Electricity & Gas Retail Markets Report
Q3 2012

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The Commission for Energy Regulation,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.

www.cer.ie

1.0 Introduction

The purpose of this paper is to provide industry and interested stakeholders with relevant information[1] on the developments of competition in the electricity and gas retail markets in the third quarter of 2012.

2.0 Market Share

2.1 Electricity Market Share by Customer Numbers & MWhs

This section contains the market share data for all electricity suppliers. Data is presented in terms of actual customer numbers and consumption (MWhs) for Q3 2012 as well as showing the change in percentage share since the previous quarter.[2]

	Domestic Market	
	Cust Nos	MWhs
Electric Irel	1,301,278	1,100,268
Airtricity	364,891	394,952
Bord Gáis Energy	338,142	390,304
Others	17,754	17,903
Total	2,022,065	1,903,727

1 (a) Domestic Market

	Small Business		Medium Business[3]	
	Cust Nos	MWhs	Cust Nos	MWhs
Electric Ireland	87,861	250,243	13,793	256,008
Airtricity	39,704	194,243	3,599	256,305
Bord Gáis Energy	18,267	92,070	1,252	91,776
Energia	44,000	302,043	5,565	378,178
Others	175	3,061	166	21,383
Total	190,007	841,660	24,375	1,003,650

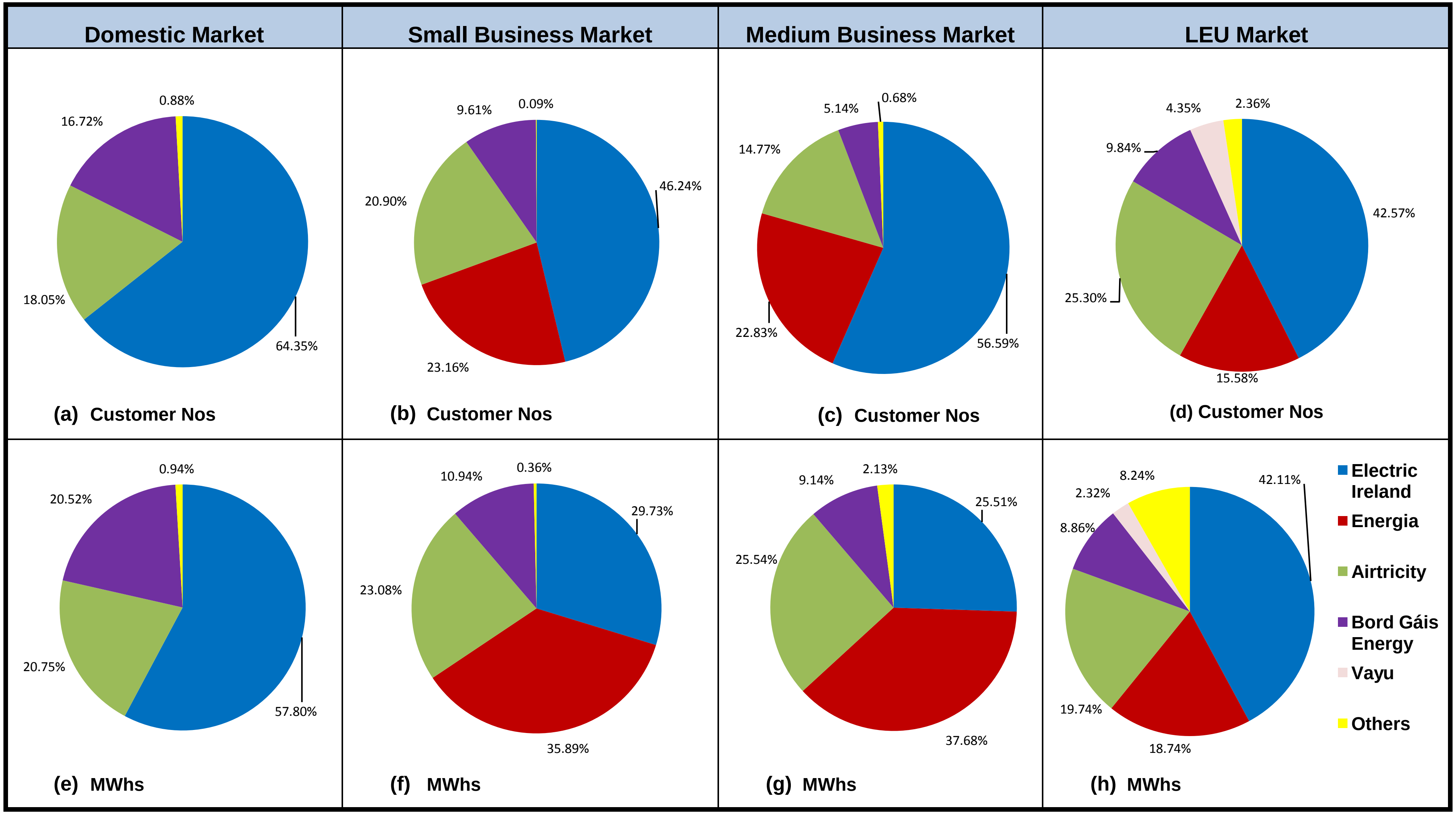
1 (b) Small Business & Medium Business Markets

	LEUs	
	Cust Nos	MWhs
Electric Ireland	705	836,457
Airtricity	419	392,054
Bord Gáis Energy	163	175,988
Energia	258	372,268
Vayu	72	46,100
Others	39	163,716
Total	1,656	1,986,583

1 (c) LEU Market

Tables 1 (a)-1 (c) Q3 2012 Electricity Customer Nos. & MWhs

[1] The primary sources of data in this report are: Electricity: MRSO (Meter Registration System Operator), ESBN (ESB Networks) and Gas: GPRO (Gas Point Registration Operator), Gaslink, BGN (Bord Gáis Networks).
[2] Only electricity suppliers with greater than 1% share of MWhs are reported separately in each market segment.
[3] 'Medium-sized business' includes low voltage maximum demand (DG6) and public lighting (DG 3&DG4).



Figures 1 (a) – 1 (h) Q3 2012 Electricity Market Share by Market Segment

	Domestic Market	
	Cust Nos	MWhs
Electric Ireland	+0.41%	+0.51%
Airtricity	+0.01%	-0.18%
Bord Gáis Energy	-0.66%	-0.58%
Others	+0.23%	+0.25%

2 (a) Domestic Market

	Small Business		Medium Business	
	Cust Nos	MWhs	Cust Nos	MWhs
Electric Ireland	-0.15%	-0.62%	-0.11%	+0.41%
Airtricity	+0.64%	+1.48%	+0.64%	+0.46%
Bord Gáis Energy	-0.49%	-0.97%	-0.55%	-1.05%
Energia	-0.04%	-0.04%	-0.04%	-0.22%
Others	+0.04%	+0.15%	+0.06%	+0.39%

2 (b) Small Business & Medium Business Markets

	LEUs	
	Cust Nos	MWhs
Electric Ireland	-0.98%	-1.79%
Airtricity	+0.74%	+1.35%
Bord Gáis Energy	-0.20%	-0.45%
Energia	-0.15%	-1.13%
Vayu	+0.60%	+0.08%
Others	0%	+1.94%

2 (c) LEU Market

Tables 2 (a)-2 (c) Change in Electricity Market Share from Q2 2012 - Q3 2012 by Supplier

- Electric Ireland remains the largest supplier in terms of customer numbers across all market segments. Their share has increased in the domestic market by 0.41% since Q2 2012 but decreased in all other segments.
- Total consumption in the small business & domestic markets has reduced by 2.3% and 3.6% respectively since the same period last year.
- Electric Ireland is the largest supplier in terms of MWhs in the domestic and LEU business segments and Energia generates the largest share of MWhs in the small and medium business segments.
- Electric Ireland's MWhs market share in the domestic market has increased by 0.5% since Q2 2012.
- Bord Gáis Energy has lost market share in customer numbers and MWhs across all market segments.

2.2 Gas Market Share by Customer Numbers & GWhs[4]

This section contains the market share data for all gas suppliers. Data is presented in terms of actual customer numbers and consumption (GWhs) for Q3 2012 as well as showing the change in the percentage share since the previous quarter.[5]

	Domestic	
	Cust Nos	**GWhs**
Bord Gáis Energy	427,042	3,453
Airtricity	110,899	963
Electric Ireland	62,375	307
Flogas	28,487	200
Others	2	0.02
Total	**628,805**	**4,923**

3 (a) Domestic Market

	NDM IC[6]	
	Cust Nos	**GWhs**
Bord Gáis Energy	10,826	455
Airtricity	1,160	46
Electric Ireland	554	10
Flogas	5,725	354
Energia	3,958	256
Vayu	573	41
Others	3	0.45
Total	**22,799**	**1,163**

3 (b) NDM IC Market

	FVT[7]	
	Cust Nos	**GWhs**
Bord Gáis Energy	617	547
Airtricity	34	38
Flogas	371	347
Energia	316	232
Vayu	414	350
Others	5	3
Total	**1,757**	**1,517**

3 (c) FVT Market

	RTF[8]	
	Cust Nos	**GWhs**
Bord Gáis Energy	48	928
Airtricity	19	246
Electric Ireland	10	131
Gazprom	14	829
Energia	54	862
Vayu	77	785
Phoenix	27	422
Total	**249**	**4,203**

3 (d) RTF Market

Tables 3 (a)-3 (d) Gas Customer Nos. (Q3 2012) & GWhs (Jan- Sept 2012)

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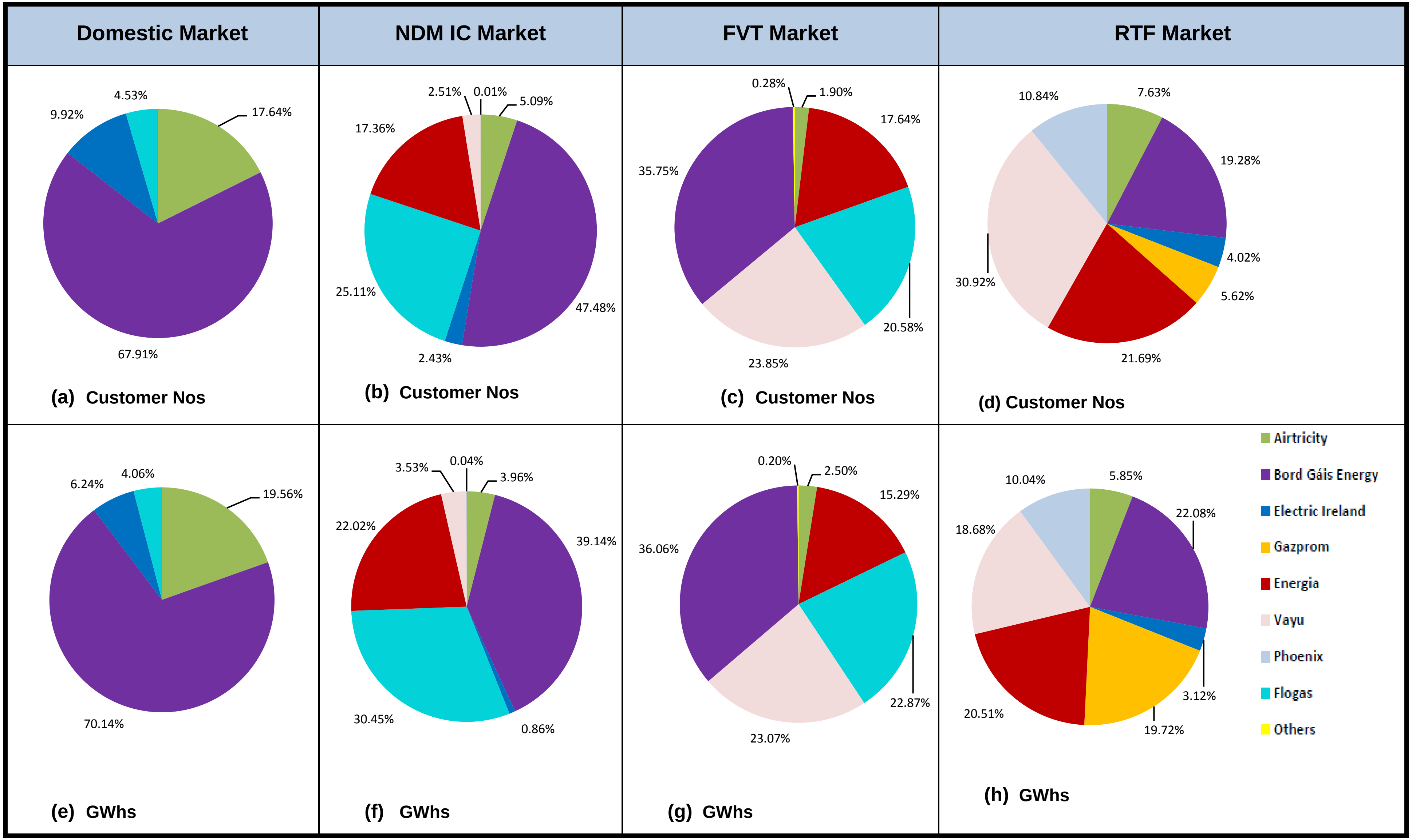
[4] The current method of calculation of gas volumes (GWhs) supplied uses Non Daily Metered (NDM) allocations data, which is derived statistically. Bord Gáis Networks (BGN) has suggested that this method of calculation is not the most statistically accurate, and when compared with reconciliation data (i.e. metered throughput), allocation data has accuracy in the range of +/-15% for NDM IC's and +/-4% for Residential. The gas consumption (GWhs) figures used are cumulative figures from the beginning of 2012.

[5] Only gas suppliers with greater than 3 customers are reported separately in each market segment.

[6] Non-daily metered industrial and commercial.

[7] Fuel variation tariff.

[8] Regulated tariff formula.



Figures 2 (a) – 2 (h) Q3 2012 Gas Market Share by Market Segment

	Domestic	
	Cust Nos	GWhs
Bord Gáis Energy	-1.66%	-0.10%
Airtricity	-0.63%	-0.26%
Electric Ireland	+2.07%	+0.32%
Flogas	+0.22%	+0.05%

4 (a) Domestic Market

	NDM IC	
	Cust Nos	GWhs
Bord Gáis Energy	-1.6%	-1.42%
Airtricity	+0.21%	+0.10%
Electric Ireland	+0.79%	+0.02%
Flogas	+0.97%	+1.64%
Energia	-0.37%	-0.18%
Vayu	+0.01%	-0.22%

4 (b) NDM IC Market

	FVT	
	Cust Nos	GWhs
Bord Gáis Energy	-0.63%	-0.31%
Airtricity	+0.04%	-0.46%
Flogas	+0.54%	+1.22%
Energia	+0.34%	+0.67%
Vayu	-0.29%	-1.15%
Others	0%	+0.02%

4 (c) FVT Market

	RTF	
	Cust Nos	GWhs
Bord Gáis Energy	-4.11%	-0.01%
Airtricity	+0.37%	-0.21%
Electric Ireland	-0.02%	-0.29%
Gazprom	-0.02%	-0.22%
Energia	-0.09%	+0.84%
Vayu	+3.91%	-0.69%
Phoenix	-0.04%	+0.58%

4 (d) RTF Market

Tables 4 (a) – 4 (d) Change in Gas Market Share from Q2 2012 - Q3 2012

- Total customer numbers have increased by 0.2% since Q2 2012, primarily driven by an increase in the number of domestic customers.
- Bord Gáis Energy remains the largest supplier both in terms of customer numbers and consumption in the residential (67.9% and 70.14% share), NDM IC (47.48% and 39.1% share) & FVT (35.75% and 36.06% share) segments; however its share has decreased significantly across all segments since Q2.
- Electric Ireland has increased market share in the domestic market since Q2 2012 by over 2% in terms of customer numbers.
- Total consumption (GWhs) increased by 2.5% on the year 2011 up to September.[9]

[9] This is based on total consumption in Q3 2012 of 11,805 GWhs and consumption in Q3 2011 of 11,522 GWhs. Total consumption includes all segments: residential, NDM IC, FVT and RTF.

3.0 Customer Switching & New Registrations

Customer switching is a key indicator of retail competition and supplier activity within the retail market. This section contains data on customer switching activity with a breakdown of suppliers' switches in the relevant markets and new registrations.

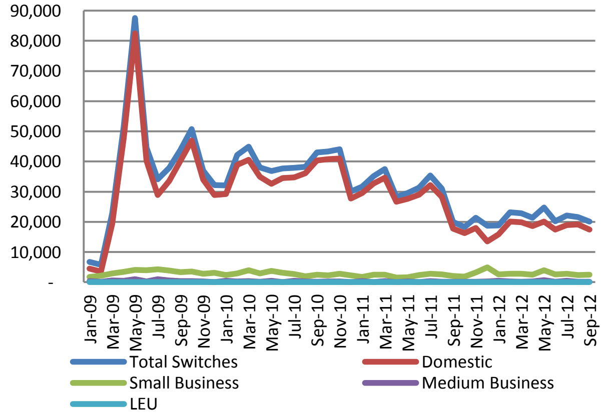


Figure 3 Total Switching - Electricity

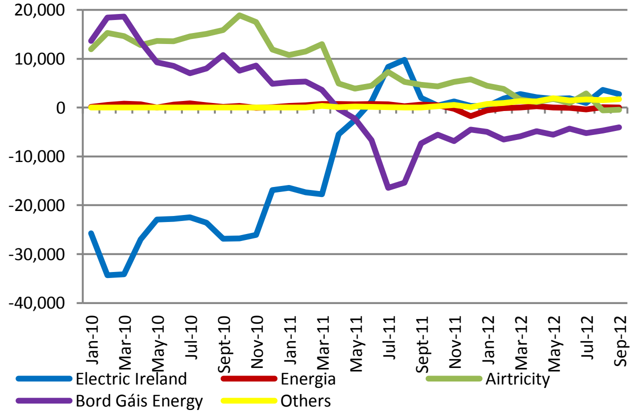


Figure 4 Total Net Change by Supplier - Electricity

Total Switching[10]		
	Electricity	Gas
Q3 2011	86,427	29,998
Q4 2011	58,386	24,333
Q1 2012	64,788	26,705
Q2 2012	66,271	26,245
Q3 2012	63,730	27,276
% Change Q3 2011 - 2012	*-26.3%*	*-9.07%*

Table 5 Electricity & Gas Switching Trends

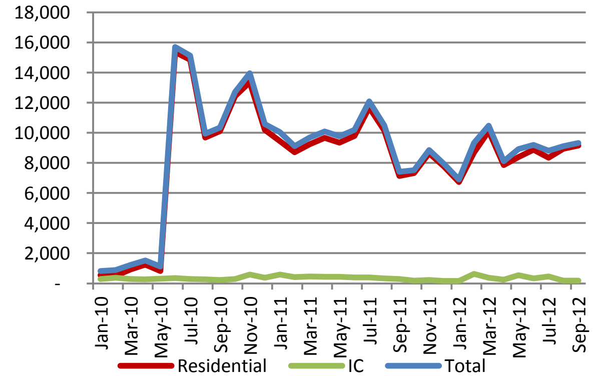


Figure 5 Total Switching - Gas

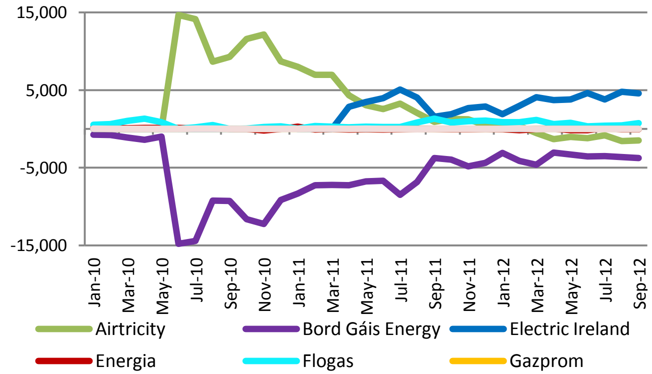


Figure 6: Total Net Change by Supplier - Gas

10 Total Switching refers to the number of completed change of supplier requests in a month. In electricity, it is measured by the number of 105 messages.

Electricity

- Total switching in Q3 2012 was 63,730. 87% of this was accounted for by switching in the domestic market.
- Switching in Q3 in the domestic market was 29% lower in 2012 than in the same period in previous year, but was 1.4% lower than in Q2 2012.
- The total number of switches has decreased since Q2 2012. The small business, medium business and LEU market have respectively declined by 16% (to 7,568 in Q3), 30% (to 708 in Q3) and 46% (to 36 in Q3).
- Bord Gáis Energy continues to experience a net loss in customer numbers (-13,932).
- Electric Ireland has experienced the highest net gain in customer numbers in Q3 2012 (of +7,395) compared to other suppliers, which represented a 26% increase on its net gain in Q2.

Gas

- The total number of switches in the gas market in Q3 2012 was 27,276. 97% of this was accounted for by switching in the domestic market. Total switching was 4% higher than in Q2 but 9% lower than Q3 2011.
- Switching in Q3 in both the domestic and IC markets was lower than in the same period in previous year, by 8% and 20% respectively.
- In Q3 2012, net gains were experienced by Electric Ireland (+13,157), Energia (+45) and Flogas (+1,602). Bord Gáis Energy and Airtricity both experienced net losses of -10,913 and -3,892 respectively.
- Bord Gáis Energy continues to experience a net loss in terms of the number of customers switching. However, this net loss is 10% higher than that in the previous quarter (Q2 2012 the loss was -9,901) but almost 43% lower than the net loss in Q3 2011 (Q3 2011 the loss was -19,115).

New Registrations

- In Q3 2012, there were 3,610 new electricity registrations and 1,555 new gas registrations.
- Since January 2010, there was an average monthly reduction in new registrations in electricity of -1.24%, and in gas of -0.97%.
- 86% of new electricity registrations were with Electric Ireland, and the majority of new gas registrations, 72%, were with Bord Gáis Energy.

4.0 PAYG, Debt Flagging & Disconnections

4.1 Pay as You Go Meters – PAYG

The CER has been working with industry to facilitate the rollout of electricity and gas PAYG meters free of charge for customers experiencing financial hardship. This section looks at the trend in the installation of PAYG meters.

	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Cumulative total
Electricity PAYG	N/A	711	2,485	3,596	4,384	**11,176 (Since Oct 11) / 19,500 (token meters)**
Gas PAYG	5,445	8,188	3,276	3,491	3,431	**63,933 (total including old meters & keypad)**

Table 6 PAYG Meter Installations Electricity & Gas

- There were 4,384 PAYG electricity meters installed in Q3 2012, which represents a 22% increase since Q2 2012. The total number of electricity PAYG meters installed since October 2011 is 11,176. In addition, there are approximately 19,500 token meters in operation.
- There were 3,431 PAYG gas meters installed in Q3 2012 (of which 93% were installed for financial hardship reasons). This represents a 2% decrease since Q2 2012. The total number of gas PAYG meters installed since December 2008 is 63,933, with 36,109 since December 2008.

4.2 Debt Flagging

Where a customer requests to change to a new supplier, the customer's existing supplier has the facility to inform the new supplier if the customer has an outstanding debt, above the industry thresholds approved by the CER. The new supplier can then choose whether to proceed with or cancel the change of supplier (CoS) request where this 'flag' has been raised.

	Electricity Market				Gas Market			
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Total Debt Flags	982	1,017	1,308	1,393	170	101	237	318
Debt Flagged CoS request as % total CoS	1.91%	1.62%	1.86%	2.14%	0.83%	0.38%	0.90%	1.17%
% of Debt Flagged CoS orders Cancelled by New Supplier	40.0%	56.6%	51.5%	42.4%	57.1%	47.5%	50.6%	49.7%

Table 7 Debt Flagging in Electricity & Gas

- There were 1,393 debt flags raised in the electricity market in Q3 2012 (corresponding to 2.14% of all CoS requests). This represents an increase of 6.5% since Q2 2012. 42% of debt flagged CoS requests were cancelled by the new supplier in Q3. This represents a 9.1% reduction on the proportion rejected in Q2.
- There were 318 debt flags raised in the gas market in Q3 2012 (corresponding to 1.17% of gas switches). This represents an increase of 34% since Q2 2012. Approximately 50% of gas debt flagged CoS requests were cancelled by the new supplier in Q3. This represents a 1% reduction on the proportion rejected in Q2.

4.3 Electricity Disconnections

The disconnection of a customer's energy supply should always be the last resort and all suppliers are required to offer a payment plan and prepayment solution to customers in advance of proceeding to disconnect. This section analyses trends in disconnections in both electricity and gas.

	Electric Ireland	Airtricity	Bord Gáis	Energia	Total Disconnections	% Of total that are in the domestic market
Q1 2011	2,051	699	406	142	**3,298**	**77.26%**
Q2 2011	2,389	1,477	355	182	**4,403**	**80.40%**
Q3 2011	2,894	2,277	727	243	**6,141**	**84.09%**
Q4 2011	1,191	1,940	690	131	**3,952**	**82.39%**
Q1 2012	887	2,658	1,325	193	**5,063**	**82.50%**
Q2 2012	1,248	1,276	892	194	**3,610**	**82.08%**
Q3 2012	1,971	1,436	649	125	**4,181**	**83.58%**
% Change Q3 2011-Q3 2012	*-31.9%*	*-36.9%*	*-10.7%*	*-48.6%*	***-31.9%***	

Table 8 Total Electricity Disconnections by Supplier

	Electric Ireland	Airtricity	Bord Gáis	Total
Q1 2011	1,740	532	276	**2,548**
Q2 2011	2,125	1,265	150	**3,540**
Q3 2011	2,629	2,009	526	**5,164**
Q4 2011	1,076	1,668	512	**3,256**
Q1 2012	693	2,326	1,158	**4,177**
Q2 2012	1,073	1,152	738	**2,963**
Q3 2012	1,707	1,259	530	**3,496**
% Change Q3 2011 - 2012	*-35.1%*	*-37.3%*	*0.76%*	***-32.3%***

Table 9 Domestic Electricity Disconnections by Supplier

	Electric Ireland	Airtricity	Bord Gáis Energy
Q1 2011	13.77	17.16	6.22
Q2 2011	16.90	38.96	3.45
Q3 2011	20.59	58.52	13.23
Q4 2011	8.41	47.02	13.39
Q1 2012	5.39	64.04	31.70
Q2 2012	8.30	31.59	20.99
Q3 2012	13.12	34.50	15.67
% Change Q3 2011 - 2012	-36.3%	-41%	*18.4%*

Table 10 Domestic Electricity Disconnections per 10,000 Customers

- In Q3 2012, there were 4,181 disconnections for non-payment of account (NPA) in the electricity market.
- 84% (or 3,496) of these were in the domestic market, which equates to 0.17% of all domestic electricity connections.
- There was a significant reduction in the number of electricity disconnections in Q3 2012 compared to Q3 2011 in total (of -32%) and in the domestic market (of -32%). However, comparing to Q2 2012 indicates an increase in disconnections of 16% in total and 18% in the domestic market.
- Electric Ireland accounts for the majority of disconnections in the domestic and non-domestic markets. However, when adjusted for market share in the domestic market, Airtricity completed the highest disconnection rate per 10,000 customers, and Electric Ireland has the lowest.

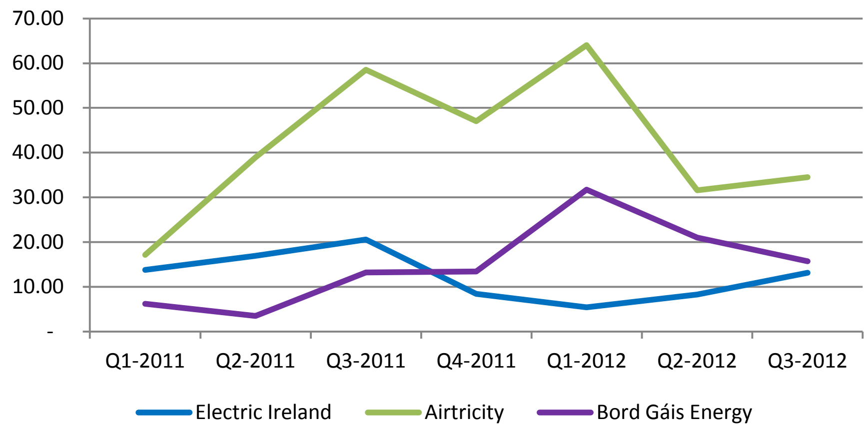


Figure 7 Domestic Electricity Disconnections per 10,000 Customers

4.4 Gas Disconnections[11]

	Bord Gáis	Airtricity	Flogas	Energia	Electric Ireland	Total Disconnections	% Of total that are in the domestic market
Q1 2011	479	28	55	34	-	**596**	**77.68%**
Q2 2011	1,104	48	99	46	-	**1,297**	**80.57%**
Q3 2011	1,403	136	244	35	1	**1,819**	**89.22%**
Q4 2011	643	128	56	21	-	**848**	**84.67%**
Q1 2012	1,342	189	153	21	1	**1,706**	**90.39%**
Q2 2012	1,815	283	274	10	5	**2,387**	**91.6%**
Q3 2012	1,803	480	165	9	22	**2,479**	**95.8%**
% Change Q3 2011-Q3 2012	*28.5%*	*253%*	*-32.4%*	*-74%*	*2100%*	***36.3%***	

Table 11 Total Gas Disconnections by Supplier

	Bord Gáis Energy	Airtricity	Flogas	Electric Ireland	Total Domestic
Q1 2011	381	28	54	-	**463**
Q2 2011	904	47	94	-	**1,045**
Q3 2011	1,260	134	228	1	**1,623**
Q4 2011	547	124	47	-	**718**
Q1 2012	1,217	187	137	1	**1,542**
Q2 2012	1,646	276	261	4	**2,187**
Q3 2012	1,726	471	155	22	**2,374**
% Change Q3 2011 - 2012	*37%*	*251%*	*-32%*	*2100%*	***46%***

Table 12 Domestic Gas Disconnections by supplier

	Bord Gáis Energy	Airtricity	Flogas	Electric Ireland
Q1 2011	7.54	2.80	29.72	0.00
Q2 2011	18.61	4.28	51.63	0.00
Q3 2011	26.89	11.57	112.50	0.47
Q4 2011	11.98	10.44	20.54	0.00
Q1 2012	27.24	15.78	53.39	0.27
Q2 2012	37.64	24.04	96.34	0.81
Q3 2012	40.42	42.47	54.41	3.53
% Change Q3 2011 - 2012	*50.3%*	*267%*	*-51.6%*	*651%*

Table 13 Domestic Gas Disconnections per 10,000 Customers

[11] This data relates to disconnections that were undertaken for NPA reasons. It includes all credit locks, and NPA street isolations (CTSRs) and disconnect meters (DMs).

- In Q3 2012, there were 2,479 disconnections completed in the gas market.
- 96% (or 2,374) of these were in the residential market, which equates to 0.40% of all residential gas connections.
- There was a significant increase in gas disconnections in Q3 2012 compared to Q3 2011 in total (of +36%) and in the domestic market (of +46%). However, comparing to Q2 2012 shows a small increase in disconnections of +4% in total and almost +8.6% in the residential market.
- Bord Gáis Energy completed the majority of disconnections in residential & non-domestic markets.
- However, when adjusted for market share in the residential market, Flogas has the highest disconnection rate per 10,000 customers, and Electric Ireland has the lowest.

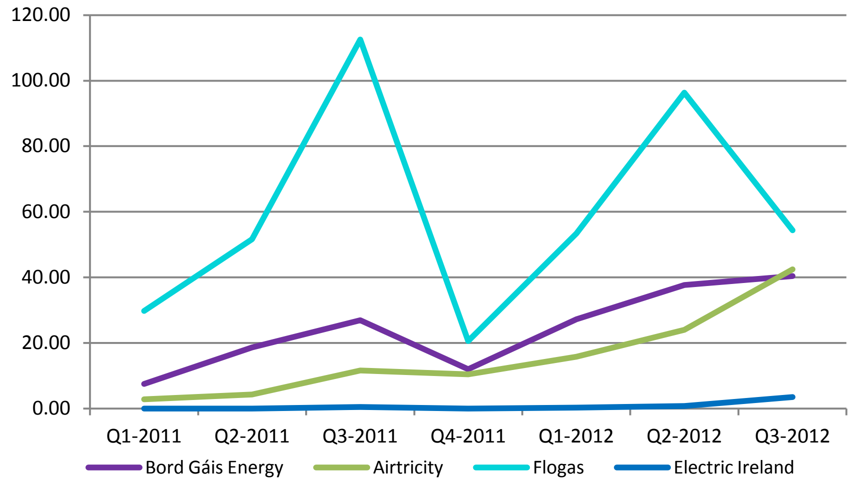


Figure 8 Domestic Gas Disconnections per 10,000 Customers