

Dear Utility Regulator Consultation Team,

Response to Regulatory Proposal 7 (RP7) consultation.

Fermanagh and Omagh District Council welcomes the opportunity to provide feedback on the Regulatory Proposal 7 (RP7) consultation. Council supports the Utility Regulator's (UR) commitment to better engagement with stakeholders in this important regulatory process.

Council has reviewed the various consultation materials and the proposed regulatory changes outlined in RP7 and offers the following comments and recommendations:

1. The Council recognises the important role played by the Utility Regulator and welcomes the news that the draft determination will result in a reduction in network charges of £13 for every consumer compared to the Northern Ireland Electricity (NIE) Networks business plan. This determination is particularly welcome given the ongoing cost of living pressures experienced in many households in Northern Ireland and across the Fermanagh and Omagh District Council area.
2. The Council also welcomes the confirmation that, despite the additional network costs outlined in RP7, domestic tariffs will not increase.
3. The Council agrees with the projected figures in section 1.7, but notes that any delay in the rollout of smart metering may reduce the uptake of technologies such as heat pumps and electric vehicles, as the availability of dynamic pricing tariffs can make the adoption of low carbon technologies more financially attractive.
4. The Council agrees with section 1.10 and acknowledges the urgent need to commence essential long-term investment to strengthen electricity networks to meet current and projected demand.
5. Council supports the need for, and importance of, greater transparency and clarity around the calculation of energy efficiency ratings (section 13.8). Accurate and robust performance comparisons of NI system data (for example with Great Britain or Ireland) require the use of an agreed scope/definition and consistent methodology. Further transparency from NIE on this matter would be welcomed.
6. Council agrees with the proposal (section 3.26) that NIE should provide an early and timely confirmation, to the Utility Regulator, of its current pension scheme position to ensure that consumer benefits can be maximised.
7. Council notes that there is missing data relating to contractor uplifts within section 4.10; this should be addressed in the UR's final published proposal.
8. Council agrees with the use of the Consumer Prices Index including owner occupiers' housing costs (CPIH) as a more accurate measure of inflation and recognises the benefits of using this system.
9. It is important to acknowledge the significant impact that smart metering and the development of additional charging mechanisms may have on all of the RP7 NIE operations, and therefore Council agrees that a 're-opener mechanism' is necessary.

10. The Council welcomes NIE's environmental commitments (section 11) and suggests that in line with other commitments, further consideration should be given to the inclusion of timelines for the reduction and subsequent elimination of the use substances with high Global Warming Potential's (GWP) such as Sulphur hexafluoride (SF6). Council notes that alternatives technologies been implemented elsewhere in Europe, including in High Voltage environments.

11. Council notes that section 11.5 defines Scope 1 emissions as "the direct carbon emissions from the company's direct use of fossil fuels" and section 11.24 notes that "NIE Networks (...) provide data on network losses, SF6 emissions and oil leakages annually." Council suggests that, in line with UK Greenhouse Gas (GHG) Emissions Reporting Guidelines, a comprehensive inventory of Scope 1 emissions should include fugitive emissions from refrigerant use i.e. SF6.

12. Council supports the proposal (section 11.26) that the publication of an Annual Environmental Report would enhance transparency, advocacy and reputational benefits.

Council welcomes the opportunity to contribute to the RP7 consultation process and looks forward to further engagement with the Utility Regulator to discuss its wider remit for other utilities.

Submitted on behalf of Fermanagh and Omagh District Council