

CER Update

31.08.2016

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Supplier Handbook Decision and Further Consultation Paper

- This paper will contain a suite of decisions with further consultation on the details of specific decisions. Intend to publish in October. (or late Sept if possible.)
- The consultation component of the paper will complete in November.
- CER will hold a workshop with all suppliers following the publication of the paper, with additional bilateral meetings where necessary. This workshop will go through eg the implementation process, the further consultation element of the paper and clarify decisions made.
- A final decision and updated version of the Supplier Handbook will be issued by the end of January.

Retail Market Assessment Paper

- The Department of Communications, Energy and Natural Resources has issued a White Paper which sets out a vision for Ireland's Transition to a Low Carbon Energy Future 2015-2030.

The White paper requires the CER to:

- *Publish a consumer focussed assessment of the development of competition in retail markets (and its impact on prices),*
- *Ensure that competitive markets are delivering for all consumers and consulting on the promotion of active consumer engagement,*

Retail Market Assessment Paper

- In conducting this review, the CER assessed and compared a number of indicators expected from well-functioning and competitive electricity and gas retail markets.
- At the end of each chapter, the findings from the analysis are consolidated, leading to a number of proposed areas that may benefit from further actions and further considerations.
- A second information note will set out a framework on the areas the CER consider may require further development as a result of the findings of the retail market assessment, which we aim to publish in January.

Review of typical domestic electricity and gas consumption values

- The CER currently provides typical annual consumption values which can be used on price comparison websites and to compare tariff offers across different suppliers. These figures are currently 5,300 kWh for electricity customers and 13,500 kWh for gas customers. Evidence suggests that these figures should be revised downwards.
- This paper presents a summary of the methodology used to derive new figures for electricity and gas and considers the following:

1. The use of a mean vs a median value – with preference for median value
2. Use of a single figure vs low, medium and high consumption figures
3. Use of extra factors for self-identification by consumers, such as meter type
4. Potential improvements for future

- Following this a revised figure will be recommended by CER for use by price comparison web sites and relevant industry stakeholders.

- July Switching Report – 1st week Sept
- 2016 Consumer Survey Report – Sept
- Q2 2016 Electricity and Gas Retail Markets Report – Sept. Individual supplier data will be sent for validation prior to publication.

1. Who is obliged to submit a GSPV?

If a supplier is marketing a specific product as green then suppliers need to submit a verification. This will only apply to suppliers who are serving a retail customer base (not one customer).

2. Extension and Notification to Suppliers

1. CER has extended the deadline to suppliers but request that the suppliers give a clear indication when the audit will be completed.
2. Following completion of the audit and submission to SEMO, the results will be communicated individually by letter to each supplier.
3. For this year the results will not be published
4. Suppliers can use the CER letter and communicate to their customers if they so wish

3(a). What are the requirements for the bill in 2016 ?

- Suppliers should display the 'Supplier Mix' and the 'All Island Mix' as per the current annual FMD methodology on the back of customer bills (without the PSO and non PSO split for renewable)

3(b). What are the requirements for the bill and website in 2017?

- In accordance with the revised timelines suppliers are required to update their website with GSP information in October 2017 and put new wording on bill as set out in the CER Decision /15/205
 - If suppliers offer Green Source Products they should include the new sentence in their **BILL** *“Supplier Z now offers green source products which is likely to change your fuel mix when compared to the supplier fuel mix shown. For information on your fuel mix and on the environmental impact of your electricity supply visit www.supplierZ.ie or, for further details call 00XXX X XXX XXXX”* as per Decision 3 of CER/15/205.
 - If suppliers offer Green Source Product they should publish on their **WEBSITE** the 'Green Product Mix' (including the PSO and non PSO split for renewable) as per Appendix 2 of CER/15/205.
- The CER will monitor suppliers' communication on the bills and websites.

3(c). Can suppliers display GSP information only for their green source product customers and not on all their bills?

- All suppliers offering GSP will be required to include the new sentence “Supplier Z now offers green source products which is likely to change your fuel mix when compared to the supplier fuel mix shown. For information on your fuel mix and on the environmental impact of your electricity supply visit www.supplierZ.ie or, for further details call 00XXX X XXX XXXX” as per Decision 3 of CER/15/205. Therefore currently there is no different bills for different customers.

4. New Proposed Timelines for 2017

- 21 June 2017 Final FMD sent to CER
- **28 June 2017 Suppliers submit GSPV**
- 2 August 2017 CER confirm final GSPV
- 31 August 2017 CER publish FMD & GSPV
- **October 2017 Fuel Mix published on BILLS**
- **October 2017 GSP published on WEBSITE**

5. What if a supplier submits a GSPV and they have not completed annual FMD?

- Unless a Supplier has submitted an annual FMD declaration, SEMO have no way of performing the GSPV (logically, there must be FMD demand value and claims to verify their green source product submission against)

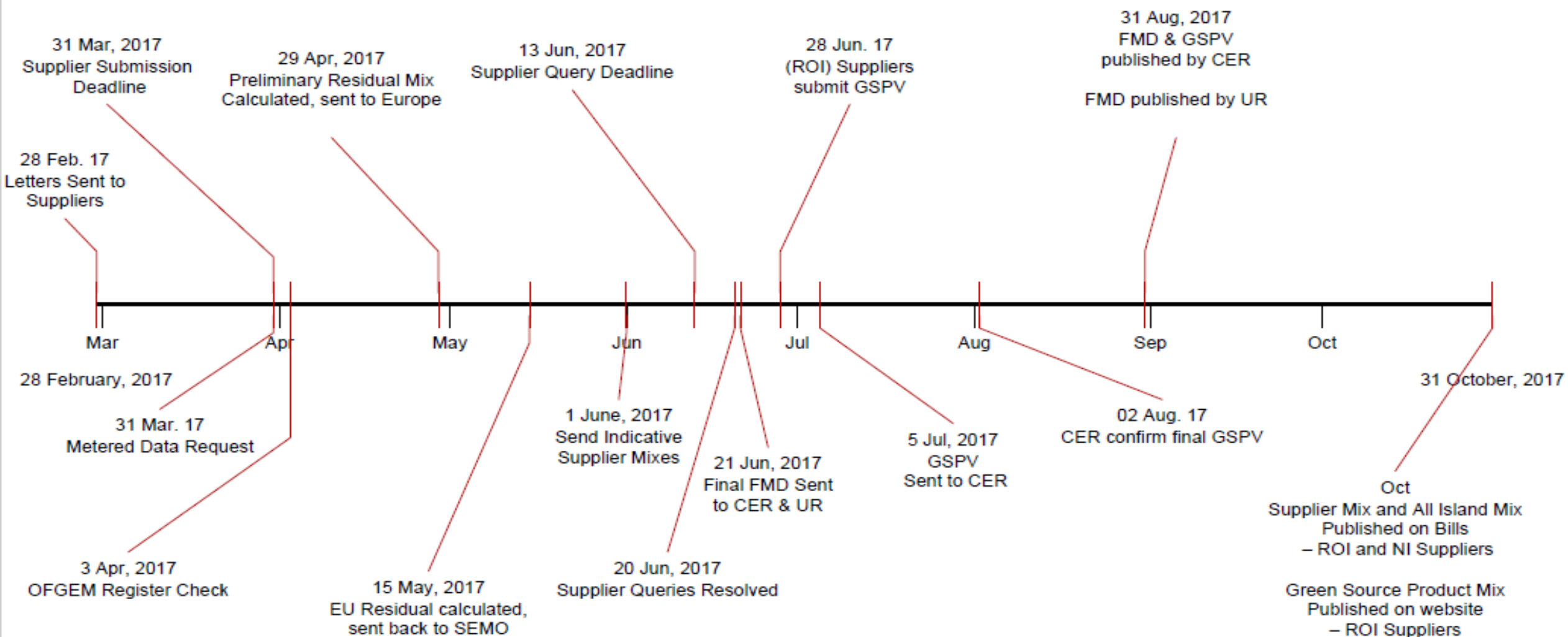
6. Do Suppliers notify in advance that they are going to supply green source products or do they wait until declaration under Fuel Mix?

- There is no obligation on suppliers to notify the CER or SEMO in advance of selling green source products. However the CER will only publish and issue a Green Source Product Verification for suppliers that complete the audit. It is good practice and will assist with timelines if suppliers notify the CER and SEMO that they are offering or going to offer a Green Source Product

Next Steps:

- CER will organise a workshop with SEMO work through process and calculations questions

FMD Timeline – Annual Fuel Mix 2016



Retail Market Code

- The retail market code is required under the Distribution System Operator licence.
- CER is commencing work to consider the framework and requirements to be contained in such a code. If there are some comments or feedback, will take this on board.
- The retail market code used in NI or other markets will be considered, where it can provide guidance for practice.

Audits and Compliance

- The topic of supplier audits and timing will be communicated, once a final decision is made internally in CER.
- The CER is also preparing for its annual audit of the price comparison websites.

Extra Slides:

Appendix B: Presentation of Information

Figure B1: Default Presentation of Information

Supplier Z Disclosure Label		
Applicable Period: January 20xx to December 20xx		
Electricity supplied has been sourced from the following fuels:	% of total	
	Electricity Supplied by Supplier Z	Average for All Island Market (for comparison)
Coal	X %	X %
Natural Gas	X %	X %
Nuclear	X %	X %
Renewable	X %	X %
Peat	X %	X %
Oil	X %	X %
Other	X %	X %
Total	100 %	100 %
Environmental Impact		
CO ₂ Emissions	X g per kWh	X g per kWh
Radioactive Waste	X g per kWh	X g per kWh
For more information on the environmental impact of your electricity supply visit www.SupplierZ.ie or call 00XXX X XXX XXXX		

CER/15/205 Decision Paper: Decision 3

Decision 3	<p>The CER has decided that additional information as to a customer's own fuel mix will not be placed on the bill but will be available through the supplier's website, telephone service and, by request, in hard copy.</p> <p>All suppliers who offer green source products will have to change the following statement on the bills</p> <p><i>For more information on the environmental impact of your electricity supply visit www.SupplierZ.ie or call 00XXXX X XXX XXXX</i></p> <p>to:</p> <p><i>Supplier Z now offers green source products which is likely to change your fuel mix when compared to the supplier fuel mix shown. For information on <u>your</u> fuel mix and on the environmental impact of your electricity supply visit www.supplierZ.ie or, for further details call 00XXXX X XXX XXXX.</i></p> <p>Suppliers offering green source products will be obliged to present data on the fuel mix on their website in a standardised format – as shown in appendix II of this document.</p>
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CER/15/205 Decision Paper: Appendix 2

Appendix II – Additional Information Requirement for Electricity Bills

The CER has decided that it will be obligatory to use the verification process to be conducted by the SEMO and detailed in section 3.3. The CER has decided that through this verification process, the SEMO will calculate the supplier's fuel mix for their customers not availing of a green source product as well as confirming the fuel mix of the green source product customers. Where the SEMO verification process is used, data on the fuel mix of customer's who are not availing of green source products must be presented in line with the below template.

Fuel Mix of Customers Not Availing of a Green Source Product Applicable Period: January 20XX to December 20XX		
Electricity Supplied has been sourced from the following fuels	% of Total	
	Your Specific Fuel Mix	Your Supplier's Fuel Mix
Coal	X%	X%
Natural Gas	X%	X%
EU Fossil	X%	X%
Renewable	X%	X%
• PSO	X%	X%
• Non PSO	X%	X%
Peat	X%	X%
Other	X%	X%
Total	100%	100%
Environmental Impact		
CO ₂ Emissions	X g per kWh	X g per kWh
Radioactive Waste	X g per kWh	X g per kWh
For more information on the environmental impact of your electricity supply visit www.SupplierZ.ie or call 00XXX X XXX XXXX		