



CER Press Release – 12th July 2012

CER 2012 Consumer Survey Shows Strong Competition in Retail Energy Markets

The Commission for Energy Regulation (CER) has today published the results of its annual energy retail (supply) market consumer survey. This survey was commissioned by the CER in order to understand the attitudes and experiences of domestic - i.e. residential - and Small Medium Enterprise (SME) energy customers in the marketplace. This CER survey was undertaken in early 2012. The results will be used by the CER to inform its policy-making in the area of competition and consumer protection.

The CER Consumer Survey 2012 involved questions being issued to over 1,000 electricity and gas customers across the country. Overall, the survey found that customers in Ireland are very satisfied with the service and level of competition in the competitive retail marketplace. The survey also confirmed that customers continue to have a positive experience of the straightforward supplier switching process in electricity and gas.

In particular, the survey found that:

- There is a high level of satisfaction with the service provided by Ireland's energy suppliers among both domestic and business customers. 89% of domestic customers were satisfied with their electricity supplier and 88% domestic were satisfied with their gas supplier. There were similarly high satisfaction rates for SME customers.
- 16% of electricity and 18% of gas domestic customers said they had switched in the previous 12 months. 91% of both electricity and gas domestic switchers found the process easy or very easy to complete.
- "Value for money" was a key driver for customers switching energy supplier: 86% of electricity and 76% of gas domestic customers cited savings on their bill as a very important factor in switching. There were similar rates for SME customers.
- Customer knowledge of pricing structures is low. A majority of customers stated that they have some understanding of the offers but only a small proportion claim to fully understand the offers.
- 50% of all domestic customers with both electricity and gas connections use a single supplier.
- 5% of domestic electricity and 3% of domestic gas customers stated that they were now or had been sometimes in arrears. An additional 20% stated that they part-pay their bill but typically have fully paid the bill before the next bill is issued. This second group of customers do not perceive themselves to be in arrears.
- 6% / 5% of electricity / gas domestic respondents reported having made a complaint over the previous 12 months, with the figure at 9% / 2% for business electricity / gas

customers. Satisfaction with both the handling of complaints by suppliers and the outcome was down on previous years. It should be noted that any complaints to suppliers which customers are not satisfied with can be referred to the CER for resolution.

More generally, customers can find information on how to switch energy supplier through the CER's energy customer's website at www.energycustomers.ie.

Chairperson Dermot Nolan of the CER commented:

“The CER welcomes the positive feedback from domestic and SME consumers on supplier service levels and on supplier switching. The Irish retail markets for gas and electricity continue to develop with increased competition. The CER will continue to monitor evolving trends in customer preferences to ensure the markets are working well and delivering for customers.”

Ends.

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Notes to Editors:

- The CER is the independent energy regulator for Ireland. Its economic roles include regulating the Irish electricity and natural gas sectors. The CER protects energy customers by working for a safe, secure and sustainable supply of electricity and natural gas, as well as a competitive market which delivers reasonable prices and a good quality service. For further details please see www.cer.ie. The CER's energy customers' website is www.energycustomers.ie.
 - Following the development of strong competition, the CER deregulated the business and domestic electricity markets in October 2010 and April 2011 respectively, and the business gas markets in October 2011 - only Bord Gáis Energy is now subject to tariff regulation in the gas domestic market.
 - With the new market monitoring duties under the EU's 3rd Package of legislation as well as the transition to full deregulation of the retail markets, the CER is also reviewing its current market monitoring procedures and published a consultation on an enhanced framework ([CER/ 11/221](#)). It proposes looking at a broader range of market indicators which consider market structures, retail market outcomes (including diversity of tariffs, contracts, end user prices, and the price spread for comparable products) and customer satisfaction. The CER intends to publish a decision on this enhanced framework in Q4 of 2012.
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