# Quarterly Retail Energy Market Monitoring Report

## Quarter 4: 01 October to 31 December 2022

*Published: 28th February 2023*

## Abstract

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

The data relates mainly to market shares, market activity 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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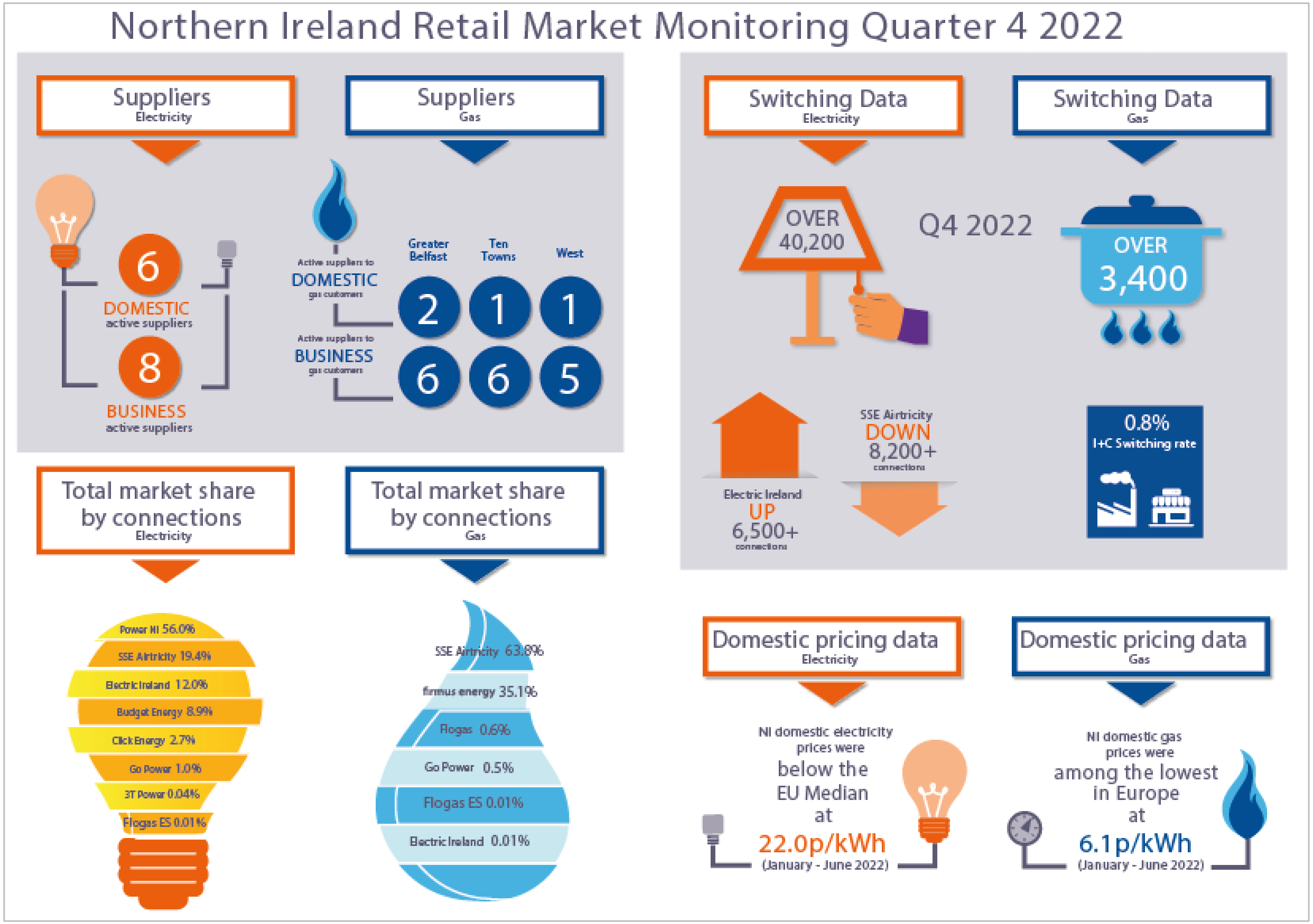
# 1. Summary of key market indicators



## Key developments during Q4 2022

1. Overall electricity switching activity in Q4 2022 increased from the previous quarter. Domestic customers continue to engage in the market with over c39,000 domestic switches completed during Q4 2022 (increase from c26,000 in the previous quarter) and a switching rate of 4.7%. In the I&C sector, the electricity switching rate increased marginally from 1.1% in Q3 2022 to 1.2% in Q4 2022.

2. In the gas sector, domestic switching in the Greater Belfast area saw c3,300 switches completed during the Q4 2022 (an increase from c400 in Q3 2022). I&C switching also saw an increase in switching activity from 0.5% in Q3 2022 to 0.8% in Q4 2022.

3. The semester 1 (January to June) 2022 electricity pricing data is sourced from Eurostat and individual supplier's submissions under the REMM framework. The pricing data for the period illustrates the following:

   - NI domestic electricity prices (22.0 p/kWh) continued to rank below the EU median (22.2 p/kWh), RoI (23.1 p/kWh) and were lower than the UK (27.3 p/kWh).
   - The NI I&C electricity price for the Very Small connections (which represent c70% of I&C connections) was 29.1 p/kWh, which was higher than the UK (21.3 p/kWh), higher than the EU median (21.6 p/kWh) and above the Republic of Ireland (25.4 p/kWh).
   - For Large and Very Large I&C customers (c0.02% of connections) NI prices (19.9 p/kWh) were higher than the EU median (12.7 p/kWh), RoI (16.4 p/kWh) and the UK (17.9 p/kWh).

4. The semester 1 (January to June) 2022 domestic gas prices in NI were among the lowest in Europe at 6.1 p/kWh. This was less than RoI (7.1 p/kWh) and EU median (7.3 p/kWh) and marginally higher than UK (5.6 p/kWh).

# 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 Quarterly Transparency Reports (QTRs)) 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 | 💡 | 💡 | 🔥 | 🔥 | | 🔥 | 🔥 | 🔥 |
| Flogas Enterprise Solutions (Flogas ES)[2] | | 💡 | | 🔥 | | 🔥 | | |
| 3T Power | | 💡 | | | | | | |
| **Suppliers** | **6** | **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] Flogas Enterprise Solutions, previously known as Naturgy Ltd.

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[3] gas distribution area was a large I&C user during Q1 2017.

2.5 During the fourth quarter of 2022 there were **eight** 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 B of this report. For more information about the retail energy market in NI, please visit: https://www.uregni.gov.uk/supply.

[3] 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 Q4 2022

### Total Electricity Connections

**912,832**

837,355
Domestic connections

Domestic Credit = 456,774
Domestic Prepayment = 380,581

75,477
I&C connections

I&C <20 MWh = 52,817
I&C 20 - 49 MWh = 12,288
I&C 50 - 499 MWh = 9,316
I&C 500 - 1,999 MWh = 791
I&C 2,000 - 19,999 MWh = 247
I&C >20,000 MWh = 18

### Total Electricity Consumption

**1,998 (GWh)**

792.4 (GWh)
Domestic consumption

Domestic Credit = 448.6 GWh
Domestic Prepayment = 343.8 GWh

1,205.5 (GWh)
I&C consumption

I&C <20 MWh = 70.8 GWh
I&C 20 - 49 MWh = 89.4 GWh
I&C 50 - 499 MWh = 324.8 GWh
I&C 500 - 1,999 MWh = 204.9 GWh
I&C 2,000 - 19,999 MWh = 337.7 GWh
I&C >20,000 MWh = 177.9 GWh

### Domestic Electricity Pricing

**22.0p/kWh**

January - June 2022

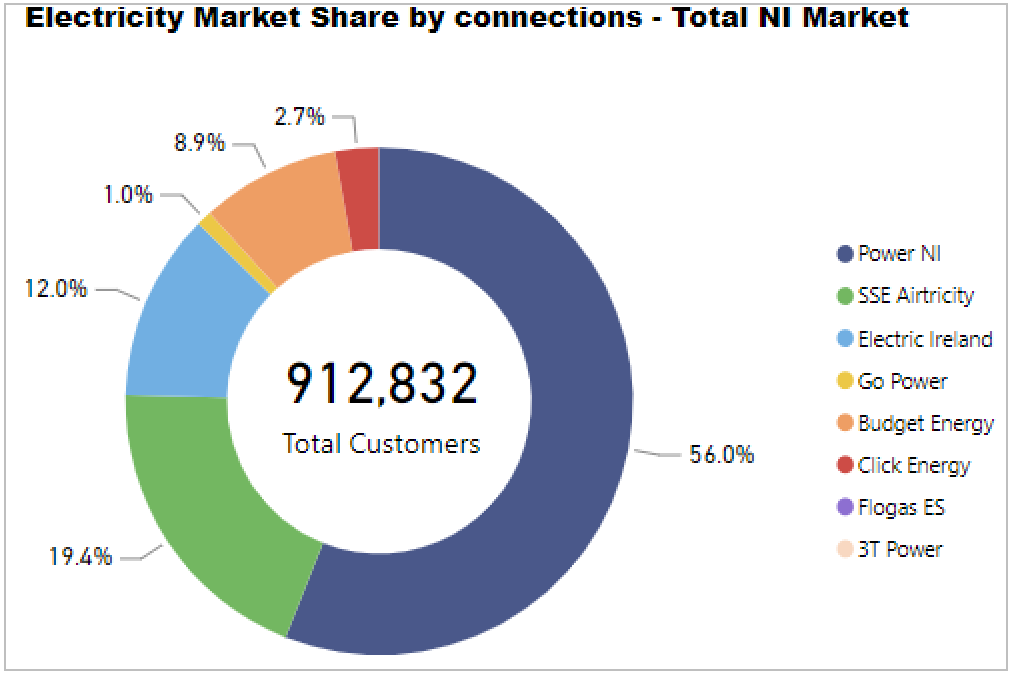
### Total Electricity Switches

**40,241**

## Total NI market shares (by connections)

3.1 The chart[4] to the right shows the percentage market share by connections[5] for each electricity supplier at the **end of December 2022**.

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 56% share of the market.




| Market Segment | Power NI | SSE Airtricity | Electric Ireland | Budget Energy | Click Energy | Go Power | Flogas ES | 3T Power | Total Customers |
|---|---|---|---|---|---|---|---|---|---|
| Domestic credit | 293,973 | 105,246 | 46,025 | 7,248 | 3,447 | 835 | 0 | 0 | 456,774 |
| Domestic prepayment | 180,280 | 56,198 | 50,315 | 73,227 | 20,561 | 0 | 0 | 0 | 380,581 |
| I&C < 20 MWh | 28,876 | 10,479 | 7,233 | 438 | 651 | 4,987 | 22 | 131 | 52,817 |
| I&C 20 – 49 MWh | 4,834 | 2,999 | 2,556 | 124 | 207 | 1,539 | 3 | 26 | 12,288 |
| I&C 50 – 499 MWh | 3,100 | 1,807 | 2,743 | 47 | 123 | 1,320 | 15 | 161 | 9,316 |
| I&C 500 – 1,999 MWh | 219 | 175 | 279 | 0 | 9 | 76 | 17 | 16 | 791 |
| I&C 2,000 – 19,999 MWh | 56 | 45 | 108 | 0 | 7 | 21 | 5 | 5 | 247 |
| I&C ≥ 20,000 MWh | 0 | 5 | 11 | 0 | 0 | 2 | 0 | 0 | 18 |
| **Total** | **511,338** | **176,954** | **109,270** | **81,084** | **25,005** | **8,780** | **62** | **339** | **912,832** |

*Data source: NIEN*

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

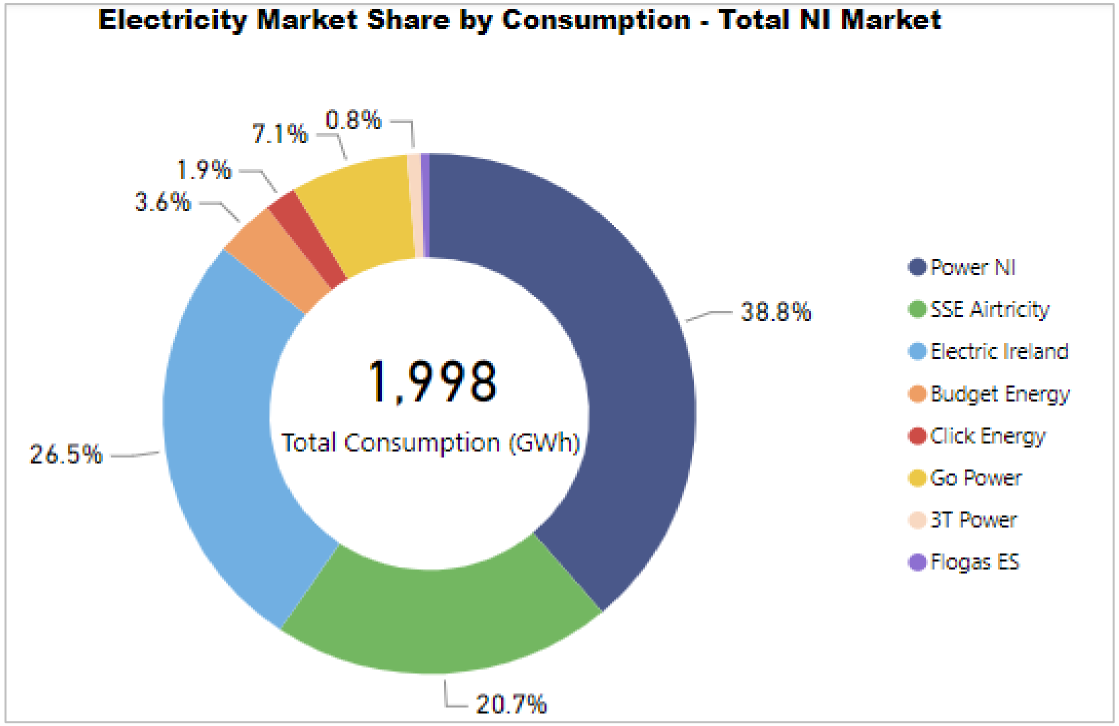
3.3 The bar chart below shows the trends in the market shares (by customer numbers) for each active domestic and I&C supplier in NI for the previous six quarters.


*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 **October to December 2022.**

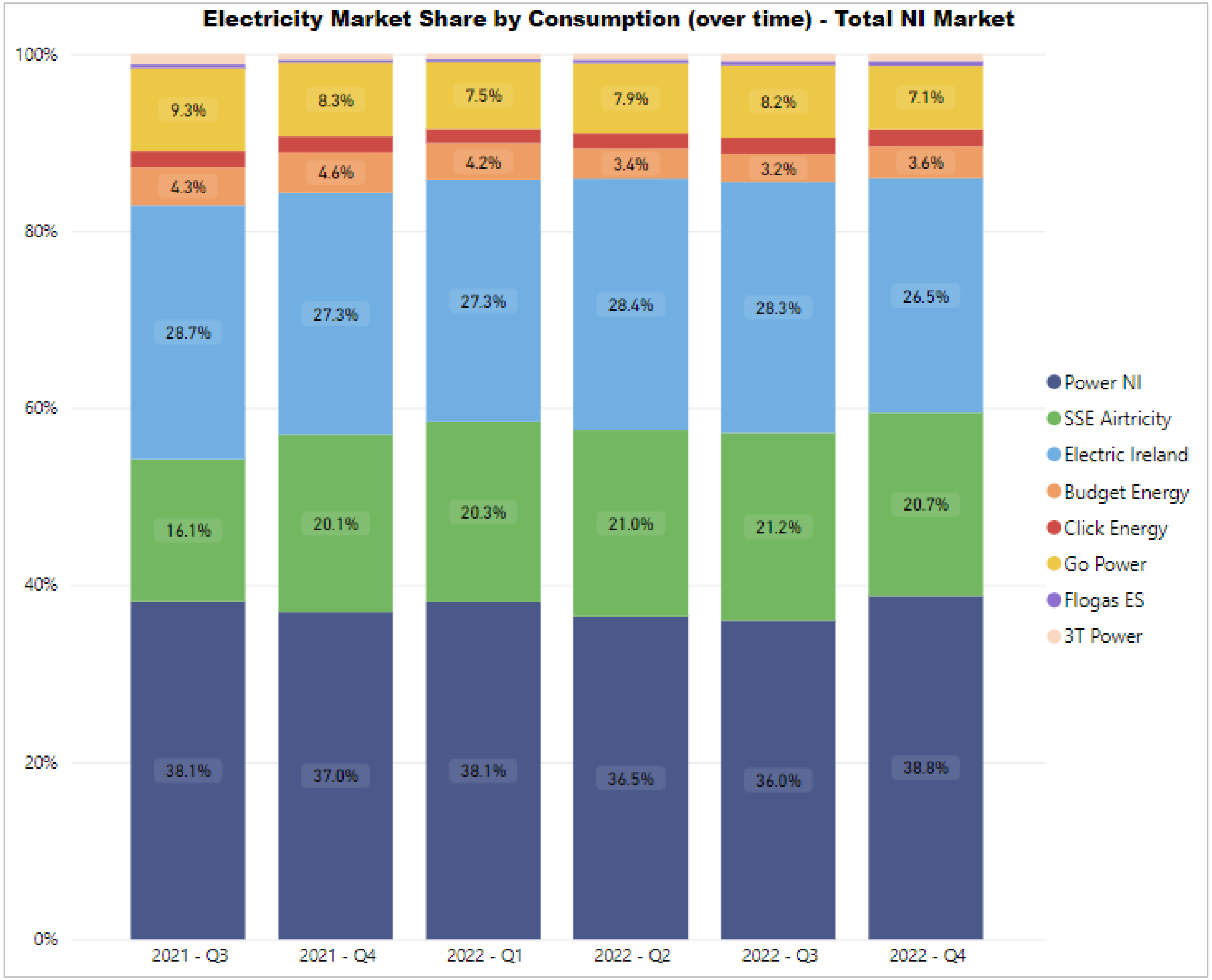
3.5 Electricity consumption in the NI retail market for Q4 2022 was 1,998 GWh.




| Market Segment | Power NI | SSE Airtricity | Electric Ireland | Budget Energy | Click Energy | Go Power | 3T Power | Flogas ES | Total Consumption (GWh) |
|---|---|---|---|---|---|---|---|---|---|
| Domestic credit | 278.8 | 112.6 | 43.8 | 8.0 | 3.6 | 1.8 | 0.0 | 0.0 | 448.6 |
| Domestic prepayment | 166.6 | 51.0 | 46.1 | 61.4 | 18.7 | 0.0 | 0.0 | 0.0 | 343.8 |
| I&C < 20 MWh | 36.6 | 15.8 | 9.9 | 0.6 | 0.7 | 7.0 | 0.1 | 0.0 | 70.8 |
| I&C 20 – 49 MWh | 34.9 | 22.0 | 20.2 | 0.9 | 1.1 | 10.1 | 0.2 | 0.0 | 89.4 |
| I&C 50 – 499 MWh | 105.5 | 64.2 | 99.4 | 1.3 | 3.2 | 40.7 | 9.6 | 0.8 | 324.8 |
| I&C 500 – 1,999 MWh | 60.9 | 43.0 | 68.7 | 0.0 | 2.3 | 22.2 | 3.3 | 4.4 | 204.9 |
| I&C 2,000 – 19,999 MWh | 90.9 | 53.9 | 154.3 | 0.0 | 8.9 | 21.1 | 3.7 | 5.0 | 337.7 |
| I&C ≥ 20,000 MWh | 0.0 | 51.3 | 86.9 | 0.0 | 0.0 | 39.7 | 0.0 | 0.0 | 177.9 |
| **Total** | **774.3** | **413.7** | **529.3** | **72.2** | **38.6** | **142.6** | **16.9** | **10.3** | **1,998.0** |

*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 previous six quarters.

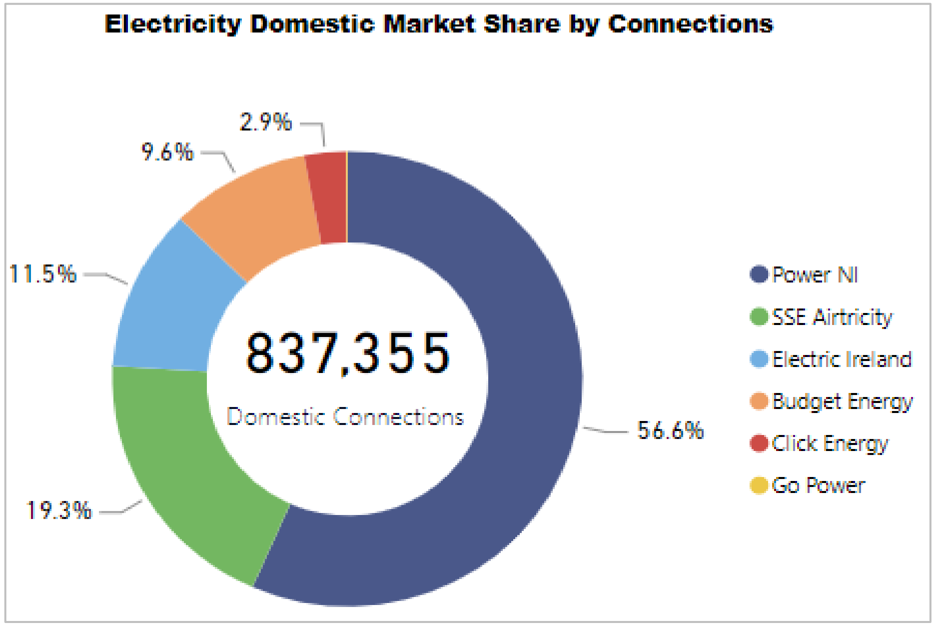


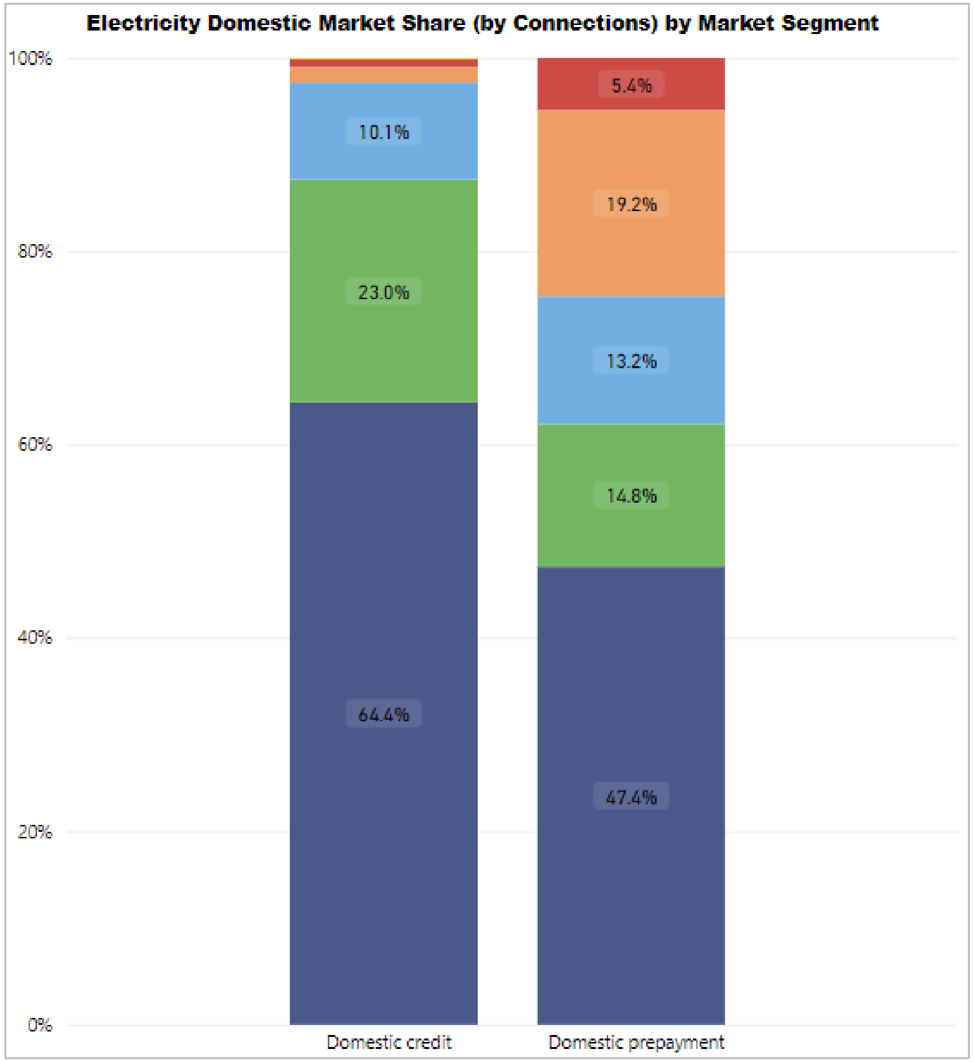

*Data source: NIEN*

## 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 The non-incumbents now represent 43.4% of total domestic connections in NI.



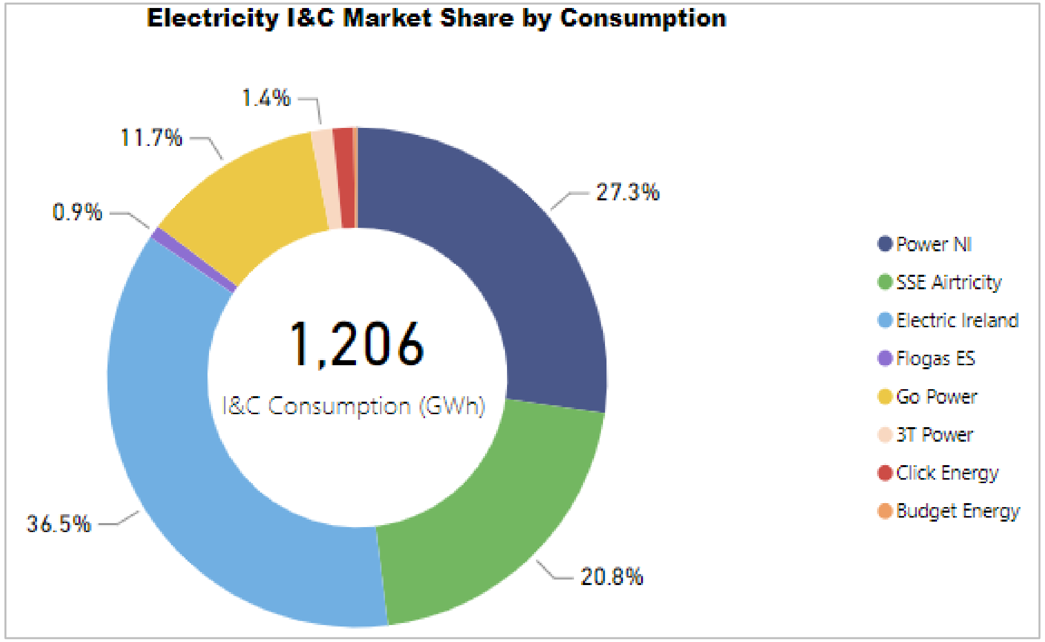



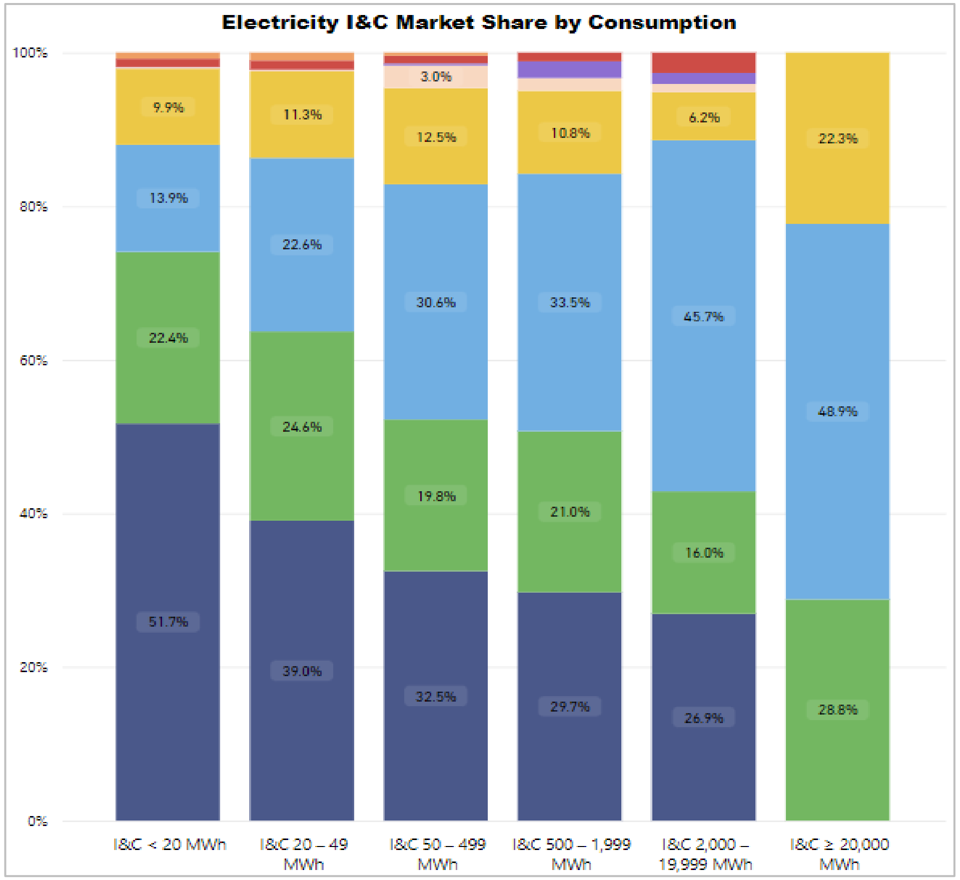

| Market Segment | Power NI | Power NI % | SSE Airtricity | SSE Airtricity % | Electric Ireland | Electric Ireland % | Budget Energy | Budget Energy % | Click Energy | Click Energy % | Go Power | Go Power % | Total Customers | Total Customers % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domestic prepayment | 180,280 | 38% | 56,198 | 35% | 50,315 | 52% | 73,227 | 91% | 20,561 | 86% | 0 | 0% | 380,581 | 45% |
| Domestic credit | 293,973 | 62% | 105,246 | 65% | 46,025 | 48% | 7,248 | 9% | 3,447 | 14% | 835 | 100% | 456,774 | 55% |
| **Total** | **474,253** | | **161,444** | | **96,340** | | **80,475** | | **24,008** | | **835** | | **837,355** | |

*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 was 1,206 GWh.




| Market Segment | Power NI | SSE Airtricity | Electric Ireland | Go Power | 3T Power | Flogas ES | Click Energy | Budget Energy | Total Consumption (GWh) |
|---|---|---|---|---|---|---|---|---|---|
| I&C < 20 MWh | 36.6 | 15.8 | 9.9 | 7.0 | 0.1 | 0.0 | 0.7 | 0.6 | 70.8 |
| I&C 20 – 49 MWh | 34.9 | 22.0 | 20.2 | 10.1 | 0.2 | 0.0 | 1.1 | 0.9 | 89.4 |
| I&C 50 – 499 MWh | 105.5 | 64.2 | 99.4 | 40.7 | 9.6 | 0.8 | 3.2 | 1.3 | 324.8 |
| I&C 500 – 1,999 MWh | 60.9 | 43.0 | 68.7 | 22.2 | 3.3 | 4.4 | 2.3 | 0.0 | 204.9 |
| I&C 2,000 – 19,999 MWh | 90.9 | 53.9 | 154.3 | 21.1 | 3.7 | 5.0 | 8.9 | 0.0 | 337.7 |
| I&C ≥ 20,000 MWh | 0.0 | 51.3 | 86.9 | 39.7 | 0.0 | 0.0 | 0.0 | 0.0 | 177.9 |
| **Total** | **328.8** | **250.2** | **439.4** | **140.8** | **16.9** | **10.3** | **16.3** | **2.8** | **1,205.5** |

*Data source: NIEN*

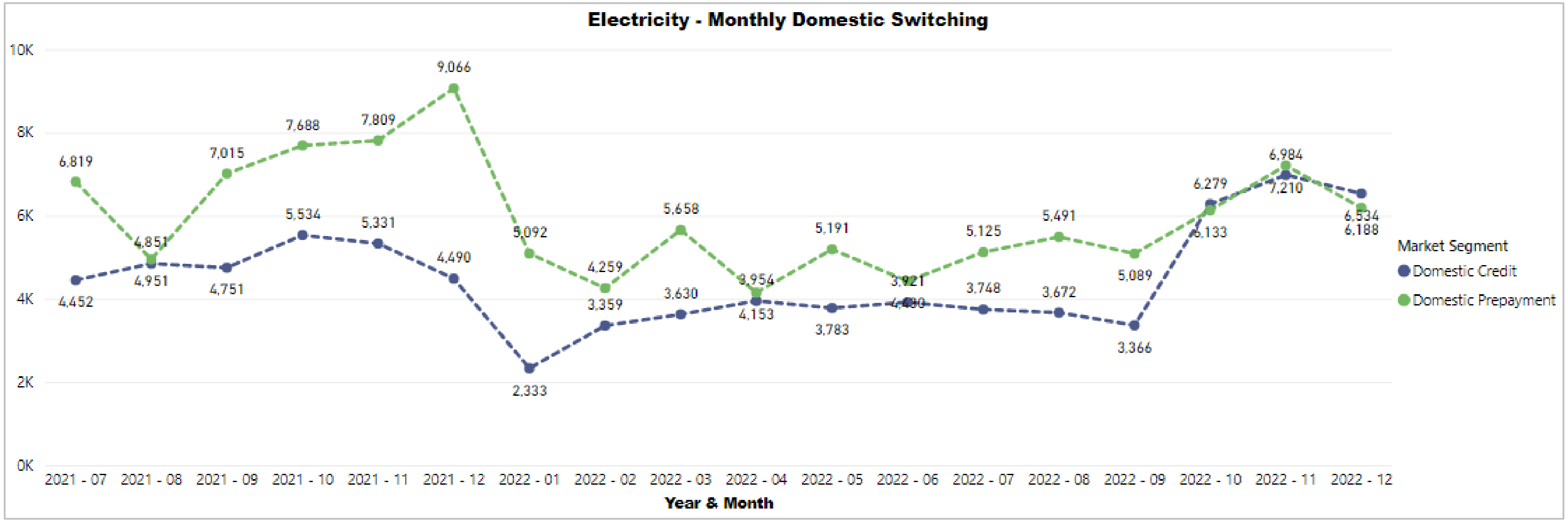
## Market activity (Switching)

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[6] .

| Switching rate – Total NI market | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 33,998 | 43,403 | 24,905 | 26,285 | 27,343 | 40,241 |
| **Switching rate (%)** | 3.8% | 4.8% | 2.8% | 2.9% | 3.0% | 4.4% |

*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, followed by a table with the total domestic switches and domestic switching rate for the quarter.



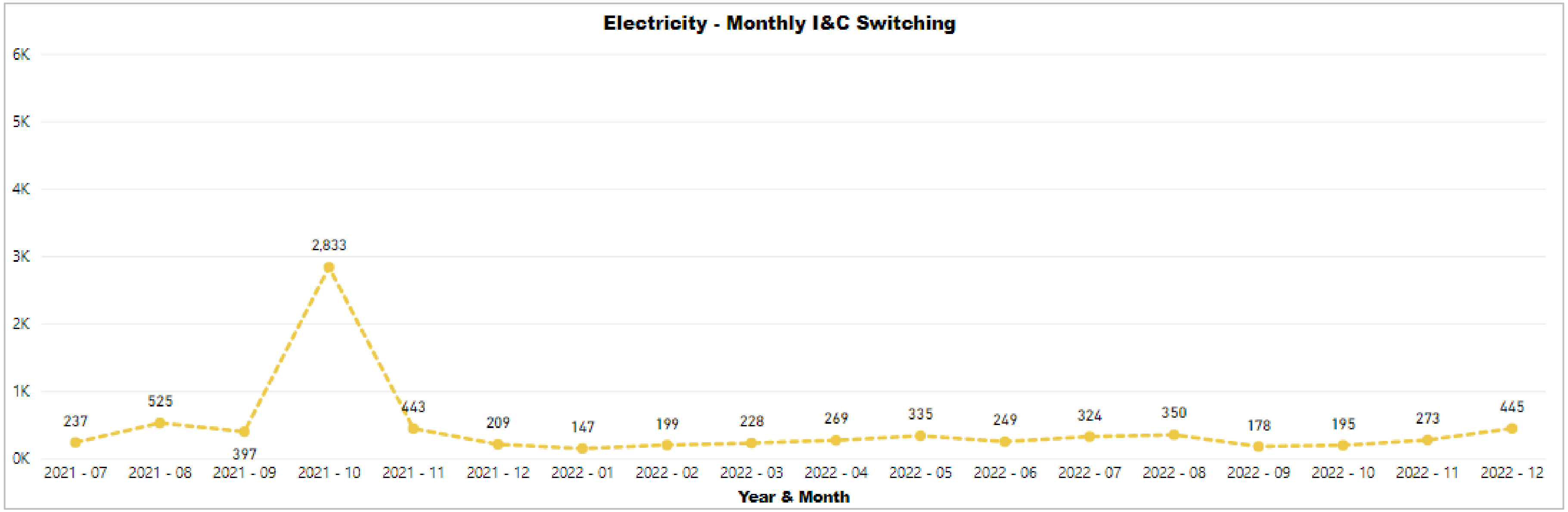

*Data source: NIEN*

[6] 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.

| Switching rate – Domestic market | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 32,839 | 39,918 | 24,331 | 25,482 | 26,491 | 39,328 |
| **Switching rate (%)** | 4.0% | 4.8% | 2.9% | 3.1% | 3.2% | 4.7% |

*Data source: NIEN*

3.12 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 the quarter.




| Switching rate – I&C market | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 1,159 | 3,485 | 574 | 853 | 852 | 913 |
| **Switching rate (%)** | 1.5% | 4.6% | 0.8% | 1.1% | 1.1% | 1.2% |

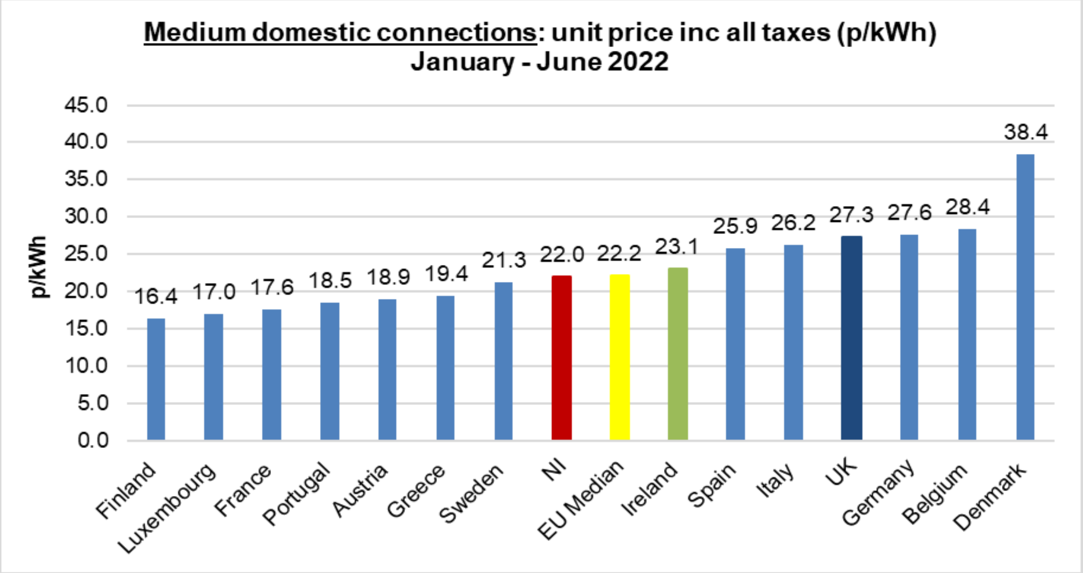
*Data source: NIEN*

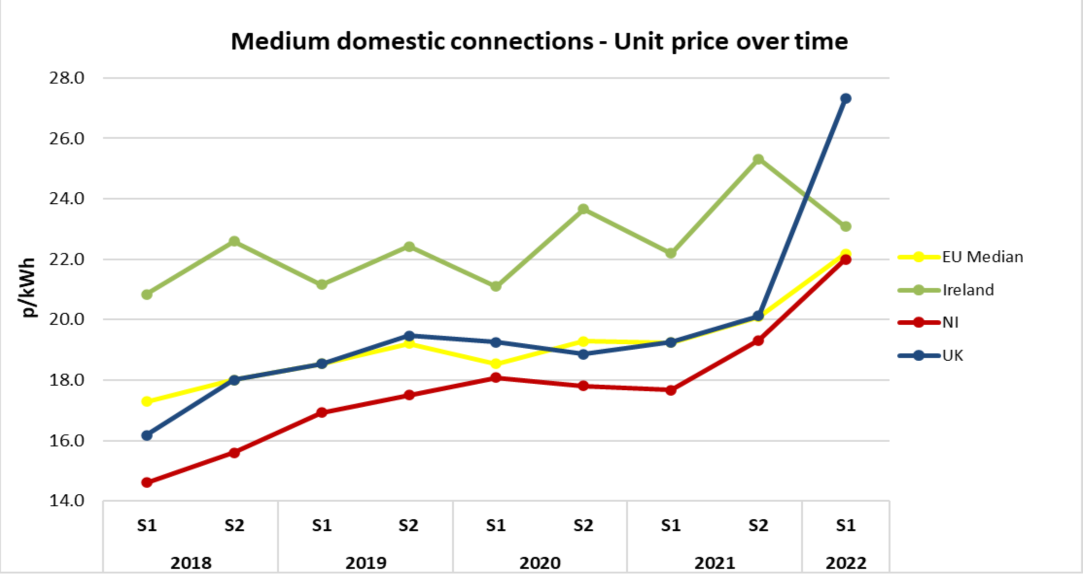
# 4. Electricity Pricing – Semester 1 2022

4.1 **Domestic price comparison with EU:** In the domestic graphs shown, 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 2022[7] (January - June) the NI price was below the EU median, RoI and significantly less than UK.

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




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

[7] The pricing data relates to the period end Q2 2022 (S1 January to June 2022) as opposed to Q4 2022. This is due to the availability of pricing data from Eurostat, BEIS and Suppliers

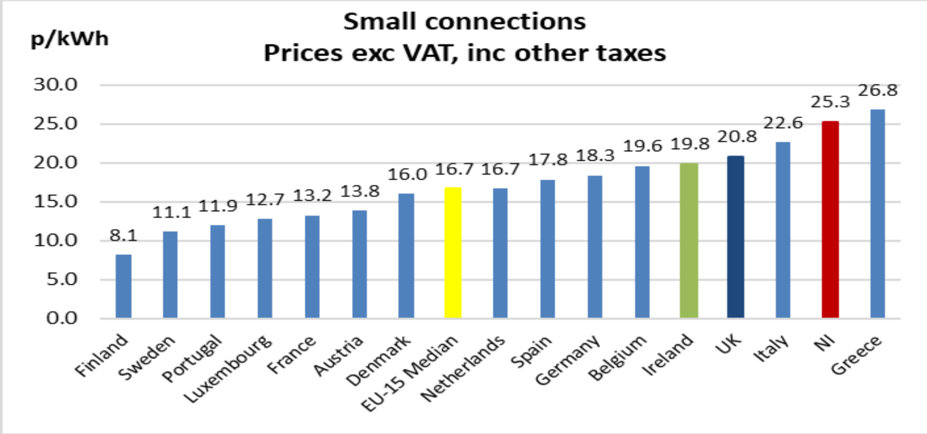
4.4 **I&C price comparison with EU**: The graphs below show I&C electricity prices in the 15 EU[8] countries (converted to GBP) and in NI, per consumption size bands (following standard EU categorisation). The I&C graphs use unit prices which include Climate Change Levy (CCL) but exclude VAT, as VAT 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.

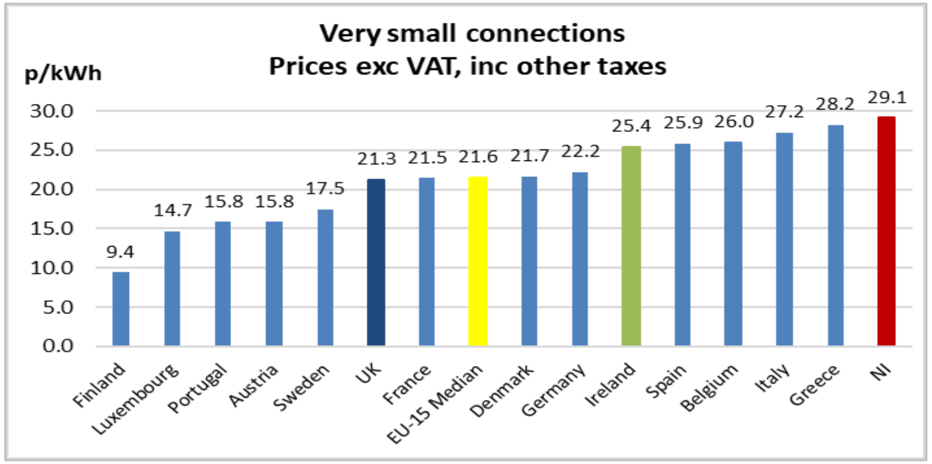
4.5 During semester 1 2022 (January – June), the NI prices in the Very Small I&C Category were higher than the UK, EU median and above RoI (c70% of I&C connections in NI are in this size category). During the same period, for the large and very large I&C customers (c0.02% of connections), NI prices were above RoI and the UK.

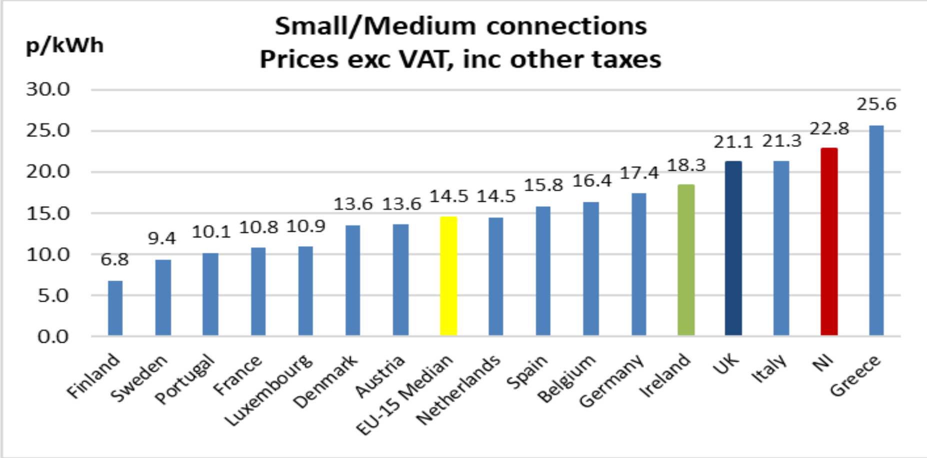
### End of Q2 2022

| Size of Customer | Annual Consumption bands (MWh) | % of I&C connections | % of I&C consumption | I&C connection numbers |
|---|---|---|---|---|
| Very small | < 20 | 69.9% | 6.1% | 52,945 |
| Small | 20 – 499 | 28.7% | 33.0% | 21,688 |
| Small / Medium | 500 – 1,999 | 1.1% | 16.5% | 795 |
| Medium | 2,000 – 19,999 | 0.3% | 28.6% | 246 |
| Large & Very Large | >20,000 | 0.02% | 15.8% | 19 |

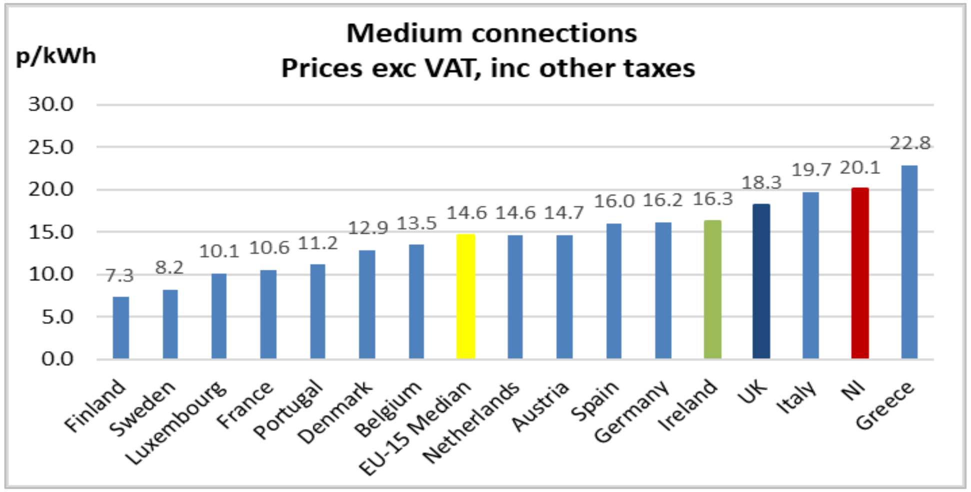
*Source: NIEN*

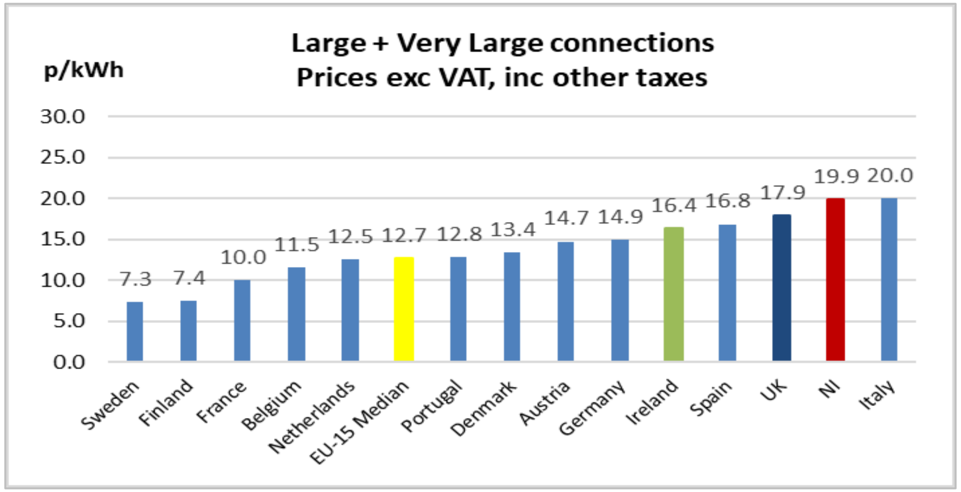


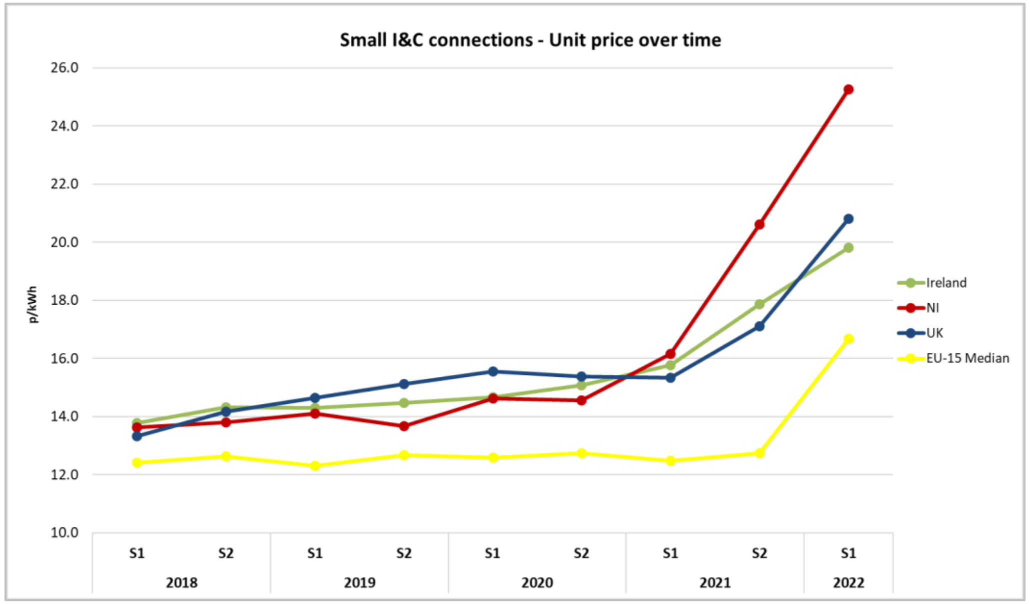



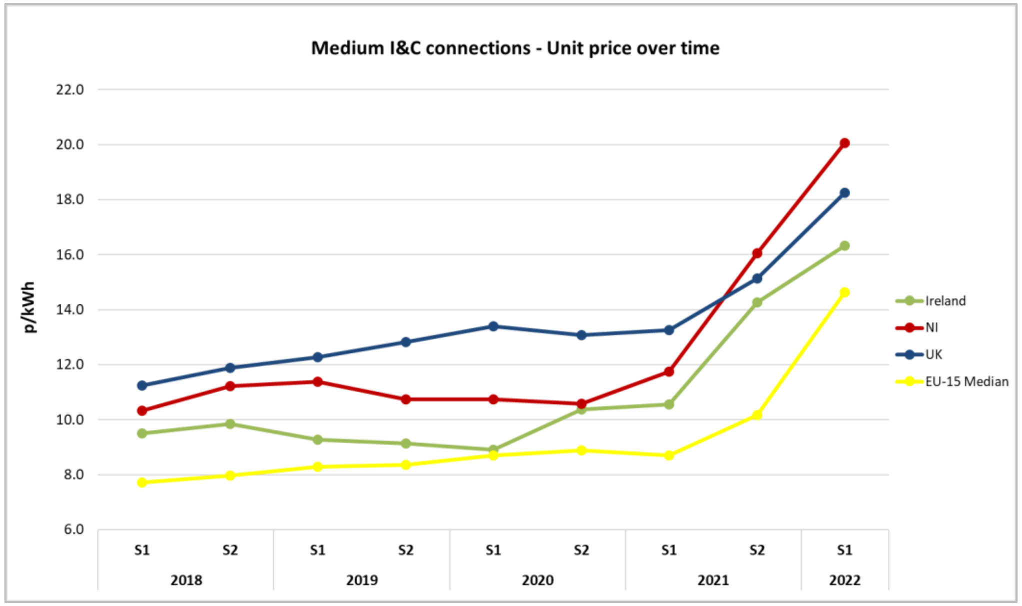

[8] Some graphs do not include all 15 EU countries due to availability of data from Eurostat.



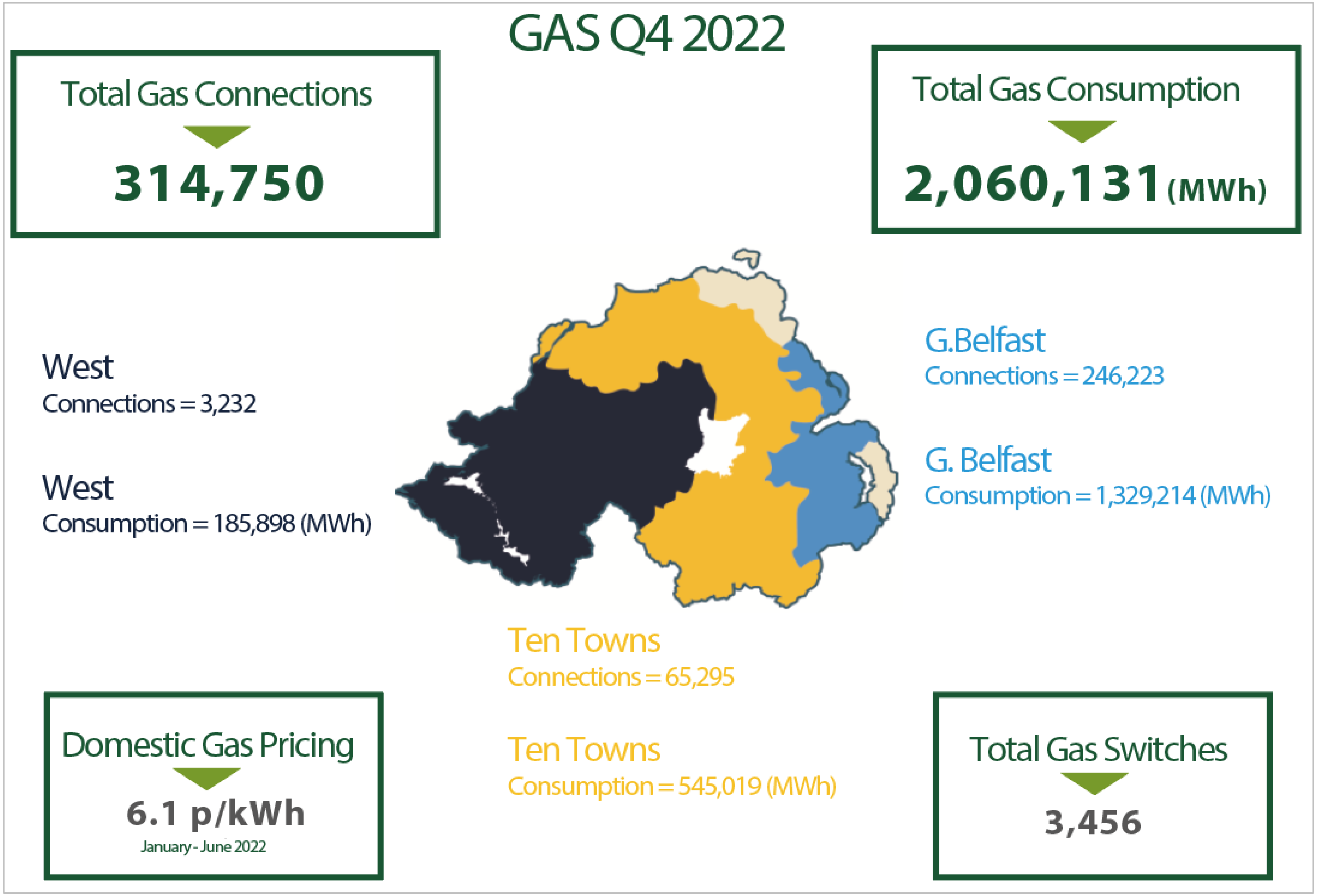

4.6 The graphs below show the unit price over time for the two I&C groups (Small and Medium) which have the majority percentage share of I&C sector, by consumption.




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

# 5. Gas[9]

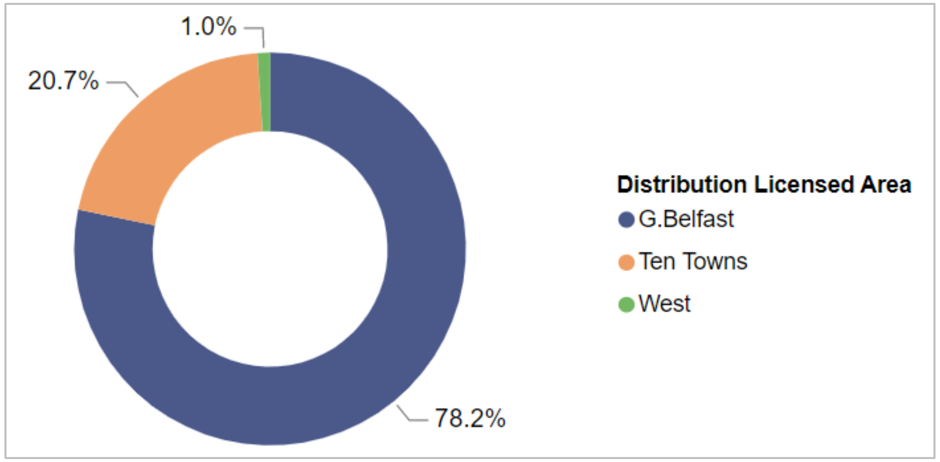


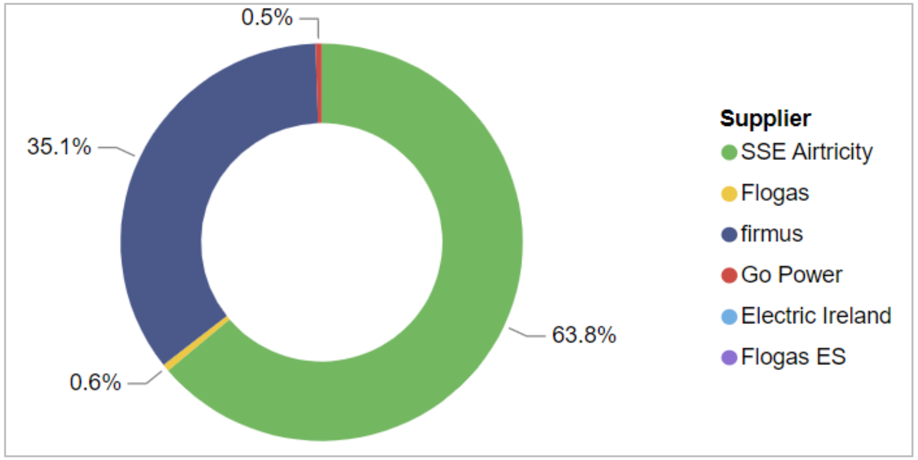

[9] Section 5 consolidates the gas connection, consumption and switching data from the three gas distribution areas (where applicable).

## Total NI market share (by connections)

5.1 This section provides information on the total connection numbers in NI, by supplier, in all three-distribution areas. The market shares in terms of connections[10] are as at the **end of December 2022.**

**Gas Market Share by Connections - Total NI Market**




| Distribution Licensed Area | Market segment | SSE Airtricity | firmus | Flogas | Go Power | Flogas ES | Electric Ireland | Total Connections |
|---|---|---|---|---|---|---|---|---|
| G.Belfast | Domestic Only | 191,262 | 43,227 | 0 | 7 | 0 | 0 | 234,496 |
| G.Belfast | I&C Only | 6,293 | 2,834 | 1,346 | 1,227 | 18 | 9 | 11,727 |
| Ten Towns | Domestic Only | 0 | 62,299 | 0 | 0 | 0 | 0 | 62,299 |
| Ten Towns | I&C Only | 134 | 2,062 | 522 | 272 | 0 | 6 | 2,996 |
| West | Domestic Only | 3,151 | 0 | 0 | 0 | 0 | 0 | 3,151 |
| West | I&C Only | 12 | 45 | 18 | 4 | 0 | 2 | 81 |
| **Total** | | **200,852** | **110,467** | **1,886** | **1,510** | **18** | **17** | **314,750** |

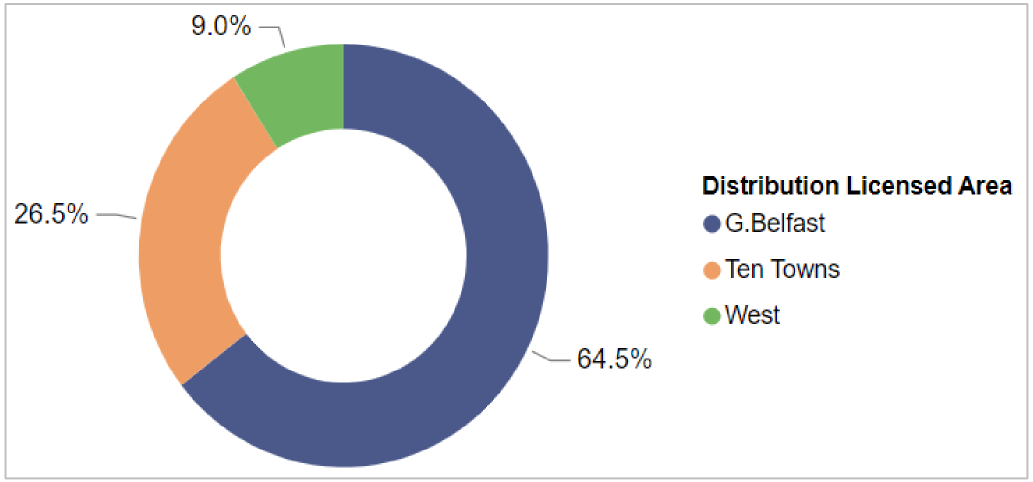
*Data source: PNGL / FeDL / SGN NG*

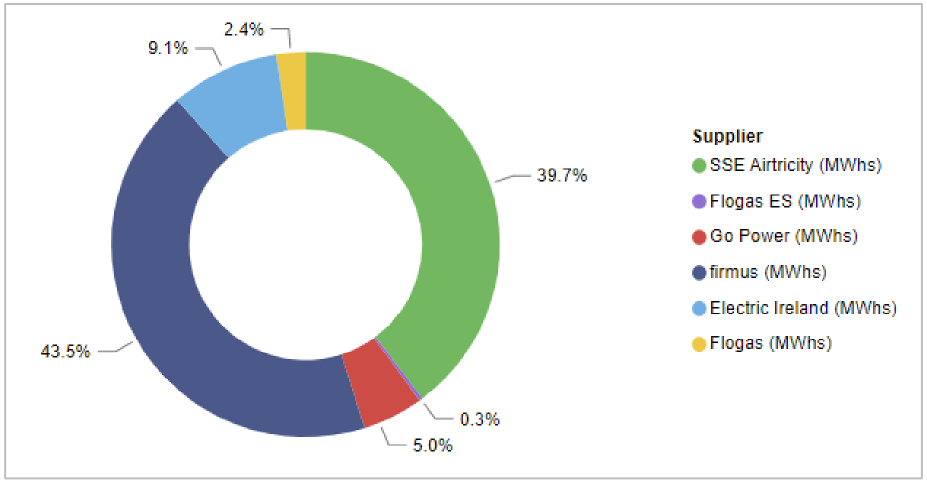
[10] Please note the percentages in the chart may not tally to 100% as the data labels for some suppliers are not reflected due to the size of their market share.

## Total NI market share (by consumption)

5.2 The pie chart below shows the total gas consumption[11] in NI for the period **October to December 2022**, with a breakdown by distribution area.

**Gas Market Share by Consumption - Total NI Market**



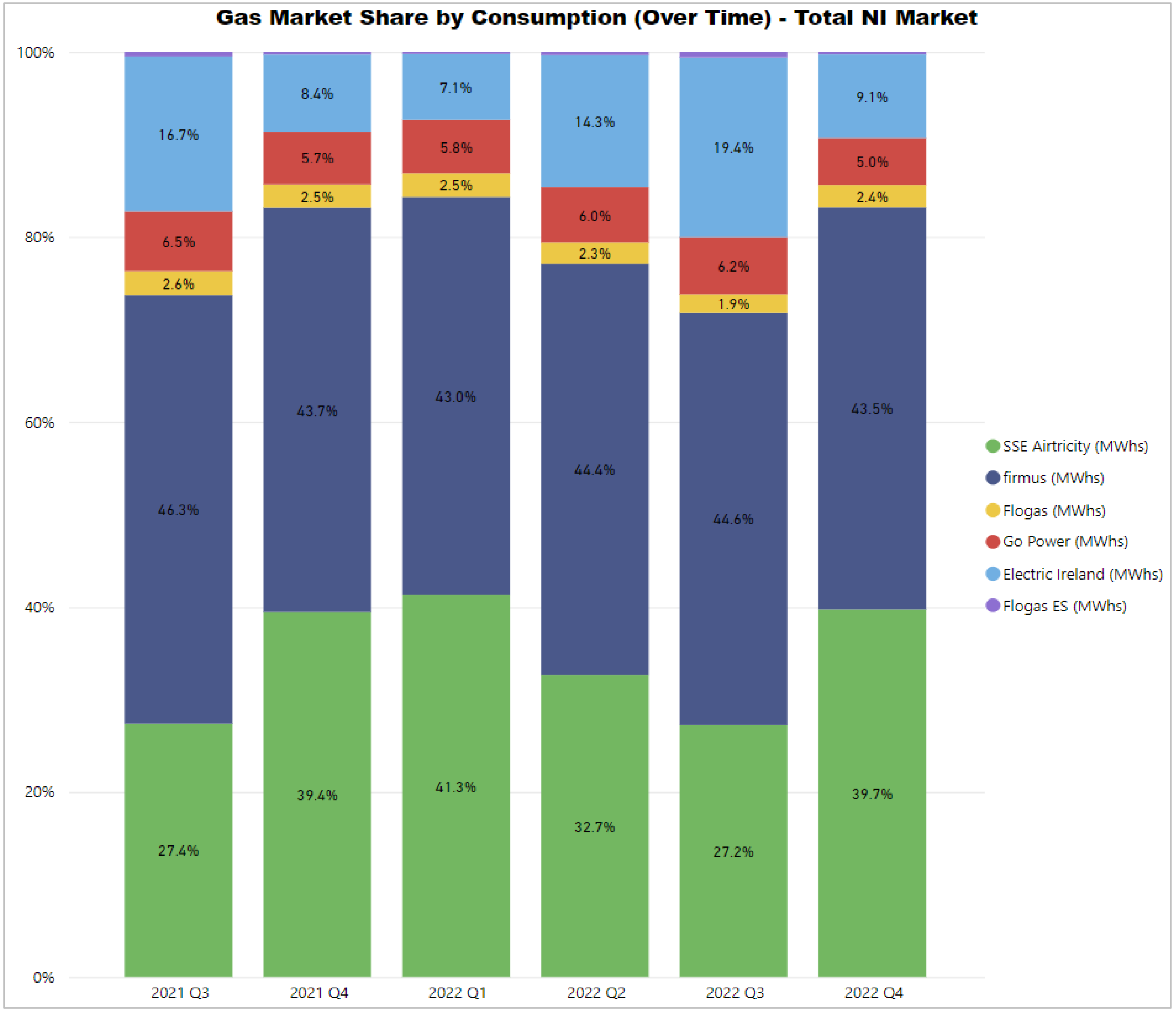




| Distribution Licensed Area | SSE Airtricity (MWhs) | firmus (MWhs) | Electric Ireland (MWhs) | Flogas ES (MWhs) | Go Power (MWhs) | Flogas (MWhs) | Total Consumption (MWhs) |
|---|---|---|---|---|---|---|---|
| G.Belfast | 758,948.0 | 409,232.1 | 41,975.7 | 5,609.4 | 79,417.0 | 34,032.0 | 1,329,214.3 |
| Ten Towns | 36,750.0 | 438,632.6 | 32,201.6 | 0.0 | 23,451.7 | 13,982.7 | 545,018.6 |
| West | 22,842.3 | 47,535.8 | 112,288.1 | 0.0 | 1,139.1 | 2,092.5 | 185,897.7 |
| **Total** | **818,540.3** | **895,400.6** | **186,465.4** | **5,609.4** | **104,007.8** | **50,107.2** | **2,060,130.7** |

*Data source: PNGL / FeDL / SGN NG*

[11] Gas consumption presented in this QREMM is in MWh (previously up to 2015 gas consumption was presented in Therms in the QTRs).

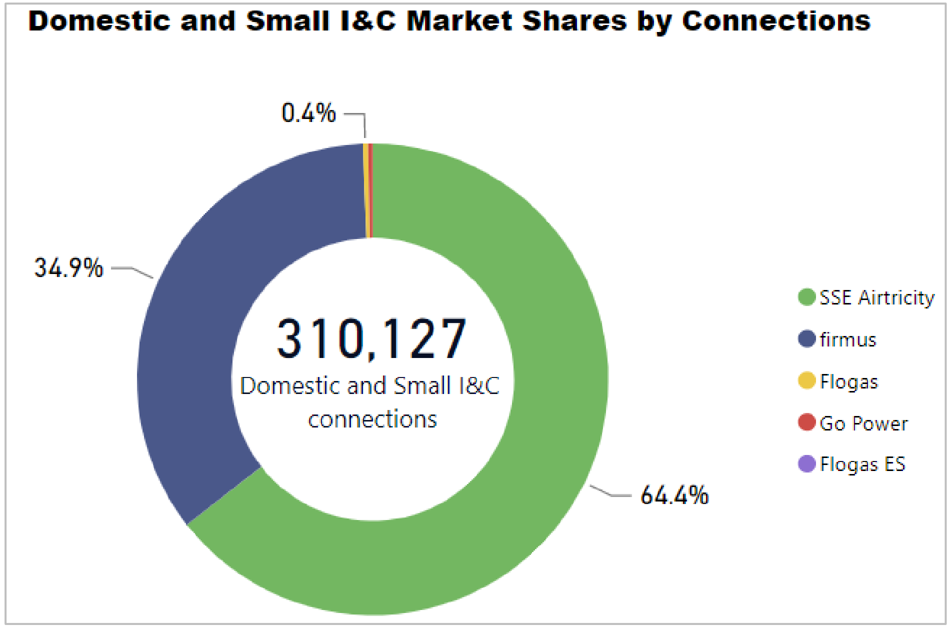
5.3 The bar chart below shows the trends in the market shares (by consumption) for each active domestic and I&C supplier in NI for the previous six quarters.



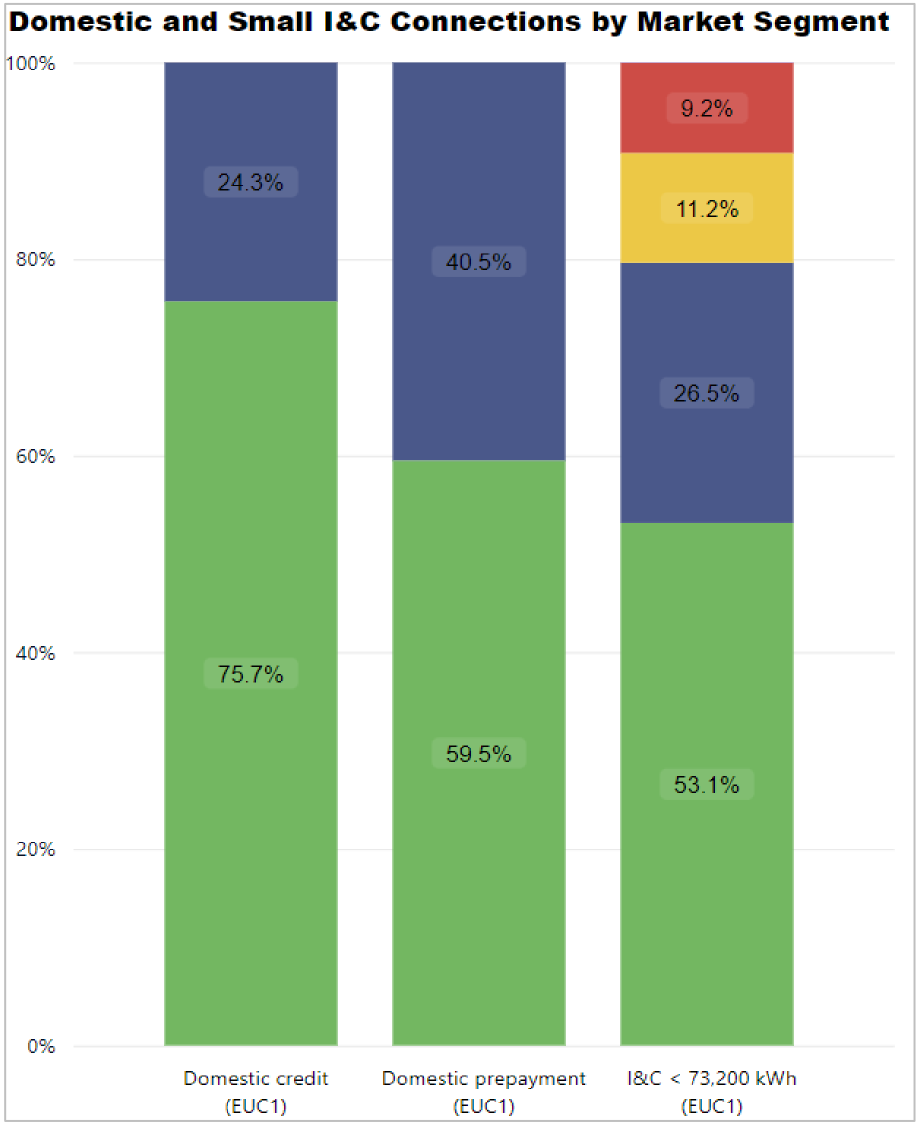

*Data source: PNGL / FeDL / SGN NG*

## Domestic and Small I&C analysis (by connections)

5.4 This section of the report provides a more detailed analysis of the gas **domestic and small I&C sector**[12], by connections (at the end of December 2022).




| Distribution Licensed Area | Market segment | SSE Airtricity | firmus | Flogas | Go Power | Flogas ES | Total Connections |
|---|---|---|---|---|---|---|---|
| G.Belfast | Domestic credit (EUC1) | 73,490 | 11,198 | 0 | 7 | 0 | 84,695 |
| G.Belfast | Domestic prepayment (EUC1) | 117,772 | 32,029 | 0 | 0 | 0 | 149,801 |
| G.Belfast | I&C < 73,200 kWh (EUC1) | 5,363 | 1,466 | 806 | 789 | 6 | 8,430 |
| Ten Towns | Domestic credit (EUC1) | 0 | 12,746 | 0 | 0 | 0 | 12,746 |
| Ten Towns | Domestic prepayment (EUC1) | 0 | 49,553 | 0 | 0 | 0 | 49,553 |
| Ten Towns | I&C < 73,200 kWh (EUC1) | 40 | 1,216 | 321 | 144 | 0 | 1,721 |
| West | Domestic credit (EUC1) | 1,131 | 0 | 0 | 0 | 0 | 1,131 |
| West | Domestic prepayment (EUC1) | 2,020 | 0 | 0 | 0 | 0 | 2,020 |
| West | I&C < 73,200 kWh (EUC1) | 7 | 13 | 10 | 0 | 0 | 30 |
| **Total** | | **199,823** | **108,221** | **1,137** | **940** | **6** | **310,127** |

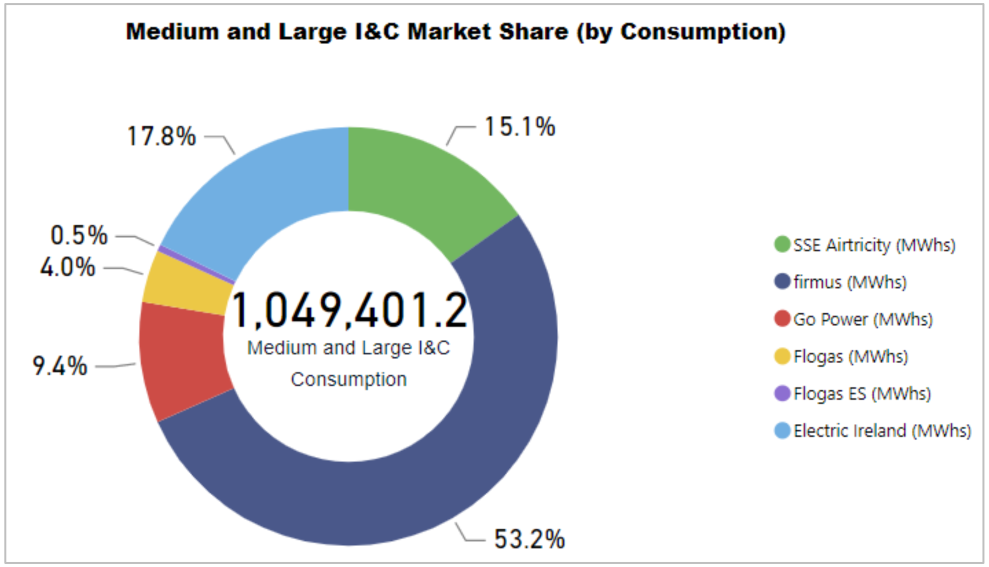



*Data sources: PNGL / FeDL / SGN*

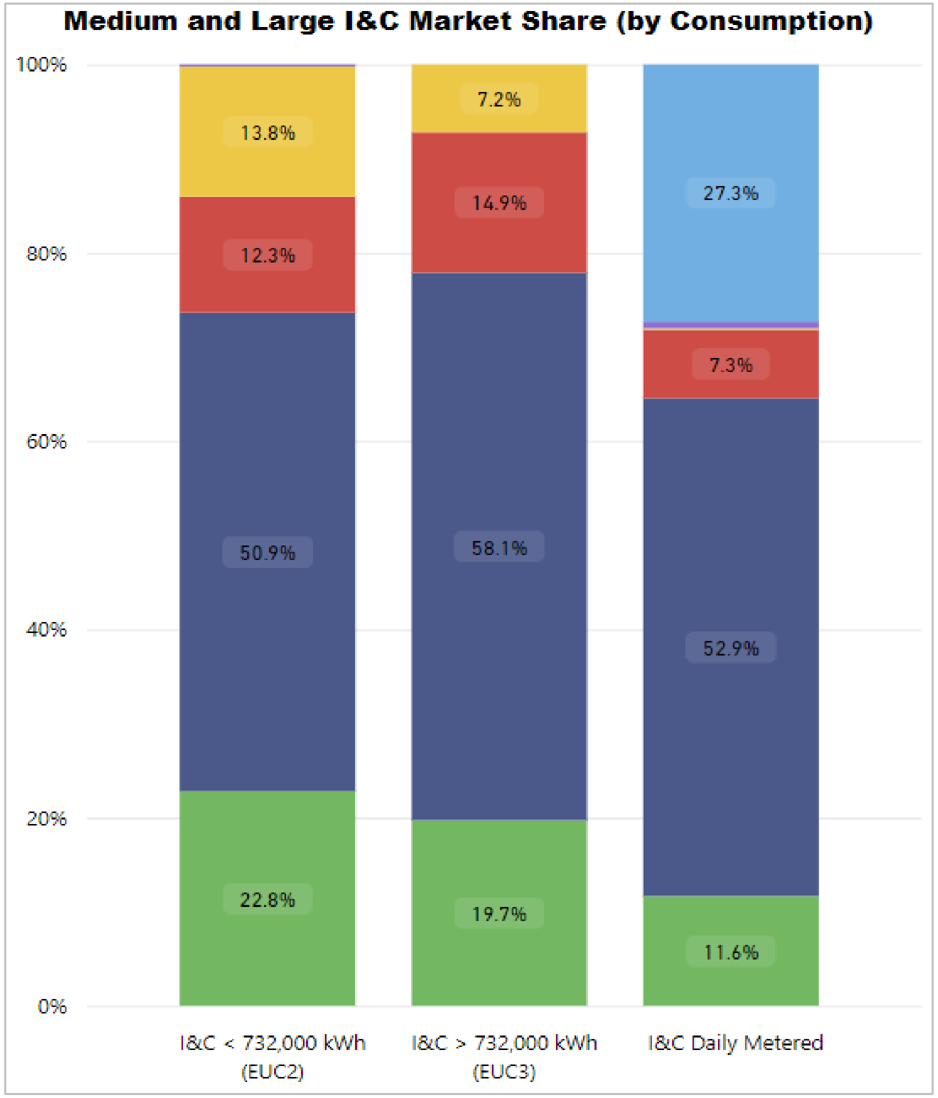
[12] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum.

## Medium and Large I&C analysis (by consumption)

5.5 This section of the report provides a more detailed analysis of the gas **medium and large I&C sector**[13], by consumption.




| Distribution Licensed Area | Market segment | SSE Airtricity (MWhs) | firmus (MWhs) | Flogas (MWhs) | Go Power (MWhs) | Flogas ES (MWhs) | Electric Ireland (MWhs) | Total Consumption (MWhs) |
|---|---|---|---|---|---|---|---|---|
| G.Belfast | I&C < 732,000 kWh (EUC2) | 46,702.6 | 69,961.3 | 21,924.9 | 20,904.2 | 555.4 | 0.0 | 160,048.4 |
| G.Belfast | I&C > 732,000 kWh (EUC3) | 18,551.6 | 45,601.4 | 6,618.3 | 14,749.6 | 0.0 | 0.0 | 85,520.8 |
| G.Belfast | I&C Daily Metered | 42,857.9 | 138,748.7 | 0.0 | 39,105.9 | 5,003.2 | 41,975.7 | 267,691.4 |
| Ten Towns | I&C < 732,000 kWh (EUC2) | 4,390.3 | 43,430.7 | 8,772.4 | 6,508.7 | 0.0 | 0.0 | 63,102.1 |
| Ten Towns | I&C > 732,000 kWh (EUC3) | 9,233.8 | 34,442.8 | 3,092.3 | 6,122.1 | 0.0 | 0.0 | 52,890.9 |
| Ten Towns | I&C Daily Metered | 22,798.0 | 178,368.2 | 0.0 | 9,856.1 | 0.0 | 32,201.6 | 243,223.9 |
| West | I&C < 732,000 kWh (EUC2) | 136.8 | 1,133.3 | 394.0 | 346.2 | 0.0 | 0.0 | 2,010.3 |
| West | I&C > 732,000 kWh (EUC3) | 117.3 | 2,156.9 | 487.9 | 233.0 | 0.0 | 0.0 | 2,995.1 |
| West | I&C Daily Metered | 13,799.5 | 44,105.0 | 1,165.7 | 559.9 | 0.0 | 112,288.1 | 171,918.1 |
| **Total** | | **158,587.7** | **557,948.3** | **42,455.5** | **98,385.6** | **5,558.6** | **186,465.4** | **1,049,401.2** |

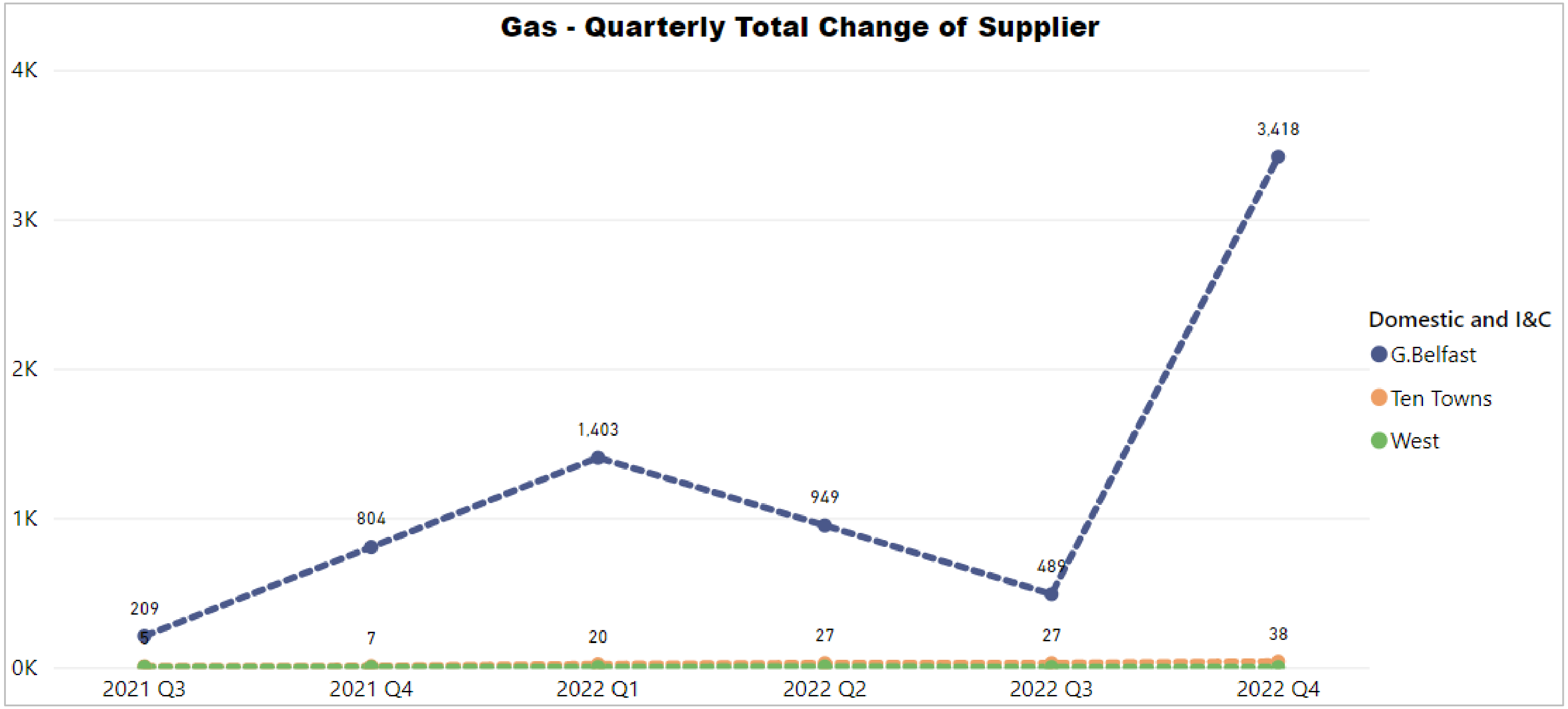



*Data sources: PNGL / FeDL / SGN NG*

[13] 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)

5.6 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[14] per quarter.

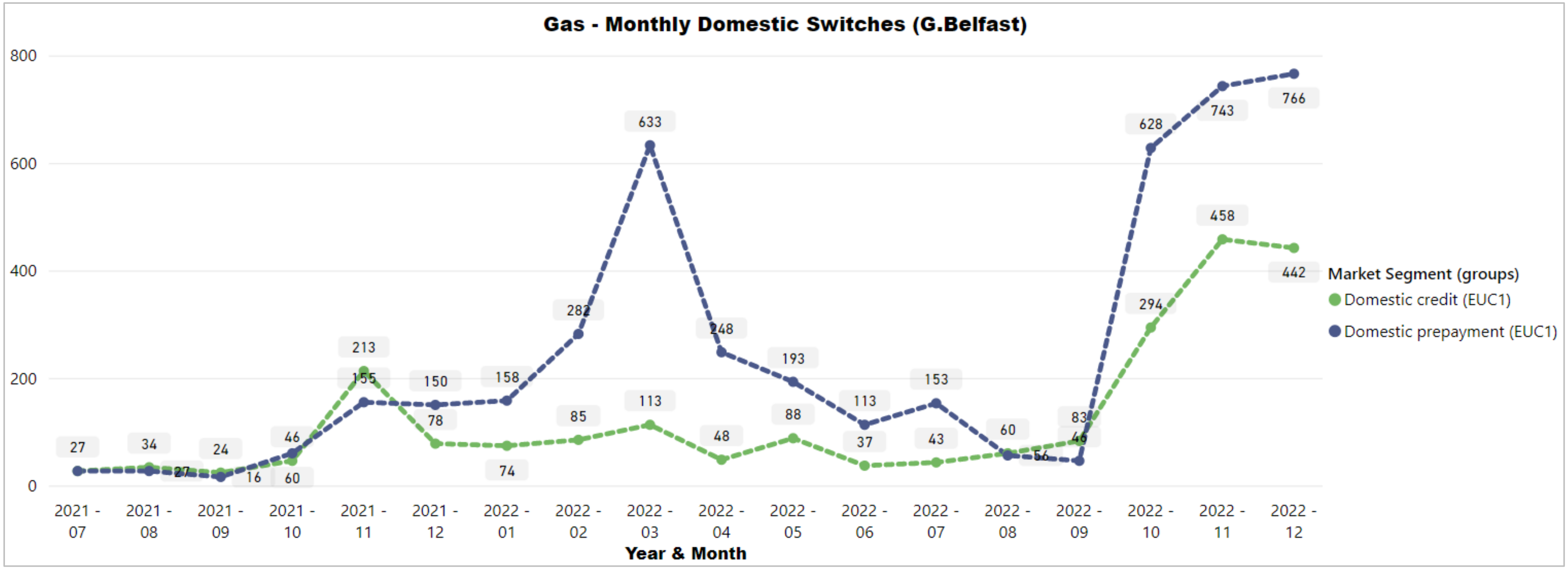



| Switching rate – Total NI market | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 215 | 811 | 1,423 | 980 | 516 | 3,456 |
| **Switching rate (%)** | 0.1% | 0.3% | 0.5% | 0.3% | 0.2% | 1.1% |

*Data source: PNGL / FeDL / SGN NG*

[14] 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.

5.7 Greater Belfast is the only distribution area in which there is competition within the domestic credit and prepayment[15] 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 per quarter.

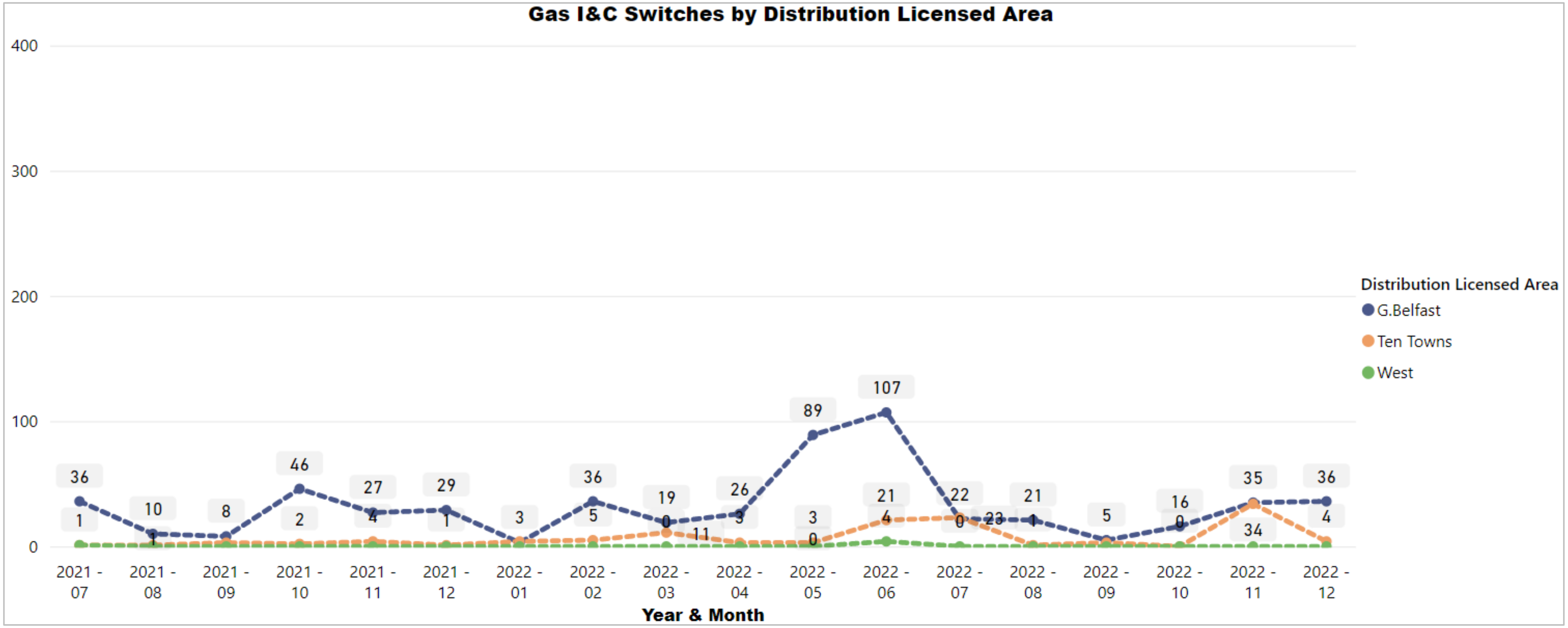



| Switching rate – Domestic market (G. Belfast only) | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 155 | 702 | 1,345 | 727 | 441 | 3,331 |
| **Switching rate (%)** | 0.1% | 0.3% | 0.6% | 0.3% | 0.2% | 1.1% |

*Data source: PNGL*

[15] 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.

5.8 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 per quarter.



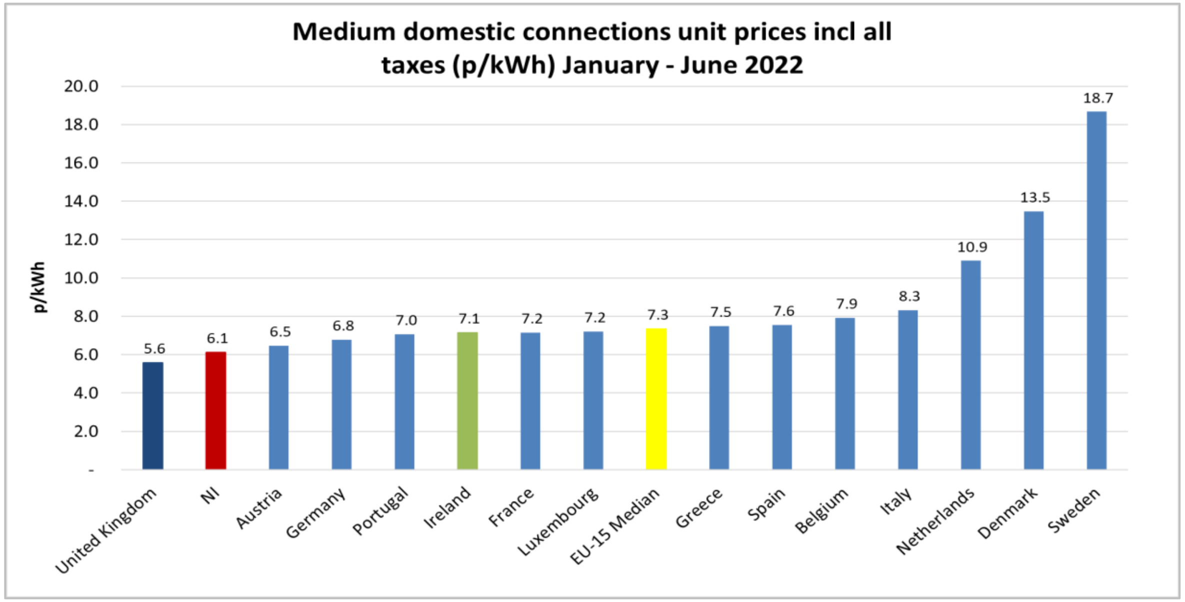

| Switching rate – I&C market | | | | | | |
|---|---|---|---|---|---|---|
| **Quarter** | **2021 – Q3** | **2021 – Q4** | **2022 – Q1** | **2022 – Q2** | **2022 – Q3** | **2022 – Q4** |
| **No. of switches** | 60 | 109 | 78 | 253 | 75 | 125 |
| **Switching rate (%)** | 0.4% | 0.8% | 0.5% | 1.7% | 0.5% | 0.8% |

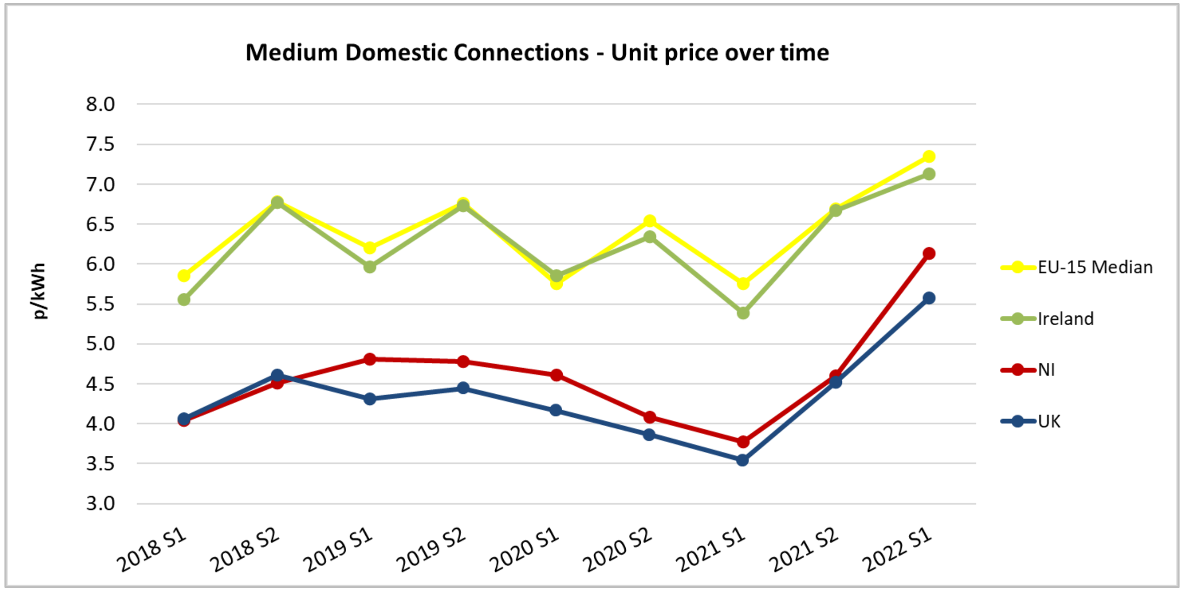
*Data source: PNGL / FeDL / SGN NG*

# 6. Gas Pricing – Semester 1 2022

6.1 The pricing data detailed in this report is for the semester January – June 2022 (S1). In the domestic graph to the right, 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.

6.2 The NI unit price is the average pence per kWh for medium customers for the Greater Belfast, Ten Towns and West network areas. For semester 1 2022 (January – June), the NI domestic gas prices ranked among the lowest in the EU. The NI gas price was less than RoI and the EU median but just above the UK.




*Data source: Eurostat and NI gas suppliers collated by UR*

6.3 During the period illustrated in the graph on the previous page (Semester 1: January to June 2022), there has been an increase to the regulated tariff within the Ten Towns and Greater Belfast & West areas. Further detail on these regulated tariffs are available in the UR tariff review briefing notes[16]. The table below illustrates the regulated tariffs for S1 2022 period.

| firmus energy Ten Towns area | Rates from 3rd December 2021 | | | Rates from 24th February 2022 | | | Rates from 3rd May 2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Domestic (inc 5% VAT) | PAYG (inc 5% VAT) | IC1 (inc 20% VAT)) | Domestic (inc 5% VAT) | PAYG (inc 5% VAT) | IC1 (inc 20% VAT) | Domestic (inc 5% VAT) | PAYG (inc 5% VAT) | IC1 (inc 20% VAT) |
| Up to 2,000 kWh | 11.079 | 7.678 | 11.328 | 14.798 | 10.255 | 15.131 | 17.211 | 11.928 | 17.599 |
| Over 2,000 kWh | 7.468 | - | 7.523 | 9.974 | - | 10.048 | 11.600 | - | 11.687 |
| Over 73,200 kWh | - | - | - | - | - | - | - | - | - |
| Direct debit discount | £22.00 | - | - | £22.00 | - | - | £22.00 | - | - |

| SSE Airtricity G. Belfast and West area | Rates from 1st October 2021 | | | Rates from 1st April 2022 | | |
|---|---|---|---|---|---|---|
| | Domestic (inc 5% VAT) | PAYG (inc 5% VAT) | IC1 (inc 20% VAT) | Domestic (inc 5% VAT) | PAYG (inc 5% VAT) | IC1 (inc 20% VAT) |
| Up to 2,000 kWh | 7.076 | 5.148 | 8.087 | 9.835 | 7.115 | 11.24 |
| Over 2,000 kWh | 4.849 | 5.148 | 5.542 | 6.739 | 7.155 | 7.702 |
| Over 73,200 kWh | - | - | - | - | - | - |
| Direct debit discount | £22.05 | - | £22.05 | £22.05 | - | £22.05 |

[16] The latest gas regulated tariff reviews are available here.

# 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[17] and Eurostat data base[18]) 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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[17] https://www.gov.uk/government/collections/quarterly-energy-prices
[18] 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[19] and Eurostat data base[20]) 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[21] 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[22] (DNOs) who operate in separate distribution areas as follows:

[19] www.gov.uk/government/collections/quarterly-energy-prices
[20] http://ec.europa.eu/eurostat/web/energy/data/database
[21] The latest SEM market monitoring report is here
[22] 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<br>June 2010: SSE Airtricity<br>June 2009: firmus supply<br>June 2011: Budget Energy<br>October 2011: Electric Ireland<br>October 2015: Click Energy<br>October 2015: Open Electric<br>December 2016: Open Electric ceased supply<br>October 2019: Go Power<br>November 2020: bright<br>January 2022: bright ceased supply |
| **I&C** | Incumbent supplier: Power NI<br>July 1999: ESB Independent Energy (NI) t/a Electric Ireland<br>August 1999: Energia<br>January 2008: SSE Airtricity<br>April 2009: firmus supply[26]<br>July 2011: Budget Energy<br>February 2012: VAYU (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021)<br>April 2012: Go Power<br>October 2015: Click Energy<br>April 2018: 3T Power<br>October 2019: Energia supply business transferred to Power NI |

| Gas: Greater Belfast[23] | |
|---|---|
| **Domestic** | Incumbent supplier since September 1996: SSE Airtricity[24] |
| **I&C** | Incumbent supplier since September 1996: SSE Airtricity<br>September 2008: firmus energy<br>March 2009: Vayu (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021)<br>May 2013: Electric Ireland<br>August 2014: Go Power<br>December 2014: Flogas |
| **Gas: Ten Towns[25]** | |
| **Domestic** | Incumbent supplier since 2005: firmus |
| **I&C** | Incumbent supplier since 2005: firmus<br>January 2013: SSE Airtricity<br>May 2015: Flogas<br>June 2015: Go Power<br>January 2017: Vayu (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021)<br>April 2017: Electric Ireland |
| **Gas: West[27]** | |
| **Domestic** | July 2017 Designated Commissioning Supplier: SSE Airtricity |
| **I&C** | January 2017: Electric Ireland<br>July 2017: SSE Airtricity<br>January 2018: Flogas<br>Q1 2019: firmus energy<br>Q3 2019: Go Power |

23 The Greater Belfast area is defined in Schedule 1 of the Phoenix Natural Gas Limited conveyance licence.
24 Formerly Phoenix Supply Ltd (PSL).
25 The Ten Towns area is defined in Schedule 1 of the firmus energy (Distribution) Limited conveyance licence.
26 Note that firmus supply left the electricity market at the end of 2015.
27 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 | | |