

NORTHERN IRELAND ELECTRICITY plc

**Disclosure of Information to Final
Customers by Suppliers**

NIE's Response to AIP Consultation

AIP/SEM/07/46

2 April 2007.



Introduction

Northern Ireland Electricity (NIE) welcomes the opportunity to respond to this AIP consultation on “Disclosure of Information to Final Customers by Suppliers”.

NIE is keen to encourage its customers to reduce their carbon footprint. The provision of information is an important aspect of helping customers to make informed choices regarding the impact of their energy consumption on the environment. NIE therefore welcomes the introduction of the requirement to disclose summary fuel mix information to customers.

Recommended approach and comments

NIE broadly concurs with the Regulatory Authorities that High-level Implementation Option 2 (Financial Contracts) is the most appropriate alternative. The paper considers the high level principles, however, it is suggested that there will be a requirement to further consult regarding the detailed implementation of fuel mix disclosure information in both jurisdictions. The issues that need further consideration include:

- i) A satisfactory and practical method of deriving fuel mix from financial contracts will be required, particularly given that CfDs may be provided by financial institutions, rather than electricity generators.
- ii) Providers of financial contracts should be contractually compelled to provide the necessary information relating to the portfolio of generation underpinning their contracts. This could be captured within CfD “master agreements”.
- iii) All those involved (financial contract providers, system operator, generators etc) will be required to provide timely and accurate information to enable suppliers to fulfil the information disclosure stipulation.
- iv) Legislative/licensing requirements – there will be a need to implement relevant licence modifications to include the disclosure of information requirements.
- v) In order to make the information provided by Suppliers meaningful to customers, it is suggested that the labelling approach be standardised for comparison purposes. Further work will be required in consultation with consumer and environmental groups to ensure that the information provided helps to meet its overall objective of raising awareness of the environmental impact of energy use.
- vi) The timescales suggested in Section 4.1 suggest that disclosure of information is ex post for the previous calendar year. We consider that it would be more appropriate to align disclosure with the tariff year to ensure consistency with CfDs.