



Notice and Consultation on Code of Practice for Consumers in Vulnerable Circumstances Licence Modifications for Energy Companies

30 May 2024



About the Utility Regulator

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

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

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

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

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



Our mission

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



Our vision

To ensure value and sustainability in energy and water.



Our values

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



Abstract

The Utility Regulator published a new mandatory Code of Practice (CoP) for Consumers in Vulnerable Circumstances in March 2024 that covers domestic premises for electricity, gas and water. The decision paper included the implementation of a licence modification to ensure compliance with the CoP for Consumers in Vulnerable Circumstances. This paper sets out the proposed licence modifications for all relevant electricity, gas and water distribution licence holders and all electricity and gas supply licence holders.

We are required by law to consult and give notice to the relevant licensees of our intention to introduce licence modifications. This paper and separate legal notices meet that requirement.

Audience

This licence modification consultation paper will be of interest to gas and electricity suppliers, electricity, gas and water distribution companies and organisations representing consumer interests.

Consumer impact

The objective of introducing the new CoP for Consumers in Vulnerable Circumstances is to address the current gaps in the service provision for domestic utility consumers in vulnerable circumstances within Northern Ireland and ensure they are identified, adequately protected, and receive an appropriate level of support from across the three regulated sectors. The new CoP will also ensure that the support and protections offered to Northern Ireland consumers are consistent, adequately promoted, and reflective of best practice exemplars seen in Great Britain and across other jurisdictions and regulated sectors.



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Glossary

BPF	Best Practice Framework
CoP	Code of Practice
DNO	Distribution Network Operator
DPA	Data Protection Act 1998
FOIA	the Freedom of Information Act
GB	Great Britain
GDPR	General Data Protection Regulation
GDN	Gas Distribution Network operators
NIEN	Northern Ireland Electricity Networks
UR	Utility Regulator



Executive Summary

The Utility Regulator (UR) established the Best Practice Framework (BPF) programme to develop best practice principles and measures which utility suppliers and distribution network companies (DNO's) in Northern Ireland across electricity, gas and water must implement to better identify, support and protect consumers in vulnerable circumstances.

The main delivery mechanism for this programme is via a new mandatory Code of Practice (CoP) for Consumers in Vulnerable Circumstances. Through development of this CoP, we aim to address the gaps and inconsistencies in the regulatory frameworks between DNOs and suppliers and across regulated sectors in regard to the support and protections for consumers in vulnerable circumstances. The new CoP will also ensure that the support and protections offered to Northern Ireland consumers are consistent, adequately promoted, and reflective of best practice exemplars seen in Great Britain (GB) and across other jurisdictions and regulated sectors.

We consulted on the CoP for consumers in vulnerable circumstances in January 2022 and again in June 2023. We also offered industry and consumer groups the option of individual meetings to discuss their views on the development of the code.

The CoP for Consumers in Vulnerable Circumstances was finalised with our decision paper in March 2024.

We consider that the best approach to implementing the new CoP for Consumers in Vulnerable Circumstances is to place a licence condition on licensees to comply with the CoP. This approach has been fully supported by responses received through our consultation process.

We are required by law to consult and give notice to the relevant licensees of our intention to introduce licence modifications. This paper and separate legal notices meet that requirement.

1. Background

- 1.1 We consulted extensively as part of the development of the CoP for Consumers in Vulnerable Circumstances. An approach paper¹ was published in January 2022 followed by a consultation paper² in June 2023. We also offered industry and consumer groups the option of individual meetings to discuss their views on the development of the code.
- 1.2 Following consideration of the responses we published our final decisions in the CoP for Consumers in Vulnerable Circumstances Decision Paper³ on 27 March 2024. The decision paper set out that supplier and DNO licences (for electricity, gas and water) will be modified to include a condition to comply with the CoP for Consumers in Vulnerable Circumstances.
- 1.3 Before making any licence modifications the UR is required to consult on its proposals under and in accordance with Article 14(2) of the Electricity (Northern Ireland) Order 1992, Article 14(2) of the Gas (Northern Ireland) Order 1996 and Article 20(2) of the Water and Sewerage Services (Northern Ireland) Order 2006.
- 1.4 This consultation is therefore issued under, and in accordance with, Article 14(2) of both the Electricity Order and the Gas Order and Article 20(2) of the Water and Sewerage Services Order and sets out the licence modifications we propose to make to NIE Network's distribution licence, the three gas conveyance (distribution) licences⁴, Northern Ireland Water's Licence and all electricity and gas supply licences.
- 1.5 The reasons for and effect of the proposed modifications are set out in Section 2 of this paper. The legal notices required under Article 14(2) of the Electricity Order and Gas Order and Article 20(2) of the Water and Sewerage Services Order and the specific licence conditions for each type of licence are set out in separate appendices to this paper.
- 1.6 The UR proposes to consult for a minimum period of 28 days from the publication date of this document. Any responses, representations or objections to this consultation will be considered prior to any decision.

¹ [UREGNI Best Practice Framework Programme: Proposed approach to delivery, content, monitoring and reporting Consultation Paper](#)

² [UREGNI Best Practice Framework Programme: Code of Practice for Consumers in Vulnerable Circumstances Consultation Paper](#)

³ [UREGNI Best Practice Framework Programme: Code of Practice for Consumers in Vulnerable Circumstances Decision Paper](#)

⁴ Firmus Energy (Distribution) Limited, Phoenix Natural Gas Limited, Scotia Gas Networks Northern Ireland Ltd

2. Licence Modifications

Overview

- 2.1 The objective of the CoP for Consumers in Vulnerable Circumstances is to better identify, support and protect consumers in vulnerable circumstances. To achieve compliance with this code, we are now consulting on a new licence condition within electricity distribution, gas conveyance (distribution), NI Water's licence⁵ and electricity and gas supply licences that requires compliance with the CoP for Consumers in Vulnerable Circumstances.
- 2.2 The CoP for Consumers in Vulnerable Circumstances will replace an existing CoP which electricity and gas suppliers are bound to, through their relevant supply licence condition on 'Code of Practice on Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick' and an existing CoP in the electricity distribution licence on 'Provision of services for persons who are of pensionable age or disabled'. We therefore propose to remove the existing licence condition on 'Code of Practice on Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick' and 'Provision of services for persons who are of pensionable age or disabled' and any reference to the Code of Practice or licence condition, throughout the licence.
- 2.3 The new CoP for Consumers in Vulnerable Circumstances is a mandatory CoP whereby all requirements must be complied with. The CoP it is replacing in electricity and gas supply licences and the electricity distribution licence is a minimum standards CoP. Under this requirement a minimum standards CoP has to be submitted to the Authority (UR) for approval, this is set out in the relevant licences. However, a mandatory CoP does not need to be approved by the UR, therefore we propose to remove any reference in the licence that would require the licence holder to either submit the old CoP (Services for Persons who are of Pensionable Age or Disabled or Chronically Sick) or the new CoP for Consumers in Vulnerable Circumstances to UR for approval, as this would not be required for a mandatory code.
- 2.4 The licence condition places a requirement on the licensee to comply with the obligations of the CoP for Consumers in Vulnerable Circumstances. It also requires that the licensee procures that its agents or sub-contractors comply with the obligations of the CoP for Consumers in Vulnerable Circumstances.

⁵ Please note that a separate Notice and Consultation to introduce the CoP for Consumers in Vulnerable Circumstances has been published for NI Water's Licence. This is because the Notice is consulting on the new condition for the CoP for Consumers in Vulnerable Circumstances, alongside additional modifications.

- 2.5 The condition also implements a new wider definition of vulnerable/vulnerability which the licensee must apply to all vulnerability and vulnerable requirements throughout their licence and Codes of Practice. The new wider definition recognises that any consumer could be considered vulnerable given a particular set of circumstances, and that vulnerability is not necessarily a permanent characteristic, but rather a fluid state.
- 2.6 There is also provision within the new licence condition for the UR to modify the CoP for Consumers in Vulnerable Circumstances following consultation with stakeholders.

Proposed Licence Modification

- 2.7 The proposed new licence condition for the relevant electricity and gas licences is presented below. The numbered licence conditions for each type of licence, any deletions and the legal notice to modify a licence, are set out in separate appendices to this paper.

Electricity Distribution Licence Modifications

Proposed changes

- 2.8 We propose to amend the electricity distribution licence to replace an existing condition and remove reference to that condition throughout the licence. The new condition will reflect the introduction of the CoP for Consumers in Vulnerable Circumstances. The affected licence is outlined below:

Affected Licences	Condition
<ul style="list-style-type: none"> Northern Ireland Electricity Networks Ltd 	<p>Replace Condition 37 'Provision of services for persons who are of pensionable age or disabled' with new Condition on 'Code of Practice for Consumers in Vulnerable Circumstances'.</p> <p>Modify Condition 41 to remove reference to Condition 37.</p>

Condition 37: Code of Practice for Consumers in Vulnerable Circumstances

- The arrangements in the Code of Practice for Consumers in Vulnerable Circumstances shall be applicable to persons occupying domestic premises.

2. The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the obligations applicable to it under, the Code of Practice for Consumers in Vulnerable Circumstances.
3. The Authority, following consultation with the Licensee, the General Consumer Council and any other person who in the opinion of the Authority is likely to be interested or affected, may from time to time make such modifications to the Code of Practice for Consumer in Vulnerable Circumstances, as the Authority considers are necessary or expedient.
4. In this Condition:

Code of Practice for Consumers in Vulnerable Circumstances

means the relevant document of that name, prepared and published from time to time by the Authority, relating to the activities for protecting consumers in vulnerable circumstances.

Vulnerable or Vulnerability

means ‘A consumer is deemed vulnerable when their personal characteristics or circumstances reduce their ability to engage effectively and achieve fair outcomes. A vulnerable consumer is significantly less able to protect or represent their interests and significantly more likely to suffer detrimental impacts on their health, wellbeing or finances’.

Agents or Subcontractors

means any person directly or indirectly authorised to represent the Licensee in its dealings with consumers or other Licensees.

Electricity Supply Licence Modifications

Proposed changes

- 2.9 We propose to amend all electricity supply licences to replace an existing condition and remove reference to that condition throughout the licence. The new condition will reflect the introduction of the CoP for Consumers in Vulnerable Circumstances. The affected licences are outlined below:

Affected Licences	Condition
<ul style="list-style-type: none"> • AES Ballylumford Limited 	Replace Condition 31 ‘Code of Practice on Provision of Services for persons who are of Pensionable Age or
<ul style="list-style-type: none"> • Board Gais Energy Limited 	
<ul style="list-style-type: none"> • Budget Energy Limited 	
<ul style="list-style-type: none"> • Click Energy 	

• Electric Ireland (ESBIE NI Ltd)	Disabled or Chronically Sick' with new Condition on 'Code of Practice for Consumers in Vulnerable Circumstances'. Modify Condition 35 to remove reference to Condition 31 and 'Code of Practice on Provision of Services for persons who are of Pensionable Age or Disabled or Chronically Sick'.
• Electricity Supply Board (ESB)	
• ElectroRoute Energy	
• Energia Customer Solutions NI Limited	
• firmus energy (Supply) Limited	
• Flogas Enterprise Solutions Limited	
• Gaelectric Green Energy Limited	
• Go Power (LCC Power Limited)	
• LCC Group Limited	
• Orstead Onshore Green Energy NI Limited	
• Power NI (NIE Energy Ltd)	
• Share Energy Trading Ltd	
• SSE Airtricity Energy Supply Limited	
• Statkraft Markets GmbH	
• 3T Power Limited	

Condition 31: Code of Practice for Consumers in Vulnerable Circumstances

1. The Code of Practice arrangements shall be applicable to persons occupying domestic premises.
2. This Condition shall apply where the Licensee supplies, or offers to supply, electricity to Domestic Premises.
3. The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the obligations applicable to it under, the Code of Practice for Consumers in Vulnerable Circumstances.
4. The Authority, following consultation with the Licensee, the General Consumer Council and any other person who in the opinion of the Authority is likely to be interested or affected, may from time to time make such modifications to the Code of Practice for Consumer in Vulnerable Circumstances, as the Authority considers are necessary or expedient.
5. In this Condition:

Code of Practice for Consumers in Vulnerable Circumstances

means the relevant document of that name, prepared and published from time to time by the Authority, relating to the activities for protecting consumers in vulnerable circumstances.

Vulnerable or Vulnerability

means 'A consumer is deemed vulnerable when their personal characteristics or

circumstances reduce their ability to engage effectively and achieve fair outcomes. A vulnerable consumer is significantly less able to protect or represent their interests and significantly more likely to suffer detrimental impacts on their health, wellbeing or finances’.

Agents or Subcontractors means any person directly or indirectly authorised to represent the Licensee in its dealings with consumers or other Licensees.

Gas Conveyance Licence Modifications

Proposed changes

2.10 We propose to amend all gas (distribution) conveyance licences to insert a new condition to reflect the introduction of the CoP for Consumers in Vulnerable Circumstances. The affected licences are outlined below:

Affected Licences	Condition
<ul style="list-style-type: none"> Phoenix Natural Gas Limited – Distribution 	Introduction of new Condition 2.21
<ul style="list-style-type: none"> firmus energy Ltd – Distribution 	
<ul style="list-style-type: none"> SGN Natural Gas Limited – Distribution 	

Condition 2.21: Code of Practice for Consumers in Vulnerable Circumstances

1. The arrangements in the Code of Practice for Consumers in Vulnerable Circumstances shall be applicable to persons occupying domestic premises.
2. The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the obligations applicable to it under, the Code of Practice for Consumers in Vulnerable Circumstances.
3. The Authority, following consultation with the Licensee, the General Consumer Council and any other person who in the opinion of the Authority is likely to be interested or affected, may from time to time make such modifications to the Code of Practice for Consumer in Vulnerable Circumstances, as the Authority considers are necessary or expedient.
4. In this Condition:

Code of Practice for Consumers in Vulnerable means the relevant document of that name, prepared and published from time to time by

Circumstances	the Authority, relating to the activities for protecting consumers in vulnerable circumstances.
Vulnerable or Vulnerability	means ‘A consumer is deemed vulnerable when their personal characteristics or circumstances reduce their ability to engage effectively and achieve fair outcomes. A vulnerable consumer is significantly less able to protect or represent their interests and significantly more likely to suffer detrimental impacts on their health, wellbeing or finances’.
Agents or Subcontractors	means any person directly or indirectly authorised to represent the Licensee in its dealings with consumers or other Licensees.

Gas Supply Licence Modifications

Proposed changes

- 2.11 We propose to amend all gas supply licences to replace an existing condition and remove reference to that condition throughout the licence. The new condition will reflect the introduction of the CoP for Consumers in Vulnerable Circumstances. The affected licence is outlined below:

Affected Licences	Condition
<ul style="list-style-type: none"> SSE Airtricity Gas Supply (NI) Ltd 	Replace Condition 2.11 ‘Code of Practice on Provision of Services for persons who are of Pensionable Age or Disabled or Chronically Sick’ with new Condition on ‘Code of Practice for Consumers in Vulnerable Circumstances’. Modify condition 2.13 to remove reference to Condition 2.11 and ‘Code of Practice on Provision of Services for persons who are of Pensionable Age or
<ul style="list-style-type: none"> firmus energy (Supply) Ltd – Ten Towns 	
<ul style="list-style-type: none"> firmus energy (Supply) Ltd – Greater Belfast Area 	
<ul style="list-style-type: none"> Flogas Enterprise Solutions Limited 	
<ul style="list-style-type: none"> Electric Ireland 	
<ul style="list-style-type: none"> Go Power 	
<ul style="list-style-type: none"> Flogas Natural Gas Limited 	
<ul style="list-style-type: none"> Energia 	
<ul style="list-style-type: none"> Power NI Energy Limited 	
<ul style="list-style-type: none"> SSE Airtricity Energy Supply (NI) Ltd 	
<ul style="list-style-type: none"> SSE Energy Supply Limited 	
<ul style="list-style-type: none"> Shell Energy Europe Limited 	
<ul style="list-style-type: none"> Viridian Energy Limited 	

• Board Gais Energy Ltd	Disabled or Chronically Sick’.
• AES Ballylumford Limited	
• British Gas Trading Limited	
• Coolkeeragh ESB Limited	
• ElectroRoute Energy Trading Limited	
• ESB Gas Supply Licence	
• EP NI Energy Limited	
• EP Commodities	
• Ceres Energy Limited	

Condition 2.11: Code of Practice for Consumers in Vulnerable Circumstances

1. This Condition shall apply where the Licensee supplies, or offers to supply, gas to Domestic Premises.
2. The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the obligations applicable to it under, the Code of Practice for Consumers in Vulnerable Circumstances.
3. The Authority, following consultation with the Licensee, the General Consumer Council and any other person who in the opinion of the Authority is likely to be interested or affected, may from time to time make such modifications to the Code of Practice for Consumer in Vulnerable Circumstances, as the Authority considers are necessary or expedient.
4. In this Condition:

Code of Practice for Consumers in Vulnerable Circumstances

means the relevant document of that name, prepared and published from time to time by the Authority, relating to the activities for protecting consumers in vulnerable circumstances.

Vulnerable or Vulnerability

means ‘A consumer is deemed vulnerable when their personal characteristics or circumstances reduce their ability to engage effectively and achieve fair outcomes. A vulnerable consumer is significantly less able to protect or represent their interests and significantly more likely to suffer detrimental impacts on their health, wellbeing or finances’.

Agents or Subcontractors

means any person directly or indirectly authorised to represent the Licensee in its dealings with consumers or other Licensees.

- 2.12 The specific licence conditions for each licensee and the required legal notices are set out in the separate appendices to this paper.

Reasons

- 2.13 We developed the CoP for Consumers in Vulnerable Circumstances with the aim to address the gaps and inconsistencies in the regulatory frameworks between DNOs and suppliers and across regulated sectors in regard to the support and protections for consumers in vulnerable circumstances. The new CoP will also ensure that the support and protections offered to Northern Ireland consumers are consistent, adequately promoted, and reflective of best practice exemplars seen in GB and across other jurisdictions and regulated sectors.
- 2.14 We consider that the best approach to delivering the CoP is to place a licence condition on licensees to comply with the CoP for Consumers in Vulnerable Circumstances. This approach has been fully supported from the responses received through our consultation process.

Effects

- 2.15 The Code of Practice for Consumers in Vulnerable Circumstances will place obligations on all utility suppliers and DNO's in Northern Ireland across electricity, gas and water through principles and required measures to better identify, support and protect consumers in vulnerable circumstances. This will enhance consumer protection for all domestic consumers across water, electricity and gas.

3. Next Steps

- 3.1 This consultation seeks to gather stakeholder views on the appropriateness, accuracy and completeness of the Licence modifications set out in Section 2.
- 3.2 UR proposes to consult for a minimum period of 28 days from the publication date of this document. Any responses, representations or objections to this consultation will be considered prior to any decision.
- 3.3 Responses to this consultation paper should be submitted by 5pm on 27 June 2024. Responses should be sent to:
- Rachel Strong
The Utility Regulator
Queens House
14 Queen Street Belfast
BT1 6ED
Email: Rachel.Strong@uregni.gov.uk
- 3.4 Our preference would be for responses to be submitted by e-mail. If you would prefer to provide us feedback in another format (for example via a meeting) please get in touch and we will try to facilitate this.
- 3.5 After consideration of the responses, we will publish our final modification decision stating our reasons and effects. The effective date for the licence modification must be at least 56 days after the publication of the decision to modify the licence is published.
- 3.6 Individual respondents may ask for their responses (in whole or in part) not to be published, or that their identity should be withheld from public disclosure. Where either of these is the case, we will also ask respondents to supply the redacted version of the response that can be published.
- 3.7 As a public body and non-ministerial government department, we are required to comply with the Freedom of Information Act (FOIA). The effect of FOIA may be that certain recorded information contained in consultation responses is required to be put into the public domain.
- 3.8 Note it is now possible that all responses made to consultations will be discoverable under FOIA, even if respondents ask us to treat responses as confidential.
- 3.9 It is therefore important that respondents take account of this and in particular, if asking us to treat responses as confidential, respondents should specify why they consider the information in question should be treated as such.

3.10 This paper is available in alternative formats such as audio, Braille etc. If an alternative format is required, please contact us and we will be happy to assist.

4. Appendices

Appendix Number	Description
Appendix 1	NIE Networks Distribution Licence Modification Notice
Appendix 2	Electricity Suppliers Licence Modification Notice
Appendix 3	Gas Suppliers Licence Modification Notice
Appendix 4	Gas Conveyance (Distribution) Licence Modification Notice
Appendix 5	Code of Practice for Consumers in Vulnerable Circumstances