CRU Retail Market Reporting Changes
CRU Mission Statement

The CRU’s mission is to protect the public interest in Water, Energy and Energy Safety.

The CRU is guided by four strategic priorities that sit alongside the core activities we undertake to deliver on the public interest. These are:

• Deliver sustainable, low-carbon solutions with well-regulated markets and networks.
• Ensure compliance and accountability through best regulatory practice.
• Develop effective communications to support customers and the regulatory process.
• Foster and maintain a high-performance culture and organisation to achieve our vision.

Public/Customer Impact Statement

Retail market monitoring forms an important part of the CRU’s activities. The information collected through retail market monitoring helps to inform new policy and in the assessment of existing regulations.

In addition to market monitoring, electricity and gas retail market reports are published by the CRU on a regular basis, providing information on retail prices, switching, market share, and customer protection.

This Information Paper outlines the CRU’s changes to the frequency and content of the quarterly retail reports, with the aim of improving stakeholder communication. This includes a reduction in frequency of the reports from quarterly to half-yearly, more emphasis on easy-to-read graphs and long-term trends in the reports, and a widening of the content of the reports to include statistics on customer complaints and water sector metrics. This is with the aim of making the reports more meaningful and readable for customers and external stakeholders, and reflects the cross-sectoral role of the CRU in customer protection.
1 Introduction

The Commission for Regulation of Utilities (CRU) is Ireland’s independent energy and water regulator. The CRU was established in 1999 and now has a wide range of economic, customer protection and safety responsibilities in energy. The CRU is also the regulator of Ireland’s public water and wastewater system.

The CRU’s primary economic responsibilities in energy cover electricity generation, electricity and gas networks, and electricity and gas supply activities. The CRU has a key statutory role to protect energy customers and to monitor the electricity and gas retail markets to help ensure that customers are benefitting from competition.

In this context, retail market monitoring forms an important part of the CRU’s activities, in terms of providing oversight of the market, informing new regulatory policy and assessing existing regulations. In addition to market monitoring, electricity and gas retail market reports are published by the CRU on a regular basis. These reports provide information to stakeholders on trends covering retail prices, switching, market share, and customer protection.

This Information Paper outlines CRU’s changes to the frequency and content of the quarterly retail reports, with the aim of improving stakeholder communication. There are no changes to the retail monitoring regime itself.

2 Legislative Background

The CRU is required under the Electricity Regulation Act, 1999, as amended by S.I. No. 630 of 2011, “to monitor the level and effectiveness of market opening and the development of competition in the supply of electricity and gas to final customers”, and is required, on foot of this monitoring, to take any actions determined to be necessary in order to:

“(i) prevent a distortion or restriction of competition in the supply of electricity and gas to final customers, or
(ii) ensure that final customers are benefiting from competition in the supply of electricity and gas”.

Moreover, the Water Services (No. 2) Act 2013 sets out the functions and powers of the CRU as the economic regulator of Irish Water. The CRU “shall perform its functions in a manner that best serves the interests of customers of Irish Water”.

The CRU’s electricity and gas retail market monitoring framework sets the monitoring indicators that the CRU collects from suppliers and network companies on an ongoing basis to implement this legislation. The CRU analyses retail data collected under the framework to assess for the issues and potential actions in the legislation. In addition, the CRU’s monitoring and reporting with respect to Irish Water helps to ensure that Irish Water performs in an open and transparent manner and keeps the public informed of Irish Water’s performance.

The CRU has in recent years published related energy retail information in quarterly reports (including an annual report). The aim of these reports is to provide stakeholders with an overview of the performance of the electricity and gas retail markets over time, covering prices, switching, market share and customer protection information. In addition to the quarterly reports, the CRU publishes monthly switching reports showing the monthly level of customer switching between energy suppliers.
3 Reporting Changes

With a view to improving stakeholder communication, the CRU is changing the reporting regime with respect to its quarterly retail reports.

Specifically, we are reducing the frequency of the retail reports from quarterly (including an annual report) to bi-annually. In future, there will be a report published in Quarter 2 covering the previous year and in Quarter 3 for the first half of the year (only). The CRU considers this to be more efficient and it is consistent with the new longer-term and wider approach to the content of the retail reports, as outlined in the next paragraph. For clarity, the next report under this regime will be the annual 2019 report, published in Quarter 2 2020.

In terms of content, the new retail reports will change materially from the previous quarterly reports, to make them more meaningful for readers and to reflect the CRU's cross-sectoral role in energy and water customer protection. They are designed to be more relevant to customers and external stakeholders such as policymakers, Non-Governmental Organisations (NGOs), academia and industry. The new reports will involve the following changes:

- More focus on big-picture and longer-term trends, with less emphasis on small quarter-on-quarter changes;
- Reduced amount of text, putting the focus instead on easy-to-read graphs which do not require a long commentary;
- Removing retail metrics that are now less relevant for the public, and highlighting those which are a better measure of market performance and customer protection;
- Adding new energy retail-related metrics such as wholesale electricity generation market share, customer complaint statistics provided by the CRU Customer Affairs Team in relation to suppliers and network operators, and smart meter roll-out statistics;
- Widening the report from energy to include relevant metrics on the performance of the water sector regulated by the CRU, including customer complaints with respect to Irish Water, first fix free scheme statistics and quality of service metrics. As a result, the title of the report will be changed.

To be clear, the CRU is not changing its energy retail data collection, analysis or market monitoring; the CRU is altering the publication of the information. The CRU will continue to monitor retail electricity and gas markets and analyse the data reported under all the metrics.

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