



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

**Information Note on the Number of Gas  
Operatives working in the Natural Gas  
Industry in Ireland**

**CER/08/085**

**22<sup>nd</sup> May 2008**

## 1. Introduction

This paper provides a high level estimate of the number of gas installer operatives working in the natural gas industry in Ireland based on a number of assumptions. The purpose of this paper is to provide some indication of the size of the industry to parties interested in applying for the position of the Gas Safety Supervisory Body (the 'Body'). This paper is published in conjunction with the launch of the process for the designation of the Body<sup>1</sup>.

The estimated figures contained in this document reflect Bord Gáis Éireann's ('BGÉ') view of:

- the number of gas installers currently listed on BGÉ's database;
- the total number of gas installer operatives estimated by BGÉ to work in the natural gas industry in Ireland; and
- the level of activity in the gas industry annually.

The Commission acknowledges that it is very difficult to provide a definite estimate of the size of the industry. Therefore, the Commission would appreciate stakeholders views on the estimates provided in this information note.

Stakeholders views should be submitted, preferably in electronic format, to Dermot Lynch. The details for submission are:

<b>Email:</b>	<a href="mailto:dlynch@cer.ie"><b><i>dlynch@cer.ie</i></b></a>
<b>Postal Address:</b>	<b><i>Commission for Energy Regulation, The Exchange, Belgard Square North, Tallaght, Dublin 24</i></b>
<b>Due Date for Submissions:</b>	<b><i>5.00pm on 30<sup>th</sup> June 2008</i></b>

Further to the consideration of the comments received, the Commission will publish a further information note providing a more considered estimate of the total number of gas installer operatives working in the natural gas industry in Ireland as part of Stage 2 of its designation process.

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<sup>1</sup> Stage 1 documentation contains "Request for Expressions of Interest in the Process for the Designation of the Gas Safety Supervisory Body, CER/08/084" and "Process for the Designation of the Gas Safety Supervisory Body, Stage 1, Pre-Qualification Questionnaire, CER/08/084A".

## 2. **BGÉ's Database of Registered & Non Registered Installers:**

BGÉ currently holds a database of gas installer's contact details. This database contains details of members of BGÉ's current Register of Gas Installers (RGI) and also gas installers operating outside of the current BGÉ RGI framework. Membership of the database is dependent upon a Declaration of Conformance Certificate being issued to a gas installer. BGÉ require all new connections to have this certificate before gas is made available at the connection. When a gas installer first applies for domestic Declaration of Conformance Certificates their details are entered onto the database and they are allocated an 'Installer Number'. Additional entries to the database may occur when a gas installer / service agent applies to become a member of the current BGÉ RGI and they are not already included on the database.

There are regular communications issued to gas installers on the database and these communications normally contain an update form showing the contact details held by BGÉ. Gas installers are encouraged to provide BGÉ with any changes to their contact details and/or status to allow the database to be amended accordingly.

The following is a breakdown of the BGÉ gas installer database on 28<sup>th</sup> March 2008. Please note that the table below incorporates companies registered on an individual basis on the database and does not take into account the number of individual gas installer operatives working under that company's registration.

**Table 1.0**

<b>Gas installer companies / sole traders on BGÉ database</b>	<b>Number</b>
Registered / Authorised Installers	457
Non-Registered Installers	<u>1564</u>
<b>Total</b>	<b>2021</b>

### 3. Estimate of the total number of individual gas installers operating in the gas industry

In the new regulatory regime, all domestic gas works will have to be undertaken by a gas installer registered with the Body. Each gas installer undertaking gas works will have to individually register with the Body. The purpose of this section is to provide a best estimate of the total number of gas installers operating in the gas industry based upon analysis carried out by BGÉ concerning their gas installer database.

Analysis carried out by BGÉ of the personnel of 256 members of the current BGÉ RGI discovered that this represented 450 individual gas installer operatives and an additional 260 gas installer operatives working under supervision. This gives a ratio of 1 to 0.58 (gas installer operatives to gas installer operatives under supervision).

If we scale up this ratio for the total 457 Registered / Authorised gas installers (as set out in table 1.0) this equates to 810 gas installer operatives (resulting in an approximate scaling ratio of 1 to 1.77 for the number of companies / sole trader to the number of individual gas installer operatives) and 468 gas installer operatives working under supervision.

If one assumes a lower scaling ratio for Non-Registered gas installers of 1 to 1.5, then the 1564 non-registered gas installers on the BGÉ database would account for approximately 2346 gas installer operatives. Using the ratio of 1 to 0.58 (gas installer operatives to gas installer operatives under supervision) this gives an additional 1360 gas installer operatives working under supervision.

The following is the summary of the estimated numbers of gas installer operatives:

**Table 2.0**

<b>Estimate of total number of Individual gas installers operatives registered on BGÉ's database</b>	<b>Number</b>
Registered / Authorised Installers	810 (457 * 1.77)
Under Supervision with Reg./Auth.	468 (810 * 0.58)
Non-Registered Installers	2346 (1564 * 1.5)
Under Supervision with Non-Reg.	<u>1360 (2346*0.58)</u>
<b>Total</b>	<b>4984</b>

There may be a number of gas installer operatives in the industry which have not identified themselves as yet to BGÉ as they work exclusively in areas of the industry such as the 'gas to gas' market, which do not necessarily require any interaction with BGÉ as there is no Declaration of Conformance Certificate issued. This issue may contribute to an underestimate of the number of gas installer operatives in the industry, however it is difficult to calculate the scale of any such underestimation.

#### **4. Estimated level of activity in the industry annually**

BGE estimate that approximately 25,000 new connections to the gas network are made each year, each of which is associated with the construction of a new gas installation. There is also significant activity in the 'gas to gas' market where existing installations are altered, appliances replaced and/or new appliances fitted. This accounts for an estimated 90,000 interventions each year. An estimated 1/5 of gas customers out of the customer base of approximately 580,000 engage a service agent each year. This would account for an additional 116,000 interventions.

#### **5. Conclusion**

A definite figure concerning the total number of gas installers operating in the gas industry in Ireland is very difficult to ascertain and the intention of this information note is to provide some level of clarity in this regard. This information note has arrived at an estimated figure of 5,000 gas installer operatives working in the gas industry which will help to inform parties interested in applying for the position of the Body. The Commission will consider stakeholders comments concerning the number of gas installers operating in the gas industry in Ireland, refine this note accordingly and include it as part of Stage 2 of its designation process.

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