



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

Domestic Disconnections for Non-Payment of Account January & February 2016

DOCUMENT TYPE:	Information Paper
REFERENCE:	CER/16/123
DATE PUBLISHED:	13 th April 2016
QUERIES TO:	gkelly@cer.ie



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Note: Some of the data in the original version of this report was incorrect and has been updated. This covers electricity disconnection data for January 2016 and for Electric Ireland for February 2016 specifically.

1.0 Introduction

It is the CER's statutory obligation to ensure a high standard of protection for final customers in the electricity and gas markets. In compliance with the Code of Practice on Disconnections, suppliers must ensure that disconnection is always the last resort.

The Supplier Handbook sets out the minimum service levels that electricity and gas suppliers must provide to their customers; including in the areas of disconnections and PAYG meters. In dealing with customers that are in arrears, suppliers must take a number of steps prior to disconnecting a property. 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 a PAYG meter to customers in arrears in advance of proceeding to disconnect. Suppliers must also facilitate a customer that wishes to nominate a third party to represent them¹.

Disconnections data is received on a monthly basis by the CER from GNI and ESNB. The data presented in the monthly disconnections note is not validated however the annual and quarterly reports are validated with suppliers.

This data needs to be considered in the context that no disconnection calls can be made on a Friday, Saturday, Sunday, eve of a Public Holiday or on a Public Holiday, and during the winter months (1st November to 31st March) for a person appropriately registered with their supplier in accordance with the requirements of the Code of Practice for Vulnerable customers.

This note covers disconnections for January 2016 and February 2016. The total number of disconnections in electricity January 2016 was 684, while the total number of disconnections in Gas in January 2016 was 213.

The total number of electricity disconnections in February 2016 was 644, while the total number of gas disconnections in February 2016 was 337.

The level of disconnections in electricity can mainly be attributed to an increase in the number of disconnections carried out by Electric Ireland in January 2016. Figures for the number of disconnections for each supplier in January and February 2016 have been included below and the CER has engaged with Electric Ireland on this matter.

¹ e.g. money advisor including MABS, a recognised charity or Social Welfare Representative

2.0 Trend in Domestic Disconnections²

This section outlines the domestic NPA³ disconnections at supplier level in January 2016 and February 2016.

This data covers a period where suppliers are not permitted to disconnect registered vulnerable customers. A vulnerable customer is defined in legislation as a household customer who is:

- a) critically dependent on electricity powered equipment, which shall include but not limited to life protecting devices, assistive technologies to support independent living and medical equipment, or
- b) particularly vulnerable to disconnection during winter months for reasons to advanced age or physical, sensory, intellectual or mental health⁴.

Customers registered as category a) may not be disconnected for non-payment of account. Customers registered as particularly vulnerable to disconnection during winter months (as set out in b above) may not be disconnected for non-payment of account in winter months (1st November-31st March).

2.1 Domestic Disconnections⁵

Electricity

Table 1 shows the total number of domestic electricity disconnections that were undertaken by each supplier in January 2016 and February 2016. There were approximately 684 disconnections of domestic electricity customers for non-payment of account in January 2016 and 644 in February 2016.

Total domestic electricity disconnections	Electric Ireland	SSE Airtricity	Bord Gáis Energy	PrePayPower	Energia	Total
January 2016	544	54	48	21	17	684
February 2016	446	68	85	29	16	644

Table 1 Disconnected Domestic Electricity Sites, January 2016 & February 2016 – provisional

Total domestic electricity disconnections	Electric Ireland	SSE Airtricity	Bord Gáis Energy	Pre Pay Power	Energia	Total
January 2015	224	89	49	122	5	489
February 2015	406	114	136	90	2	748

Table 2 Disconnected Domestic Electricity Sites, January 2015 and February 2015

² Sources of data are ESNB for electricity and GNI for gas.

³ This can cover customers in arrears that have been disconnected because they cannot pay due to financial hardship or disconnected customers who choose not to pay. Currently such customers cannot be distinguished in the data. This NPA data does not include data on self-disconnections or disconnections for reasons other than debt.

⁴ Definition from CER supplier Handbook <http://www.cer.ie/docs/000484/cer12081.pdf>.

⁵ This data is provisional only and has yet to be validated by suppliers.

Gas

In gas there were 213 disconnections (credit locks) of domestic customers in January 2016 and 337 in February 2016.

Total domestic gas disconnections	Bord Gáis Energy	SSE Airtricity	Flogas	Electric Ireland	Energia	Total
January 2016	141	10	13	22	27	213
February 2016	233	25	37	42	0	337

Table 3 Disconnected Domestic Gas Sites – January and February 2016 – provisional

Total domestic gas disconnections	Bord Gáis Energy	SSE Airtricity	Flogas	Electric Ireland	Energia	Total
January 2015	74	27	17	17	1	136
February 2015	99	31	38	26	0	194

Table 4 Disconnected Domestic Gas Sites – January and February 2015

Anecdotal evidence from suppliers suggests that a significant number of disconnected properties are in fact vacant, and the number of disconnections of customers in difficulty may be much lower than that suggested by the data⁶.

The next section looks at the disconnection rate per supplier in January and February 2016.

2.2 Domestic Disconnection Rates

This section analyses the rate of domestic NPA electricity and gas disconnections at supplier level. The rate of disconnections is measured by the number of disconnections per 10,000 customers and takes into account the market share of each supplier. It is an accurate measure of disconnection intensity by supplier.

Table 5 below identifies the disconnections rate per 10,000 in electricity for 2016.

Domestic Electricity Disconnections per 10,000 Customers					
	Electric Ireland	SSE Airtricity	Bord Gáis Energy	PrePayPower	Energia
Jan-16	4.48	1.71	1.61	2.03	2.37
Feb-16	3.68	2.15	2.85	2.80	2.23

Table 5 Domestic Electricity Disconnections per 10,000 Customers

Table 6 below shows the disconnection rate per 10,000 domestic gas customers for 2016;

Domestic Gas Disconnections per 10,000 Customers					
	Bord Gáis Energy	SSE Airtricity	Flogas	Electric Ireland	Energia
Jan-16	4.11	1.05	3.36	1.43	7.04
Feb-16	6.80	2.63	9.57	2.73	-

Table 6 Domestic Gas Disconnections per 10,000 Customers

⁶ The method used to estimate vacant sites in 2014 involved the estimation of the time to reconnect a disconnected site. Vacant sites in electricity were regarded as those that were not reconnected within 5 weeks after disconnection, and in gas, a proxy of 6 months was used. Full year data was analysed in electricity and January–June data in gas.

This data will be validated with electricity and gas suppliers for the Q1 2016 retail markets report and annual report.