An Coimisiún um Rialáil Fóntais
Commission for Regulation of Utilities

Energy Monitoring Report for 2023

Information Paper

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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:

- Ensure security of supply
- Drive a low carbon future.
- Empower and protect customers.
- Enable our People and Organisational Capacity

Public/Customer Impact Statement

The purpose of this report is to provide consumers, industry, and other interested stakeholders with relevant information on the development of competition in the electricity and gas retail markets.

Market monitoring forms an important part of the CRU's activities as the information gathered is used to help inform our decisions. The information and analysis provided in this report aims to provide insight into how the electricity and gas retail markets are functioning. As well as information gathered through the electricity and gas market monitoring framework, the report draws on additional information from several key sources including CRU decision papers, audit findings and the CRU's consumer survey.

This document is divided into three main sections, customer engagement and protection, energy prices, and sectoral developments. Each section aims to give an overview of changes over the 2023 period.

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- retaildata@cru.ie for Electricity and Gas

Revisions

Version	Published	Update
1	01/11/2024	Report published

Executive Summary – Key Messages

CUSTOMER ENGAGEMENT AND PROTECTION

- In 2023, energy suppliers received complaints from 0.53% of their electricity customers (13,509 domestic and non-domestic complaints) and from 0.49% of their gas customers (3,555 domestic and non-domestic complaints).
- The total number of switches completed in the electricity market in 2023 was 294,669. This represents a decrease of 29% from 2022, when 418,597 customers switched.
- The total number of switches completed in the gas market in 2023 was 98,157. This represents a decrease of 23% from 2022, when 128,309 customers switched.
- In 2023, the electricity switching rate[1] was 12% and the gas switching rate was 14%. Of total switches, 36% were dual fuel switches.
- In addition to switches between suppliers, approximately 21% of electricity customers and 26% of gas customers renegotiated their contracts with their current supplier in 2023. The number of renegotiations represent a 3.5% and 21.4% increase from 2022 in electricity and gas respectively.
- In total, therefore, 33% of electricity and 40% of gas of customers looked for a better energy plan in 2023 through either switching supplier or renegotiating with their current supplier. The number of customers who looked for a better energy plan in 2023 represents a 12% increase in electricity and a 1% increase in gas.
- If a customer had switched to the best available discount tariff each year for the past 4 years they could, over the course of the 4 years, potentially have saved up to: €946 on electricity, €775 on gas and €2,018 on dual fuel plan.
- In 2023, the average price differential, and thus potential savings, for a domestic customer switching from a standard tariff to a discounted tariff was €236 for a domestic electricity customer, €194 for a domestic gas customer, and €505 for a domestic dual fuel customer.
- At the end of 2023, 11.3% of total electricity and 22.6% of total gas customers were in arrears and 0.9% of domestic electricity customers and 0.5% of domestic gas customers were on payment plans.
- Overall more payment plans are completed by electricity and gas customers than broken (Electricity: 57% completed: 43% broken. Gas: 53% completed: 47% broken).

[1] The switching rate is calculated by dividing the total amount of customers by the total amount of completed switches.

- In 2023, there were 1,414 new PAYG financial hardship meters installed for electricity and 761 for gas. In electricity this represents a 43% increase from 2022 when 990 were installed, and in gas this represents an increase of 32% from 2022 when 576 were installed. Despite this increase, installations are still running at much lower levels than pre-Covid.
- The total number of Non Payment of Account (NPA) disconnections in 2023 was 1,487 for electricity and 1,643 for gas compared to 2,498 electricity and 990 gas disconnections in 2022, representing 0.05% of all electricity and 0.2% of all gas customers being disconnected in Ireland. Despite the rise in gas NPA disconnections compared to 2023, disconnections are still running at much lower levels than pre-Covid.
- At the end of 2023 there were 1,540,553 electricity smart meters installed.

ENERGY PRICES

- Estimated annual bills (EABs) across suppliers' standard plans decreased by a weighted average of 10.5% in electricity and 12.5% in gas between 2022 and 2023, while EABs across suppliers' best discounted plans decreased by an average of 23.8% in electricity and 18.8% in gas.
- In autumn 2023 suppliers began to announce price reductions to their standard rate tariffs, with the majority of the reductions being between 9% and 15%.
- In December 2023, Electric Ireland offered the cheapest available standard electricity plan with an EAB of €1,917 . SSE Airtricity offered the cheapest available discount plan for electricity with an EAB of €1,506.
- In December 2023, Energia offered the cheapest available standard plan for gas with an EAB of €1,550. Flogas offered the cheapest available discount plan for gas with an EAB of €1,393.
- In December 2023, Bord Gais Energy offered the cheapest available dual fuel plan with an EAB of €3,254.
- On average the wholesale price of gas was 53% lower in 2023 compared to the average price in 2022 and 16% lower compared to the average price in 2021.
- On average the wholesale price of electricity was 44% lower in 2023 compared to 2022 and 7% lower than the average price in 2021.

SECTORAL DEVELOPMENTS IN ENERGY

- At the end of 2023, there were 9 active suppliers in the domestic electricity market and 6 active suppliers in the domestic gas market, while 6 suppliers offered dual fuel.
- At the end of 2023, Electric Ireland had the largest share in the domestic electricity market segment, with 50.5% of the market in terms of consumption. This was followed by Bord Gáis Energy with 16%, SSE Airtricity with 11.8%, Energia with 10.2%, Yuno[2] with 7.6%, Flogas with 2.3% and Pinergy with 1.2%.
- Electric Ireland also had the largest share in the domestic electricity market segment, with 52% of the market in terms of customer numbers. This was followed by Bord Gáis Energy with 15%, SSE Airtricity with 11%, Energia with 9%, Yuno with 9% and Flogas with 3%.
- In the non-domestic markets Electric Ireland remained the largest electricity supplier in terms of consumption in the small business and Large Energy User (LEU) market segments in 2023. Energia was the largest suppliers in terms of consumption in the medium-sized business market segment.
- At the end of 2023, Bord Gáis Energy had the largest share in the domestic gas market segment, with 40.5% of the market in terms of customer numbers. This was followed by Electric Ireland with 25.2%, SSE Airtricity with 12.1%, Energia with 9.2%, Yuno with 9.1%, and Flogas with 3.9%.
- Bord Gáis Energy also had the largest market share in the domestic gas market segment, with 42.58% of the market in terms of consumption. This was followed by Electric Ireland with 25.32%, SSE Airtricity with 12.3%, Energia with 9.93%, Yuno with 6.9%, and Flogas with 2.97%.
- In the non-domestic markets Bord Gáis Energy remained the largest supplier in terms of customer numbers in each of the IC, medium-sized non-domestic gas, DM and LDM gas market segments.

[2] Yuno Ltd trading as PrePay Power/Yuno Energy

Contents

Glossary of Terms and Abbreviations

Abbreviation or Term	Definition or Meaning
AQ	Annual Quantity
CEER	Council of European Energy Regulators
CCT	CRU Customer Care Team
CRU	Commission for Regulation of Utilities
DAM	Day Ahead Market
DM	Daily Metered
DUoS	Distribution Use of System
EAB	Estimated Annual Bill
GNI	Gas Networks Ireland
GPRN	Gas Point Registration Number
GPRO	Gas Point Registration Operator
GWh	Gigawatt hours
HHI	Herfindahl-Hirschman Index
IC	Industrial and Commercial
kWh	Kilowatt hours

LDM	Large Daily Metered
LEU	Large Energy Users
MPRN	Meter Point Registration Number
MRSO	Meter Registration System Operator
MWh	Megawatt hours
NDM	Non-Daily Metered
NBP	National Balancing Point
NPA	Non-Payment of Account
NSMP	National Smart Metering Programme
PAYG	Pay As You Go
PSO	Public Service Obligation
SEAI	Sustainable Energy Authority of Ireland
SEM	Single Electricity Market
SME	Small and Medium Sized Enterprises
SPC	Supply Point Capacity
TUoS	Transmission Use of System
UR	Utility Regulator

1. Introduction

1.1 The Commission for Regulation of Utilities

1.1.1 Background

The Commission for Regulation of Utilities (CRU) is Ireland's independent energy and water regulator. Our work impacts Irish homes and businesses ensuring safe, secure, and sustainable energy and water supplies for all customers. The CRU was established in 1999 and operates within a policy and statutory framework set by Government and has responsibility for economic regulation and customer protection in the energy and water sectors and regulation of energy safety.

Further information on the CRU's role and relevant legislation can be found on the CRU's website at www.cru.ie.

1.1.2 Objectives of this Report

The purpose of this report is to provide consumers, industry, and other interested stakeholders with a single source of relevant information on the functioning of the electricity and gas retail markets.

This report analyses trends in several key indicators, including prices, consumption, customer numbers, internal and external switching, pay-as-you-go meters, and disconnections for non-payment of account, and outlines the key developments in the retail electricity and gas markets.

The primary sources of data in this report are, Meter Registration System Operator (MRSO) - ESB Networks, Gas Point Registration Operator (GPRO) - Gas Networks Ireland (GNI), and energy suppliers.

1.1.3 Related Documents

Information on the CRU's role and relevant legislation can be found on the CRU's website at www.cru.ie

CUSTOMER ENGAGEMENT AND PROTECTION

2. Energy Customer Complaints

Summary of Section

- This section contains information on the number of customer complaints to energy suppliers.
- Complaints are defined as a customer's expression of dissatisfaction and refer to the number of valid or invalid complaints made to the supplier regardless of form - letter, email, phone call, in person - during the reporting period. Only complaints requiring some form of explicit follow-up are included (i.e., where follow-up is required whether requested or not). Where a complaint has been resolved in the same reporting period as it had been raised, it is still included in this indicator.
- In 2023, energy suppliers received complaints from 0.53% of their electricity customers (13,509 domestic and non-domestic complaints) and from 0.49% of their gas customers (3,555 domestic and non-domestic complaints).

2.1 Customer Complaints to Energy Suppliers

The CRU collects data from suppliers on a yearly basis concerning the number of complaints they received from customers. The table below shows that suppliers received complaints from 0.63% of their customers in 2023. Overall, there is a small difference between domestic and non-domestic complaint rates for both Gas and Electricity.

Complaints per Customer Category			
Market Segment	**Number of complaints**	**Total customers**	**% of total customers**
Domestic Electricity	12,265	2,231,102	0.55%
Non-Domestic Electricity	1,244	294,578	0.42%
Domestic Gas	3,315	693,382	0.48%
Non-Domestic Gas	240	27,873	0.86%
Dual Fuel	3,516	-	-
Total	**20,580**	**3,246,935**	**0.63%**

Table 1: Complaints to Energy Suppliers in 2023 per Customer Category

The figure below shows the number of complaints per 10,000 customers. There was a decrease observed in the number of complaints in all market segments with the exception of Domestic Gas. The number of complaints per 10,000 customers tends to be more variable in the non-domestic market segments.

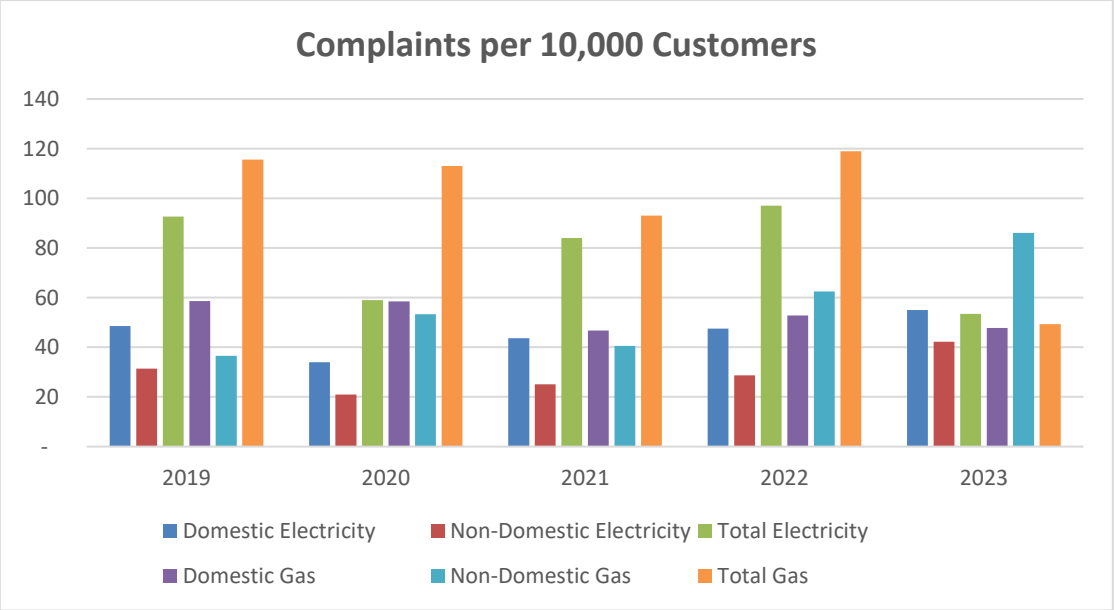


Figure 1: Complaints to Energy Suppliers per 10,000 Customers

The CRU Customer Care Team have also published their annual report for 2023. The purpose of this report is to inform consumers, industry and other interested stakeholders on the level and type of contacts and complaints from energy and water customers to the CRU in 2023. The CRU Customer Care Team Annual Report for 2023 can be found here.

3. Electricity and Gas Customer Switching and Renegotiations

Summary of Section

- This section contains information on customer engagement with energy suppliers. Switching and renegotiations activity are major areas in which customers directly engage with their energy supplier.
- In 2023, the electricity switching rate was 12% and the gas switching rate was 14%. Of total switches, 36% were dual fuel switches.
- The total number of switches completed in the electricity market in 2023 was 294,669. This represents a decrease of 29% from 2022, when 418,597 customers switched.
- The total number of switches completed in the gas market in 2023 was 98,157. This represents a decrease of 23% from 2022, when 128,309 customers switched.
- In addition to switches between suppliers, approximately 21% of electricity customers and 26% of gas customers renegotiated their contracts with their current supplier in 2023. The number of renegotiations represent a 3.5% and 21.4% increase from 2022 in electricity and gas respectively.
- In total, therefore, 33% of electricity and 40% of gas of customers looked for a better energy plan in 2023 through either switching supplier or renegotiating with their current supplier. The number of customers who looked for a better energy plan in 2023 represent a 12% in electricity and a 1% increase in gas. Renegotiations give some further insight into customer engagement in the retail energy markets and show that the number of renegotiations is a significant addition to external switching.
- If a customer had switched to the best available discount tariff each year for the past 4 years they could, over the course of the 4 years, potentially have saved up to: €946 on electricity, €775 on gas and €2,018 on dual fuel.
- In 2023, the average price differential, and thus potential savings, for a domestic customer switching from a standard tariff to a discounted tariff was €236 for a domestic electricity customer, €194 for a domestic gas customer, and €505 for a domestic dual fuel customer.

3.1 Electricity and Gas Switching

This section analyses switching activity in the electricity and gas markets. Switching is when a customer changes from one supplier to another. It is measured by the number of completed switches in a period (not the number of switching requests by customers).

Switching information is critically important in monitoring the effectiveness of competition, the level of customer engagement in the market and the choices available to customers. Competition in the electricity and gas markets is driven by engaged customers that look for suppliers offering attractive products and tariffs.

The total number of electricity customer switches in 2023 was 294,669, representing a 11.67% annual supplier switching rate, compared to 418,597 customer switches in 2023, representing a 16.57% annual supplier switching rate. The number of electricity switches in 2023 was 29% lower compared to 2022.

The total number of gas customer switches in 2023 was 98,157, representing a 13.62% annual supplier switching rate, compared to 128,309 customer switches in 2022, representing a 17.80% annual supplier switching rate. The number of gas switches in 2023 was 23% lower compared to 2022.

The highest levels of electricity switching activity was observed in September, October and November 2023 with the highest level recorded in November when there was 30,601. The highest levels of gas switching activity was also observed in September, October and November 2023 with the highest level recorded in November again when there was 11,009.

The figure below shows the percentage of electricity customers that switch suppliers on an annual basis. The electricity switching rate had been relatively stable since 2014 with a decrease observed in 2019 and in 2020. An increase in the electricity switching rate was first observed in 2021 and continued into 2022. However, there has been a decrease observed for both electricity and gas for 2023.

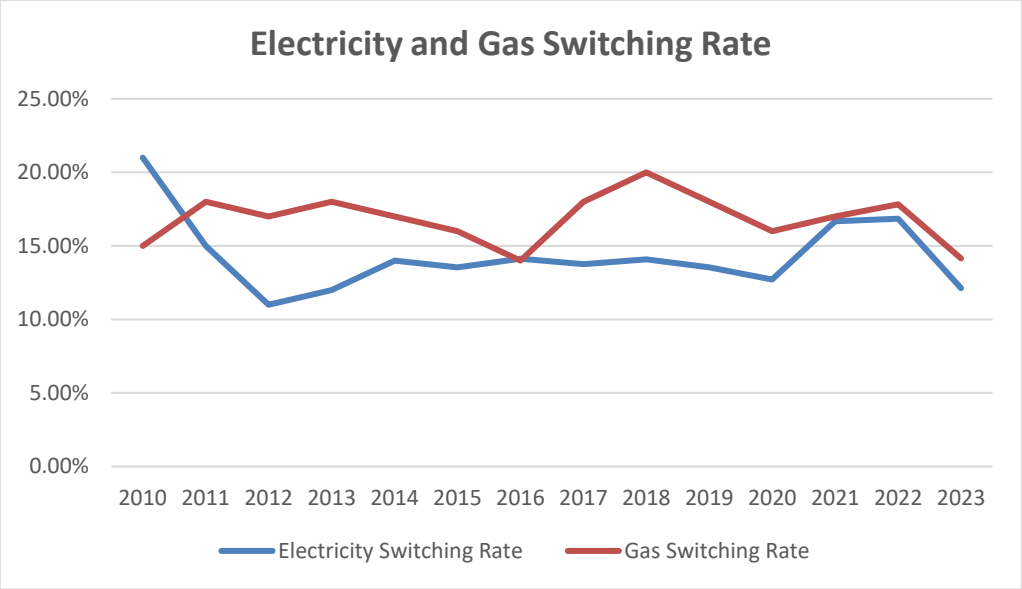


Figure 2: Electricity and Gas Switching Rate

The figure below shows the percentage of electricity and gas customers, broken down into domestic and non-domestic, that switch suppliers on an annual basis. The domestic electricity switching rates had been rising since 2020 but there has been a decrease in 2023. There had been an increase in the switching rate of the non-domestic electricity segment since 2020 but there has been a decrease in 2023. The total electricity switching rate has also decreased in 2023.

Following a decrease in 2019 the domestic gas switching rate had been increasing from 2020 – 2022 but the switching rate has decreased again in 2023. The switching rate of the non-domestic gas segment had been following a decreasing trend since 2020, but there was increase in 2023. The total gas switching rate had been increasing since 2020 but decreased in 2023.

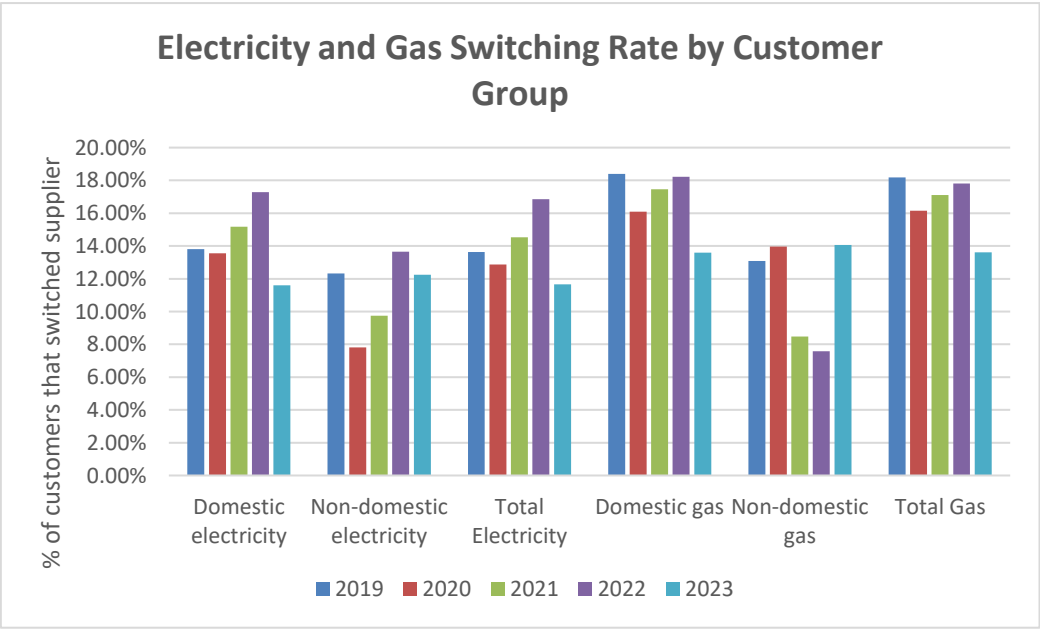


Figure 3: Electricity and Gas Switching Rate by Customer Group

Dual Fuel Switching

A dual fuel customer is defined as a site that has both gas and electricity accounts with the same supplier (whether on a specific dual fuel tariff or not). The 'dual fuel switching' indicator refers to the number of dual fuel customers (measured by MPRN/GPRN) that switched, either one account or both gas and electricity, per month.

In 2023 there was a decrease in overall dual fuel switches of 4% from 2022. However the 2023 dual fuel switching rate, which measures the % of dual fuel switches against the overall amount of switches, was 36% compared to 28% in 2022 and it represents a 27.9% increase. The figure below shows dual fuel switches as a percentage of total switches.

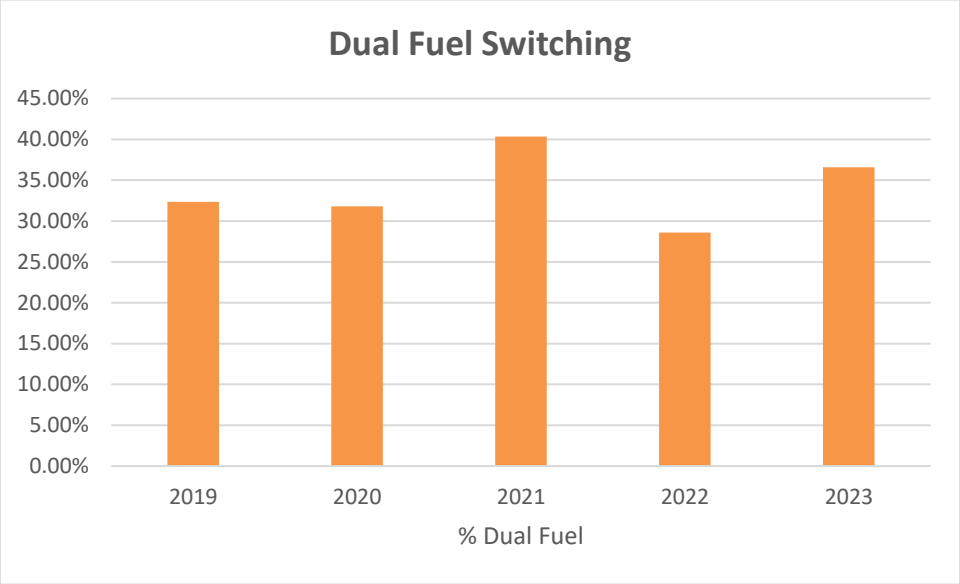


Figure 4: Dual Fuel Switches as a Percentage of Total Switches

3.2 Renegotiations of Contracts/Tariffs

Renegotiations (internal switching) refer to situations where a new contract term, tariff or terms & conditions have been negotiated between the supplier and the customer. The indicator includes data on the number of successfully completed renegotiated contracts regardless of whether initiated by the customer or the supplier or of the number of times an individual customer renegotiated. This indicator does not include situations where a customer renegotiates a payment plan or automatically defaults to the standard tariff or any other tariff that does not have a time limited discount or lock in period associated with it.

Renegotiations give some further insight into customer engagement in the retail energy markets and show that the number of renegotiations is a significant addition to external switching.

The figure below shows the rate of successfully completed renegotiated contracts over the year in both the electricity and gas retail markets for domestic and non-domestic customers. In 2023, 21% of total electricity customers and 26% of total gas customers renegotiated their contract with their

existing supplier. The number of electricity renegotiations in 2023 was 3.5% higher compared to 2022 and the number of gas renegotiations 21.4% higher. The 2023 renegotiation rates in both electricity and gas are the highest rates recorded since 2016 when the CRU started collecting data on this indicator. Domestic electricity customers are more likely to renegotiate, while non-domestic gas customers are the group most likely to renegotiate.

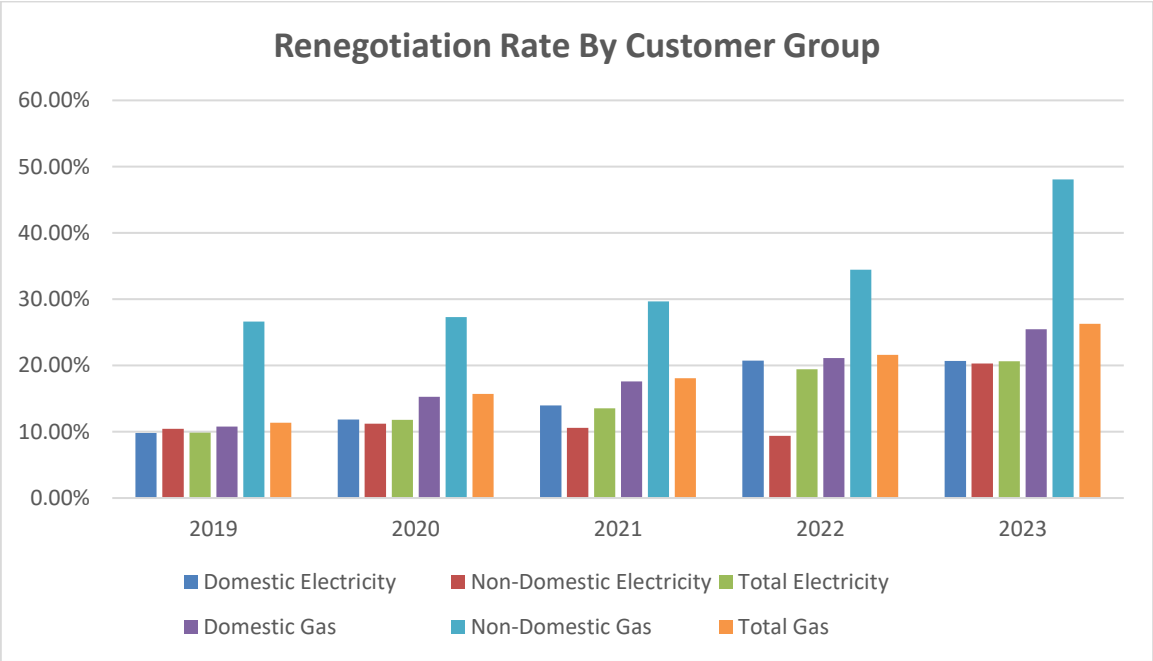


Figure 5: Renegotiation Rate by Customer Group

When the number of renegotiations is added to the number of switches, it can be concluded that 33% and 40% of electricity and gas customers looked for a better energy plan through either switching supplier or renegotiating with their existing supplier in 2023. This represents a decrease of 12% in electricity and a 1% increase in gas in the number of customers looking for a better deal from 2022. There was a decrease in switching in 2023 compared to 2022 but there was an increase in renegotiations.

The figure below shows the rate of combined switching and renegotiations for the period 2019 – 2023. The rate of switching and renegotiations in electricity had been gradually increasing from 2019 – 2022 but a decrease has been observed in 2023. The largest year-on-year increase was observed from 2021 - 2022. The equivalent rate in gas has seen year-on-year increases throughout the whole period with the biggest increase observed between 2021 – 2022.

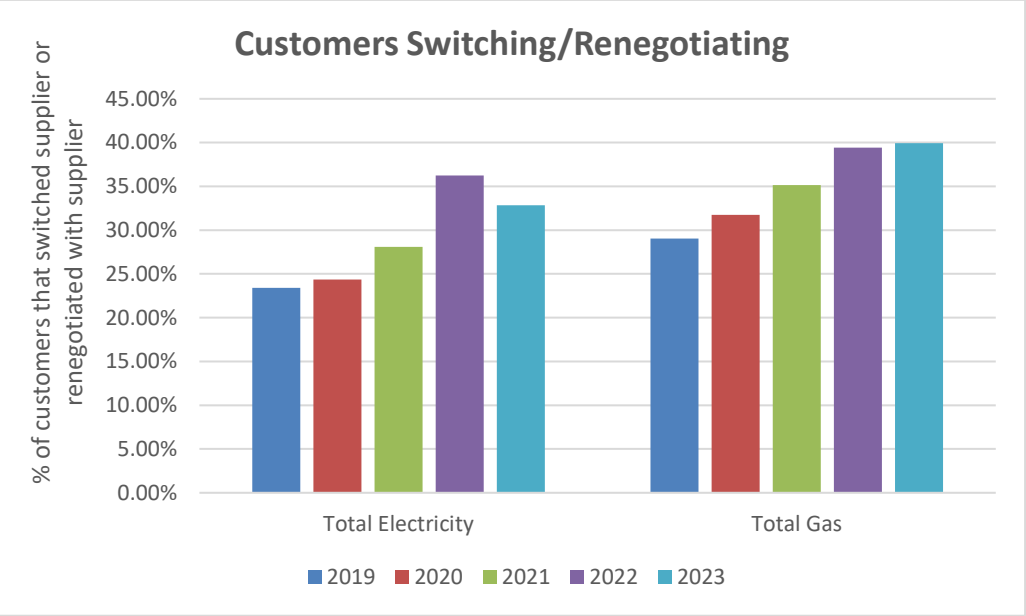


Figure 6: Rate of Switching and Renegotiations

3.3 Potential Cost Savings from Switching

In 2023, the average price differential, and thus potential savings, for a domestic customer switching from a standard tariff to a discounted tariff was €236 for a domestic electricity customer, €194 for a domestic gas customer and €505 for a dual fuel customer.

Discount tariff plans are generally for a set contract timeframe of 12 - 24 months. Once this contract has expired customers are placed on the supplier's standard tariff rate. To continue on a discount tariff (and ensure they are getting the best deal on the market) customers must either: engage with their current supplier to renegotiate their energy contract or compare the market and switch to another supplier. By only switching once and not looking at which plan is best suited after the expiration of their discount tariff, customers are missing out on a significant amount of potential cost savings.

The graphs below show the difference in the average annual bill for standard tariffs and best available discount tariffs across the market.

The biggest price differential in electricity is observed in the price plans of Flogas, where the difference between the standard tariff EAB and the best available discount EAB is at €495. The smallest price differential is observed in the price plans of SSE Airtricity, where a difference of €163 is observed between its standard tariff EAB and the best available discount EAB.

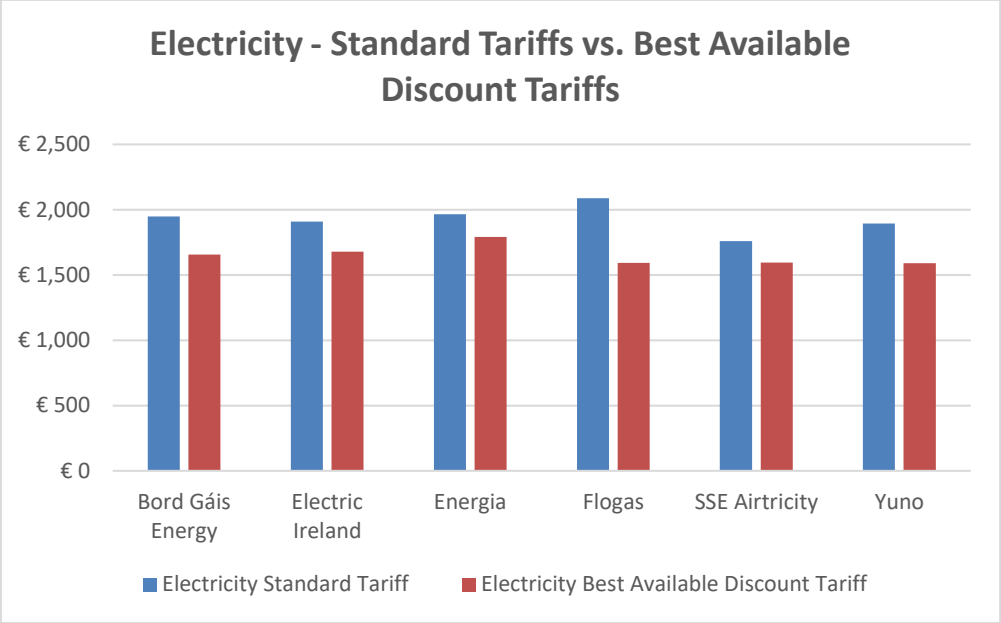


Figure 7: Electricity EABs - Standard Tariff vs Best Available Discount Tariff

The biggest price differential in gas is observed in the price plans of Flogas. The difference between the standard tariff EAB and the best available discount EAB is at €527. The smallest price differential is observed in the price plans of SSE Airtricity, where a difference of €102 is observed between its standard tariff EAB and the best available discount EAB.

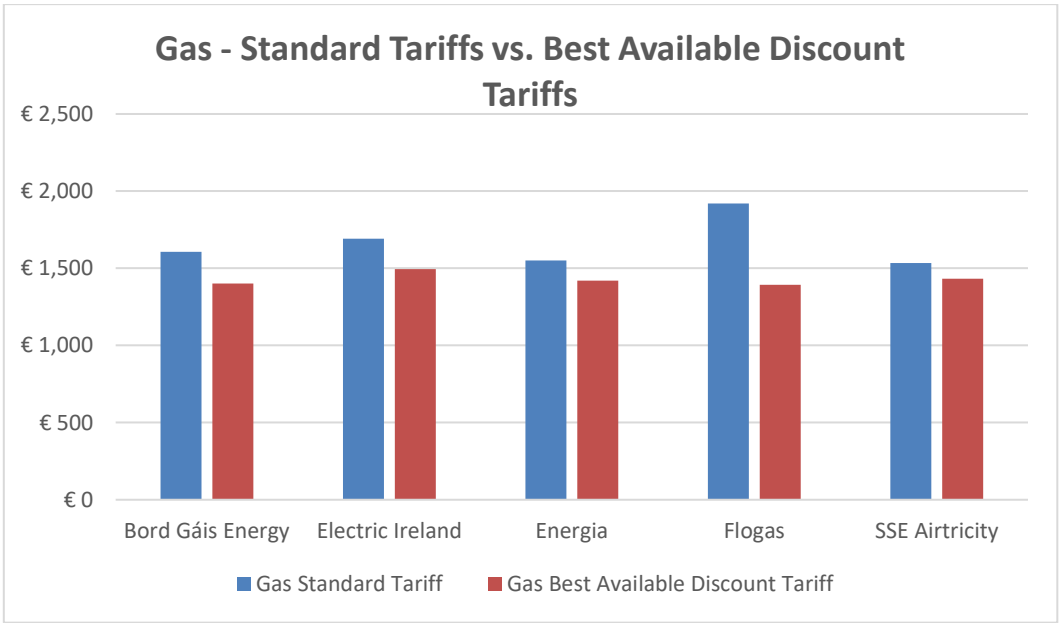


Figure 8: Gas EABs - Standard Tariff vs Best Available Discount Tariff

The biggest price differential in Dual Fuel is observed in the price plans of Flogas. The difference between the standard tariff EAB and the best available discount EAB is at €1,022. The smallest price differential is observed in the price plans of Energia, where a difference of €304 is observed between its standard tariff EAB and the best available discount EAB.

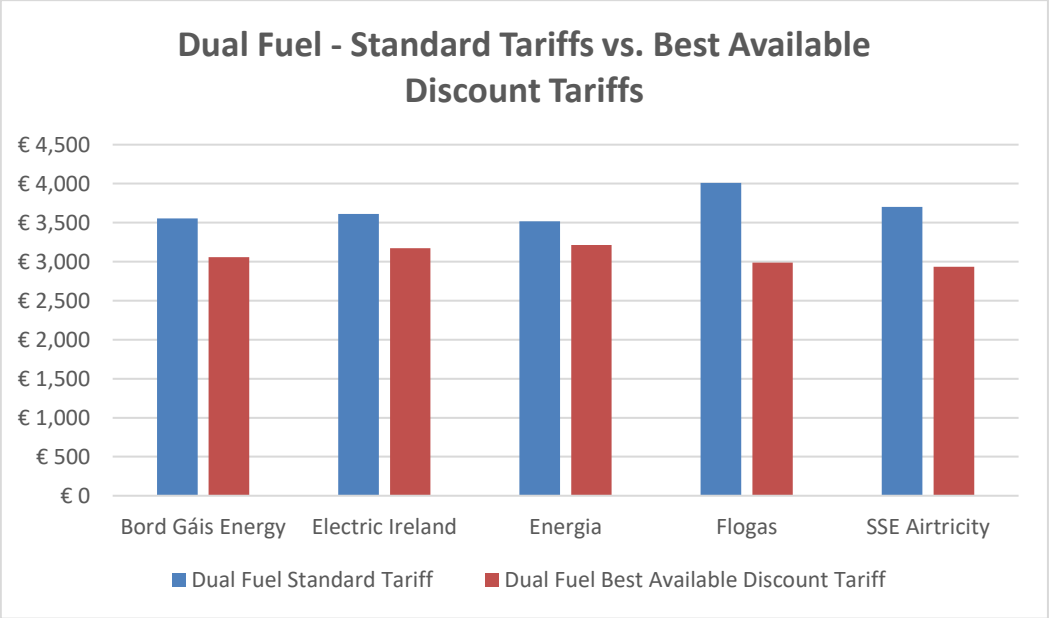


Figure 9: Dual Fuel EABs - Standard Tariff vs Best Available Discount Tariff

The tables below and figure 10 show the compounded savings from repeat switching over a period of 4 years. These figures are based on tariffs taken in December 2023 and as such any potential savings are based on these figures.

Electricity	Year 1	Year 2	Year 3	Year 4
Never switch	€ 0	€ 0	€ 0	€ 0
one off switch	**€236**	€ 236	€ 236	€ 236
2 switches	€ 236	**€473**	€ 473	€ 473
3 switches	€ 236	€ 473	**€709**	€ 709
4 switches	€ 236	€ 473	€ 709	**€946**

Gas	Year 1	Year 2	Year 3	Year 4
Never switch	€ 0	€ 0	€ 0	€ 0
one off switch	**€194**	€ 194	€ 194	€ 194
2 switches	€ 194	**€387**	€ 387	€ 387
3 switches	€ 194	€ 387	**€581**	€ 581
4 switches	€ 194	€ 387	€ 581	**€775**

Dual Fuel	Year 1	Year 2	Year 3	Year 4
Never switch	€ 0	€ 0	€ 0	€ 0
one off switch	**€505**	€ 505	€ 505	€ 505
2 switches	€ 505	**€1,009**	€ 1,009	€ 1,009
3 switches	€ 505	€ 1,009	**€1,514**	€ 1,514
4 switches	€ 505	€ 1,009	€ 1,514	**€2,018**

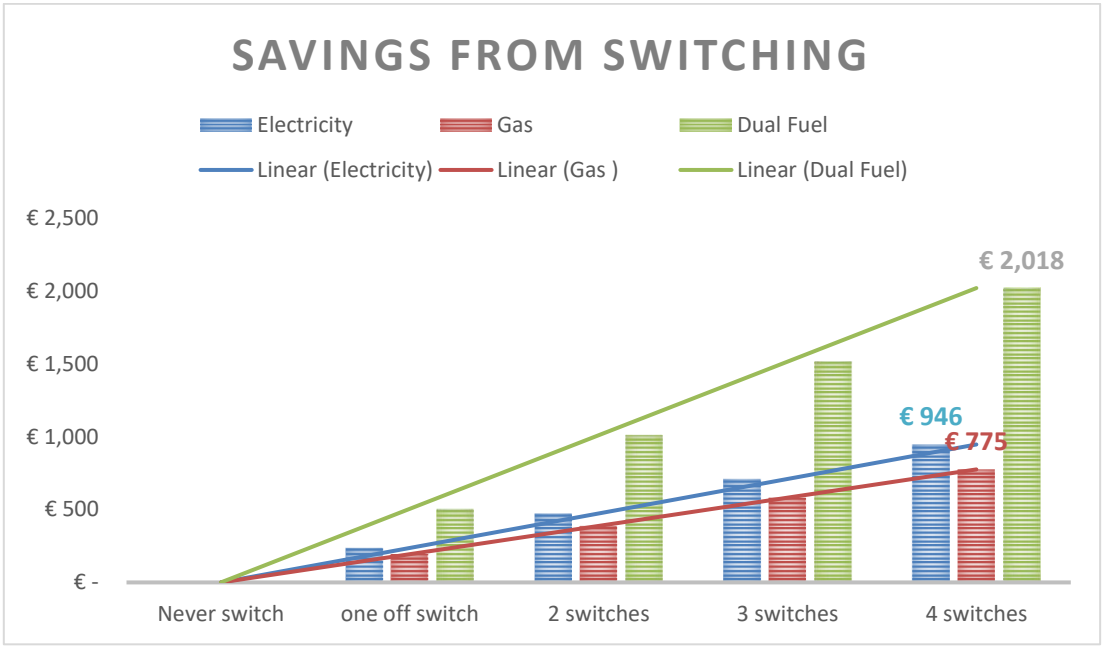


Figure 10: Savings from Repeat Switching Over a Period of 4 Years

Note that it may not be cost effective to switch more than four times over a four-year period. This is because the best available discount plans offered by suppliers are in the form of a one-year contract. If a customer breaks this contract and switches to a new plan before the contract has expired then they are likely to incur an early termination fee from their supplier, generally in the range of €50 to €200.

4. Energy Bill Management

Summary of Section

- This section contains information on energy customers in arrears and on payment plans, new installations of energy pay as you go (PAYG) financial hardship meters and energy customer disconnections for non-payment of account (NPA).
- At the end of 2023, 11.3% of total electricity and 22.6% of total gas customers were in arrears. 0.9% of domestic electricity customers and 0.5% of domestic gas customers were on payment plans.
- On average more payment plans are completed by electricity and gas customers than broken (Electricity: 57% completed: 43% broken. Gas: 53% completed: 47% broken).
- In 2023, there were 1,414 new PAYG financial hardship meters installed for electricity and 761 for gas. In electricity this represents a 43% increase from 2022 when 990 were installed, and in gas this represents an increase of 32% from 2022 when 576 were installed. Despite this increase, installations are still running at much lower levels than pre-Covid.
- NPA disconnections of customers decreased by 40% in electricity and increased by 66% in gas in 2023 compared to 2022. The total number of NPA disconnections in 2023 was 1,487 for electricity and 1,643 for gas compared to 2,498 electricity and 990 gas disconnections in 2022, representing 0.05% of all electricity and 0.2% of all gas customers being disconnected in Ireland. Despite the rise on gas NPA disconnections, disconnections are still generally running at much lower levels than pre-Covid.

4.1 Energy Arrears and Payment Plans

The CRU collects data on the number of customers in arrears and on payment plans, including their value and length. Arrears refers to the number of customers by market segment that were in arrears at the end of the reporting period regardless of the value of the arrears.

Total number of customers in arrears and on payment plans in December 2023					
	Domestic Electricity	Non-Domestic Electricity	Domestic Gas	Non-Domestic Gas	Total
Customers in Arrears	243,644	42,391	155,093	7,611	448,739
% Total Customers in Arrears	11%	14%	22%	27%	14%
Customers in Arrears >90 Days	140,089	21,872	122,383	4,124	288,468
% Customers in Arrears >90 Days	6%	7%	18%	15%	9%
Payment Plans	19,186	-	3,798	-	22,984
% Total Customers on Payment Plans	0.9%	-	0.5%	-	-

Table 2: Total number of customers in arrears and on payment plans in December 2023

The figure below shows the percentage of customers that were in arrears at the end of each year. The percentage of customers in arrears has remained fairly stable in the domestic electricity market with 10-13% of customers in arrears at the end of each year, while the rate has been more variable in the domestic gas market. The largest increase between 2022 and 2023 is observed in the non-domestic gas category. At the end of December 2023, 11.3% of total electricity and 22.6% of total gas customers were in arrears. This represents a 0.2% increase in the total number of customers in arrears for electricity and a 1.9% increase for gas from 2022 when 11.3% of electricity and 20.7% of gas customers were in arrears.

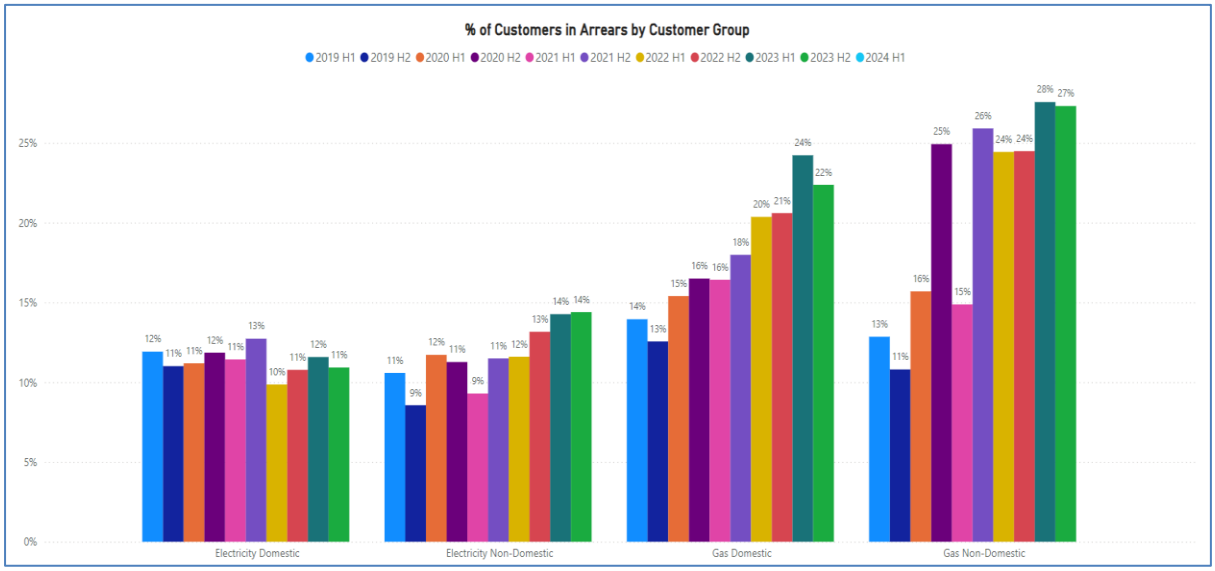


Figure 11: Percentage of Customers in Arrears by Customer Group

In electricity of those in arrears, 58% (140,089) of domestic and 52% (21,872) of non-domestic have been so for more than 90 days at the end of 2023, compared to 53% (125,530) domestic and 49% (18,900) non-domestic who have been in arrears for more than 90 days at the end of 2022. In gas of those in arrears 79% (122,383) domestic and 54% (4,124) non-domestic have been so for greater than 90 days at the end of 2023, compared to 77% (109,859) domestic and 60% (4,020) non-domestic who have been in arrears for more than 90 days at the end of 2022.

Due to the seasonality of gas usage, it is common for the gas market to have a higher percentage of customers in arrears.

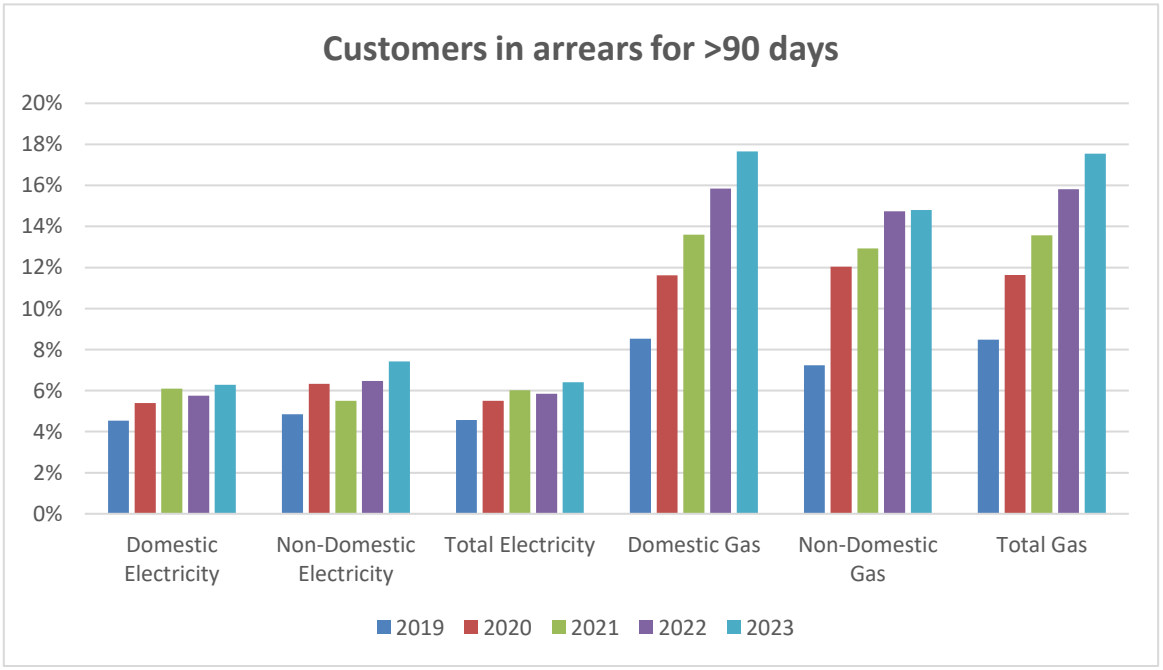


Figure 12: Percentage of Customers in Arrears for more than 90 Days by Customer Group

The option for customers to enter payment plans with their supplier provides an additional measure of protection to customers who are continuously having difficulty paying their bills.

A payment plan arrangement is a specific payment arrangement with a supplier to cover outstanding arrears on a customer's bills. A payment plan can include those arranged to recoup a debt, regardless of the debt source (i.e., financial hardship, fraud, credit, estimated reads, etc.).

Of those domestic customers in arrears 8% (19,186) of domestic electricity and 2% (3,798) of domestic gas customers were on payment plans. Compared to the total number of domestic customers, 0.9% in electricity and 0.5% in gas were on payment plans. This is a relatively low percentage considering that 6% of domestic electricity and 18% of domestic gas customers are in arrears for more than 90 days. There is scope for more customers that are in arrears to be on a payment plan and the CRU will keep this under review.

The CRU also collects information on the number of completed and broken payment plans for domestic customers. On average more payment plans are completed by electricity and gas domestic customers than broken (Electricity: 57% completed: 43% broken. Gas: 53% completed: 47% broken).

4.2 Government Emergency Electricity Credit

The Electricity Costs (Domestic Electricity Accounts) Emergency Measures and Miscellaneous Provisions Act 2022 was signed into legislation on 15 October 2022. This Act saw three credits worth €200 (ex. VAT) applied to domestic electricity customers' accounts in November/December 2022, January/February 2023 and March/April 2023. In addition, the Electricity Costs (Emergency Measures) Domestic Accounts Bill 2023 was signed into legislation on 24 October 2024, which saw a further three credits worth €150 (ex. VAT) applied to domestic electricity customers' accounts in December 2023, January/February 2024 and March/April 2024. The three credits applied to domestic electricity customers' accounts, spanning across both Schemes, helped alleviate the worst impacts of elevated prices on the domestic electricity market.

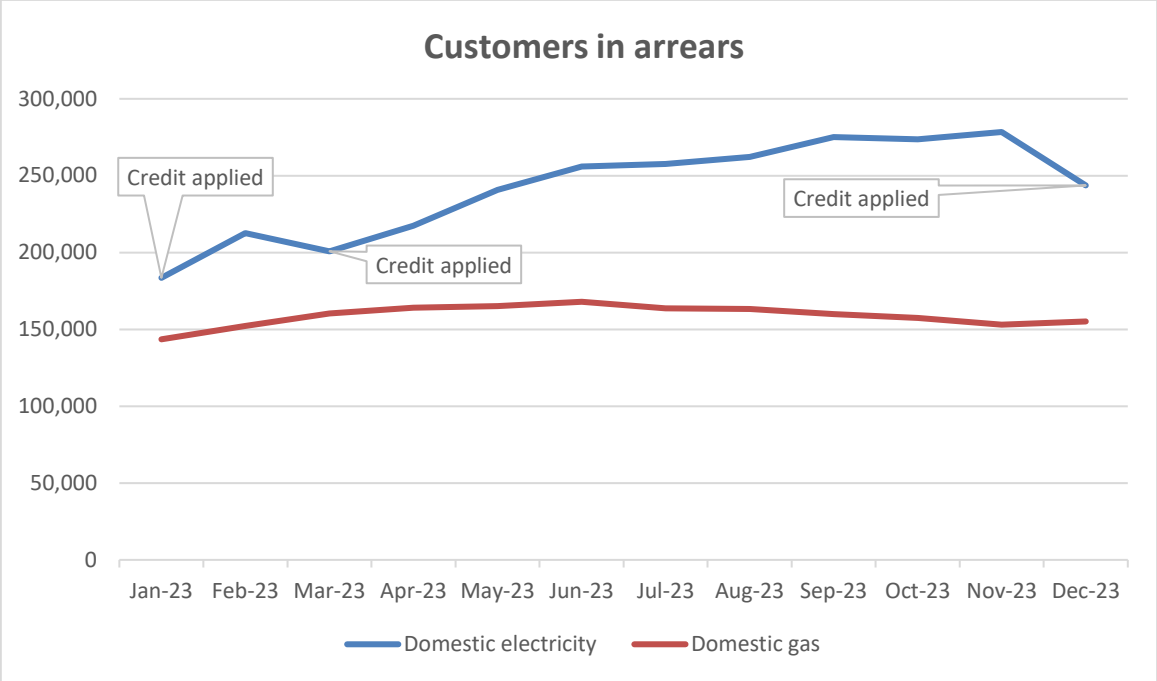


Figure 13: Impact Government Electricity Credit had on customers in arrears

4.3 Energy Pay as You Go Financial Hardship Meters

This section looks at the trend in the installation of domestic Pay As You Go (PAYG) financial hardship meters. Suppliers cannot disconnect for reasons of non-payment of account unless they have offered a PAYG meter to the customer. In instances where it would not be appropriate to offer a PAYG meter, such as the customer not being able to use the meter or where there is no suitable location for the meter in the premises, the supplier must offer an alternative.

Currently Bord Gáis Energy, Electric Ireland, Energia, Flogas and SSE Airtricity provide PAYG meters for financial hardship in the electricity and gas domestic markets.

ESB Networks and GNI are responsible for installing PAYG meters free of charge for customers in financial difficulty at the request of suppliers (on foot of a customer agreeing to the installation of a meter).

A number of suppliers also offer lifestyle choice prepayment options in the electricity and gas domestic markets (Bord Gáis Energy, Electric Ireland, Energia, Flogas, Pinergy, Yunoand SSE Airtricity). This is provided in the form of a PAYG meter unit that acts as a budget controller in series with the existing meter.

Suppliers offering lifestyle choice prepayment meters charge additional daily service charges. This makes them more expensive than alternatives. Customers considering opting for a lifestyle choice prepayment meter should consider this additional cost and weigh it against the additional benefits that the solution may bring them. It is important to note that customers who are experiencing financial difficulty and avail of a free PAYG meter do not incur any additional charges. For gas, GNI provides all PAYG meters. If a customer wishes to avail of a lifestyle choice meter in gas this

is purchased from GNI through their supplier. For electricity, the lifestyle choice prepayment meter is an asset of the supplier rather than ESBN.

The figure below shows that the installation of new domestic electricity and gas PAYG financial hardship meters decreased from 2015 to 2019 and has declined noticeably with the onset of Covid-19, although 2023 saw a rise in installations for the first time post-Covid. In 2023, there were 1,414 new installs of PAYG financial hardship installs in electricity and 761 in gas, which represent 0.06% and 0.1% of total domestic electricity and total domestic gas customers respectively. There was an increase in the installation of new financial hardship PAYG meters from 2022 of 43% in electricity, and a large increase in installations of 32% in gas. However, installations of new financial hardship PAYG meters are generally running at much lower levels than in pre-Covid years.

At the end of 2023 there were 32,780 PAYG financial hardship meters in use by electricity customers.

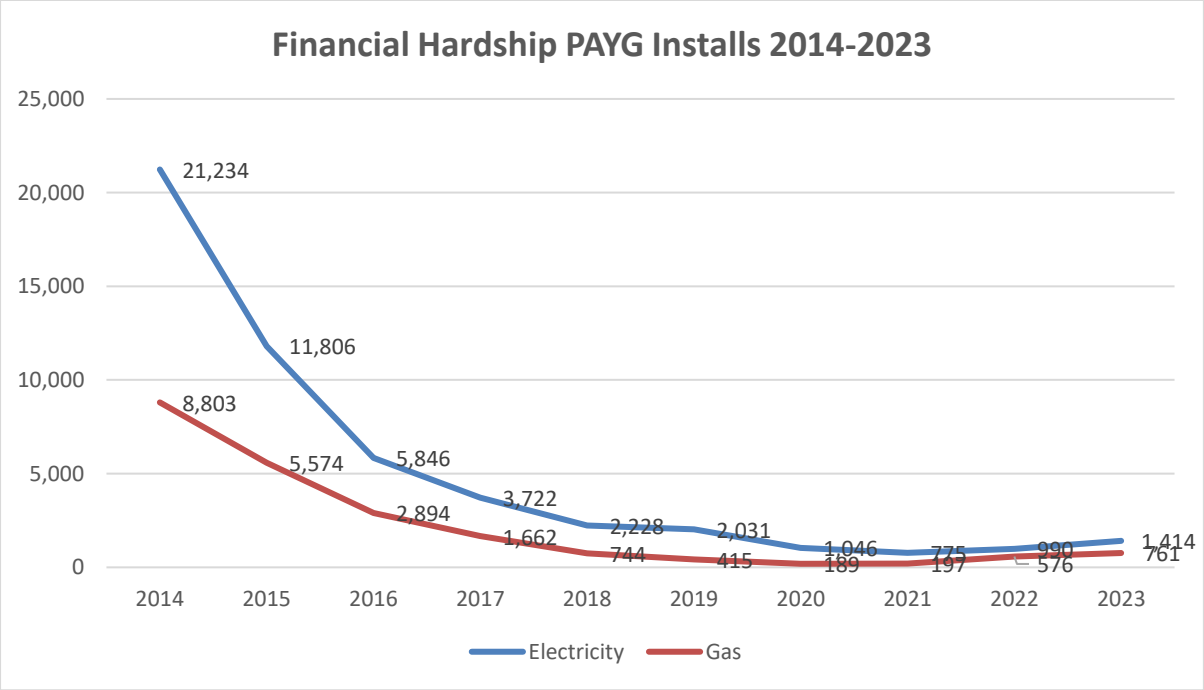


Figure 14: Number of New Domestic Electricity and Gas PAYG Financial Hardship Installs

4.4 Energy Disconnections for Non-Payment of Account

Disconnections refer to the act of interrupting supply of electricity or gas to a site. This includes de-energisations in electricity and credit locks, disconnected meters, and street isolations in gas. This section analyses disconnections completed for non-payment of account (NPA) purposes only.

The disconnection/de-energisation of a customer's energy supply due to NPA should always be the last resort and all suppliers are required to offer a payment plan and/or prepayment solution to customers in advance of proceeding to disconnect. The requirement placed on suppliers to offer

payment plans and financial hardship meters instead of disconnecting customers in the first instance has benefited those in financial difficulty. It is likely that major suppliers adhering to the Energy Engage Code in recent years has also led to lower disconnections.

The figure below shows that while NPA disconnections have fallen over time, although there was an increase observed in gas NPA disconnections 2023 (although still at a low level when compared to pre-Covid). Without a PAYG system in place which provides an option for customers facing difficulty in paying their electricity and gas bills, NPA disconnections could also be higher. In 2023 there were 1,487 electricity and 1,643 gas disconnections, compared to 2,498 electricity and 990 gas disconnections in 2022, representing a decrease in the electricity market of 40% and an increase in the gas market of 66%. In terms of the percentage of NPA disconnections, 0.05% electricity customers and 0.2% of gas customers were disconnected due to NPA, compared to 0.1% electricity customers and 0.14% gas customers disconnected in 2022.

Despite the increased numbers observed in 2023, the numbers were still significantly lower than the numbers that would typically be observed pre-Covid. The overall low disconnection figures were also aided by the mortarium on NPA disconnections of registered vulnerable customers from 1 October 2023, and the moratorium on general disconnections from 1 December 2022 to 31 March 2023, as well as a further moratorium from 1 December 2023. These moratoria were introduced to help protect customers in face of sustained high prices.

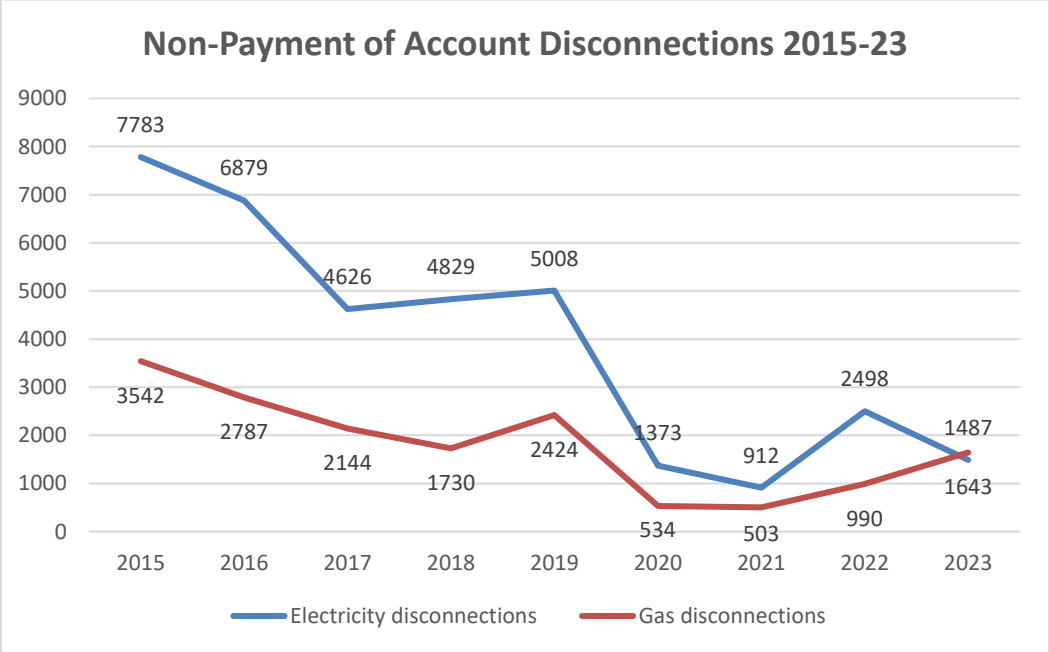


Figure 15: Total (domestic and non-domestic) NPA disconnections

The majority of disconnections due to NPA in 2023 were for domestic customers with 1,048 electricity customers disconnected. This was a decrease of 49% from 2022 when 2,068 domestic electricity customers were disconnected. Non-domestic electricity disconnections were 439 in 2023 compared to 430 in 2022 representing a 2% increase.

In 2023, 0.05% of domestic electricity customers were disconnected due to NPA compared to 0.1% in 2022, while 0.15% and 0.14% non-domestic electricity customers were disconnected in 2023 and 2022 respectively.

The figure below shows total NPA domestic electricity disconnections per quarter.

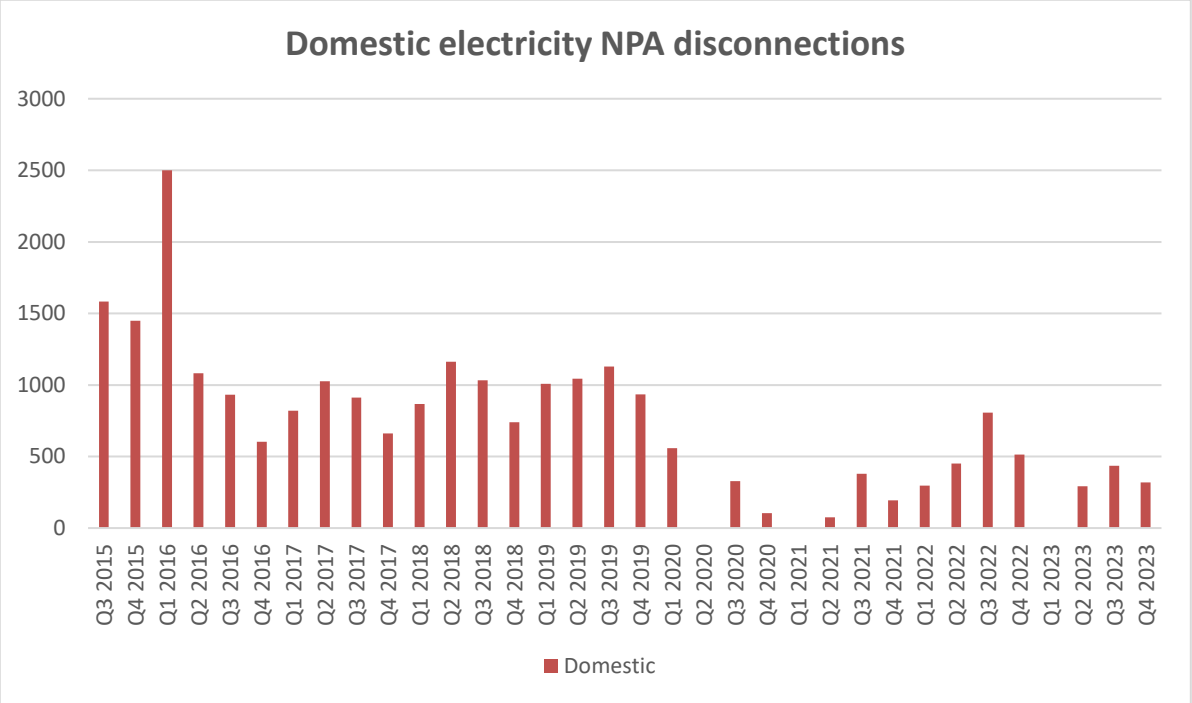


Figure 16: Total NPA Domestic Electricity Disconnections

The case is similar in gas, where the majority of NPA disconnections are for domestic customers with 1,509 customers disconnected in 2023. This was an increase of 71% from 2022 when 880 domestic gas customers were disconnected. Non-domestic gas disconnections were 134 in 2023 compared to 110 in 2022 representing a 22% increase.

In 2023, 0.2% of domestic gas customers were disconnected due to NPA compared to 0.13% in 2022, while 0.5% and 0.4% non-domestic gas customers were disconnected in 2023 and 2022 respectively.

The figure below shows total NPA domestic gas disconnections per quarter.

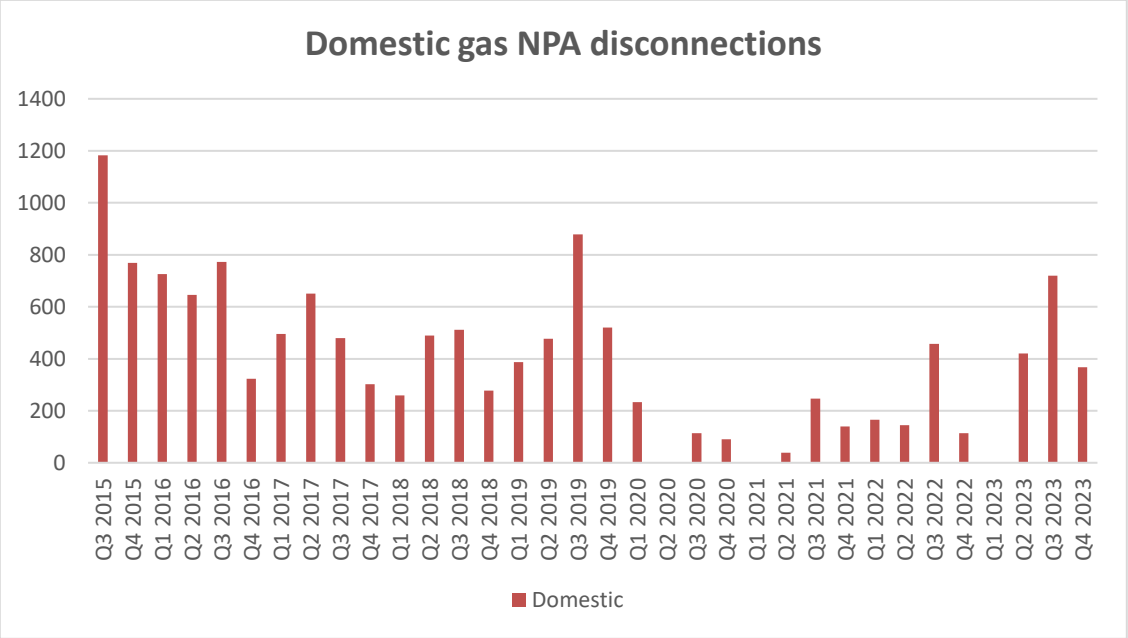


Figure 17: Total NPA Domestic Gas Disconnections

5. Energy Smart Meters

Smart meters are the next generation of electricity and gas meters. Smart meters work by communicating with the customer and their energy provider, giving accurate information on actual energy usage across each day. Smart meters will mean that customers can access more information enabling the provision of more choice and services from existing and new suppliers, which would not be possible with the old mechanical meters.

The rollout of smart metering is a significant 'once in a generation' project that can encourage energy efficiency and support an increase in renewable power on the electricity system. Ireland's smart meter upgrade programme is part of the National Climate Action Plan. Smart meters will support Ireland's transition to a low carbon future by enabling the development of smart grids, and supporting the electrification of heat and transport, local renewable generation, and microgeneration. Using smart meters will help how we manage peak energy demand, meaning lower overall costs for consumers. It will also enhance competition and improve consumer experience.

The CRU, working closely with the Department of the Environment, Climate and Communications, established the National Smart Metering Programme (NSMP). The NSMP is a project to transform how our electricity and gas retail markets operate. Old, analogue meters will be replaced by updated, digital meters. ESB Networks are leading on the replacement of electricity meters with Gas Networks Ireland responsible for replacing gas meters.

Smart meters will bring many benefits to customers and the market by virtually eliminating the need to use estimated readings and by providing more choice to customers in terms of products and services. Smart meters will also facilitate better network planning and will make the supplier switching process easier. The CRU is responsible for coordinating the project across all stakeholders including ESBN, GNI, energy suppliers and consumer interest groups. For more information on electricity smart metering visit the CRU and ESBN websites.

ESB Networks has been tasked with the delivery of the roll out programme, which involves upgrading all of Ireland's electricity meters to smart meters. The replacement programme started in autumn 2019. The figure below shows the number of electricity smart meters installed until the end of 2023. By the end of December 2023 there were 1,540,553 electricity smart meters installed. The plan is for a further 500,000 meters to be upgraded in 2024.

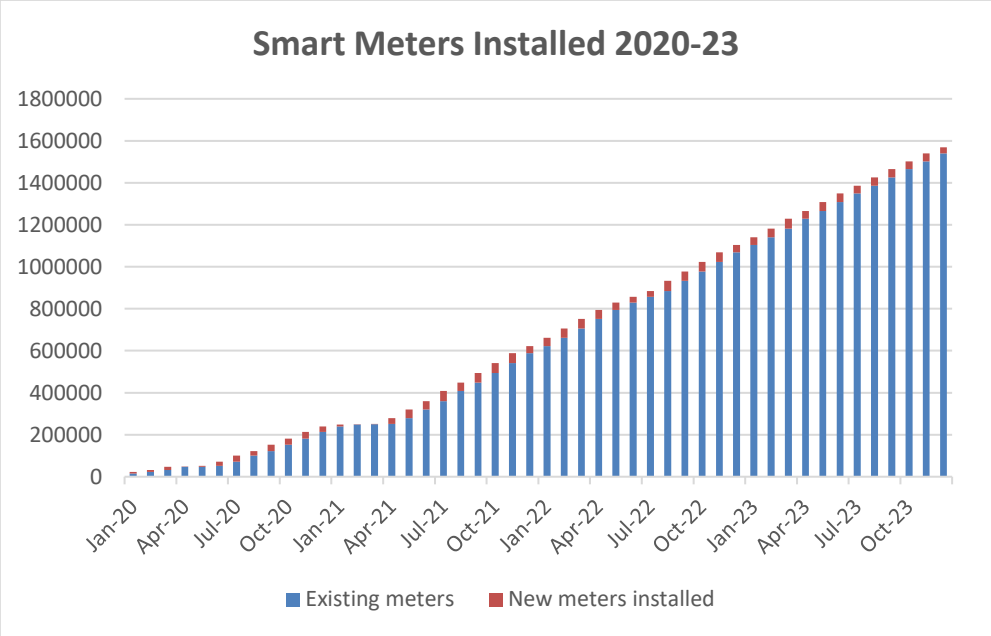


Figure 18: Number of Electricity Smart Meters Installed

ENERGY PRICES

6 Retail Energy Prices

Summary of Section

- On average the wholesale price of gas was 53% lower in 2023 compared to the average price in 2022 and 16% lower compared to the average price in 2021.
- On average the wholesale price of electricity was 44% lower in 2023 compared to 2022 and 7% lower than the average price in 2021.
- In autumn 2023 all suppliers began to announce price reductions to their standard rate tariffs, with the majority of these reductions announced being between 9% and 15%.
- EABs across suppliers' standard plans decreased by a weighted average of 10.5% in electricity and 12.5% in gas between 2022 and 2023, while EABs across suppliers' best discounted plans decreased by an average of 23.8% in electricity and 18.8% in gas.
- At the end of 2023, Electric Ireland offered the cheapest available standard electricity plan with an EAB of €1,917[3]. SSE Airtricity offered the cheapest available discount plan for electricity with an EAB of €1,506.
- At the end of 2023, Energia offered the cheapest available standard plan for gas with an EAB of €1,550. Flogas offered the cheapest available discount plan for gas with an EAB of €1,393.
- At the end of 2023, Bord Gáis Energy offered the cheapest available dual fuel plan with an EAB of €3,254.

The retail electricity and gas markets in Ireland are fully price deregulated, therefore the CRU no longer regulates the final electricity or gas prices in the domestic or business markets, but it does monitor supplier prices. The retail energy markets are competitive markets which allow suppliers to develop their individual strategies, including the setting of prices to customers.

[3] All figures for domestic energy retail bills are inclusive of VAT.

6.1 Calculation of Estimated Annual Bills

In order for a domestic customer to accurately compare prices between suppliers, the comparison of the Estimated Annual Bill (EAB), using current typical consumption values (4,200 kWh for electricity and 11,000 kWh for gas) across suppliers is the best measure, unless a customer knows their actual usage for the previous year and can estimate their usage for the coming year.

Price comparison websites are useful tools for customers to compare prices across suppliers. The CRU has an accreditation framework which reviews the energy price comparison service provided and only accredits a website if it meets defined standards for accuracy, transparency and reliability. The three CRU accredited price comparison websites are: www.bonkers.ie, powertoswitch.ie and www.switcher.ie.

The accredited comparison websites allow customers to enter their estimated consumption figures if desired. It should be noted that the EAB only takes account of the price for an average energy consumer. Those who consume higher or lower amounts than the average consumer may have a different average annual bill in terms of which supplier provides the cheapest or most expensive option.

Price is an important factor for a customer in determining which energy supplier will be best suited to their needs. However, there are other factors not included in this analysis which could influence a customer's choice in energy supplier and plan.

The formulae used to calculate EABs are laid out below. The average consumption value for electricity is 4,200 kWh and the average consumption value for gas is 11,000 kWh. EABs include all taxes and levies, i.e., Public Service Obligation (PSO) levy (applied on electricity bills), Carbon Tax (applied on gas bills), and Value Added Tax (VAT).

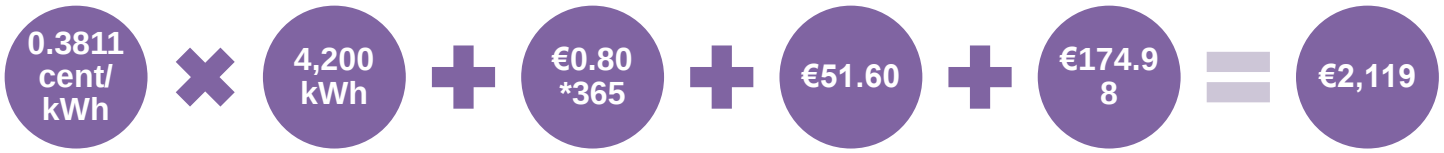
The PSO levy is a subsidy that all electricity suppliers are obliged by Government to apply to electricity customers in Ireland and consists of subsidy schemes to support national policy objectives related to renewable energy. The level of the PSO levy is set by the CRU in accordance with Government policy and it is a separate charge identified on electricity bills. Please see here for further information.

The carbon tax is a State tax applied to carbon-based fuels such as coal, peat, oil, and natural gas. The tax is intended to reduce carbon dioxide emissions and is part of Ireland's strategy to support a greener and cleaner environment. All gas suppliers must apply this tax to customers' bills, and it is a separate charge identified on gas bills.

VAT of 9% (reduced from its usual 13.5% level) on all domestic electricity and gas bills was paid in 2023. VAT is separately identified on customers' bills.

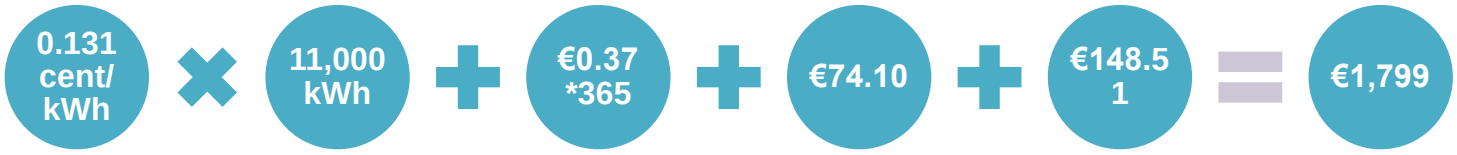
Electricity

Example:



Gas

Example:



6.2 Average Estimated Annual Bills Across Suppliers

This section outlines EABs across suppliers' standard plans, Pay As You Go (PAYG) lifestyle choice plans[4], best available discount plans and best discount dual fuel plans.

All figures in this section are inclusive of VAT.

Domestic Electricity Prices

In December 2023 the following suppliers offered standard and discount plans for domestic electricity customers, along with Electric Ireland, Pinergy and Yuno who offered PAYG lifestyle choice plans.

Standard Domestic Electricity Estimated Annual Bills				
	June 2023	December 2023	Change	% Change
Bord Gáis Energy	€2,208	€1,948	-€260	-12%
Electric Ireland	€2,023	**€1,917**	-€106	-5%
Energia	€2,174	€1,966	-€208	-10%
Flogas	€2,886	€2,088	-€798	-28%
SSE Airtricity	€2,170	€2,024	-€146	-7%
PAYG Plans				
Electric Ireland	€2,155	€2,040	-€115	-5%
Pinergy	€2,308	€2,185	-€123	-5%
Yuno	€2,149	€2,203	€54	3%

Table 3: Standard Domestic Electricity Estimated Annual Bills

Electric Ireland offered the cheapest standard domestic annual average bill at the end of 2023. The most competitive discount annual average bill at the end of 2023 was offered by SSE Airtricity. The average annual bill for domestic electricity, with the exception of Yuno, decreased across all suppliers from June 2023 to December 2023 for standard domestic EAB, although still remained at a very high-level compared to pre-2022. The average annual bill for the most competitive discount domestic electricity offerings also decreased across all suppliers from June 2023 to December 2023.

From June 2023 to December 2023, the average annual bill for both the standard domestic electricity and the most competitive discount electricity offerings showed substantial decreases, although this was due to the extraordinary increases seen in 2022. The percentage decreases in the EABs between June 2023 and December 2023 reflects the increases in unit rates and standing

[4] The annual average bill for lifestyle choice PAYG customers includes an additional supplier service charge which is reflected in the price.

charges announced by suppliers throughout this period, despite the PSO levy going from -€89.10 to €0 in October.

Most Competitive Discount Domestic Electricity Estimated Annual Bills				
	June 2023	December 2023	Change	% Change
Bord Gáis Energy	€2,005	€1,657	-€348	-17%
Electric Ireland	€1,923	€1,579	-€344	-18%
Energia	€1,970	€1,780	-€190	-10%
Flogas	€1,801	€1,593	-€208	-12%
SSE Airtricity	€1,967	**€1,506**	-€461	-23%

Table 4: Most Competitive Discount Domestic Electricity Estimated Annual[5]

Domestic Gas Prices

In December 2023 the following suppliers offered standard and discounted plans for domestic gas customers. Flogas, Electric Ireland, BGE and Yuno also offered PAYG lifestyle choice plans[6].

Standard Domestic Gas Estimated Annual Bills				
	June 2023	December 2023	Change	% Change
Bord Gáis Energy	€1,882	€1,607	-€275	-17%
Electric Ireland	€1,910	€1,693	-€217	-11%
Energia	€1,877	**€1,550**	-€327	-17%
Flogas	€2,699	€1,921	-€778	-29%
SSE Airtricity	€1,838	€1,679	-€159	-9%
PAYG Plans				
Bord Gáis Energy	€1,882	€1,607	-€275	-17%
Electric Ireland	€1,910	€1,693	-€217	-11%
Flogas	€2,699	€1,921	-€778	-29%
Yuno	€1,907	€1,691	-€216	-11%

Table 5: Standard Domestic Gas Estimated Annual Bills

For domestic gas, Energia offered the cheapest standard domestic annual average bill at the end of 2023. The most competitive discounted annual average bill at the end of 2023 was offered by Flogas. From June 2023 to December 2023, the decreases in the average annual bill for both the standard domestic gas and the most competitive discount gas offerings ranged from 11% to 29% across all suppliers.

[5] It should be noted that some discounted plans offered by suppliers (including some of the best discounted plans presented here) are only available to new customers.
[6] Note that some gas suppliers charge an installation fee for PAYG gas meters which is not included here.

Most Competitive Discount Domestic Gas Estimated Annual Bills				
	June 2023	December 2023	Change	% Change
Bord Gáis Energy	€1,721	€1,402	-€319	-19%
Electric Ireland	€1,821	€1,494	-€327	-18%
Energia	€1,713	€1,419	-€294	-17%
Flogas	€1,570	**€1,393**	-€177	-11%
SSE Airtricity	€1,680	€1,407	-€273	-16%
Yuno	€1,907	€1,691	-€216	-11%

Table 6: Most Competitive Discount Domestic Gas Estimated Annual Bills[7]

Almost all suppliers announced at least one decreases on their standard electricity and gas domestic rates in the second half of 2023; after prices had remained static, but at a very elevated level, following numerous price increases in 2022.

Domestic Dual Fuel Prices

In December 2023 the following suppliers offered dual fuel plans with price discounts for domestic customers that avail of both services from the same supplier.

Bord Gáis Energy offered the cheapest dual fuel annual average bill at the end of 2023. From June 2023 to December 2023 the average annual dual fuel bill ranged across suppliers with decreases of between 8% and 28%.

Dual Fuel Estimated Annual Bills				
	June 2023	December 2023	Change	% Change
Bord Gáis Energy	€4,089	**€3,254**	-€835	-20%
Electric Ireland	€3,933	€3,370	-€563	-14%
Energia	€4,050	€3,516	-€534	-13%
Flogas	€5,585	€4,009	-€1,576	-28%
Yuno	€4,051	€3,714	-€337	-8%
SSE Airtricity	€4,008	€3,319	-€689	-17%

Table 7: Highest Discounted Dual Fuel Estimated Annual Bills

[7] It should be noted that some discounted plans offered by suppliers (including some of the best discounted plans presented here) are only available to new customers.

6.3 Estimated Annual Bills Over Time

Multiple price increases were announced by almost every supplier over the course of 2022. These very high prices remained static until autumn 2023, when suppliers began to announce price reductions to their standard rate tariffs, with the majority of these reductions announced being between 9% and 15% reductions.

The figures below show EABs across suppliers' standard plans, best available discount plans and best dual fuel plans in electricity and gas over the last four years.

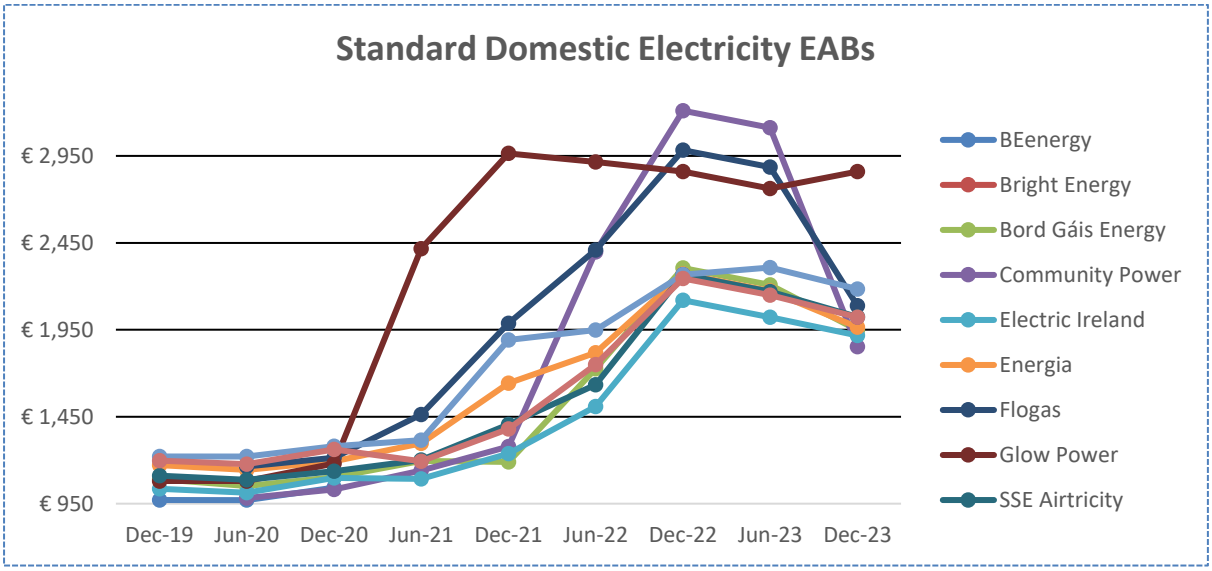


Figure 19: Standard Domestic Electricity Estimated Annual Bills per Supplier

At the end of 2023, the cheapest standard electricity plan was offered by Electric Ireland and the most expensive by Flogas, while in gas the cheapest standard gas plan was offered by Energia and the most expensive by Flogas.

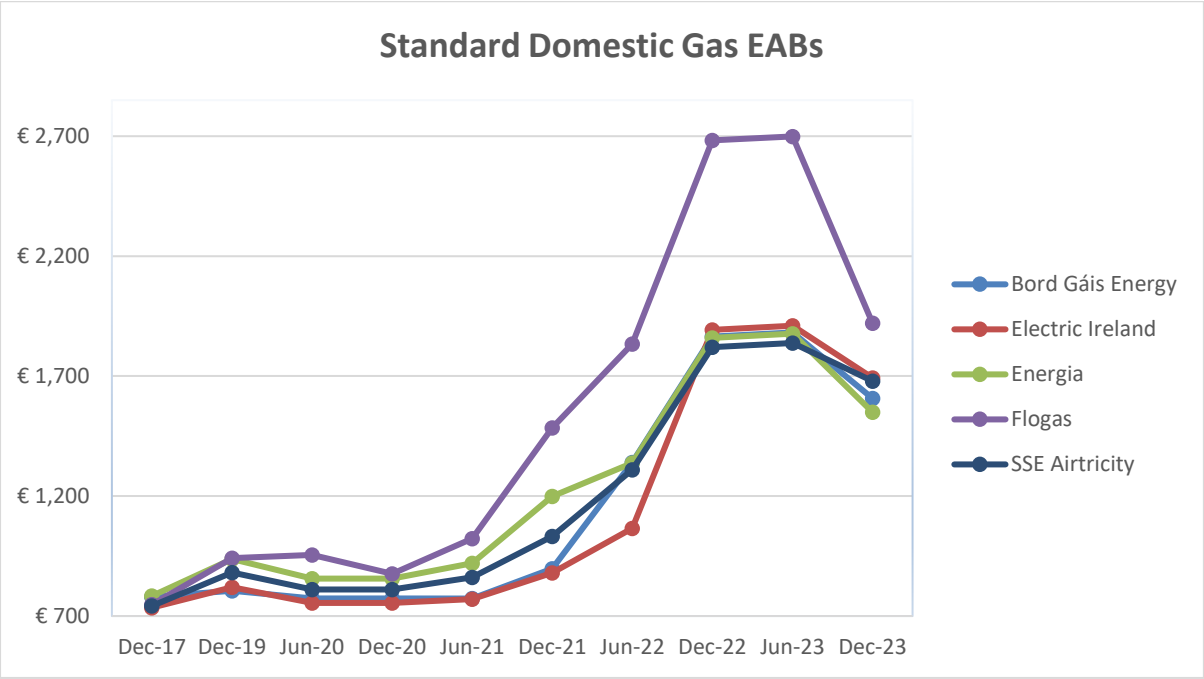


Figure 20: Standard Domestic Gas Estimated Annual Bills per Supplier

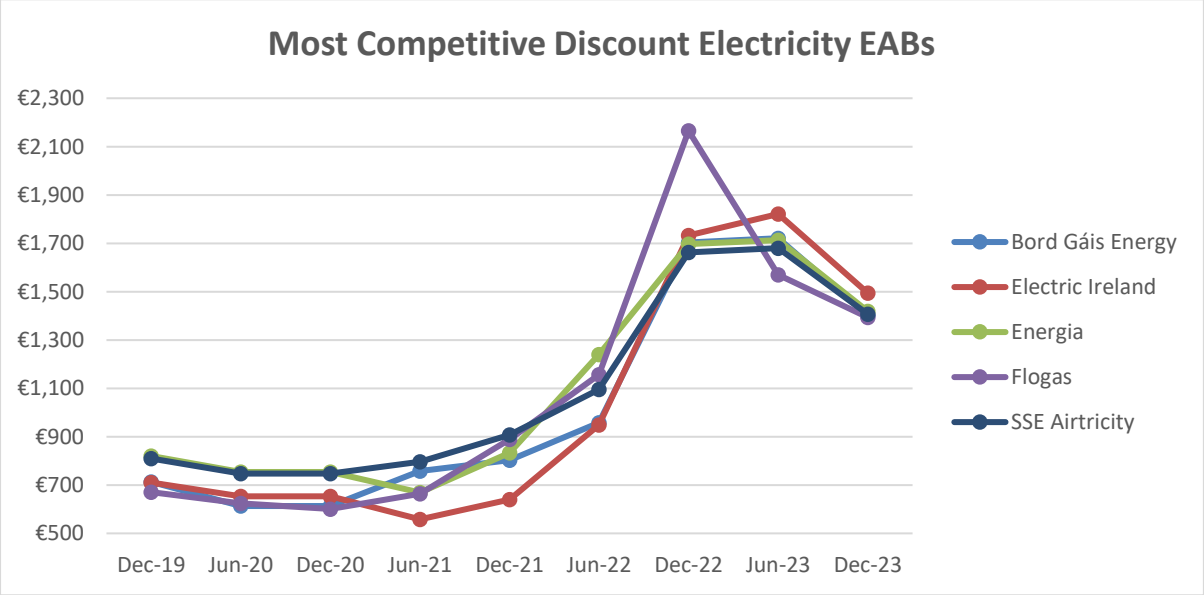


Figure 21: Most Competitive Discount Domestic Electricity Estimated Annual Bills per Supplier

The most competitive discount electricity plan at the end of 2023 was offered by SSE Airtricity and the most expensive by Energia, while the most competitive discount gas plan was offered by Flogas and the most expensive was offered by Yuno.

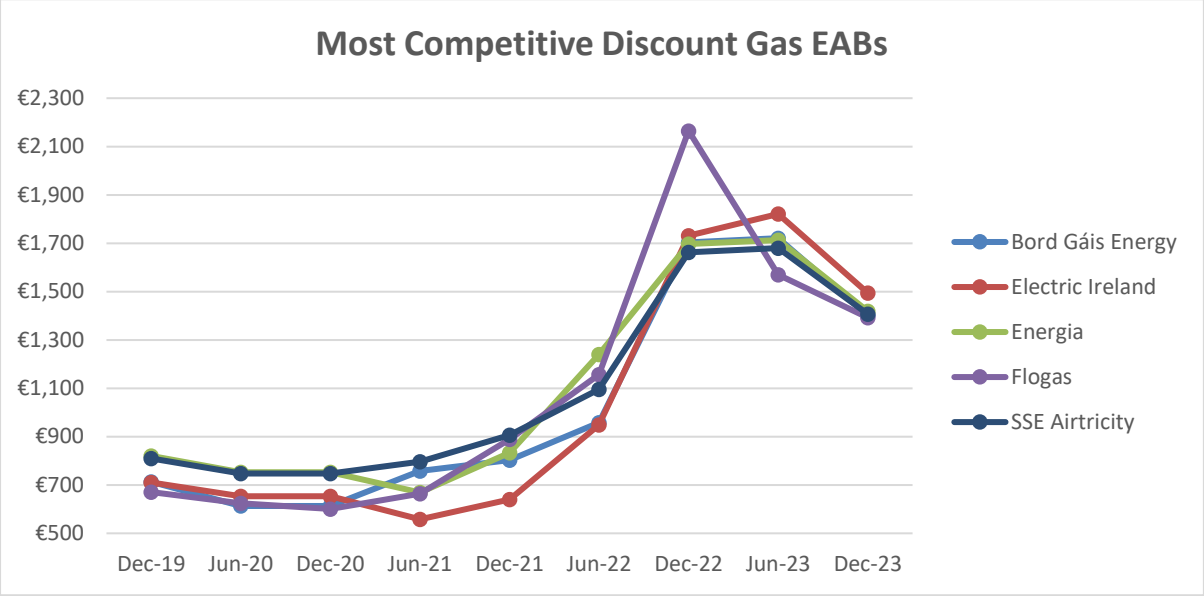


Figure 22: Most Competitive Discount Domestic Gas Estimated Annual Bills per Supplier

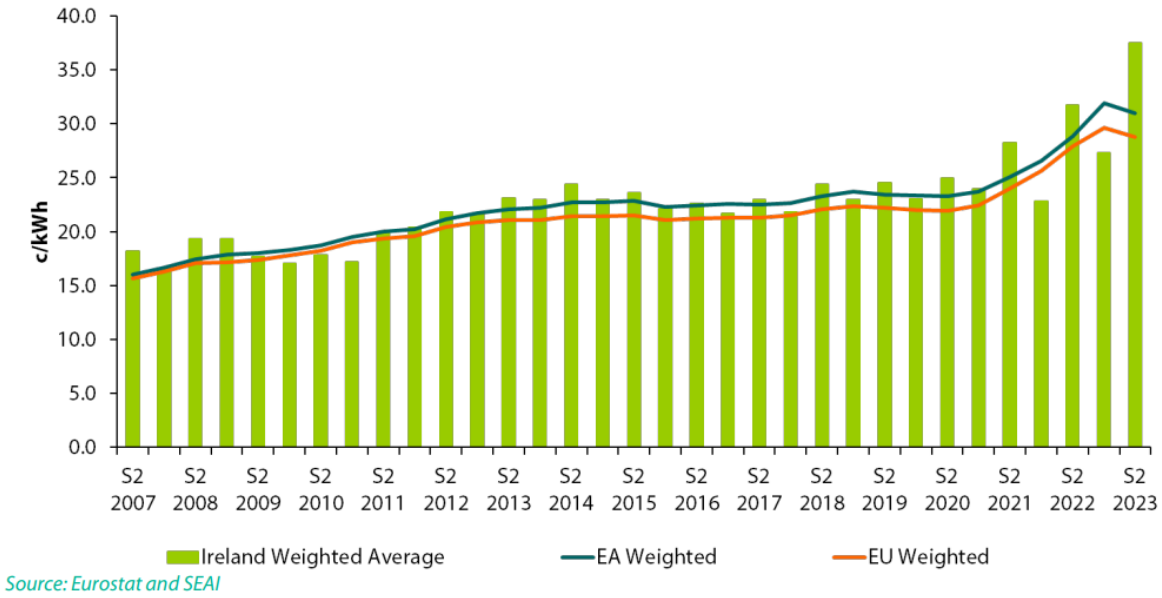
6.4 Electricity and Gas Prices in a European Context

The Sustainable Energy Authority of Ireland (SEAI) publishes data on electricity and gas prices in Ireland, the Euro Area, and the EU-28 on a bi-annual basis. The analysis uses data published by Eurostat in a particular semester (Jan – June and July – December). The figures in their reports show the average price per customer group (Domestic and Non-Domestic Electricity and Gas) across all consumption bands in the Euro Area and the EU-28 and the weighted average across all consumption bands in Ireland. The latest analysis uses data published by Eurostat up to semester 2 of 2023 and can be found here.

The figures below show the average price per customer group across all consumption bands in the Euro Area and the EU-27 and the weighted average across all consumption bands in Ireland. Appendix 1 provides additional information on prices of specific consumption bands.

Domestic Electricity

The weighted average price of electricity to domestic customers in Ireland was below the EU and Euro Area average in the first half of 2023, however it rose above both in the second half of 2023. In Semester 2 of 2023 it was 30.2% above the EU average and 21% above the Euro Area average.

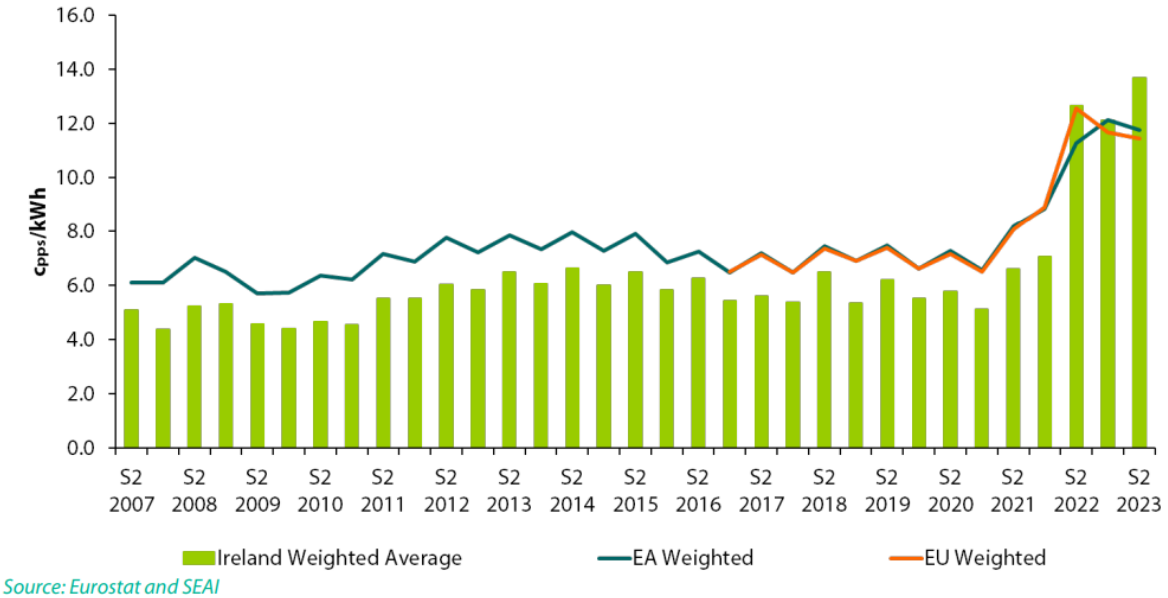


Source: Eurostat and SEAI

Figure 23: Average Electricity Prices (all taxes included) to Households – All Consumption Bands

Domestic Gas

The weighted average price of gas to domestic customers in Ireland was above the EU and Euro Area average in both the first and second half of 2023. In Semester 2 of 2023 it was 43.5% above the EU average and 33.1% above the Euro Area average.



Source: Eurostat and SEAI

Figure 24: Average Gas Prices (all taxes included) to Households – All Consumption Bands

Non-Domestic Electricity

The weighted average price of electricity to non-domestic customers in Ireland was above the EU and Euro Area average in both the first and second half of 2023, although it did decrease in the second half of the year. In Semester 2 of 2023 it was 13.7% above the EU average and 9.9% above the Euro Area average.

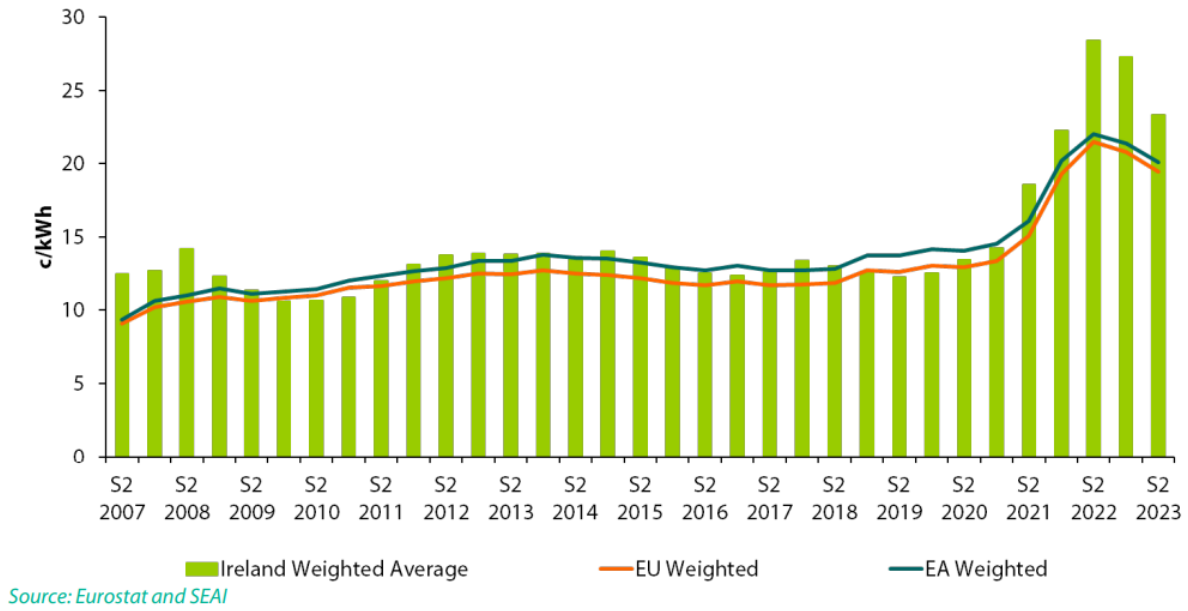
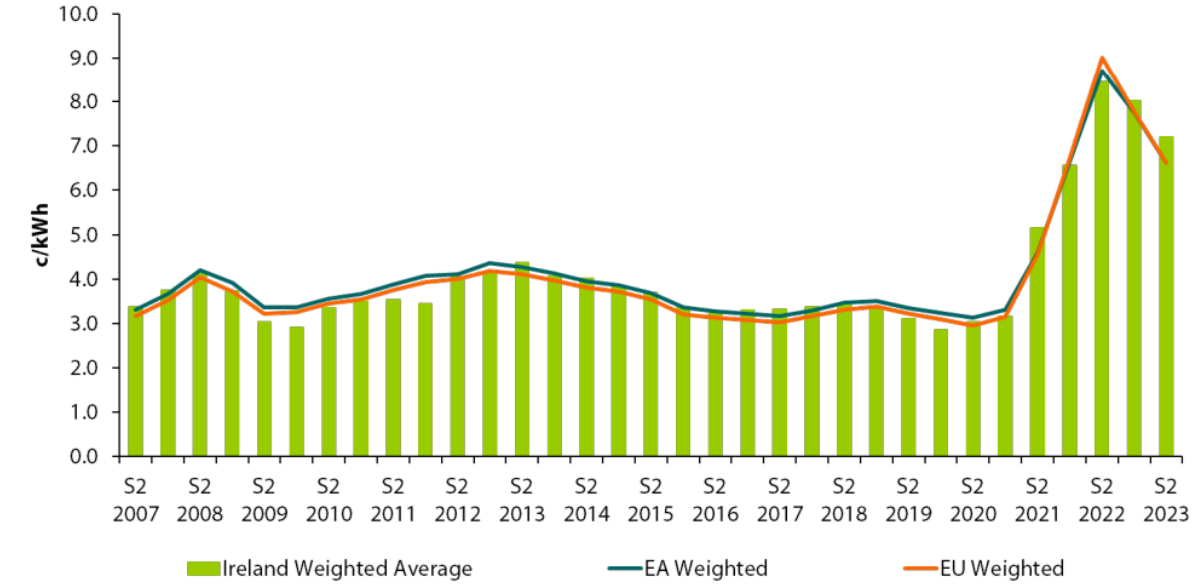


Figure 25: Average Electricity Prices (all taxes included) to Businesses – All Consumption Bands

Non-Domestic Gas

The weighted average price of gas to non-domestic customers in Ireland fluctuated around the EU and Euro Area averages throughout 2023. In Semester 2 of 2023 it was the same price as the EU average and 1.4 % below the Euro Area average.



Source: Eurostat and SEAI

Figure 26: Average Gas Prices (all taxes included) to Businesses – All Consumption Bands

6.5 Correlation of wholesale and retail electricity prices

Electricity suppliers in Ireland buy electricity in the Single Electricity Market (SEM) at different timeframes. Electricity can be traded from over a year to one month ahead of the trading day, and from one day ahead of the trading day up to shortly before real-time. The price at which suppliers purchase their electricity on the SEM has a very big influence over the eventual retail price that customers pay.

The below graph tracks the price increases noted in the wholesale electricity market (using the monthly average day-ahead market price in the SEMOpx) and the retail electricity market (using the change in average EAB, weighted by suppliers' market share). Extreme price volatility occurred in the wholesale electricity market in both 2021 and 2022, yet suppliers' hedging strategies largely protected customers from the worst of these increases. However, by the end of 2022 the weighted average EAB was over double what it had been at the beginning of 2021. These elevated retail prices continued throughout 2023, although some price reductions were announced by suppliers in autumn 2023. By December 2023, the weighted average EAB was 82% higher than what it had been in January 2021, while the average monthly wholesale electricity price was 36% higher for the same period.

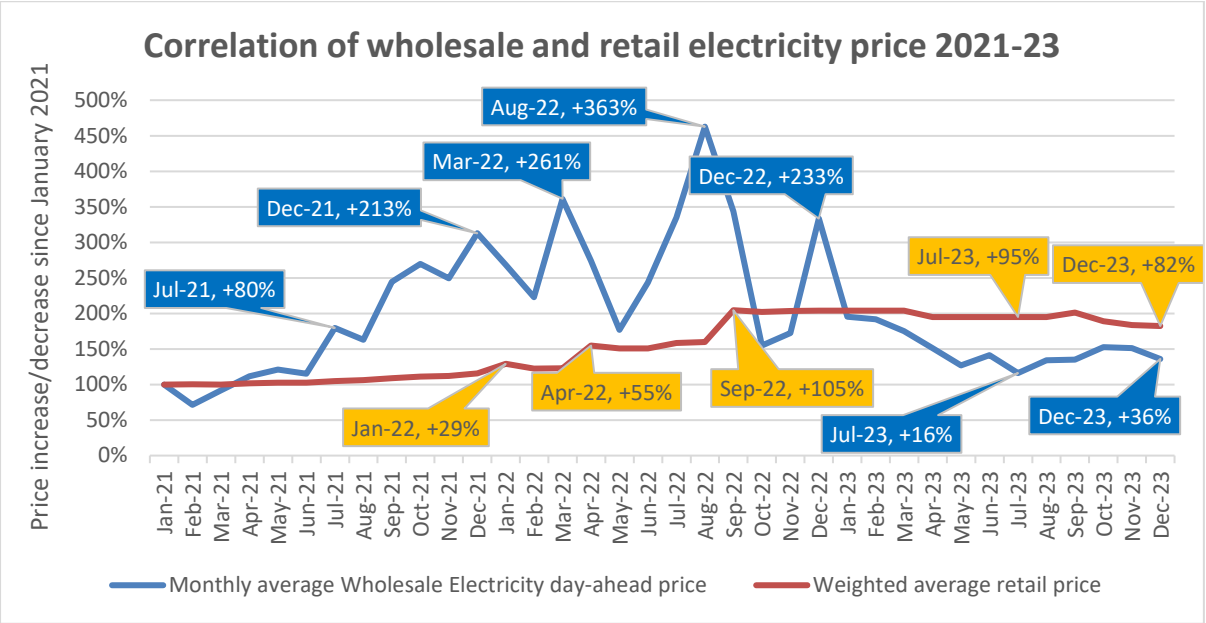


Figure 27: Correlation of the increases in the wholesale and retail electricity markets

7. Wholesale Energy Prices

One of the primary components of final retail energy prices is the cost of wholesale energy. As the Irish electricity fuel mix is highly dependent on gas, the wholesale gas price is a major factor in determining final retail electricity prices. The cost of wholesale gas also makes up a considerable percentage of the final retail gas price.

7.1 Wholesale Gas Prices

The wholesale price of gas in Ireland is set by reference to the wholesale price at the trading hub in Britain, set with reference to the British trading hub known as the National Balancing Point (NBP) plus the cost of transport to Ireland via the interconnectors.

As gas is sold for delivery at different times, suppliers develop hedging strategies which aim to increase longer term price certainty and helps to protect against unfavourable market trends. Different contract terms vary and can include Seasons Ahead, Month Ahead, Day Ahead and Within Day wholesale gas products. Wholesale gas prices are set in Sterling and gas at the NBP is sold in pence/therm. Therefore, Euro/Sterling currency fluctuations influence Euro wholesale gas prices in Ireland.

The figure below shows the change in average monthly day ahead (DA) gas prices over time at the NBP. It also shows the average price across each year between 2012 and 2023.

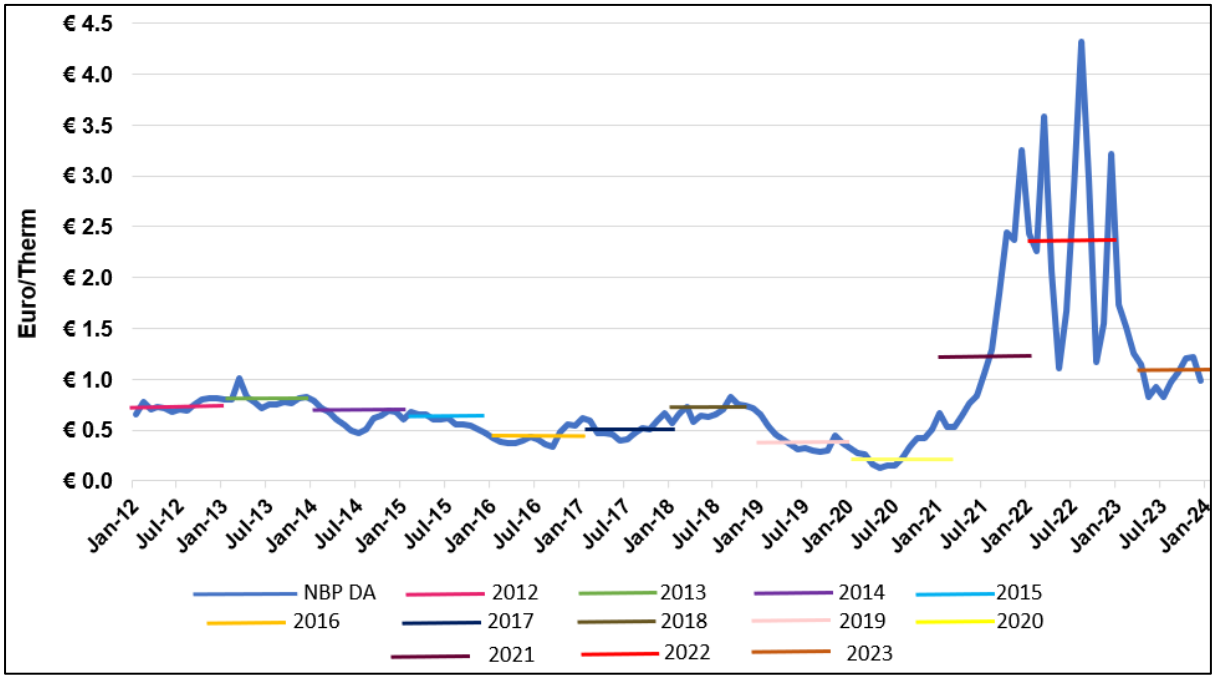


Figure 28: NBP Day Ahead Gas, €/therm, 2012 – 2023

On average, the day ahead price declined from 2013 to 2016 but increased in 2017 and further in 2018, before falling again in 2019 and in the first half of 2020. In 2021, the average day ahead

price increased significantly and was over 380% higher by comparison to the average price for 2020. In 2022, unprecedented market developments occurred, and a highly volatile gas price trend was observed. The average price of day ahead gas in 2022 was 2.45 €/th, over 80% higher compared to the average 2021 price of 1.36 €/therm and over seven times higher (774%) compared to the 2020 average price of 0.28 €/therm. In 2023 the average prices retreated from the historic highs recorded in the previous year, however, prices remained high by historical standards. Although the average price of day ahead gas in 2023 (1.14 €/therm) was 53% and 16% lower compared to 2022 and 2021 respectively, prices were over three times higher (307%) compared to the 2020 average.

7.2 Wholesale Electricity Prices

The wholesale electricity market on the island of Ireland is jointly regulated by the CRU and the Utility Regulator (UR) and is known as the Single Electricity Market (SEM). New market arrangements for SEM went live on 1st October 2018 and introduced multiple markets or auctions, each spanning different trading time frames, with separate (although related) clearing and settlement mechanisms, covering both energy and non-energy commodities. Suppliers buy electricity in the SEM at different timeframes. Electricity can be traded from over a year to one month ahead of the trading day, and from one day ahead of the trading day up to shortly before real-time.

The figure below shows the average monthly price of electricity and average price of electricity across each year in the SEM between 2012 and 2023. Since the new wholesale market arrangements went live on 1st of October 2018, the all-island System Marginal Price (SMP) is considered to be equivalent to the day ahead market price.

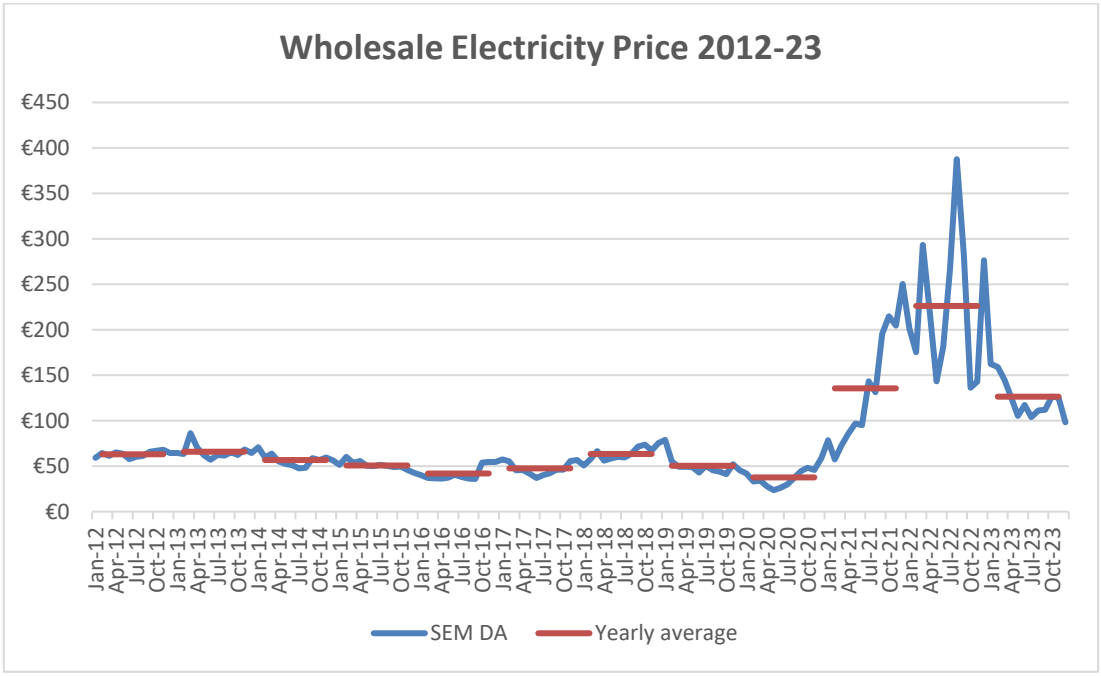


Figure 29: Wholesale Electricity Price, €/MWh, 2012 – 2023

On average, the average wholesale electricity price declined from 2013 to 2016 but increased in both 2017 and 2018, before falling again in 2020. 2021 and 2022 saw very sharp increases in the cost of wholesale electricity due to unprecedented market developments. The average price in 2022 was €226/MWh, compared to €136/MWh in 2021 and €38/MWh in 2020. The average price of electricity for 2023 fell back to €126, 44% lower than it had been in 2022 and 7% lower than it had been in 2021.

7.3 Correlation of Wholesale Gas and Wholesale Electricity Prices

As a large proportion of electricity is generated from natural gas there is a noticeable correlation between wholesale natural gas prices and wholesale electricity prices. The graph below shows that there is a common price trend between the NBP day ahead gas price and the all-island Single Electricity Market (SEM) Day Ahead (DA) Market electricity price. There is also a relationship between prices and the forecast level of wind at the day-ahead stage, with periods of high wind associated with a reduction in Day Ahead Market prices.

In 2023, the average price of wholesale electricity was 46% and 10% lower compared to the average price recorded in 2022 and 2021. Although prices retreated from the record high levels recorded in 2022, prices remain high by comparison to the historic norm. The average wholesale electricity price in 2023 was over two times higher (225%) compared to the average price recorded in 2020. In the first quarter of 2023, wholesale electricity prices in the day ahead market were 30% lower compared to the same period in 2022, however, prices were 124% higher compared to the same period in 2021. In the fourth quarter of 2023, the average price of wholesale electricity was €112.47/MWh, 50% lower compared to the same period in 2022.

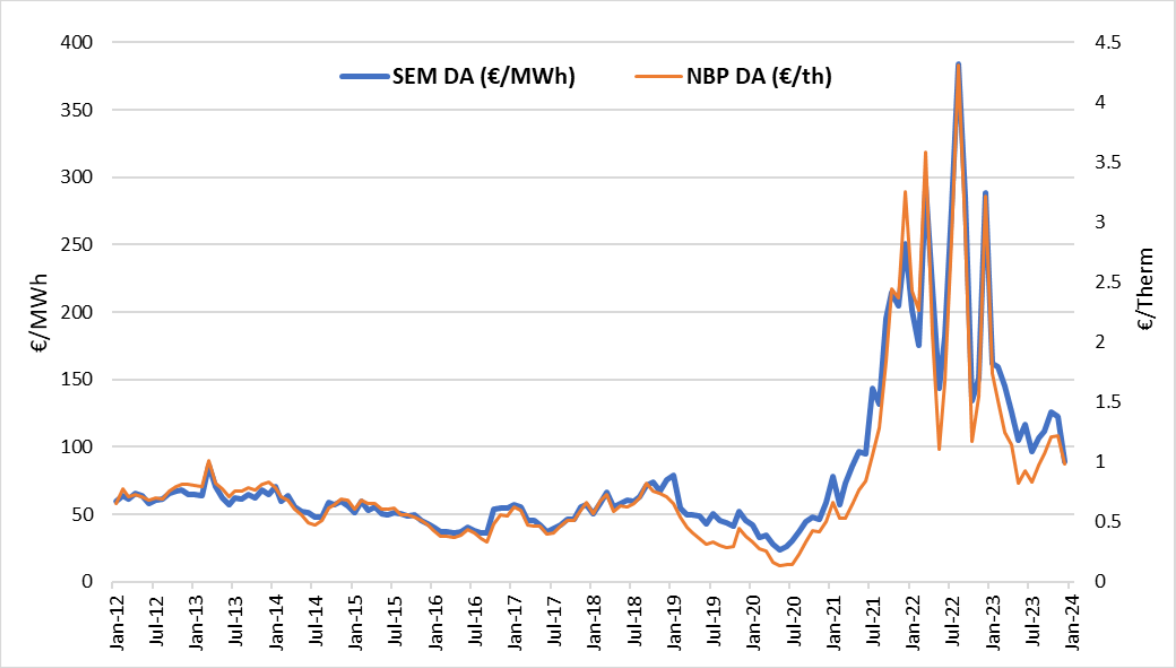


Figure 30: Correlation between monthly SEM wholesale electricity price and NBP wholesale gas price, 2012 – 2023

SECTORAL DEVELOPMENTS

8. Energy Market Developments

Summary of Section

- This section provides information on market developments that took place in 2023.
- There were no new entrants to the electricity or gas markets in 2023.
- There were 9 active suppliers in the domestic electricity market and 6 active suppliers in the domestic gas market, while 6 suppliers offered dual fuel.

8.1 Active Suppliers

Since price deregulation, a number of new suppliers have entered the market. Those with a market share above 1% are reported on by the CRU through market monitoring. In 2023 there were one new entrant. Yuno Energy Ltd, in the electricity market.

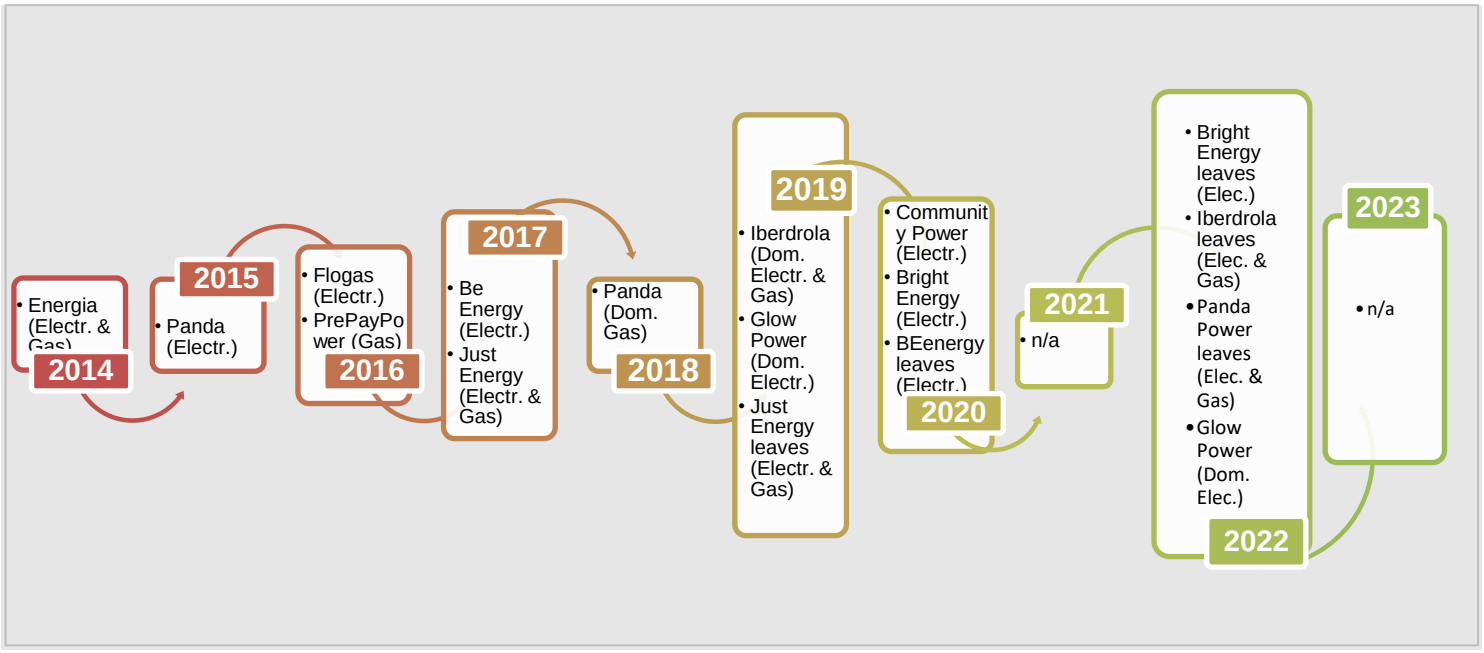
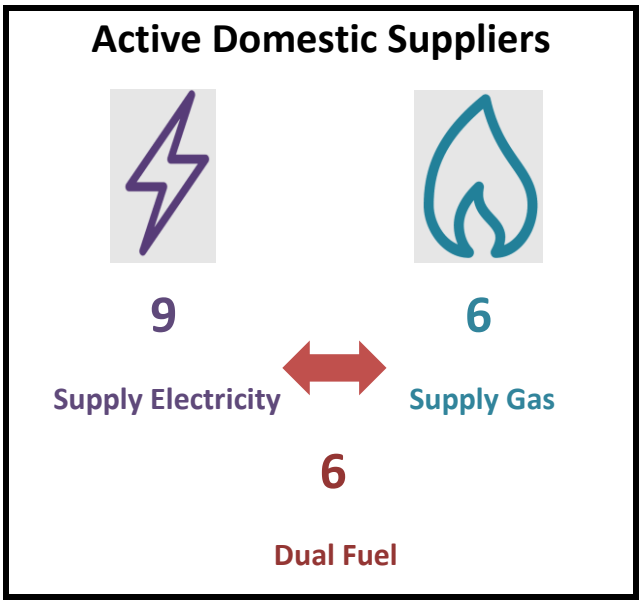


Figure 31: Market Developments 2014-2023



Suppliers in the electricity and gas retail markets in 2023 are identified in the table below, along with an indication of which markets they are active in. The suppliers below represent suppliers actively seeking customers.

	Domestic Electricity	Non-Domestic Electricity	Domestic Gas	Non-Domestic Gas
Bord Gáis Energy	√	√	√	√
Community Power	√	√	X	X
Electric Ireland	√	√	√	√
Energia	√	√	√	√
Flogas	√	√	√	√
Go Power	X	√	X	X
Pinergy	√	√	X	X
Yuno	√	X	√	X
SSE Airtricity	√	√	√	√
Waterpower	√	√	X	X

Table 8: Active markets by supplier in 2023

9. Electricity Market

Summary of Section

- This section contains market share data for the main electricity suppliers in Ireland. Data is presented in terms of actual customer numbers and consumption (in MWhs) for 2023.
- At the end of 2023, Electric Ireland had the largest share in the domestic electricity market segment, with 50.5% of the market in terms of consumption. This was followed by Bord Gáis Energy with 16%, SSE Airtricity with 11.8%, Energia with 10.2%, Yuno with 7.6%, Flogas with 2.3% and Pinergy with 1.2%.
- In the non-domestic markets Electric Ireland remained the largest electricity supplier in terms of consumption in the small business and Large Energy User (LEU) market segments in 2023. Energia was the largest suppliers in terms of consumption in the medium-sized business market segment.

The electricity market is comprised of four different market segments: Domestic, Small-sized business, Medium-sized business, and Large energy users (LEU).

The total number of customers in the electricity market at the end of 2023 was 2,525,813 and total consumption for the year was 30,775,697 MWh. This represents an increase of customer numbers of 1.6% and an increase of consumption of 4.3% overall compared to 2022.

In the electricity market there is a range of both very large and very small suppliers. Those that represent at least a 1% share of consumption are reported separately in each specific market. It is worth noting that in electricity, the ‘others’ category in some segments includes data on ‘suppliers’ that are not necessarily active in the electricity retail market, i.e. they are self-suppliers, or they only have very few sites. The activity of these companies generally does not have a significant impact on overall trends. Nonetheless, some ‘suppliers’ not active in the retail market with only one/two sites may generate a relatively high proportion of MWhs within the ‘Others’ category.

Electricity Customer Numbers						
	Q1 2023	Q2 2023	Q3 2023	2023	2022	% change between 2022-2023
Domestic	2,203,628	2,211,120	2,224,779	2,231,102	2,191,825	1.8%
Small Business	187,991	186,603	186,112	185,631	187,719	-1.1%
Medium Business	104,830	106,725	106,051	106,914	104,051	2.8%
LEUs	2,122	2,133	2,164	2,166	2,114	2.5%
Total Electricity	2,498,571	2,506,581	2,519,106	2,525,813	2,485,709	1.6%

Table 9: Electricity Customer Numbers 2022 – 2023

The table below shows the level of consumption in each market segment. The decrease in domestic consumption may be due to people returning to offices after the Covid-19 restrictions, as well as people curbing energy use in response to price increases.

Electricity Consumption (MWh)							
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	2022	% change between 2022-2023
Domestic	2,489,890	1,958,752	1,833,473	2,407,171	8,689,286	8,810,582	-1.3%
Small Business	917,527	765,121	738,964	880,928	3,302,540	3,407,697	-3.1%
Medium Business	1,006,327	918,385	928,906	1,016,735	3,870,354	3,902,133	-0.8%
LEUs	3,610,360	3,723,185	3,809,459	3,770,513	14,913,517	13,387,259	11.4%
Total Electricity	8,024,104	7,365,443	7,310,802	8,075,347	30,775,697	29,507,671	4.3%

Table 10: Electricity Consumption (MWh) 2022 – 2023

9.1 Domestic Electricity Market Share

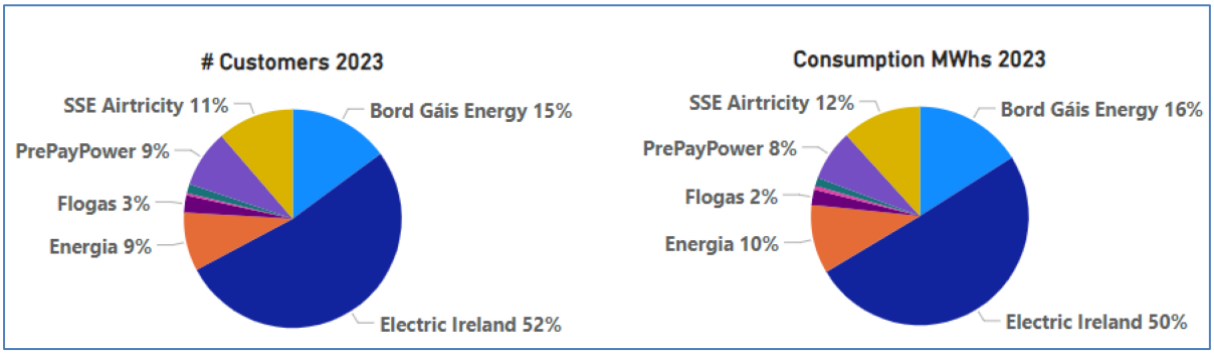


Figure 32: Domestic Electricity Market Share (%)

At the end of 2023, Electric Ireland had the largest share in the domestic electricity market segment, with 50.5% of the market in terms of consumption. This was followed by Bord Gáis Energy with 16%, SSE Airtricity with 11.8%, Energia with 10.2%, Yuno with 7.6%, Flogas with 2.3% and Pinergy with 1.2%.

The table below shows the number of customers and the level of consumption per supplier.

Domestic Electricity Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	MWhs Q1 2023	MWhs Q2 2023	MWhs Q3 2023	MWhs Q4 2023	MWhs 2023 Total
Bord Gáis Energy	343,579	338,677	329,909	331,930	407,128	323,149	295,167	365,841	1,391,286
Electric Ireland	1,183,116	1,182,594	1,182,966	1,168,284	1,273,335	994,716	920,849	1,194,988	4,383,888
Energia	199,284	191,088	188,925	193,440	270,124	195,804	175,320	243,294	884,543
Flogas	29,161	41,334	52,033	56,345	31,239	37,221	50,199	77,219	195,878
Pinergy	26,958	27,760	29,788	30,511	28,715	22,814	21,360	32,300	105,189
Yuno[8]	174,809	177,029	181,985	189,831	180,535	146,477	140,331	188,748	656,091
SSE Airtricity	244,604	248,615	252,263	253,122	294,903	230,473	214,340	282,216	1,021,933
Other	2,111	4,018	6,906	7,637	3,902	8,093	15,902	22,562	50,459
Total	**2,203,628**	**2,211,120**	**2,224,779**	**2,231,102**	**2,489,890**	**1,958,752**	**1,833,473**	**2,407,171**	**8,689,286**

Table 11: Number of sites (left) and MWhs consumed (right) per supplier

The graph below shows the trend in market share from 2019 to 2023 in terms of consumption. Electric Ireland's market share decreased until 2021, although it has rebounded since and rose above 50% in 2023. It fell just below 50% for the first time in 2017 and remained below the 50%

[8] Yuno Ltd trading as PrePay Power/Yuno Energy

since then. Bord Gáis Energy's consumption share has remained steadily the second highest on the market, with SSE Airtricity overtaking Energia in third place in both 2022 and 2023.

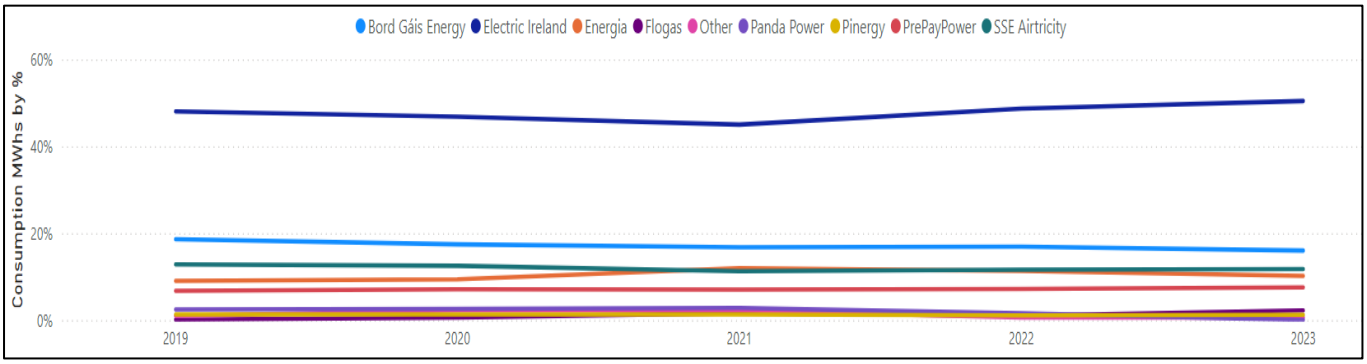


Figure 33: Domestic Electricity Market Consumption Share - Trend (%)

The figure below shows the trends in domestic electricity market share since 2019. It shows that Electric Ireland have increased their market share since 2021, with Bord Gáis Energy remaining the second largest. SSE Airtricity have overtaken Energia as the third largest since 2021.

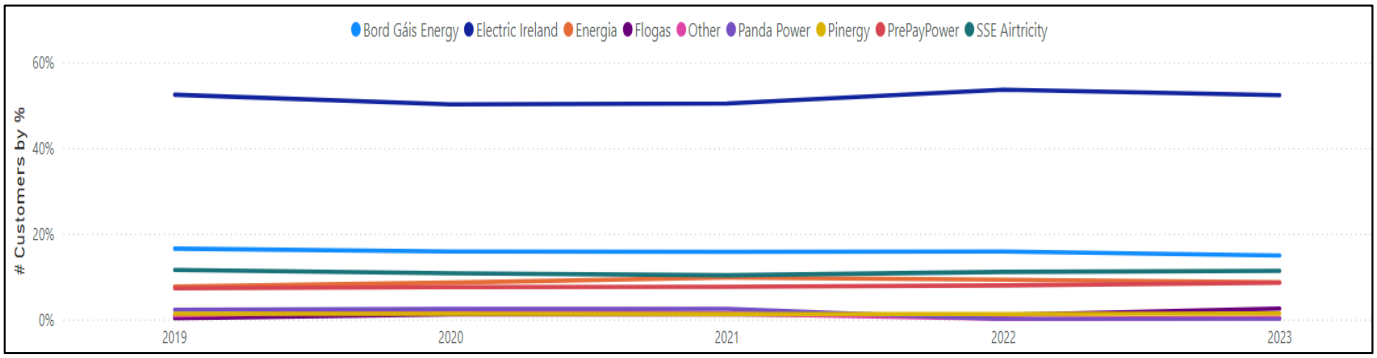


Figure 34: Domestic Electricity Historic Market Share – Customers

9.2 Small-Sized Business Electricity Market Share

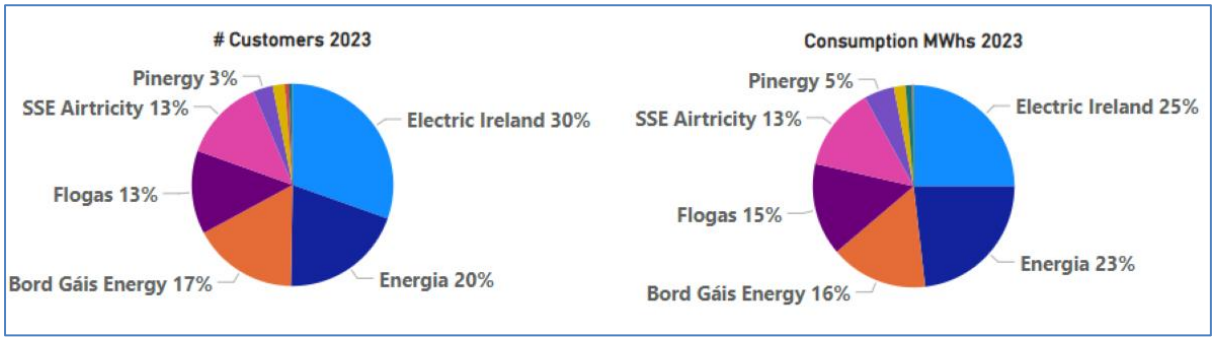


Figure 35: Small-Sized Business Electricity Market Share 2022 (%)

At the end of 2023, Electric Ireland had the largest share in the small business market segment, with 25% of the market in terms of consumption. This was followed by Energia with 23.2%, Bord

Gáis Energy with 15.6%, Flogas with 14.8%, SSE Airtricity with 13.4%, Pinergy with 4.8% and Go Power with 1.9%.

The table below shows the number of customers and the level of consumption per supplier.

Small Business Electricity Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	MWhs Q1 2023	MWhs Q2 2023	MWhs Q3 2023	MWhs Q4 2023	MWhs 2023 Total
Bord Gáis Energy	32,549	32,464	31,667	31,311	146,626	123,882	114,575	131,069	516,152
Electric Ireland	63,144	59,213	57,722	56,448	270,733	190,561	165,495	198,765	825,555
Energia	37,118	36,397	36,704	36,840	214,870	171,989	170,289	208,076	765,225
Flogas	21,773	24,085	24,443	24,792	112,743	116,996	119,409	138,976	488,124
LCC Power Ltd	3,397	3,460	3,556	3,615	16,069	14,633	14,604	17,692	62,998
Pinergy	4,764	5,255	5,656	5,880	31,918	36,481	41,189	49,709	159,297
Yuno	1,116	1,156	1,179	1,183	1,603	1,382	1,339	1,814	6,138
SSE Airtricity	23,323	23,677	24,143	24,459	115,736	101,643	102,924	123,077	443,380
Other	790	879	1,023	1,082	6,988	7,354	8,947	11,473	34,761
Total	**187,991**	**186,603**	**186,112**	**185,631**	**917,527**	**765,121**	**738,964**	**880,928**	**3,302,540**

Table 12: Number of sites (left) and MWhs consumed (right) per supplier

The graph below shows the trend in market share from 2019 to 2023 in terms of consumption. Electric Ireland saw a decline in their market share in 2023, but still remain the largest in the market. Flogas were the supplier that gained the most in 2023.

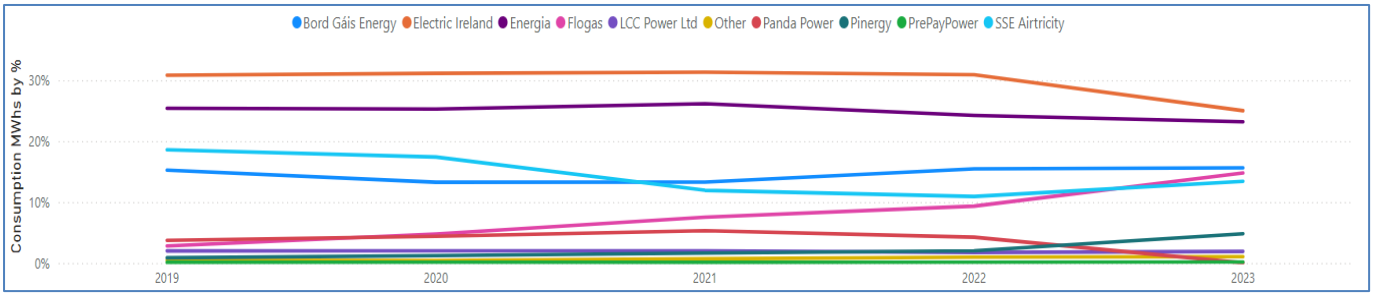


Figure 36: Small-Sized Business Electricity Market Share Consumption Trend (%)

9.3 Medium-Sized Business Electricity Market Share

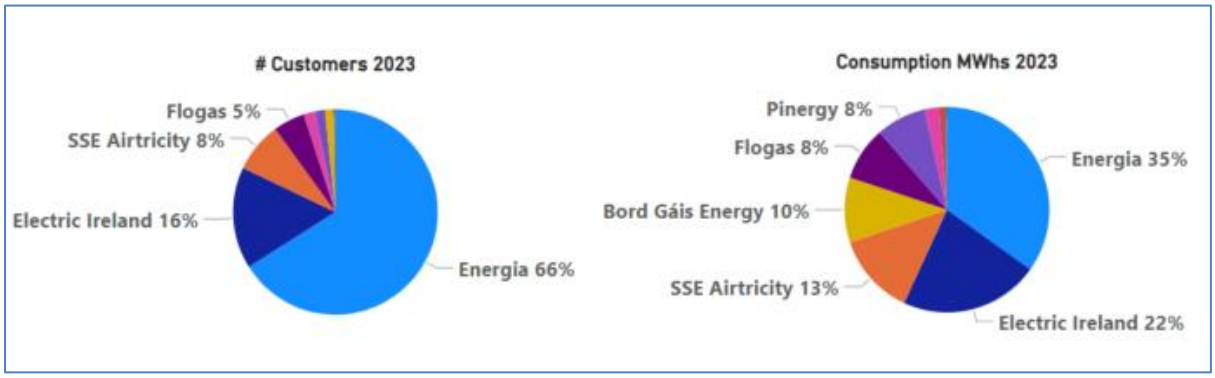


Figure 37: Medium Business Electricity Market Share (%)

At the end of 2023, Energia had the largest share in the medium business market segment, with 34.9% of the market in terms of consumption. This was followed by Electric Ireland with 22%, SSE Airtricity with 13%, Bord Gáis Energy with 10.2%, Flogas with 8.4%, Pinergy with 7.9%, and Go Power with 2.2%.

The table below shows the number of customers and the level of consumption per supplier.

Medium Business Electricity Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	MWhs Q1 2023	MWhs Q2 2023	MWhs Q3 2023	MWhs Q4 2023	MWhs Total 2023
Bord Gáis Energy	1,624	1,686	1,558	1,448	103,616	101,866	97,380	91,612	394,473
BRI Green Energy	7	7	7	7	661	576	562	633	2,431
Electric Ireland	17,429	17,003	16,992	17,132	277,481	200,190	178,655	196,366	852,692
Energia	70,556	71,022	70,120	70,605	347,593	313,188	323,828	364,648	1,349,258
Flogas	5,207	5,278	5,272	5,340	70,914	82,393	84,364	91,083	328,754
LCC Power Ltd	441	1,802	1,859	1,924	19,192	19,981	21,672	24,011	84,856
Panda Power	8	7	7	7	781	643	581	772	2,776
Pinergy	1,267	1,417	1,579	1,692	59,642	72,388	81,318	92,660	306,009
PrePayPower	31	36	48	73	325	261	299	508	1,393
SSE Airtricity	8,107	8,291	8,400	8,460	118,791	117,518	127,065	139,423	502,797
Other	153	176	209	226	7,331	9,383	13,182	15,020	44,915
Total	104,830	106,725	106,051	106,914	1,006,327	918,385	928,907	1,016,735	3,870,354

Table 13: Number of sites (left) and MWhs consumed (right) per supplier

The graph below shows the trend in market share 2019 to 2023 in terms of consumption. Energia increased their market share above Electric Ireland in terms of consumption in 2023, thanks to having a much larger number of customers in this market segment than Electric Ireland.

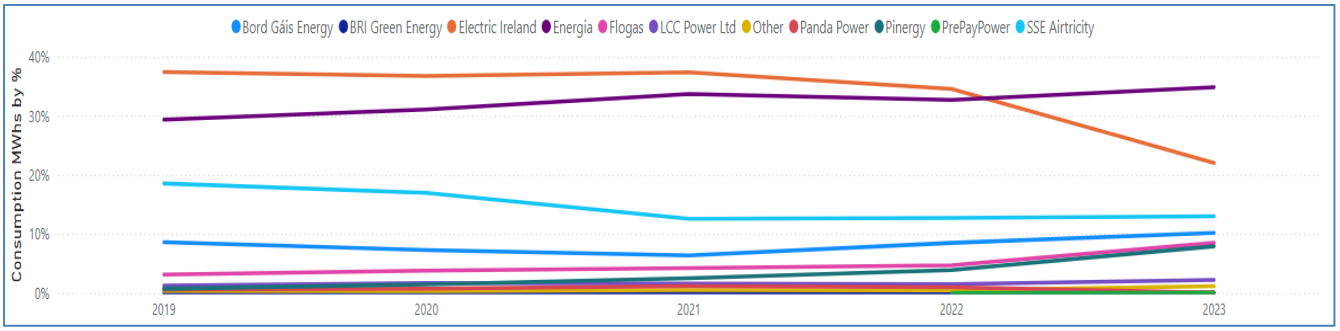


Figure 38: Medium-Sized Business Electricity Consumption - Market Share Trend (%)

9.4 Large Energy Users (LEUs) Electricity Market Share

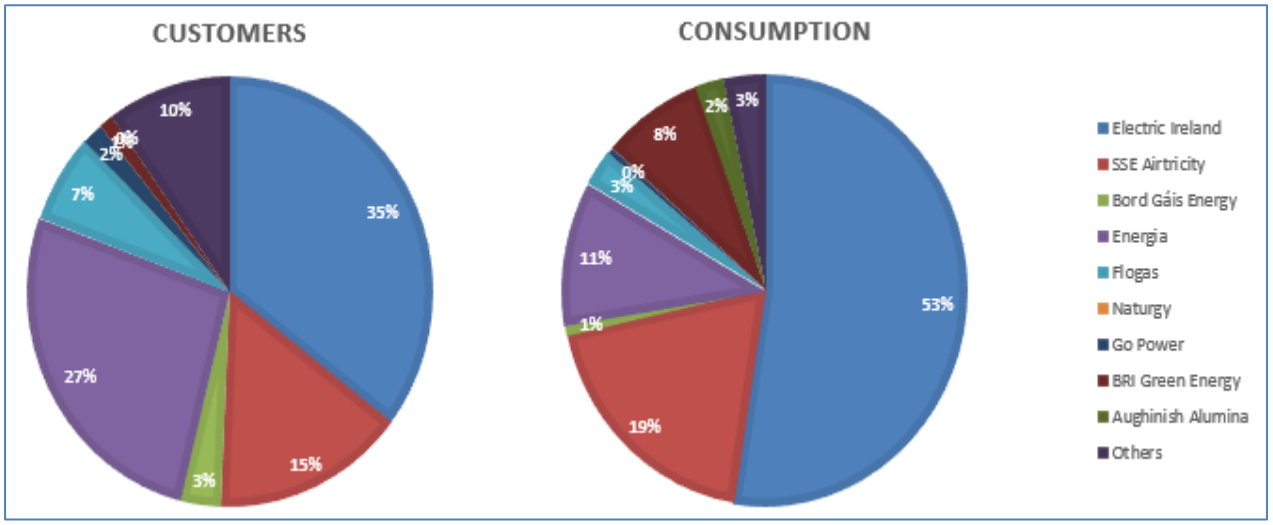


Figure 39: LEU Electricity Market Share (%)

At the end of 2023, Electric Ireland had the largest share in the Large Energy Users (LEU) market segment, with 50.6% of the market in terms of consumption. This was followed by SSE Airtricity with 19.2%, Energia with 11.6%, BRI Green Energy with 7.7%, Aughinish Alumina with 2.2% and Bord Gáis Energy with 1.2%.

The table below shows the number of customers and the level of consumption per supplier.

Large Energy Users Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	MWhs Q1 2023	MWhs Q2 2023	MWhs Q3 2023	MWhs Q4 2023	MWhs 2023 Total
Electric Ireland	788	763	767	767	1,819,597	1,781,734	1,972,184	1,979,726	7,553,241
SSE Airtricity	318	328	329	331	706,835	716,128	715,209	723,064	2,861,236
Bord Gáis Energy	77	75	70	70	52,070	51,989	52,213	28,811	185,083
Energia	567	586	576	576	444,309	444,571	433,646	405,378	1,727,904
Flogas	136	135	137	146	84,289	96,829	98,904	102,809	382,831
BRI Green Energy Ltd	24	24	25	25	287,165	241,121	313,896	305,459	1,147,640
Aughinish	1	1	1	1	79,196	75,189	82,968	84,715	322,068
Others	175	185	223	214	119,388	297,696	122,544	122,748	662,376
Total	2,122	2,133	2,164	2,166	3,610,360	3,723,185	3,809,459	3,770,513	14,913,517

Table 14: Number of LEU sites per supplier, and their total MWhs consumption

The graph below shows the trend in market share from 2016 to 2023 in terms of consumption. Between 2016 to 2021, Electric Ireland and SSE Airtricity have swapped positions on different occasions as the largest supplier, but Electric Ireland have concentrated their position as the largest supplier since.

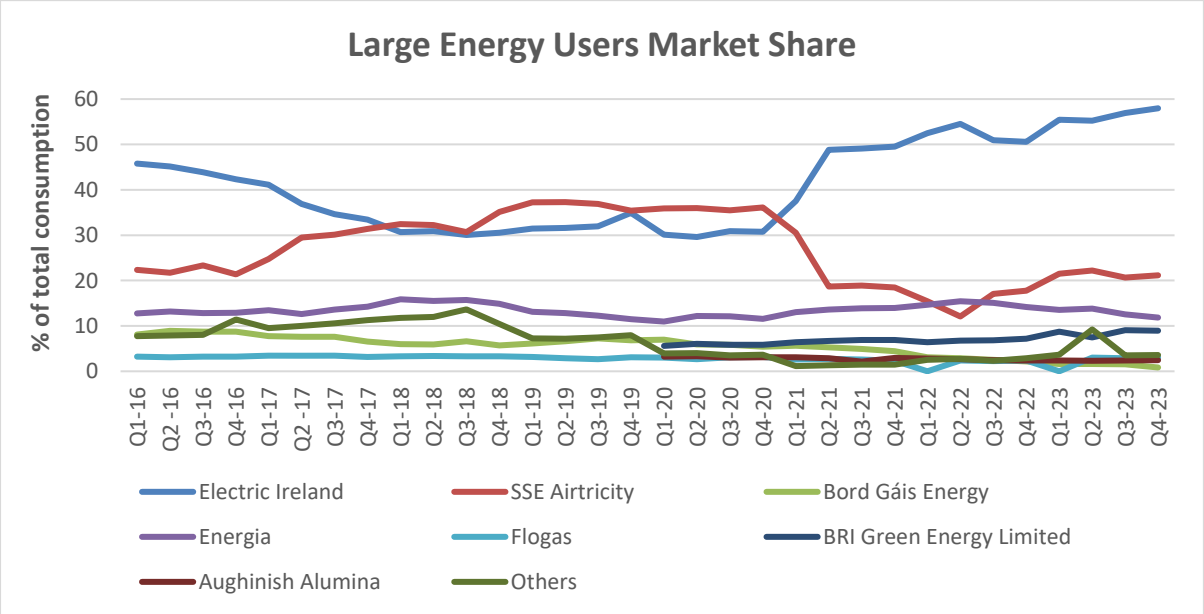


Figure 40: LEUs Market Share Trend (%)

9.5 Electricity Market Concentration

The HHI (Herfindahl-Hirschman Index) is a widely used metric to measure market concentration[9]. The lower the value of the HHI index, the lower the concentration of the market is. With low market concentration, the ability of any market player to exploit market power to the detriment of consumers is reduced and consumers can benefit from competition, innovation, and customer services.

The figure below shows the level of the HHI between 2016 – 2023. There was an increase in the HHI of the domestic market segment noted in 2022 and 2023 after years of steady decline. No other market segment noted an HHI increase in 2023, although it remained static in medium business. This decrease is due to larger suppliers managing to retain or increase their market share in 2023.

In 2023 the HHI was 3,108 for the domestic market segment (compared to 2,995 in 2022), 1,833 for the small business market segment (2,104 in 2022), 2,538 for the medium business market segment (also 2,538 in 2022), and 3,159 for the large business market segment (3,250 in 2022). According to the European Commission an HHI above 2,000 indicates a highly concentrated market. The HHI in the medium business segment dropped below 2,000 in 2023, and the CRU will continue to monitor this situation.

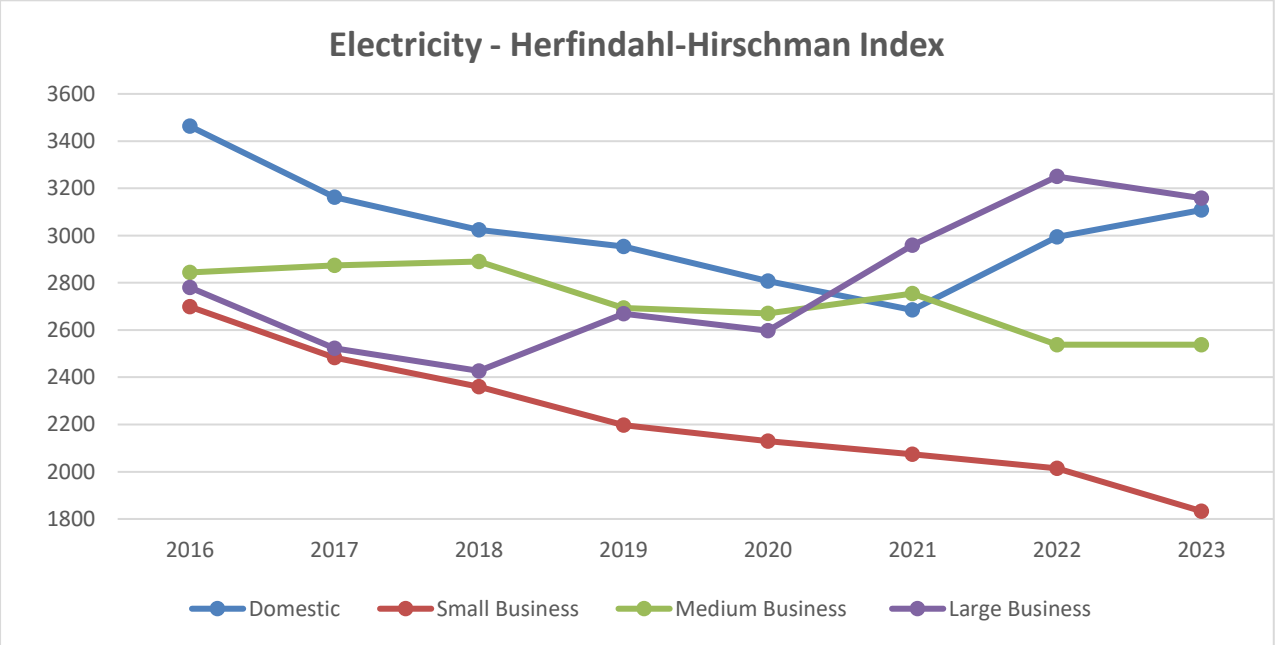


Figure 41: HHI Trends Over Time (2016 - 2023)

[9] The HHI is calculated as the sum of the squares of the market shares of all firms in the market, or the 50 largest firms if applicable. It ranges between 0, for an infinite number of small firms, and 10,000, for one firm with a 100% market share. The European Commission considers an HHI above 2,000 to signify a highly concentrated market.

10. Gas Market

Summary of Section

- This section contains market share data for the main gas suppliers in Ireland. Data is presented in terms of actual customer numbers and consumption (in GWh) for 2023.
- At the end of 2023, Bord Gáis Energy had the largest share in the domestic gas market segment, with 40.5% of the market in terms of customer numbers. This was followed by Electric Ireland with 25.2%, SSE Airtricity with 12.1%, Energia with 9.2%, Yunowith 9.1%, and Flogas with 3.9%.
- In the non-domestic markets Bord Gáis Energy remained the largest supplier in terms of customer numbers in the IC, medium-sized non-domestic gas, and LDM gas market segments. Energia was the largest suppliers in terms of consumption in the DM market segment.

The gas market is comprised of five different market segments: Domestic, Industrial/Commercial (IC), Medium-sized non-domestic gas, Daily Metered (DM) and Large Daily Metered (LDM).

The total number of customers in the gas market at the end of 2023 was 721,289 and total consumption for the year was 19,809 GWh. This represents an increase of customer numbers of 0.1%, but a decrease of consumption of 2.1% overall compared to 2022.

The gas market comprises a range of both very large and very small suppliers. Those that represent at least a 1% share of consumption are reported separately in each specific market.

Gas Customer Numbers							
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	2022	% change between 2022-2023
Domestic	693,397	693,426	693,473	693,383	693,383	692,931	0.1%
IC	25,256	25,346	25,559	25,688	25,688	25,266	0.2%
Medium-sized non-domestic	2,003	2,008	1,905	1,914	1,914	1,999	-0.4%
DM	271	272	271	271	271	273	-0.1%
LDM	33	32	32	33	33	33	0%
Total Gas	720,960	721,084	721,240	721,289	721,289	720,502	0.1%

Table 15: Gas Customer Numbers 2022 – 2023

The table below shows the level of consumption in each market segment. The decrease in consumption seen may be due to the persistently high domestic and non-domestic gas bills in 2023 as a result of increased wholesale prices throughout 2022.

Gas Consumption (GWh)							
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	2022	% change between 2022-2023
Domestic	2,647	864	426	2,055	5,991	6,843	-12.5%
IC	663	326	245	579	1,813	1,874	-3.3%
Medium-sized non-domestic	774	410	318	661	2,163	2,192	-1.3%
DM	970	791	690	867	3,317	3,450	-3.9%
LDM	1,292	1,538	1,438	1,261	5,529	5,874	-5.9%
Total Gas	6,346	4,929	3,117	5,423	19,809	20,234	-2.1%

Table 16: Gas Consumption (GWh) 2022 – 2023

10.1 Domestic Gas Market Share

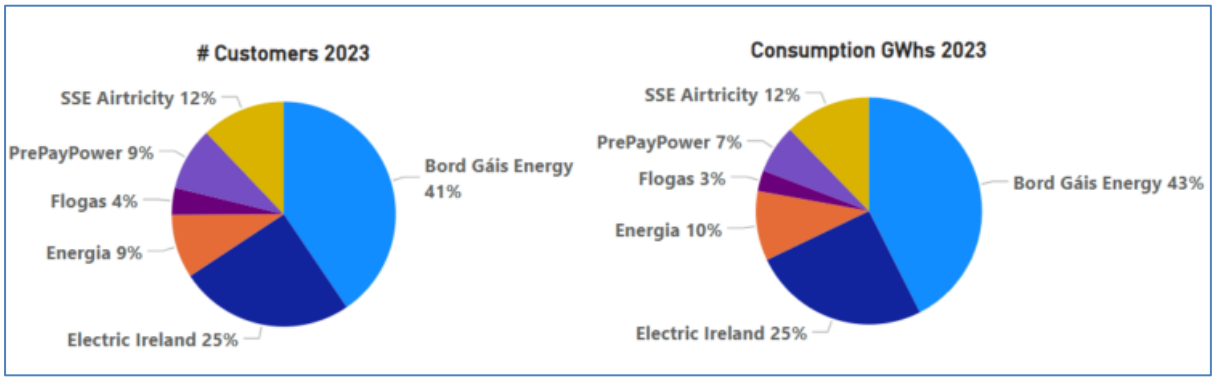


Figure 42: Domestic Gas Market Share (%)

At the end of 2023, Bord Gáis Energy had the largest share in the domestic gas market segment, with 40.5% of the market in terms of customer numbers. This was followed by Electric Ireland with 25.2%, SSE Airtricity with 12.1%, Energia with 9.2%, Yuno with 9.1%, and Flogas with 3.9%.

The table below shows the number of customers and the level of consumption per supplier.

Domestic Gas Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	GWhs Q1 2023	GWhs Q2 2023	GWhs Q3 2023	GWhs Q4 2023	GWhs 2022 Total
SSE Airtricity	77,312	80,455	83,046	84,064	308	107	56	265	737
Bord Gáis Energy	291,285	286,755	279,356	280,858	1,149	372	180	851	2,551
Electric Ireland	180,551	179,838	180,346	174,939	679	218	106	514	1,517
Flogas	18,034	21,572	25,395	26,928	60	23	14	81	178
Energia	64,359	62,225	62,302	63,614	270	84	39	201	595
Yuno	61,856	62,581	63,028	62,979	181	60	30	142	413
Total	**693,397**	**693,426**	**693,473**	**693,382**	**2,647**	**864**	**426**	**2,055**	**5,991**

Table 17: Number of sites and GWhs per supplier

The graph below shows the market share trends in terms of customer numbers from 2009 to 2023. There has been a significant change in Bord Gáis Energy's market share over time. This is a result of more suppliers entering the market, which has led to greater diversity and choice for Ireland's gas consumers. Electric Ireland consolidated its position as the second largest supplier in the market in 2023.

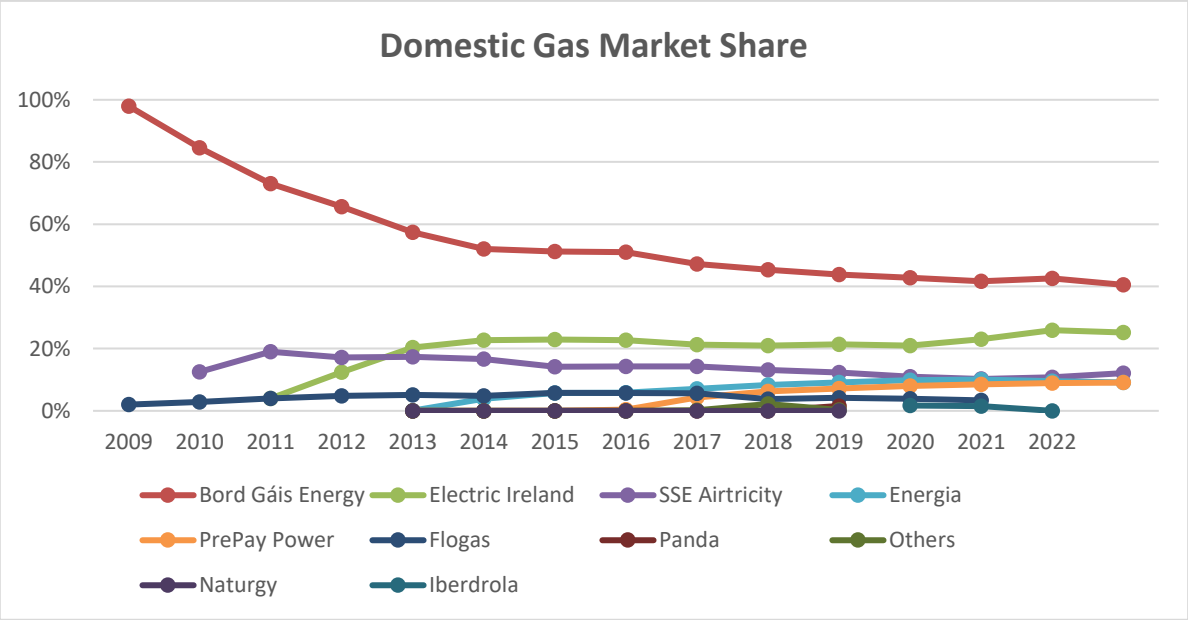


Figure 43: Domestic Gas Market Share (%)

The graph below shows the cumulative change in the domestic gas market share since 2013. It displays that as new suppliers have entered the market, they have gradually increased their market share against the larger suppliers in the market, namely Bord Gáis Energy and SSE Airtricity.

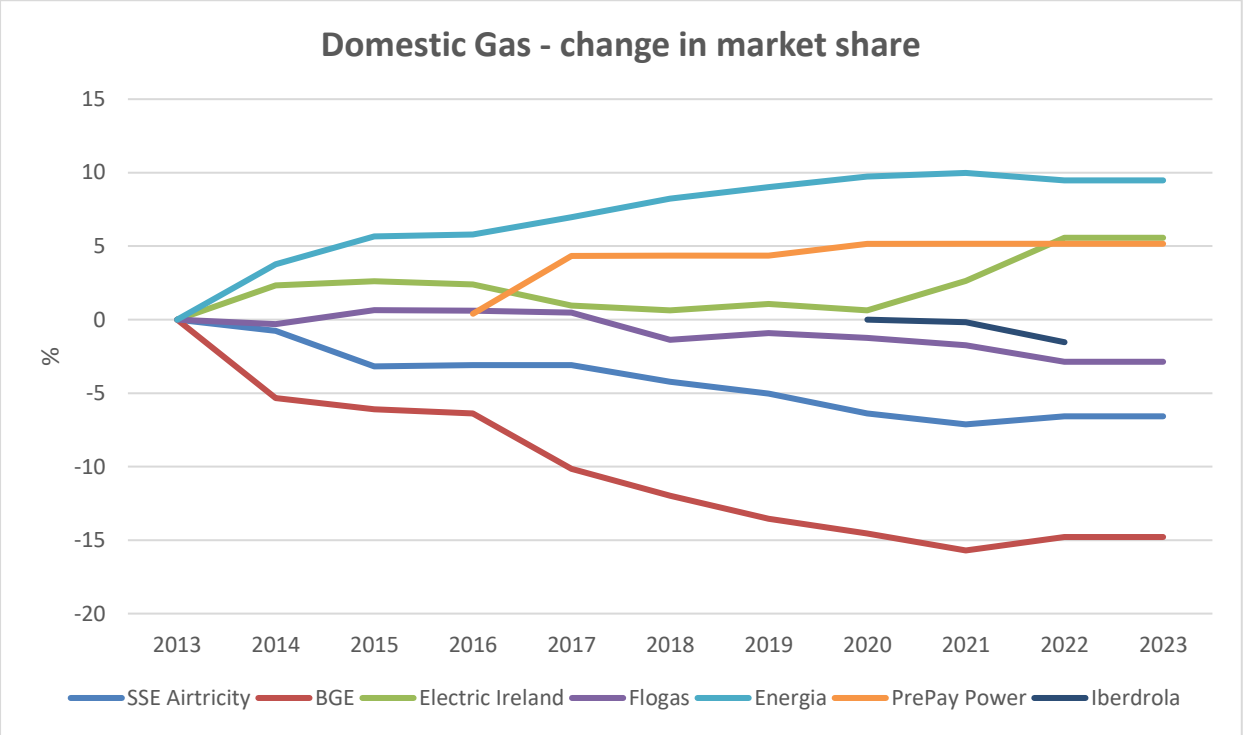


Figure 44: Domestic Gas Cumulative Change in Market Share by Customer Numbers

10.2 Industrial and Commercial (IC) Gas Market Share

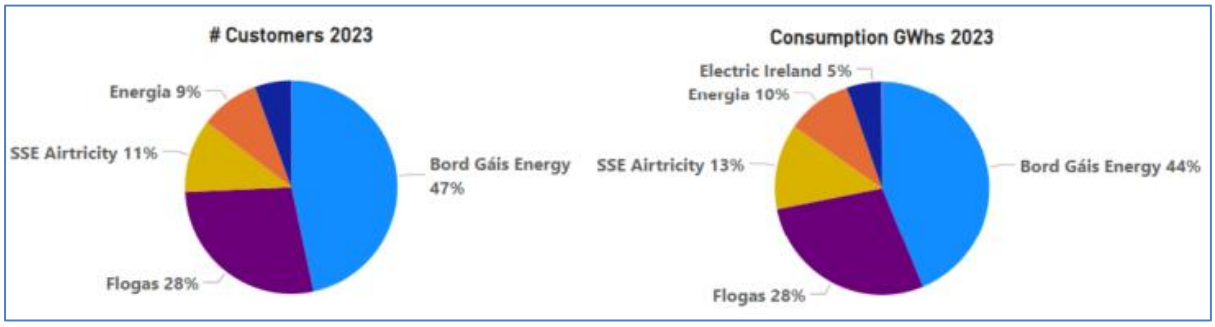


Figure 45: IC Gas Market Share (%)

At the end of 2023, Bord Gáis Energy had the largest share in the IC gas market segment, with 46.6% of the market in terms of customer numbers. This was followed by Flogas with 27.6%, SSE Airtricity with 11.1%, Energia with 9%, and Electric Ireland with 5.5%.

The table below shows the number of customers and the level of consumption per supplier.

IC Gas Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	GWhs Q1 2023	GWhs Q2 2023	GWhs Q3 2023	GWhs Q4 2023	GWhs 2023 Total
Bord Gáis Energy	11,897	12,080	12,008	11,982	292	145	107	250	794
SSE Airtricity	2,589	2,655	2,798	2,859	86	36	24	86	233
Electric Ireland	1,658	1,543	1,479	1,416	40	17	12	26	95
Flogas	6,627	6,679	6,911	7,097	174	95	78	162	509
Energia	2,483	2,384	2,350	2,320	71	32	23	54	180
Yuno	2	5	13	14	0.06	0.07	0.5	1.4	2
Total	**25,256**	**25,346**	**25,559**	**25,688**	**663**	**326**	**245**	**579**	**1,813**

Table 18: Number of sites and GWhs per supplier

The graph below shows that market share has changed significantly between 2009 and 2023 in terms of customer numbers with Bord Gáis Energy's share falling between 2009 – 2014, but increasing each year from 2018-2023. Flogas have increased their share since 2019 and have consolidated their position as the second largest supplier.

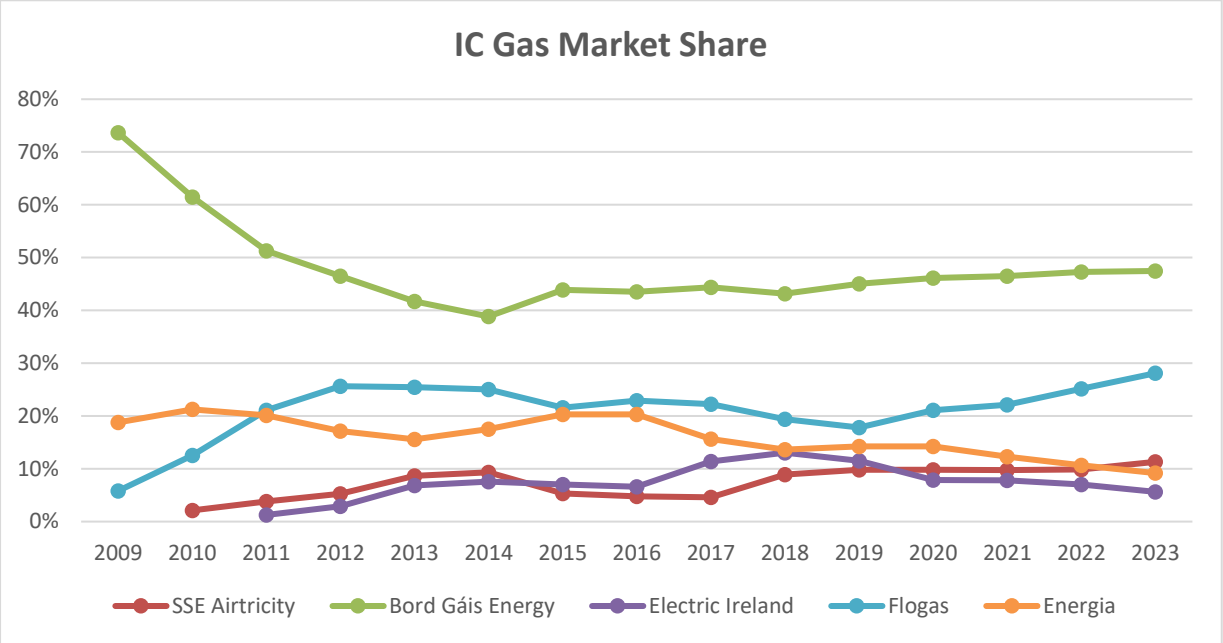


Figure 46: IC Market Share Trend (%)

10.3 Medium-Sized Non-Domestic Gas Market Share

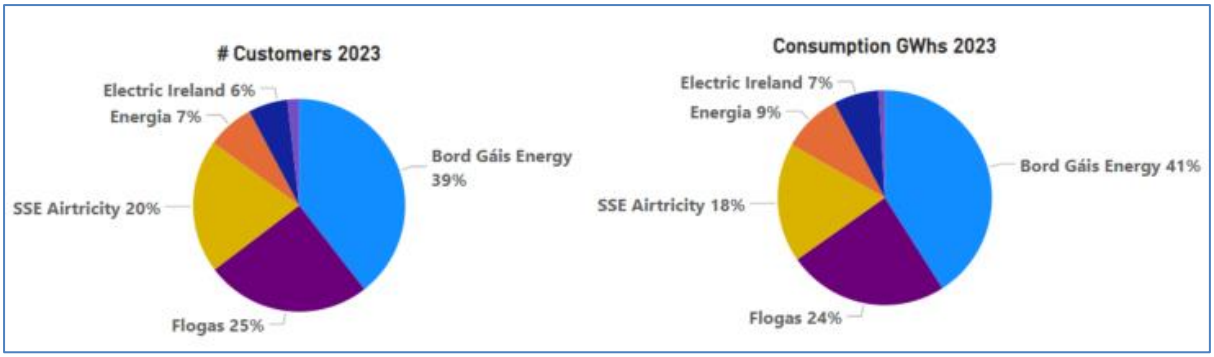


Figure 47: Medium-Sized Non-Domestic Gas Market Share (%)

At the end of 2023, Bord Gáis Energy had the largest share in the medium-sized non-domestic gas market segment, with 39.5% of the market in terms of customer numbers. This was followed by Flogas with 25.2%, SSE Airtricity with 20.3%, Energia with 7.2% and Electric Ireland with 6%.

The table below shows the number of customers and the level of consumption per supplier.

Medium-Sized Non-Domestic Gas Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	GWhs Q1 2023	GWhs Q2 2023	GWhs Q3 2023	GWhs Q4 2023	GWhs 2023 Total
Bord Gáis Energy	773	771	767	755	316	167	130	274	886
SSE Airtricity	414	424	388	399	147	67	48	126	389
Electric Ireland	128	122	109	115	49	30	25	44	148
Flogas	499	487	469	483	186	103	79	157	525
Energia	189	180	141	138	76	41	30	47	194
Total	**2,003**	**2,008**	**1,905**	**1,914**	**774**	**410**	**318**	**661**	**2,163**

Table 19: Number of sites and GWhs per supplier

The graph below shows the trends in market share from 2015 to 2023 in terms of customer numbers. Bord Gáis Energy's market share has continually remained significantly higher than other suppliers in the medium-sized non-domestic gas market segment in this period.

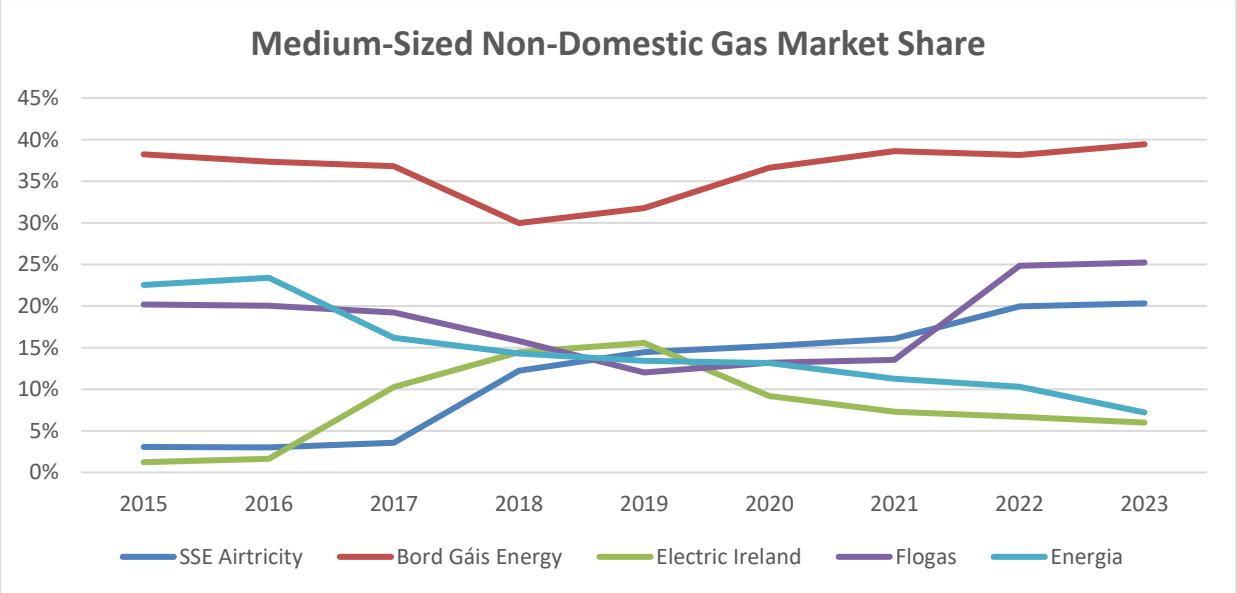


Figure 48: Medium-Sized Non-Domestic Business Electricity Market Share Trend (%)

10.4 Daily Metered (DM) Market Share

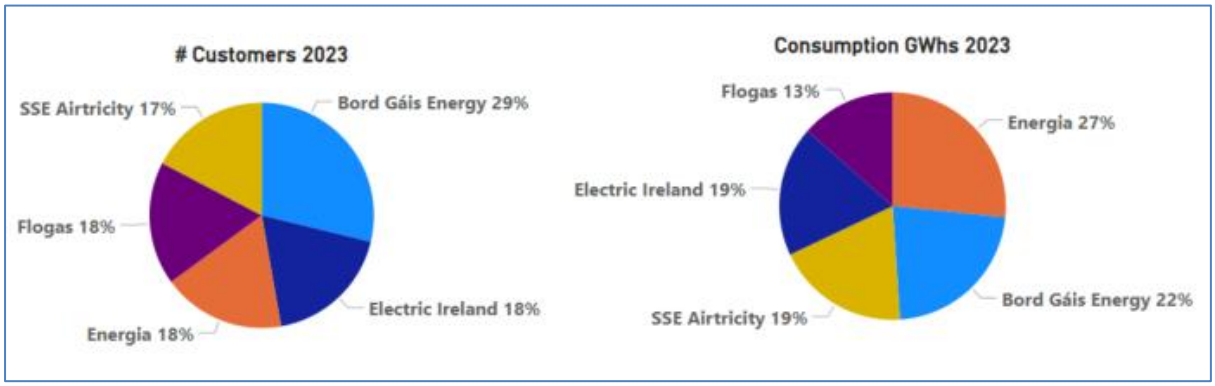


Figure 49: DM Gas Market Share (%)

At the end of 2023, Bord Gáis Energy had the largest share in the DM market segment, with 28.8% of the market in terms of customer numbers. This was followed by Electric Ireland with 18.4%, Energia with 17.8% and SSE Airtricity with 17.3%.

The table below shows the number of customers and the level of consumption per supplier.

DM Gas Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	GWhs Q1 2023	GWhs Q2 2023	GWhs Q3 2023	GWhs Q4 2023	GWhs 2023 Total
Bord Gáis Energy	77	77	78	78	233	164	141	204	742
SSE Airtricity	49	49	49	47	186	147	130	169	631
Electric Ireland	45	43	47	50	165	155	131	163	615
Energia	56	57	51	48	260	218	196	207	882
Flogas	44	46	46	48	126	107	92	123	448
Total	**271**	**272**	**271**	**271**	**970**	**791**	**690**	**867**	**3,317**

Table 20: Number of sites and GWhs per supplier

The figure below shows the trend in market share between 2009 and 2022 in terms of customer numbers. Bord Gáis Energy's market share has fallen between 2009 – 2012 but has fluctuated since. At the end of 2022 Bord Gáis Energy had the largest share in this segment, with Energia and Flogas (after their acquisition of Naturgy) following.

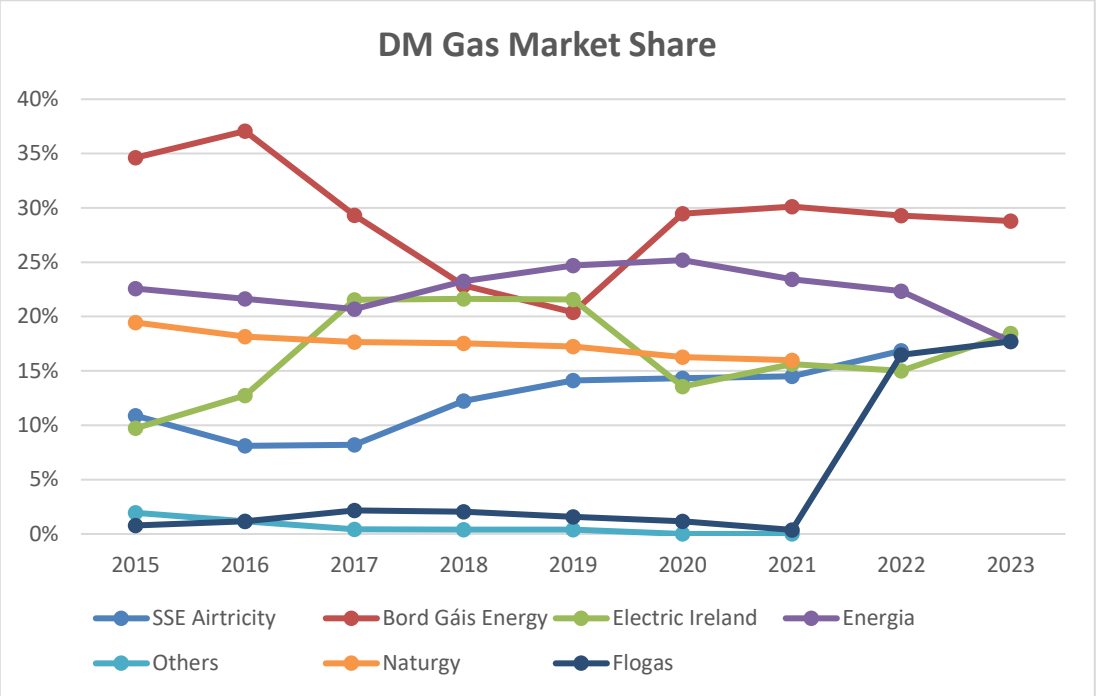


Figure 50: DM Market Share Trend (%)

10.5 Large Daily Metered (LDM) Market Share

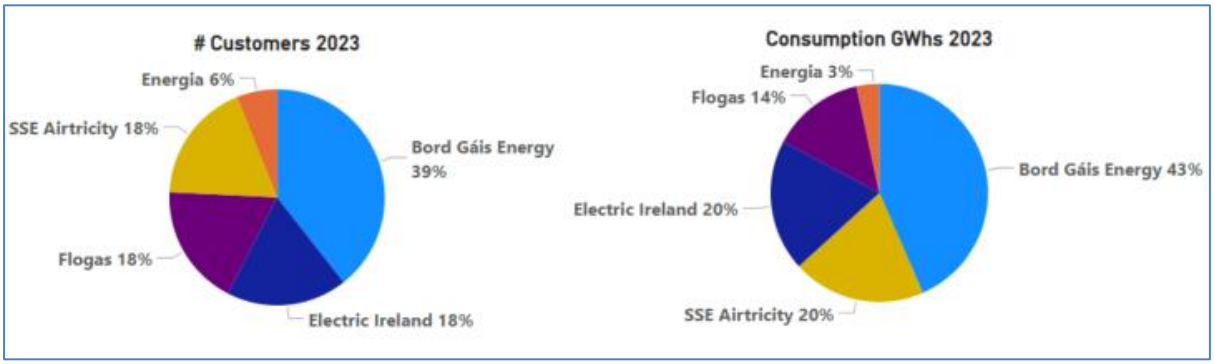


Figure 51: LDM Gas Market Share (%)

At the end of 2023, Bord Gáis Energy had the largest share in the LDM market segment, with 39.5% of the market in terms of customer numbers. This was followed by Electric Ireland, SSE Airtricity and Flogas each with 18.18% and Energia with 6.1%.

The table below shows the number of customers and the level of consumption per supplier.

LDM Gas Customers & Total Consumption									
	Sites Q1 2023	Sites Q2 2023	Sites Q3 2023	Sites Q4 2023	GWhs Q1 2023	GWhs Q2 2023	GWhs Q3 2023	GWhs Q4 2023	GWhs 2023 Total
Bord Gáis Energy	14	13	13	13	565	690	622	526	2,403
SSE Airtricity	5	5	5	6	233	336	297	229	1,095
Electric Ireland	6	6	6	6	265	259	262	292	1,078
Energia	2	2	2	2	38	48	55	46	187
Flogas	6	6	6	6	191	205	202	168	766
Total	**33**	**32**	**32**	**33**	**1,292**	**1,538**	**1,438**	**1,261**	**5,529**

Table 21: Number of sites and GWhs per supplier

The figure below shows the trend in market share between 2017 and 2023 in terms of customer numbers. Bord Gáis Energy's share fell by circa twenty percentage points between 2018-2022 but recovered strongly in 2023. The market share of all other suppliers either fell or remained static in 2023.

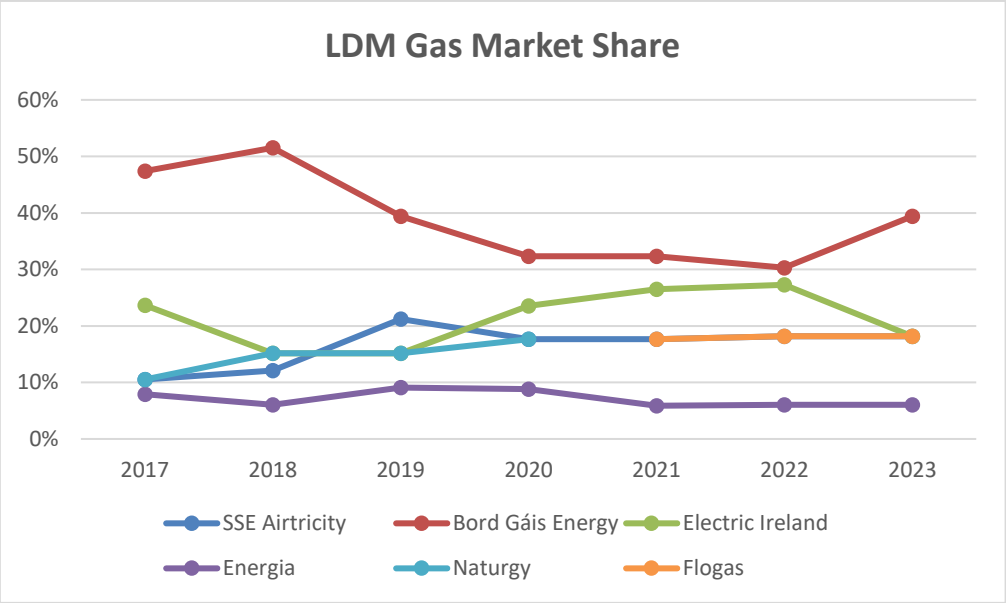


Figure 52: LDM Market Share Trend (%)

10.6 Gas Market Concentration

The figure below shows the level of the HHI between 2016 – 2023. There has been a decrease in the HHI for the Domestic, Daily Metered and Large Daily Metered market segments over that time. There has been a slight increase observed in the HHI for the IC and medium sized non-domestic segments.

Between 2022 and 2023 there was a decrease in the DM market segment and an increase in the domestic, IC, medium-sized non-domestic, DM and LDM segments. In 2023 the HHI was 2,760 for the domestic market segment (2,682 in 2022), 2,999 for the IC market segment (2,851 in 2022), 2,721 for the medium-sized non-domestic market segment (2,679 in 2022), 2,088 for the DM market segment (2,245 in 2022), and 2,673 for the LDM market segment (2,358 in 2022).

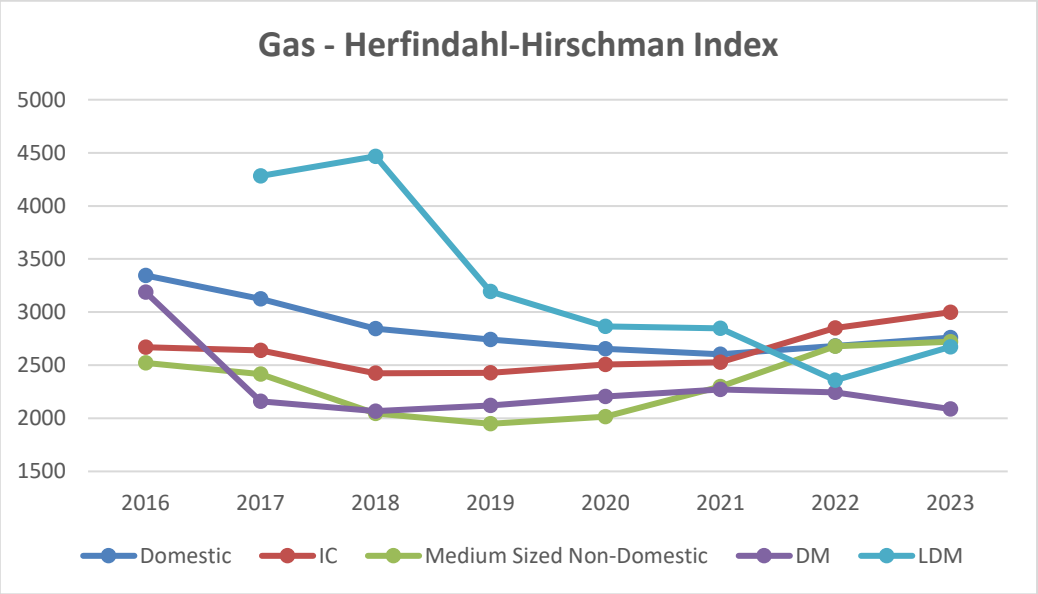


Figure 53: HHI Trends Over Time (2016 - 2023)

According to the European Commission an HHI above 2,000 indicates a highly concentrated market. Even though the HHI has decreased in most market segments over time, it remains above the threshold of 2,000.

APPENDICES

Appendix 1

Electricity and Gas Prices in a European Context

Domestic Electricity

Compared to semester 2 of 2022, in semester 2 of 2023 domestic electricity prices in Ireland increased in bands DA, DB, DC, DD and DE. Prices in the Euro Area however marginally decreased in bands DA, DB, DC, DD and DE.

In semester 2 of 2023, the average price in Ireland was 26% above the Euro Area average. The average price in Ireland for consumption band DC was 26% above the Euro Area average, while the average price for consumption band DD was 33% above the Euro Area average.

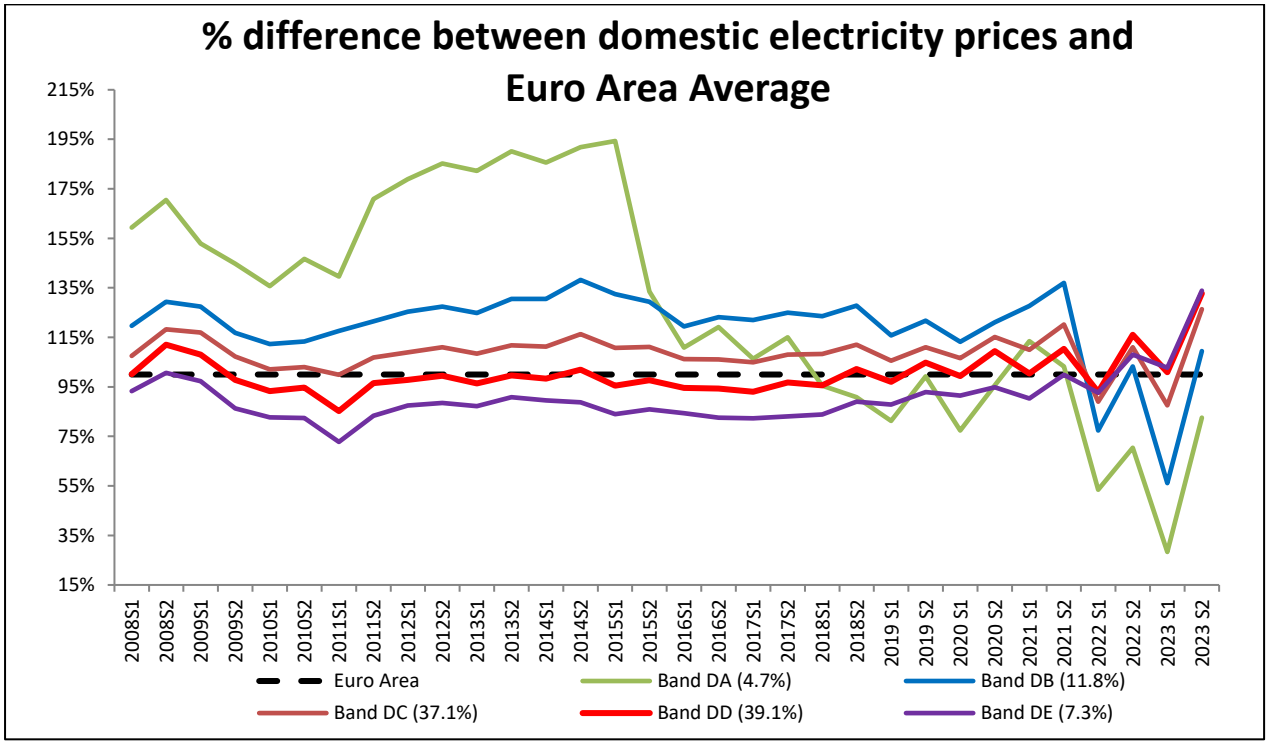


Figure 50: % difference between domestic electricity prices and Euro Area Average (market share of band)

The tables below show average domestic electricity prices in Ireland and the Euro Area for the main consumption bands, bands DC and DD, over the last four semesters.

Average Domestic Electricity Prices, Band DC (37.1%)				
	2022 S1	2022 S2	2023 S1	2023 S2
Euro Area	0.2609	0.2906	0.3124	0.3002
Ireland	0.2324	0.3225	0.2735	0.3794

Average Domestic Electricity Prices, Band DD (39.1%)				
	2022 S1	2022 S2	2023 S1	2023 S2
Euro Area	0.2460	0.2725	0.2961	0.2830
Ireland	0.2287	0.3161	0.2990	0.3757

Domestic Gas

Compared to semester 2 of 2022, in semester 2 of 2023 domestic gas prices in Ireland increased in bands D1 and D3. Prices decreased in all bands in the Euro Area.

In semester 2 of 2023, the average price in Ireland was 34% above the Euro Area average. The average price in Ireland for consumption band D2 was also 34% above the Euro Area average.

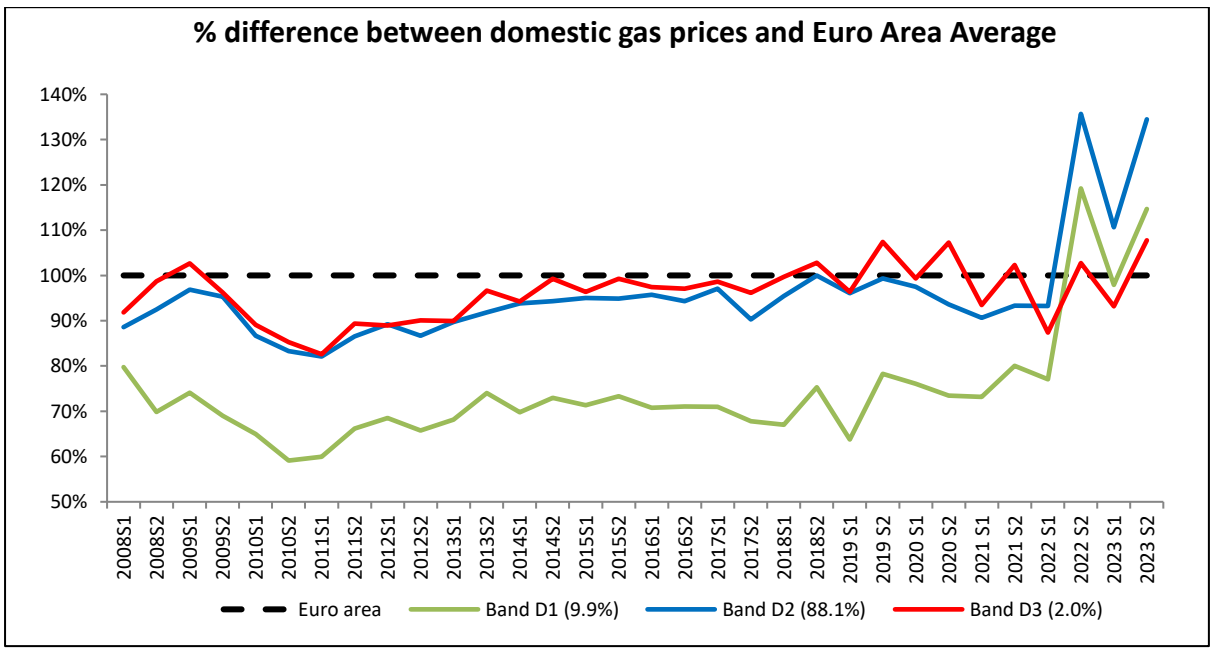


Figure 51: % difference between domestic gas prices and Euro Area Average (market share of band)

The table below shows average domestic gas prices in Ireland and the Euro Area for consumption band D2 over the last four semesters.

Average Domestic Gas Prices, Band D2 (88.1%)				
	2022 S1	2022 S2	2023 S1	2023 S2
Euro Area	0.0908	0.1138	0.1324	0.1218
Ireland	0.0847	0.1544	0.1465	0.1638

Non-Domestic Electricity

Compared to semester 2 of 2022, in semester 2 of 2023 non-domestic electricity prices in Ireland decreased in all bands. Prices increased in bands IA and IB in the Euro Area.

In semester 2 of 2023, the average price in Ireland was 12% above the Euro Area average. The average price in Ireland for consumption band IB was 14% above the Euro Area average.

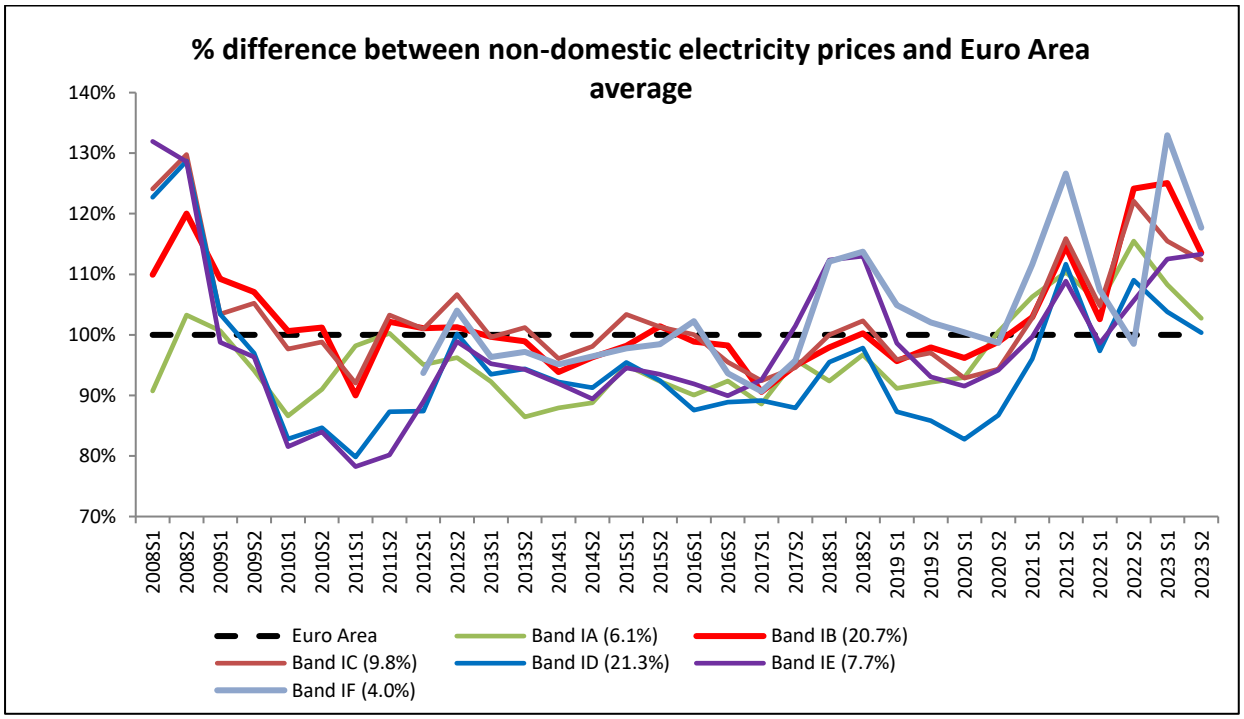


Figure 52: % difference between non-domestic electricity prices and Euro Area average, including all taxes and levies (market share of band)

The table below shows average non-domestic electricity prices in Ireland and the Euro Area for consumption band IB over the last four semesters.

Average Non-Domestic Electricity Prices, Band IB (20.7%)				
	2022 S1	2022 S2	2023 S1	2023 S2
Euro Area	0.2559	0.2811	0.3096	0.2865
Ireland	0.2625	0.3490	0.3872	0.3252

Non-Domestic Gas

Compared to semester 2 of 2022, in semester 2 of 2023 non-domestic gas prices in Ireland decreased in bands I2, I3 and I4. Prices also decreased in bands I3 and I4 in the Euro Area.

In semester 2 of 2023, the average price in Ireland was 6% above the Euro Area average. The average price in Ireland for consumption band I4 was 10% below the Euro Area average.

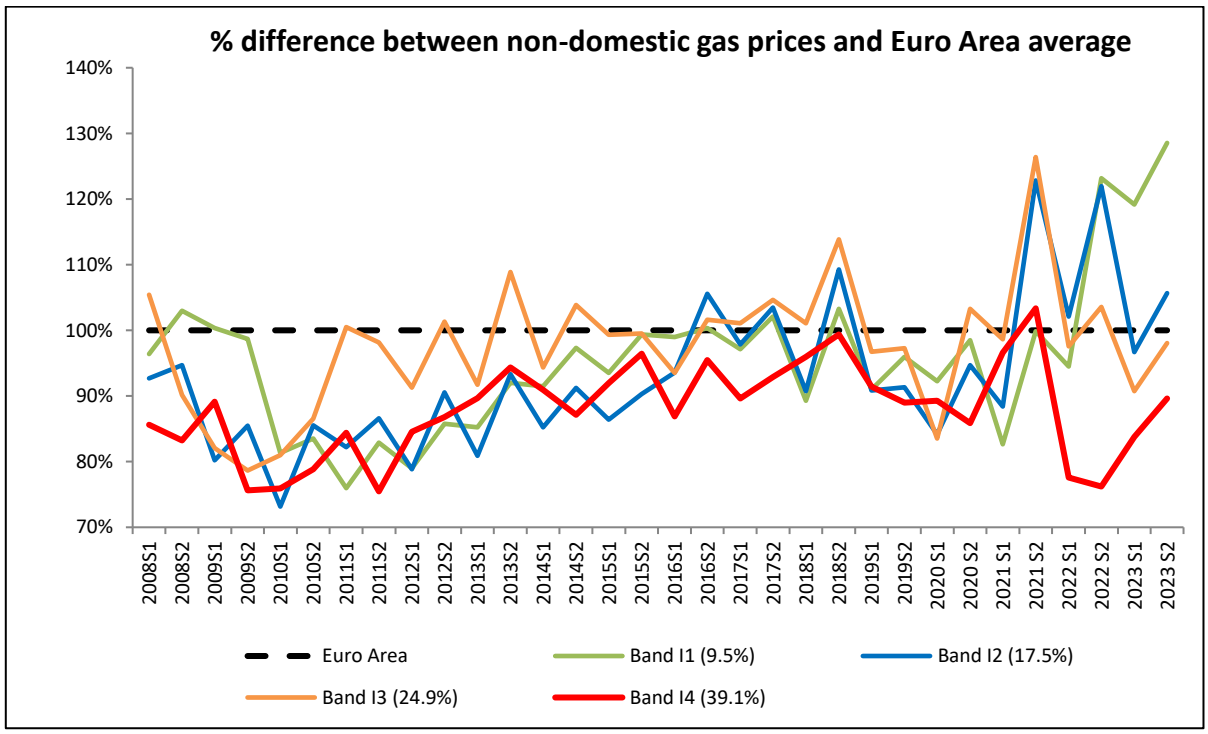


Figure 53: % difference between non-domestic gas prices and Euro Area average, excluding VAT and other recoverable taxes and levies (market share of band)

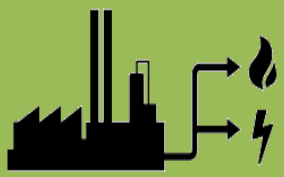
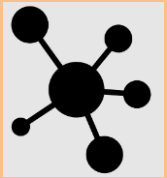
The table below shows average non-domestic gas prices in Ireland and the Euro Area for consumption band I4 over the last four semesters.

Average Non-Domestic Gas Prices, Band I4 (39.1%)				
	2022 S1	2022 S2	2023 S1	2023 S2
Euro Area	0.0741	0.0874	0.0794	0.0655
Ireland	0.0575	0.0666	0.0665	0.0587

Annex 1

Overview of Business Electricity Pass Through Costs and Charges

Whilst international fuel prices are a key driver of electricity prices (and outside of Ireland's control), some of the cost components in a business customer's electricity price are directly regulated and suppliers are required to pay them. Changes to these regulated charges generally come into effect on 1st October annually. While it is the decision of each supplier whether or not to pass through such costs to final customers, it is likely that most suppliers pass through all such costs. These costs, with the addition of the applicable taxes, are referred to as 'Pass Through Costs'.

Cost	Charge	Description
 **Generation**	**Capacity Payments**	Payment made to generators for their availability, based on the capacity provider's awarded capacity and the capacity auction price, separate from energy production.
	Market Operator Charges	Charges levied on generators and suppliers for the operation of the wholesale markets.
	Nominated Electricity Market Operator Charges	Charges paid by market participants to trade in the ex-ante markets.
	Imperfection Charges	Constraint costs on the network are recovered by imperfection charges.
 **Networks**	**Network Transmission Use of System charges (TUoS)**	Charges levied for the building, maintenance and operation of the transmission network. Further information on the TUoS tariffs from 1 October 2022 – 30 September 2023 can be found here, while information on the TUoS tariffs from 1 October 2023 – 30 September 2024 can be found here.

	Network Distribution Use of System charges (DUoS)	Charges levied for the building, maintenance and operation of the distribution network. Further information on the DUoS tariffs from 1 October 2022 – 30 September 2023 can be found here, while information on the DUoS tariffs from 1 October 2023 – 30 September 2024 can be found here .
 **PSO**	**Public Service Obligation Levy (PSO)**	Levied for support for renewables, security of supply and indigenous fuels (peat).

Annex 2

Overview of Gas Pass Through Costs and Charges for 2023

This section describes the network related elements for gas business customers. As with the electricity charges, these charges are approved by the CRU. The carbon tax charge is also included in this section.

Gas Market Segments

For the purpose of the CRU's reporting, the gas market is comprised of three distinct sectors which is dependent on the Annual Quantity (AQ) consumed at the site. Annual Quantity is an estimate of the amount of gas that will be consumed at a site within a given year and is usually based on historic consumption at a site. In addition, your Supplier is required to book capacity on the network for peak day usage. This is known as the Supply Point Capacity (SPC).

Business customers are classified by the meter type, which fall into three categories: Non-Daily Metered (NDM), Daily Metered (DM) and Large Daily Metered (LDM). Each category of business user is dependent on the gas consumption expected at the site.

- Large Daily Metered: AQ above 77,5000 MWh
- DM: AQ between 5,500 MWh and 57,500 MWh
- NDM: AQ below 5,500 MWh

In general, DM and LDM customers will have a site-specific consumption. This would include factories, dairies and power generation, and therefore deriving an average for this type of site would not derive a useful average.

Consumption

LDM and DM customers' consumption is atypical in so far as deriving an average would be difficult, as the range of customer types varies from power generation plants to dairies. However, as the network operator GNI does generate average consumption profiles for the NDM sector, where all domestic customer and smaller businesses are connected. These are known as IC1, IC2 and IC3. When GNI derives average profiles, it takes historic consumption and long-term weather patterns into account, and also corrects these for any anomalies e.g. if weather was abnormally warm or cold. This assists GNI in deriving the AQ at each point which is based on the annual consumption at each point as well as the SPC which is the Peak day demand at the point.

Average yearly consumption per gas point per category as modelled by GNI is published in the Gas Networks Ireland NDM Profile Model Methodology, available here, and also shown below:

Category	Band (AQ)	Number of gas points	Average yearly consumption per gas point
IC 1	Below 73,000 kWh	16,816	27,297 kWh
IC 2	Equal to or above 73,000 kWh and SPC less than 3,750 kWh	8,597	186,400 kWh
IC 3	SPC equal to or greater than 3,750 kWh	2,015	1,219,113 kWh

Network Charges

There are two sets of charges that apply to business gas customers dependent on whether the customer is connected to the high-pressure transmission network or the low-pressure distribution network. All power generation and large businesses are connected to the transmission network and therefore only pay transmission tariffs. All other customers are connected to the distribution network, and therefore must also pay distribution tariffs. This is because in the case of distribution connected customers, all gas flows through the transmission network initially before entering the distribution network.

In the case of both transmission and distribution the applicable charges are based on two charges: commodity charges which are based on actual flows of gas (AQs) and capacity charges which are based on “booking “space within the network as per the SPC described above.

Distribution tariffs

The Distribution Use of System (DUoS) charges are calculated annually based on the ‘allowed revenue’ of GNI which are set out in the Price Controls that CRU publish on a 5-year basis. Revenues are recovered on an 80:20 split between capacity and commodity charges. The approved capacity and commodity charges for 1 October 2022 to 30 September 2023 are available in CRU202248a ‘*Distribution Revenue Model 2022-23.*

Category by Annual Quantity	**Capacity Charge (c/pk day kWh)**
<=73 MWh	158.1301
> 73 MWh - <=14,653 MWh	139.9834– 4.0695 * Ln(MDQ)*

> 14,653 MWh - <=57,500 MWh	349.7290– 50.1863 * Ln(MDQ)
> 57,500 MWh	43.1277

The capacity and commodity unit charges are determined by inserting the Maximum Daily Quantity into the relevant formulae (MDQ measured in MWh). The results of the formulae are in terms of c/peak day kWh and c/kWh respectively.

Category by Annual Quantity	**Commodity Charge (c/kWh)**
<=73 MWh	0.3615
> 73 MWh - <=14,653 MWh	0.2888 - 0.0281 * Ln(MDQ)
> 14,653 MWh - <=57,500 MWh	0.3365 - 0.0444 * Ln(MDQ)
> 57,500 MWh	0.0658

The approved capacity and commodity charges for 1 October 2023 to 30 September 2024 are available in CRU202349 *'Gas Networks Ireland Distribution Tariffs and Allowed Revenue 2023/24'.*

Category by Annual Quantity	**Capacity Charge (c/pk day kWh)**
<=73 MWh	169.7992
> 73 MWh - <=14,653 MWh	150.3134– 4.3698 * Ln(MDQ)*
> 14,653 MWh - <=57,500 MWh	375.5371– 53.8898 * Ln(MDQ)
> 57,500 MWh	46.3103

Category by Annual Quantity	**Commodity Charge (c/kWh)**
<=73 MWh	0.3882
> 73 MWh - <=14,653 MWh	0.3101 - 0.0302 * Ln(MDQ)
> 14,653 MWh - <=57,500 MWh	0.3613 - 0.0477 * Ln(MDQ)

> 57,500 MWh	0.0707

GNI has a distribution tariff calculator which allows you to input your distribution entry and/or exit point requirements which will be used to calculate the applicable distribution tariff.

Transmission tariffs

Tariffs for the transmission system are based on an entry-exit regime. This means that customers pay for putting gas onto the system and for off taking gas from the system. Similar to the distribution system, these charges recover the allowed revenues for GNI.

The transmission system has three entry points; Moffatt in Scotland where the GNI system joins the UK gas system, Inch in Cork and Bellanaboy where Corrib gas enters the network. For each of these there is an entry capacity tariff applicable. In addition, there is a single commodity charge (per MWh) that applies regardless of the entry point.

In addition, there is a capacity and commodity charge for exiting the network. The same charge applies regardless of where gas is taken off the network. The approved charges for 1 October 2022 – 30 September 2023 are available in CRU202247 '*Gas Networks Ireland Transmission Tariffs and Allowed Revenue 2022/23 Decision Paper*' and are also set out below:

Moffat entry capacity	€356.821
Bellanaboy entry capacity	€721.628
Entry Commodity	€0.137
Exit Capacity	€501.684
Exit Commodity	€0.284

The approved charges for 1 October 2023 to 30 September 2024 are available in CRU202348 *'Gas Networks Ireland Transmission Tariffs and Allowed Revenue 2023/24'*:

Moffat entry capacity	€399.503
Bellanaboy entry capacity	€804.695
Entry Commodity	€0.148

Exit Capacity	€612.589
Exit Commodity	€0.308

To calculate the cost on a per customer basis, similar to the distribution network, the capacity booked and the commodity i.e. flow must be known. The capacity tariffs above are based on an annual product which means that for each MWh of capacity booked, the customer can use that amount each day of the tariff year which runs from October to September. In addition, customers can purchase a short-term product which is capacity booked for a specific period of time. These short-term capacity products are available as Quarterly, Monthly, Daily and Within Day products. The charges for each of these products is based on a multiplier to the annual product. The decision to purchase either an annual or a short-term product is usually dependent on the typical consumption profile of a particular customer.

In addition, commodity charges apply on a per MWh basis. These are flow based and vary from customer to customer.

The transmission calculator allows you to input your transmission entry and/or exit point requirements which will be used to calculate the applicable transmission tariff.

Carbon tax

Since 1 May 2022 the rate of carbon tax was €0.00741 per kWh (€0.00808 per kWh including VAT of 9%). In May 2023 the rate of the carbon tax increased to €0.00877 per kWh excluding VAT and €0.00956 per kWh including VAT of 9%. All-natural gas suppliers in Ireland have to levy the carbon tax on their customers. Some natural gas customers are exempt from paying carbon tax. These include:

- Natural gas consumers who use it for the purpose of generating electricity.
- Natural gas manufacturer consumers, where it is used for the purpose of chemical reduction.
- Natural gas manufacturing customers where it is used in electrolytic or metallurgical processes.

Partial exemptions from paying carbon tax apply to:

- Suppliers dealing with the cogeneration of environmentally friendly heat and power, as decided by the Minister for Finance.
- Industrial and manufacturer consumers covered by a greenhouse gas emissions permit that has been issued by the Environmental Protection Agency.