

# CONSULTATION RESPONSE

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# **Utility Regulator: Consultation on draft Forward Work Programme 2025/2026**

## **About National Energy Action (NEA)**

NEA is the national fuel poverty charity, working across England, Wales, and Northern Ireland to ensure that everyone can afford to live in a warm, safe, and healthy home.

NEA NI works to overcome the causes and effects of fuel poverty in four main ways. We provide **advice and support** to people struggling to heat their homes affordably; we **campaign and advocate** for policy and regulation to protect the most vulnerable and end fuel poverty; we carry out **research** to raise awareness and find solutions; and we provide **accredited training and qualifications** to improve standards in energy advice.



### **NEA NI's Consultation Response**

### **Question 1: What is your organisation?**

National Energy Action Northern Ireland (NEA NI)

# Question 2: Have we prioritised the right projects? Please comment on your response.

#### Yes.

The proposed projects clearly appear to contribute to protecting and empowering consumers in Northern Ireland. We can see clear alignment between the comprehensive list of projects and delivery of the Utility Regulator's (UR) statutory functions and strategic objectives. Additionally, the programme appears to support development of government policy through initiatives such as the development of regulatory frameworks for the smart meter rollout, electricity time of use and dynamic tariffs, and biomethane injection into the transmission system.

Furthermore, there is an effective balance between projects focused on addressing immediate customer service and consumer protection concerns, alongside projects preparing for longer-term sustainability and energy security.

# Question 3: Have you any objections to our proposed projects? Please comment on any objections.

#### Yes.

Under project **4.3 'Consumer Protection Programme (CPP) for 2024-2029'**, we would request a project explicitly focused on building the evidence base for an **energy social tariff**.

In the UR's CPP24 Delivery Plan, a project entitled 'Social Tariff (Evidence Base)' is listed as a Year 2 and Year 3 project, with the purpose of



developing 'a trusted and impartial evidence base to support policy and decision makers in Northern Ireland, to evaluate the need for social tariffs and how they might operate'<sup>1</sup>.

It is unclear to us the exact dates of CCP24 Year 2 and Year 3 – however we assume there is a crossover in timescales with the FWP 2025/2026. Therefore, omission of the 'Social Tariff (Evidence Base)' project in the draft FWP is concerning to us, and we request further detail on why this is the case.

NEA NI strongly supports the introduction of an energy social tariff to support low-income and vulnerable households with unaffordable energy bills. In the draft Fuel Poverty Strategy for NI, the Department for Communities (DfC) proposes investigating targeted affordability support further. An evidence base and exploration of operational models for NI is needed from the UR to inform and advise policy development in this area. Therefore, the project 'Social Tariff (Evidence Base)' must be included in the FWP 2025/2026.

Question 4: Do you have any other comments about our proposed projects? Please provide any comments you have.

Yes.

### **Further comments on Project 4.3:**

- 4.3 (iii) Supporting the Just Transition to Net Zero:
   Understanding consumer expectations around Just Transition
  - We recommend the UR engages with the Consumer Council for Northern Ireland and its existing research on consumer attitudes towards the energy transition<sup>2</sup>. This collaboration will help ensure research efforts are complementary and avoid unnecessary duplication.

<sup>&</sup>lt;sup>1</sup> Utility Regulator, (2024). <u>'Consumer Protection Programme 2024 – 2029'</u>.

<sup>&</sup>lt;sup>2</sup> Consumer Council for Northern Ireland, (2023). 'Attitudes to the Energy Transition'.



- 4.3 (iv) Consumer Energy Charter NEA NI strongly supports
  this initiative to develop domestic and non-domestic Consumer
  Energy Charters, providing enhanced protections for small
  businesses and households, particularly during winter. Given the
  importance of these charters, we recommend that their launch and
  implementation become a routine part of the UR's annual work,
  rather than being treated as a non-routine project.
- **4.3 (vii) Energy Literacy** NEA NI has extensive experience supporting fuel poor households and delivering energy efficiency training and advice. We strongly encourage the UR to collaborate with us on this project to leverage our expertise.

#### Additional recommendations:

- Engagement with DfC and the wider Executive on implementation of the new Fuel Poverty Strategy for NI – There is a need for the UR to work closely with DfC, the Department for the Economy, and the wider Executive, particularly on:
  - Developing and expanding referral pathways to create a more coordinated and holistic support system for people struggling with fuel poverty.<sup>3</sup>
  - Supporting the development of an evidence base for a social tariff to improve affordability for vulnerable consumers.<sup>4</sup>
  - Ensuring robust consumer protection frameworks are in place across all government supported energy efficiency schemes.<sup>5</sup>
- Enhancing the knowledge base among sector colleagues and frontline organisations – We would like to see a dedicated project focused on building the capacity of organisations that support lowincome and vulnerable households. This could include providing expert guidance on regulatory and operational issues, as well as the

<sup>&</sup>lt;sup>3</sup> For further information see: Department for Communities, (2024). <u>'Consultation on a draft Fuel Poverty Strategy'</u>, pp. 30 – 31.

<sup>&</sup>lt;sup>4</sup> For further information see: Department for Communities, (2024). <u>'Consultation on a draft Fuel Poverty Strategy'</u>, pp. 41 – 42.

<sup>&</sup>lt;sup>5</sup> For further information see: Department for Communities, (2024). <u>'Consultation on a draft Fuel Poverty Strategy'</u>, pp. 42 – 45.



broader functioning of the energy system in NI. Strengthening sector-wide understanding would enable frontline organisations to better navigate the complexities and ongoing developments within the energy market, as we support vulnerable consumers.

We appreciate the opportunity to provide feedback and look forward to continued engagement on these issues.