



The Consumer Council

Elizabeth House  
116 Hollywood Road  
Belfast  
BT4 1NY

**Briege Tyrrie  
Gas Transmission  
Utility Regulator  
Queens House  
14 Queen Street  
Belfast  
BT1 6ER**

**19 April 2013**

Dear Briege

**Re: Third Energy Package Consultation on Further Technical  
Modifications to Gas and Electricity Licences**

The Consumer Council welcomes the opportunity to respond to this consultation.

The Consumer Council is an independent consumer organisation, working to bring about change to benefit Northern Ireland (NI) consumers. Our aim is to make the consumer voice heard and make it count.

We have a statutory remit to *promote and safeguard the interests of* consumers in NI and we have specific functions in relation to energy, water, transport and food (the Consumer Council and the Food Standards Agency (FSA) have a memorandum of understanding and the Council's strategic focus on food is primarily in relation to food prices and customer experience). These include considering consumer complaints and enquiries, carrying out research and educating and informing consumers.

The Consumer Council is also a designated body for the purposes of supercomplaints, which means that we can refer any consumer affairs goods

and services issue to the Office of Fair Trading, where we feel that the market may be harming consumers' best interests.

In taking forward our broad statutory remit we are informed by and representative of consumers in NI. We work to bring about change to benefit consumers by making their voice heard and making it count. To represent consumers in the best way we can, we listen to them and produce robust evidence to put their priorities at the heart of all we do.

The Consumer Council (CCNI) recognises the legal requirement to implement the proposed licence modifications by 30 April 2013 and the fines that would apply if the process was delayed. In this context the reasons and effects for each of the proposed changes are clearly outlined; based on those there are benefits for the gas and electricity industries, such as increased transparency and confidence. We anticipate based on the information provided that the actual benefits for consumers will be indirect. For this reason, and given the technical nature of the modifications outlined in the consultation document. CCNI is not in a position to comment on the specific wording of the new and amended licence conditions.

However, we would like to make a number of general comments in relation to the potential cost to consumers.

Points 2.8, 3.16, 4.12 and 5.42 state the UR's view that the changes will result in limited or no costs associated with the modifications. While we appreciate the legal requirement to implement the changes, we would like to remind UR that all efforts must be made to drive down prices for consumers. They should not be any worse off as a result of the introduction of the Further Technical Modifications to Gas and Electricity Licences. Therefore we ask UR to ensure this principle is observed during any follow up work resulting from the licence changes after 30 April 2013.

Points 5.19 and 5.32 make reference to potential costs in the future if and when a storage or LNG facility is built or a joint undertaking is created. We are aware that plans are currently underway to facilitate the development of gas storage facilities or joint undertakings. However, UR's consultation paper does not provide an indication of what those costs might be. Therefore CCNI asks UR to consult any decision regarding future costs in those areas either through public consultation or full engagement with the Consumer Council.

CCNI acknowledges UR's proposed scope of licence changes. We welcome the opportunity to discuss developments in the areas covered in this consultation paper with UR at any stage in the future.

If you wish to discuss the attached in more detail, please do not hesitate to contact me by e-mail at [mcree@consumercouncil.org.uk](mailto:mcree@consumercouncil.org.uk) or by phone on 028 9067 2488.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Cree', with a stylized flourish at the end.

**Marian Cree**  
**Head of Energy Policy**