

Looking back... ...looking forward

An overview of energy activities for 2003 to 2004

Looking ahead to 2004 to 2005

NORTHERN IRELAND



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Looking back... looking forward

Introduction

This document has two parts. Looking back... is an update on the General Consumer Council's key energy activities from 2003 to 2004. Looking forward... is the Council's forward work programme for April 2004 to March 2005.

The General Consumer Council for Northern Ireland

The General Consumer Council for Northern Ireland (GCCNI) is a statutory body that aims to promote and safeguard the interests of all consumers. Our job is to give consumers a voice and to make sure that those who make decisions that affect consumers hear that voice.

The Council:

- Campaigns for the highest standards of service and protection;
- Undertakes research and data collection;
- Gives advice, information and issues publications; and
- Handles complaints about natural gas, electricity, coal and passenger transport.

Energy at the Council

It is a time of change for the energy industry in Northern Ireland. In the next few years, the gas market will expand beyond greater Belfast and there will be market opening in the electricity industry. Therefore, it is vital that the consumer voice continues to be heard loud and clear.

Another important change is the Council's new role within the energy market. As set out in the Energy (NI) Order 2003 on 1 April 2003, GCCNI took responsibility for electricity consumers from Ofreg and the Northern Ireland Consumer Committee for Electricity (NICCE). Our energy remit now covers the regulated gas and electricity sectors as well as oil, coal and other fuels. This means that, for the first time, there is a one-stop-shop for consumer representation in energy matters. GCCNI provides free, impartial information and handles complaints on behalf of consumers who have been unable to resolve problems directly with their gas and electricity supplier.

The key role of our energy team is to:

- Investigate and report on consumer complaints;
- Liaise with the industry regulatory authority, energy supply companies and other key energy bodies on issues that affect consumers; and
- Campaign on behalf of consumers on important policy matters including fuel poverty, energy efficiency and energy prices.



Switching on - Energy Minister Ian Pearson and GCCNI Chairman Steve Costello launch the Council's new energy responsibilities.

Looking back...

Highlights so far: April 2003 – March 2004

This year, our main priorities were to provide a high quality complaint handling service for energy consumers and familiarise ourselves with the electricity industry. To do this, we have invested in staff training, promoted the complaints helpline and met the key energy stakeholders. This work will help us to represent consumers effectively.

Some of the key highlights since April 2003 are detailed below.

Getting the house in order

New faces

GCCNI is located in Elizabeth House on the Holywood Road in Belfast. A dedicated energy section was formed when five new posts were added to the existing two posts already working on energy matters.

Handling the changeover

The energy team spent time with Ofreg staff, learning about complaint handling procedures and electricity policies. This helped to smooth the transition of responsibility for electricity matters from NICCE and Ofreg to GCCNI.

Setting it out in black and white

As required by legislation, GCCNI has agreed a Memorandum of Understanding with Ofreg that clarifies the roles and responsibilities of each organisation and how we will work together to benefit energy consumers. The Council's energy group formally met the Northern Ireland Authority for Energy Regulation, (NIAER) in October 2003. General Consumer Council and Ofreg staff met frequently to discuss ongoing energy issues. A number of high-level meetings also took place on key energy matters of the day.

Come rain or shine

The energy section has developed an Energy Emergency Plan (EEP), which sets out the actions and procedures that staff must follow in the event of a substantial power outage. The lightning storm in early August 2003 and power failure in December 2003 gave us the opportunity to test the plan. On both occasions, our systems proved successful, especially in light of the December outage when over 120,000 customers were off supply during a peak consumption period. GCCNI was able to advise and reassure customers and worked closely with NIE after the event to ensure that consumer interests continued to be best served under such serious circumstances.



Pictured left to right are: Ann Stewart, Senior Consumer Affairs Officer (Electricity), Wesley Henderson, Director of Energy and Corporate Services and Jo Stevenson, Head of Energy.



Pictured left to right are: Chris Jackson, Consumer Support Officer, Michelle Bagnall, Consumer Affairs Officer (Complaints) and Fiona Burke, Consumer Support Officer.

Looking back...

Getting to know the industry

Training

As a formal introduction to Phoenix Natural Gas, (PNG), energy staff spent a day with PNG engineers. We also visited a number of NIE business areas that have regular contact with consumers such as NIE Connect, the NIE Revenue Protection Unit, the Incident Centre in Craigavon and NIE call centres at Ballymena and Hillview in Newtownabbey. These visits gave staff a better understanding of the industry and the consumer experience. NIE has also provided training in other areas such as Direct Debit and debt management. Training for GCCNI staff will continue throughout 2004 and 2005.

Source: Industrial and Manufacturing Engineer

Hard hats and hobnail boots

NIE Powerteam put energy section staff and members of the energy group through their paces during a day's training to learn the basic engineering essentials of the electricity industry.

Learning more about energy

Postalisation, price control and liberalisation of the Northern Ireland energy market are just a few of the invaluable seminars GCCNI staff have attended at Ofreg. These seminars have helped provide a better understanding of regulatory matters and their impact on consumers.

Energy Events

Staff attended the Energy Ireland 2003 conference in June. This was a good opportunity to meet the key players in the industry. GCCNI also gave a presentation at the high level Northern Ireland Energy Forum 2003 conference in November in Belfast. The Council took exhibition space at the event to promote our energy remit.

Fuelling the future

Renewable energy will undoubtedly have a major role in the coming years. Indeed, Northern Ireland is well suited for renewable energy sources such as wind and biomass. However, the visual appearance of wind farms is an area of concern for some Northern Ireland consumers.

Each renewable energy source has its own set of advantages and disadvantages. Therefore, it is vital that we continue to monitor developments and influence the agenda in this increasingly important market. An opinion poll was conducted on the Council's and Consumerline's websites during October and November 2003 to test public support of wind-generated electricity. While admittedly only a snapshot of opinion, the findings showed that 89 per cent of those responding to the survey supported the development of wind-generated electricity.

All Island Energy Market Talks

An important milestone towards an all-island energy market took place recently in Drogheda, attended by Ian Pearson, Minister for Enterprise, Trade and Investment, and his Republic of Ireland counterpart, Dermot Ahern, Minister for Communications, Marine and Natural Resources.

They hosted an all-island energy forum with senior representatives of the electricity, gas and renewable energy industries, the two regulatory authorities and Government officials.

The purpose of the forum was to drive forward development of an all-island energy market and to review progress towards that aim.

Both ministers pointed to the challenge for all on the island of Ireland to create a larger, more open and competitive market, place for energy. The ministers have agreed that to do this, a clear strategic vision is needed of where we want to go, and an agreed plan to achieve what would be a win-win situation for consumers, North and South.

Looking back...

Consumer representation

Island life

GCCNI visited Rathlin Island with NIE to help resolve ongoing problems with residents' electricity supply. Rathlin Island is in the process of having three new wind turbines installed to help solve some of the supply problems the islanders have been experiencing over the past few years.

Gas Watch

GCCNI is pleased to see that PNG and CORGI have already implemented some of the recommendations made in Gas Watch, a publication released in February 2003 reporting on the experiences of gas customers in Northern Ireland. However, more work needs to be done.

Building the brand

Telling people what we do in relation to handling complaints is a priority for the Council. To do this, we have established a dedicated telephone complaints line, **0845 601 6022**. The number is advertised on the back of all domestic electricity and gas bills. We also ran an advertising campaign in February and March 2004 promoting the complaints line on buses, radio and television.

We carried out a poll on the Council's website to see how many people had seen the advertising campaign. From 147 people, 65 per cent said they had seen the campaign. The Council also operates an ongoing programme of public talks and exhibitions around the country and has distributed leaflets and posters highlighting our complaints role to GP surgeries, libraries and other public places.

Making the consumer voice heard

It has been a busy year for energy consultation exercises. GCCNI has represented the consumer interest in consultations from Ofgem and the Department of Enterprise, Trade and Investment (DETI) on an Energy Strategy for Northern Ireland, proposals for *Postalisation of the Gas Network* and *Competition and Customer Empowerment*. The Council also responded to the Department for Social Development's (DSD's) consultation document, *Towards a Fuel Poverty Strategy for Northern Ireland*.

Location, location, location

Combining informative visits with meetings is an effective and efficient way to get staff and members up to speed on the industry. For example, energy group meetings have been held at NIE's System Operator Northern Ireland, (SONI) and Ballylumford Power Station.



Michelle Bagnall, Consumer Affairs Officer (Complaints) launches a campaign to advertise the Council's dedicated telephone complaints line.

Looking back...

Representing consumers

GCCNI is represented on a number of external bodies such as:

- Energy Advice Forum;
- Home Energy Conservation Authority (HECA);
- Heatsmart;
- Fuel Poverty Partnership Forum; and
- Foyle Regional Energy Action Management Forum (FREA).

GCCNI is a member of the Internal Market for Electricity (IME) Group, which meets every month and is facilitated by Ofreg.

These meetings are in addition to the regular meetings held with NIE, PNG and other stakeholders in the energy sector. Meetings have taken place with second tier electricity suppliers Airtricity, Energia, and ESB Independent Energy (ESBIE) to discuss the services they provide to their business customers and to look at how they can work with the Council in the future. All three suppliers now advertise the GCCNI complaints line telephone number on the back of their bills to business customers.

Coal, gas and electricity price increases

Since September 2003, Northern Ireland consumers have experienced price increases across three key energy sources: coal, gas and electricity. GCCNI works closely with the supply companies, the regulator and the Department for Enterprise, Trade and Investment, (DETI) to ensure that any increases are justified and passed on fairly to consumers.¹

Safe as Houses

The Safe as Houses campaign is an exciting partnership initiative with the Northern Ireland Housing Executive (NIHE), the Northern Ireland Oil Federation (NIOF), the Oil Firing Technical Association (OFTEC), and the Northern Ireland Fire Brigade. The campaign aims to promote safety and efficiency and improve standards of oil installations in Northern Ireland. The first step of the campaign is complete with 60,000 leaflets and posters distributed in public places and to oil customers throughout Northern Ireland. The group will continue to lobby for regulation of installation in the oil industry.



The poster features a large house-shaped graphic with the text "safe as houses" inside. Below the graphic, it reads "Safe and efficient installation of Oil Fired Central Heating Systems". The main heading is "Planning to install a new Oil Fired Central Heating System?". Below this, it says "Make sure your system is both safe and efficient" and lists four bullet points: 1. Oil storage tanks and boiler houses should conform to current good practice for safety standards e.g. OFTEC recommendations or for guidance contact your local Council Building Control Service. 2. All systems should have timers and thermostats to conserve energy and save money. 3. Get your system installed properly by an OFTEC (Oil Firing Technical Association) registered installer. 4. Make sure you have your boiler serviced every year. At the bottom, it provides contact information for OFTEC: www.oftec.org, tel: 0901 4700 112 (calls cost 60p per minute), email: enquiries@oftec.org. Logos for NIHE, GCCNI, Home Energy Conservation Authority, Northern Ireland Oil Federation, and OFTEC are displayed at the bottom.

The 20 per cent gas price increase announced by PNG on 1 April 2004 falls outside the period of

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Metering legislation

Energy staff identified that current practices regarding electricity meter inspections were not in line with energy legislation and current procedures in Great Britain. GCCNI met Ofreg and NIE to agree an improved process, which means that consumers will get a better service.

Shop Electric

On 31 October 2003 Shop Electric went into receivership. The Council took numerous calls about consumer rights and entitlements and NIE payments. GCCNI was able to direct consumers to the best sources of help.

Complaints review project

GCCNI commissioned external consultants to undertake an independent comprehensive review of complaint handling procedures and policy. A number of very useful recommendations have been produced from the review and will be implemented from April 2004.

Complaints

GCCNI will produce a separate report on the complaints the Council has received from 1 April 2003 to 31 March 2004.

Information to customers

Phoenix consulted closely with the Council on the first Code of Practice for gas customers in N. Ireland. The co-operation between the Council and Phoenix on this issue is a positive example of working together to improve matters for consumers.

As a result of the electricity outages last year, work is continuing with NIE to look at innovative ways to provide customer information on bills and produce top tips on what to do during a power cut.

Source: *Larne Times*

Leaflets on oil heating installation

DID you know that you do not need to be qualified or registered to fit an oil-fired central heating system in Northern Ireland?

The General Consumer Council has been concerned for some time that consumers are not protected from unsafe and substandard oil installations and has launched a poster and leaflet campaign – “Safe as Houses” - to give advice to consumers.

Jo Stevenson, Head of Energy at the Council said:

“More than 70 per cent of consumers here use oil to heat their homes. Therefore, it is surprising that they are not better protected from shoddy and dangerous work. Today we are calling for legislation to be introduced to protect consumers from unsafe and sub-standard oil installations.”

Gerry Toman from the Northern Ireland Fire Brigade said:

“A poorly installed and serviced heating system costs more to run and could be dangerous. This leaflet gives helpful advice to consumers on how they can keep their homes safe. However, this is only the first step in our campaign which aims to bring some form regulation into the oil heating installation industry.”

More than 100,000 leaflets and posters have been distributed throughout Northern Ireland. If you would like a copy contact the General Consumer Council on 028 9067 2488.

The campaign is run jointly by the General Consumer Council, Northern Ireland Housing Executive, OFTEC (Oil Firing Technical Association), Northern Ireland Fire Brigade, Local Council Building Control and the Northern Ireland Oil Federation.

Looking forward...

Introduction

Looking Forward... is the General Consumer Council's forward work programme for energy. It details the activities we will undertake during 2004 and 2005 and demonstrates how these will enable us to fulfil our statutory duties set down in the Energy (NI) Order 2003. This Order gave the Council extended powers and responsibilities to represent the interests of electricity consumers in Northern Ireland. The Council's statutory function and duties are set out in Appendix I.

This forward work programme has been developed through a process of formal consultation with our stakeholders. The General Consumer Council will continue to work in partnership with a range of organisations to achieve our objectives.

Equality

The Council is committed to fulfilling its obligations in Section 75 of the Northern Ireland Act 1998. These obligations concern promoting equality of opportunity and good relations between persons of different religious belief, political opinion or racial group.

Setting the consumer agenda for 2004-2005

The Council's work programme for 2004 to 2005 is set out in the following table. (See page 9). Further information on the key projects is outlined below.

E3 – Protecting vulnerable and disadvantaged consumers

Part 1 - to provide benchmark work on energy self-disconnection in Northern Ireland and to campaign for change where necessary

There are increasing numbers of prepayment meters (PPMs) installed by energy companies, particularly where households are in debt or finding it difficult to pay bills. There is evidence to suggest that some people with PPMs are disconnecting their fuel supplies when they cannot afford to pay or get credit for their meters. These customers are not recorded in the official disconnection statistics. Work has been done in Great Britain on the scale of the problem but none has been carried out in Northern Ireland so far. We plan to carry out research into the scale of self-disconnection here and campaign for change where necessary.

Part 2 – to track the effectiveness of social action plan commitments

In February 2002, Ofreg published its Social Action Plans (SAPs) 'Improving Social Obligations – A Proposals Document'. These plans set out how electricity and gas services to disadvantaged customers can be improved.

The plans identified three main areas for action to help disadvantaged customers: reducing prices, protecting customers and energy efficiency and the environment. In August 2003 Ofreg published an 18-month review of progress. Given the range of commitments made in these documents, the Council plans to work closely with all interested parties to ensure they are completed and to identify whether more action needs to be taken to help disadvantaged

Looking forward...

consumers.

Part 3 – to work with energy companies to improve billing

It is vital that customers receive accurate, timely and easily understood bills. For many customers, a bill is the only contact they have with the energy company and can often be a source of complaint. We aim to work with the energy companies to ensure that their billing procedures are meeting customers' needs.

Bills can also be used to provide customer information on a range of important subjects, such as energy efficiency. As all customers receive bills it makes sense to maximise their value. We plan to work with energy companies to see how this can be done in an innovative way.

E4 – Energy information

Part 1 – to provide consumers with information on important energy topics

The energy market is changing quickly. Domestic and business consumers need up to date, relevant, comprehensive and clear information. We plan to publish a series of information sheets on a range of topical energy subjects from energy efficiency and safety to switching energy suppliers (business customers). This information will be available in a range of formats on our website and in leaflets.

Part 2 – to produce key energy datasets

Information is available on a range of energy related topics such as energy consumption, fuel prices, household income and energy efficiency. This information is vital to research and policy work. We plan to gather all the relevant available information and keep it in a central source so that it is easily accessible.

E5 – Competitive and expanded energy markets

As the energy market opens up and the potential for more competition increases, we need to ensure that the interests of consumers are protected and considered at every stage. Some larger business customers already have a choice of suppliers; more will have that choice during 2005. We plan to help consumers who may want to switch suppliers by giving them advice and information. We also plan to work with suppliers to make sure the switching process is as smooth as possible for customers. To represent consumers more effectively in this area, the Council will continue to monitor the process and look for opportunities to influence the decisions that will affect consumers.

E6 – Renewables and the consumer/Consumers and sustainability

Northern Ireland is well suited to produce energy from renewable sources like wind, tidal and wave. These can have a significant contribution to make to the diversity of energy supply and a cleaner environment. In addition, areas where gas may not be an option, e.g. rural communities, could benefit given their current limited choice of fuels. Renewable energy will play an increasingly important role in our energy market and consumers need to understand how the introduction of these technologies could affect them.

Looking forward...

Consumer opinion and needs should also be considered as renewable energy plays a bigger part in meeting our energy needs. Similar work has been carried out in Scotland. We plan to undertake research to identify and promote the consumer interest in the developing debate about the use of renewable energy.

Expenditure on Energy

The Council's projected expenditure on energy for 2004 and 2005 is £380,000. This is based on energy costs for 2003 to 2004. The cost of representing consumers in relation to gas and electricity is paid for by licence holders (£270,000), the remainder comes from DETI (£110,000) as part of the Council's core funding.

GCCNI ENERGY WORK PROGRAMME 2004/05			
Code	Action	Output	Impact
E.1	Produce a forward work programme in line with the Energy (NI) Order	<ul style="list-style-type: none"> • Programme of energy work incorporating feedback from consultation process 	<ul style="list-style-type: none"> • Inform stakeholders about what we are doing and why
E.2	Investigate electricity, natural gas and coal complaints	<ul style="list-style-type: none"> • Maintained 90% minimum satisfaction rate 	<ul style="list-style-type: none"> • Achieve redress for consumers. Tackle existing problems to prevent reoccurrence. Achieve improvements in customer service
E.3	Protecting vulnerable and disadvantaged consumers	<ul style="list-style-type: none"> • Identified the causes of energy self-disconnection • Made recommendations to reduce self-disconnection • Developed campaigns for change where necessary • Tracked effectiveness of social action plan commitments by energy suppliers • Improved billing by energy companies 	<ul style="list-style-type: none"> • More awareness of energy self-disconnection and the availability of advice and support for vulnerable groups and individuals • Targeted reduction in numbers of energy self-disconnections • Consumers receive bills that are timely, accurate and clear.

Looking forward...

Code	Action	Output	Impact
E.4	Energy information	<ul style="list-style-type: none"> • Provided consumers with an expanded and comprehensive range of information (including web-based) on energy prices, market choices, affordability and energy efficiency issues • Obtained key energy datasets (including fuel prices) for GCCNI to enable it to provide the most up to date information to consumers 	<ul style="list-style-type: none"> • Consumers are better informed of their choices in relation to the energy supplied to their homes • Increased consumer awareness of GCCNI's energy remit. • Up to date facts and figures used in press releases, reports and policy work. • Accurate reflection of the consumer experience
E.5	Competitive and expanded energy markets	<ul style="list-style-type: none"> • Consumer interests are high on the agenda throughout the development of competitive energy markets in Northern Ireland and all-island energy policy 	<ul style="list-style-type: none"> • Competition benefits consumers
E.6	Renewables and the consumer Consumers and sustainability	<ul style="list-style-type: none"> • Raised consumer awareness of renewables and sustainable energy • To ensure that consumer opinion influences renewable and sustainable energy policy and decision-making 	<ul style="list-style-type: none"> • Decisions made in the development of renewable energy are in the best interests of all consumers
E.7	Complaints review project	<ul style="list-style-type: none"> • Implementation of recommendations of the complaints review project 	<ul style="list-style-type: none"> • Improved complaints procedures and better service for complainants.

Looking forward...

Code	Action	Output	Impact
E.8	Promote the Council's complaint handling role	<ul style="list-style-type: none"> Council's complaints handling role successfully promoted 	<ul style="list-style-type: none"> Raised consumer awareness of GCCNI complaints role
E.9	Contribution to equality and efficiency obligations	<ul style="list-style-type: none"> Analysis of energy complaints re satisfaction and nTSN/equality monitoring. 	<ul style="list-style-type: none"> Consumers from TSN areas are aware of the Council's complaints handling role
E.10	Campaign for improved standards in oil installations	<ul style="list-style-type: none"> Successful lobby of politicians and key bodies responsible for changing regulations and introducing legislation 	<ul style="list-style-type: none"> Consumers have more protection and oil installations meet safety and quality standards.
E.11	Capacity building	<ul style="list-style-type: none"> Attendance at energy events including conferences, training and seminars Job shadowing with energywatch 	<ul style="list-style-type: none"> Improved effectiveness in representing consumers by increased understanding of the energy arena and the main decision makers
E.12	Meet key energy stakeholders	<ul style="list-style-type: none"> Influenced key energy decisions and agendas 	<ul style="list-style-type: none"> Achieve change for consumers by influencing the debate
E.13	Submit views as appropriate to consultation exercises	<ul style="list-style-type: none"> Consumer voice is heard 	<ul style="list-style-type: none"> Consumer interest taken into account in policy making processes
E.14	Plan and report on energy activities	<ul style="list-style-type: none"> Public accountability 	<ul style="list-style-type: none"> Public accountability
E.15	Contingency work	<ul style="list-style-type: none"> Responded to important and unforeseen issues of the day 	<ul style="list-style-type: none"> Responded to important and unforeseen issues of the day

Appendix I

GCCNI Statutory Duties

The Council's statutory functions and duties are laid down in the Energy Order.

- Among other things, the Order gives the Council the function of:
 - Making proposals or providing advice and information on consumer matters;
 - Representing the views of consumers on such matters; and
 - Obtaining and reviewing information about consumer issues and the views of consumers on those matters.
- A duty to investigate and seek to resolve consumer complaints against companies about regulated matters.
- A duty to give information to ministers, the Northern Ireland Authority for Energy Regulation (NIAER), licence holders and any other body with a consumer interest, such as local authorities.
- A duty to publish information about complaints made against energy suppliers, transporters and distributors both directly to the Council and also to the relevant licensee.
 - A specific duty to have regard to the interests of:
 - Individuals who are disabled or chronically sick;
 - Individuals of pensionable age;
 - Individuals with low incomes; and
 - Individuals living in rural areas.
- A wide power to investigate any matter that appears to relate to the interests of gas or electricity consumers.
- Powers to publish information that it thinks would be in the consumer interest.
- The requirement in each financial year to publish a forward work programme outlining the projects that it plans to undertake the following year.

The Council has agreed a Memorandum of Understanding with NIAER, which will lead to an open, constructive and effective relationship between the two bodies, while respecting their

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different roles.

We welcome any comments on this summary and are happy to provide more information about any of our work. Our forward work programme is constantly developing and the views of others are an important factor in how we plan our future work priorities. Please let us know of any issues you think we should consider.

Who's who? – GCCNI's Energy Section

Wesley Henderson, Director, Energy and Corporate Services

Jo Stevenson, Head of Energy

Ann Stewart, Senior Consumer Affairs Officer

Vacant, Senior Consumer Affairs Officer

Michelle Bagnall, Consumer Affairs Officer

Fiona Burke, Consumer Support Officer

Chris Jackson, Consumer Support Officer

More information

For more information on the General Consumer Council for Northern Ireland, please visit our website at: **www.gccni.org.uk**. The site contains all our recent reports, policy work and press releases.

For information and advice on general consumer matters, please visit **www.consumerline.org**

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