of our work is reviewing the regulated electricity and gas tariffs and water charges which affect consumers' bills. We also make sure compliance obligations regarding electricity, gas or water networks (infrastructure) are met and if not we pursue according to our Enforcement policy. Our work to develop this infrastructure includes approving changes to network codes and extensions to the gas network. Our monitoring and cost reporting activities relating to regulated companies are also significant commitments.

To achieve our targets on network company performance we have established cost and performance monitoring frameworks. We also encourage regulated utilities, as part of our network price controls, to enhance their approach to asset management so that they compare favourably with their peers.

An important part of our day-to-day work on energy markets relates to the wholesale electricity market. In respect of the SEM there is the core business associated with the ongoing governance, market operations and monitoring arrangements. The SEM's market monitoring unit (MMU) is based at our offices. There is more information on this work on the website at www.semcommittee.com. We also regulate the transmission system operator for Northern Ireland (SONI) and the Single Electricity Market Operator (SEMO) and support the SEM Committee.

More generally, we monitor the way the wholesale electricity market and the retail electricity market issuing, and monitoring compliance with, licences that allow gas, electricity and water companies to operate in Northern Ireland.



We have also put in place codes of practice relating to consumer protection. Over recent times we have seen a significant increase in the number of regulatory appeals, complaints and disputes which has led us to set up a dedicated resource for this area.

NI Water continues to improve its relative efficiency and builds on the improvements that have been made. We will conclude a mid-term review of the price control review for NI Water during 2024. As we work within policy frameworks established by DfE (for energy) and DfI (for water), we help these departments by providing regulatory support and carrying out analysis. We also have previously supported the Assembly's Economy and Infrastructure committees and frequently provided evidence to meetings of these committees. Finally, we also operate the Northern Ireland Sustainable Energy Programme (NISEP).

As a non-ministerial government department, we also are focused on communicating with and involving industry, voluntary organisations and the public. This includes regular meetings and hosting forums (for example, the Renewables Grid Liaison Group). We try to promote the use of clear and upfront communications. We also comply with a range of finance, HR, accountability and communications related reporting requirements. Finally, we regularly respond to correspondence and requests for information from people and organisations (including those relating to Freedom of Information).

Delivering our business plan – resources

Due to the scope and scale of our core business and the projects set out in this business plan (as listed in section five), we often have to make choices about how to use our resources. This includes prioritising our resources to make sure we target critical projects (for example, in respect of price controls) which affect the timing of other work that contributes to our strategic objectives. The evolving strategic landscape in both energy and water also

affects the timing and scope of some of our FWP projects.

Supporting our staff is essential if we are to successfully carry out the projects and meet the objectives set out in our corporate strategy and this plan. We are committed to supporting the development of our staff, promoting the benefits of working for us and recruiting and keeping competent staff. In doing this, we must make sure we have the skills, experience, processes and culture needed for this challenging business plan. We implemented a new leadership programme to support our aspiration.

As a non-ministerial government department we keep to relevant policies, processes and controls. To support our aim to follow best practice, we will continue to take steps to further improve our regulatory processes and our communications with stakeholders.

Our focus is on making sure that we apply our resources efficiently and this business plan will be challenging to fund and deliver. If new priorities emerge during the year, we will take steps to make sure we have the resources for these. However, doing this may mean we have to delay or reduce our commitment to other business plan projects. In these situations, we will, as far as possible, let relevant stakeholders know.

There remain some exceptional and significant pressures on our budget, such as in relation to the implications of a new energy strategy. However, in order to deliver on our final FWP and existing business as usual requirements, and to fund the growth of the organisation, the opening budget for 2024/2025 will be higher than our opening budget for 2023/2024 (£10.8m net, £12.4m gross). Our budget is agreed by our Board.

This business plan is currently based on the equivalent of 120 full-time equivalent staff, with provision for several temporary staff. However, the complement will increase through the period to help meet the demands of the wider water and energy agenda.



4. Our business plan projects

Strategic objective 1: Supporting the Just Transition to Net Zero

Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
1	Complete an assessment of any gaps in the policy/regulatory framework and evidence base needed to deliver net zero	During 2024-2025 will work with DfE to; <ul style="list-style-type: none"> • ensure that policy/regulatory action is optimal based on current information and resources, and • facilitate appropriate implementation of energy strategy and Climate Action Plans. Will help deliver net-zero in a way which is affordable for consumers and ensures security of supply.	Networks and Energy Futures	Q4
2	Work with DfE to facilitate the further development of NIRO policy and legislation and address NIRO compliance issues	We will work with DfE during 2024-2025 to address outstanding audit recommendations and identifying learning for any successor scheme. We will work with DfE to facilitate the appropriate implementation in NI of government's proposed Fixed Price Certificate regime.	Networks and Energy Futures	Q4 (and as per UK government specified timeframes)
3	Complete assessment with DfE to allow decision to be made on a successor programme for, or the extension of, NISEP	Work with DfE on the development of any successor programme and/ or the extension of NISEP to facilitate the delivery of energy/carbon savings. Decision on NISEP extension completed and if extension is required consultation and framework document published to enable new programme from April 2025 onwards.	Networks and Energy Futures	Q4
4	Develop a policy framework with DfE for biomethane injection	In 2024/2025 we will scope day two issues and agree timetable of work with the gas network operators. Will facilitate delivery of renewable gas in line with developing energy policy and emerging interest in biomethane injection. This will involve review of connections policy and potential code and licence modifications.	Networks and Energy Futures	Multi-year
5	Scope out with DfE the regulatory framework to facilitate offshore wind connections	In 2024/2025 we will progress any actions identified for UR in the DfE Offshore Action plan once finalised. Will facilitate offshore connection to contribute to government decarbonisation targets by reviewing the suitability of current regulatory arrangements.	Networks and Energy Futures	Multi-year



Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
6	Benchmark other jurisdictional and regulatory approaches to a Just Transition to Decarbonisation to define learning points for UR	Will include defining options for further work that will progress a Just Transition in Northern Ireland and that can be facilitated by the UR, including stakeholder engagement. Will help deliver net zero in a way which focuses on delivering a Just Transition.	Consumer Protection and Enforcement	March 2025
7	Develop System Services markets to integrate low carbon sources	Work with TSOs to deliver detailed design of FASS arrangements and to progress procurement of low carbon interia services. Will meet our energy needs in a secure and efficient manner.	Markets	Q4
8	Develop and implement modifications to the capacity market code	Will enhance the operational effectiveness of the CRM, including in relation to sending efficient investment signals, in context of policy and legislative requirements.	Markets	Q4

Strategic objective 2: Securing our energy and water supply

Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
1	Work with SONI to develop a new National Resource Adequacy Assessment (NRAA) and develop framework to transition from existing Generation Capacity Statement	<ul style="list-style-type: none"> • Completion of TSO-led public consultation process to aid decision on methodology by early 2024. • Development of modelling and adequacy assessment by spring 2024. • Approval and publication of an annual document for regulators, industry and policy makers to aid decisions about investment and security of supply by autumn 2024. 	Markets	Q4
2	Commence a review of the approach to future network gas price control regulation	Drawing on the learning from the GD23 and GT22 price control, and, in the context of Government policy on net zero, to reviewing the future of gas price control regulation. In 2024-2025 the project will initially scope out the implications of wider strategic developments to begin to provide clarity on the price control framework and process in preparation for the next GD29 and GT27 reviews.	Price Controls	Multi-year
3	Develop an assessment in conjunction with DfE on the need for future interconnection.	Scope requirements through horizon scanning on projects of strategic importance specifically focussing on interconnection and evidencing of the cost benefit for electricity consumers in NI.	Markets	Q4



Strategic objective 3: Enabling best in class energy and water companies

Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
1	Complete the electricity network (RP7) price control review.	Will provide for long-term value for money investment in the electricity network, which benchmarks well with comparative network companies, facilitates innovation and supports the delivery of net zero.	Price Controls	Q3
2	Complete the Power NI price control review	Ensures consumers receive an effective service from Power NI at the lowest possible cost.	Price Controls	Q4
3	Complete the SEMO price control review	Ensure that the company produce quality outputs at reasonable cost to consumers and has sufficient revenues to run its business.	Price Controls	Q4
4	Progress the SONI price control 2025-2030 review in line with project schedule	During 2024/2025, publish approach to price control during Q1. Ensures that the company produces quality outputs at lowest cost to consumers, has sufficient revenues to run its business, and facilitates the delivery of net zero.	Price Controls	Multi-year
5	Extend the SONI 2023-2024 price control	Will conclude the extension to the current price control, to address outstanding SONI licence modifications. Ensure that the company produces quality outputs at lowest cost to consumers and has sufficient revenues to run its business.	Price Controls	Q3
6	Commence the PC27 price control	PC27 Approach confirmed and stakeholder engagement initiated to support the development of a regulatory framework that will allow NI Water to compare to the best water companies. A call for evidence on the regulatory asset base and the level of depreciation will also be completed.	Price Controls	Q4
7	Commence a review of cost and performance reporting for network companies	This review is being initiated to support the ambition of best in class energy and water companies, by enhancing performance reporting to that improved comparative benchmarking, while also minimising regulatory burden, and ensures consistency and clarity.	Price Controls	Start Q3, Multi-year
8	Complete the Mid-Term Review of PC21 price control	The efficient delivery of sustainable water services over the period 2021 to 2027, which aligns with the long-term water strategy.	Price Controls	Q2
9	Design and implement new licence compliance framework including the development of a new public compliance reporting regime	Develop and deliver a robust, consistent and proportionate licence compliance framework. Publish guidance document for licensees detailing the new approach. Design and implement an external reporting framework for licence compliance activities across all licensees.	Consumer Protection and Enforcement	July 2024



Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
10	Assist DfE in planning the roll-out of electricity Smart Meters	In 2024/2025 we will progress any actions identified for UR in the DfE Energy Strategy Action plan. Will ensure that the electricity smart meter roll-out is planned with consumers at the core, in terms of both consumer protection, empowerment and cost effectiveness.	Networks and Energy Futures and Consumer Protection and Enforcement	Multi-year
11	Outline the next steps in the review of electricity connections cost allocation	We will publish a next steps paper in 2024/2025. Plan next steps for the appropriate allocation of costs that delivers the net zero targets at lowest cost, and ensures that those who benefit from a connection pay an appropriate charge.	Networks and Energy Futures	Multi-year

Strategic objective 4: Providing the highest level of consumer service and protection

Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
1	Carry out a review and enhancement of the Wholesale Market Monitoring Unit Monitoring Tools	<p>Increased ability to detect and prevent trading based on inside information and market manipulation.</p> <p>Enhance transparency of the SEM and ability of the unit to detect and observe trading patterns in the market.</p> <p>During 2024/2025 we will define the outputs of the project and intend to fully develop and implement the majority of the enhancements to our operating tools. We will also introduce a greater level of automation to the process.</p>	Markets	Multi-year
2	Complete a review of monitoring of the Retail Electricity and Gas Market	<p>Development of an enhanced publication of the QREMM and AREMM reports.</p> <p>During 2024/2025 we will undertake a review of the metrics used in the reports. Following this review we will design an enhanced REMM report, with a view to including additional information that will improve transparency in the Retail market. We intend to have this report published by Q4 of the year.</p>	Markets	Q4
3	Deliver our Consumer Protection Programme (CPP) for 2024-2029.	During 2024/2025 we will complete those projects identified for year one of the programme. This will deliver positive impacts for both domestic and non-domestic consumers of electricity, gas and water, including those in vulnerable circumstances. This will be achieved by implementing a series of projects focusing on best practice.	Consumer Protection and Enforcement	Multi-year



Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
4	Finalise Best Practice Framework project for electricity, gas and water	Implement final decisions in relation to the CoP on customers in vulnerable circumstances. Make final decisions on the critical care register.	Consumer Protection and Enforcement	CoP October 2024 Critical Care Register March 2025
5	Work with DfE to scope out the regulatory framework for heat networks	Following any new powers to regulate heat networks, UR, along with DfE, will engage with stakeholders to consider priority areas for regulatory arrangements.	Networks and Energy Futures	Q4
6	Complete both Non-Domestic and Domestic consumer insight tracker research and review areas for new research	This will deliver positive impacts for both domestic and non-domestic consumers of electricity and gas by establishing a firm and evolving evidence base on consumer needs, wants and understanding of the energy markets. This will enable UR to develop consumer-focused policies/projects that are evidence based.	Consumer Protection and Enforcement	March 2025

Organisational Projects

Ref	Project description	Scope and anticipated outcome/s	Lead team	Timing
1	Develop an in-house modelling capability	Over the period we will develop an inhouse modelling team that will provide the UR with an over the horizon capability to forecast longer term market prices and assess the impact of different outcomes on the market. This facility will aide our work across a number of policy areas including market design, security of supply and energy strategy. During 2024/2025 we will set up the unit, ensure that staff are trained in the use of various modelling tools such as PLEXOS, and are capable of undertaking independent modelling to support various roles within UR.	Markets	Multi -Year
2	Review our market and consumer data to enhance our evidence base and insights capability	Review the various market and consumer data banks we hold, with a view to establishing the optimal way forward for internal and external “publication” of data to: (i)assist informed utility policy debate; (ii)provide information to consumers and consumer representatives; (iii)inform internal regulatory discussions and decisions	Markets and Consumer Protection and Enforcement	Q4
3	Implement a programme to grow and develop the potential of staff to support UR’s future	Scope and define options for improving UR’s approach to learning and development; succession planning; growing internal talent and capabilities.	HR	Q4

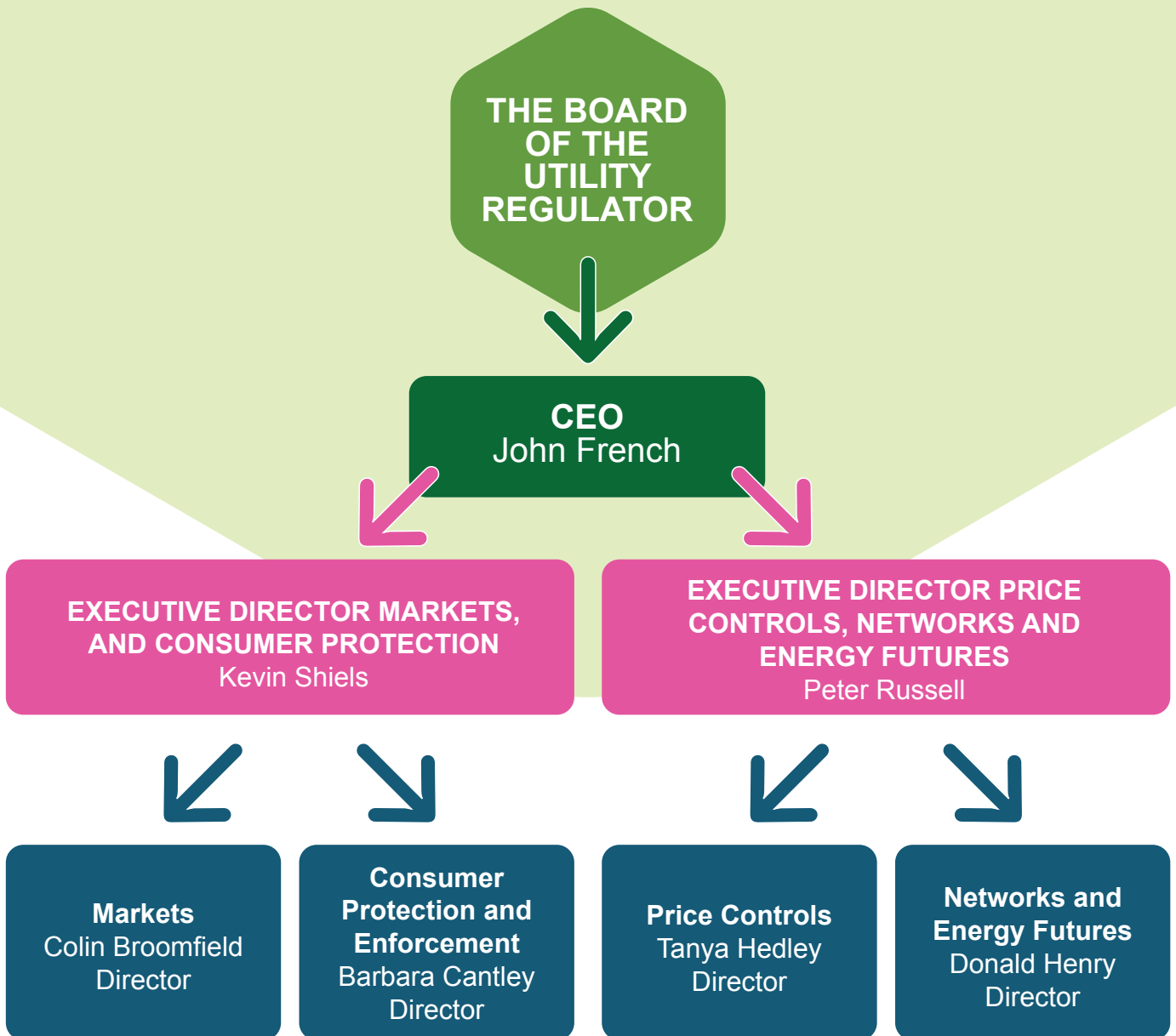


1. About Us

Who we are

We are the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries. We are governed by a board whose members are appointed by the Minister for Finance. We are ultimately accountable to the NI Assembly and our work contributes to the overall Programme for Government (PfG) in Northern Ireland.

We are structured to help us deliver our corporate strategy and work better with stakeholders (the wide range of people and organisations we work with). We are organised under two broad groupings covering four divisions (see below).



What we do

Our work is based on the duties we have by law (our statutory duties), which include the following:



Energy electricity and gas

- Protecting the interests of electricity consumers in relation to price and quality of service, by promoting effective competition where appropriate.
- Promoting the development and maintenance of an efficient, economic and co-ordinated gas industry.



Water and sewerage

- Protecting the interests of consumers by promoting an efficient industry delivering high-quality services.

We have wide-ranging statutory duties relating to regulation and competition. We share our duties relating to competition with the UK Competition and Markets Authority (CMA).

Our work includes the following:

- Granting licences that allow gas, electricity and water companies to operate in Northern Ireland.
- Making sure licensed companies meet relevant laws and licence obligations.
- Setting the minimum standards of service which regulated companies must provide to consumers in Northern Ireland.
- Making sure that consumers only pay what is necessary for the services they receive now and into the future.
- Challenging companies to make sure they operate efficiently and provide good value for consumers as well as shareholders.
- Working to provide more choice and encourage effective competition in the gas and electricity markets.
- Making sure that regulated companies can fund their activities and are open to new technologies and ways of working effectively.
- Acting as an adjudicator on individual complaints, disputes and appeals.



Who we work with

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

In carrying out our duties relating to gas and electricity, we work within a policy framework set by the Department for the Economy (DfE). Our statutory duties are the same as DfE's. In carrying out our duties relating to water and sewerage services, we work within a policy framework set by the Department for Infrastructure (DfI).

The SEM Committee (SEMC) regulates the all-island single electricity market (SEM). We work with the Commission for the Regulation of Utilities (CRU), the energy regulator for the Republic of Ireland, on the SEMC. The SEMC's role is to protect the interests of electricity consumers on the island of Ireland by promoting effective competition.

We also work closely with the Consumer Council for Northern Ireland (CCNI), the organisation set up by the Government to represent consumers and other groups across Northern Ireland.

Our work sits within a broader setting and we work closely with other regulators. These include the energy and water regulators for Great Britain (Ofgem, Ofwat and the Water Industry Commission for Scotland).

We also work with the CMA and with other regulators across the UK through the United Kingdom Competition Network (UKCN). This provides a co-ordinated approach to identifying and responding to competition issues and promoting best practice.

Finally, we are active members of the United Kingdom Regulators Network (UKRN), which includes representatives from economic regulators across the UK. The network seeks to ensure the effective co-operation between sectors and has produced a range of publications.



Glossary

Clean Energy Package (CEP)	The European Commission's proposals designed to increase energy efficiency, boost renewable energy usage, reform the European energy market, introduce new governance measures for the Energy Union and support clean energy innovation.
Clean Growth strategy	The UK government strategy setting out a set of policies and proposals that aim to accelerate the pace of 'clean growth' (i.e. increased growth and decreased emissions) in the context of the UK's legal requirements under the Climate Change Act.
Codes of practice	Documents that provide information on the standards of a range of services.
Disruptive energy technologies	Disruptive technology significantly alters the way businesses or entire industries operate. It often forces companies to change the way they approach their business for fear of losing market share or becoming irrelevant. In energy, a good example is the development and growth in the numbers of electric vehicles.
Energy transition	The energy transition is a pathway toward transformation of the global energy sector from fossil-based to zero-carbon by the second half of this century.
Network codes	Contractual arrangements between the network system operator and network users to make sure the network runs efficiently.
Net zero	Refers to the balance between the amount of greenhouse gas produced and the amount removed from the atmosphere. Net Zero is reached when the amount we add is no more than the amount taken away.
Price control	Price controls are one of the main tools we use to protect consumers. This involves the regulator studying the business plans of utility companies and calculating the revenue they need to finance their activities while providing incentives to invest in the business.
Retail energy market	The activities of electricity and gas suppliers and their interactions with consumers.
Single electricity market (SEM)	The SEM was originally set up in November 2007. It is the single wholesale market for electricity which operates in both the Republic of Ireland and Northern Ireland. It aims to improve the reliability of supplies and the range of suppliers, encourage market efficiencies and economies, and promote greater competition. An enhanced SEM market came into operation on 1 October 2018.
Transmission system operator (TSO)	The organisation that makes sure the energy networks run efficiently.
Wholesale market	The wholesale market is where generators sell their electricity to suppliers.



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