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UTILITY REGULATOR – REVIEW OF THE ELECTRICITY GUARANTEED STANDARDS OF SERVICE AND OVERALL STANDARDS OF PERFORMANCE

RESPONSE FROM THE ULSTER FARMERS' UNION

14th January 2026

Background

The Ulster Farmers' Union (UFU) is the largest farming organisation in Northern Ireland (NI), representing approximately 12,000 members across all farming sectors and farm sizes. UFU members have varying levels of electricity usage and interaction with the electricity sector, but all rely on a secure, resilient and affordable supply to sustain food production, animal welfare and environmental compliance.

Agriculture is particularly vulnerable to electricity interruptions due to the predominantly rural location of farms, the reliance on electrically powered systems, and the presence of livestock that require continuous care. Power outages, especially during severe weather events, can therefore have disproportionate and immediate impacts on farm businesses.

For farmers, the overriding priority is a reliable and resilient electricity supply rather than post-event compensation. Electricity outages can result in significant and immediate financial and welfare losses that no Guaranteed Standards of Service (GSS) payment could meaningfully offset. UFU's comments on this consultation should therefore be read in the context that GSS payments, while not without value, are inherently limited and cannot substitute for effective network resilience and timely restoration.

Chapter 3 – Impact Assessments

Q1: Do respondents think that the proposed GSS and OSP will have no negative impact on the groups listed?

UFU does not consider that the proposed GSS and OSP will have no negative impact on all groups listed. While the proposals are neutral in form, their practical effects will naturally differ significantly for rural consumers, agricultural businesses, and those reliant on electricity for food production and animal welfare. Rural and farming households are more likely to experience prolonged outages during severe weather and already face higher costs and weaker infrastructure resilience. UFU therefore cautions against assuming neutrality and stresses the need for explicit recognition of rural vulnerability in final decisions, particularly

in light of statutory rural proofing obligations and wider policy objectives around equality of access to essential services."

Q2: With regards to the Regulatory Impact Assessment, what do respondents consider the key costs and benefits (both monetary and non-monetary) from the implementation of the proposed GSS and OSP are likely to be?

The key benefits include improved clarity around supplier and distributor responsibilities, particularly in relation to metering, enhanced consumer protection given GSS payments are updated and inflation-linked, and greater transparency and accountability following prolonged outages.

The costs include administrative and compliance costs which may be passed to consumers, potential upward pressure on electricity bills if severe weather payments are made recoverable, and the risk of diverting resources away from long-term network resilience investment toward short-term compensation mechanisms.

UFU emphasises again that the greatest economic benefit to agriculture would come from improved network resilience and faster restoration, rather than modest post-event payments.

Q3: Do respondents wish to add any views in relation to the impact of the proposed GSS and OSP on those living in rural areas?

UFU strongly emphasises that rural consumers experience electricity outages more frequently, for longer durations, and with greater consequences, raising clear issues of equality and fairness in access to essential infrastructure. Farms depend on electricity for milking, feeding, ventilation, water supply, slurry management, and biosecurity systems. Loss of power can quickly escalate into animal welfare emergencies or translate into significant costs.

Chapter 5 – Metering

Q4: Do respondents agree with the amended proposed metering GSS for electricity suppliers presented in this chapter?

UFU agrees in principle with the amended proposed metering GSS for electricity suppliers, insofar as they correctly reflect the statutory position that responsibility for meter provision, maintenance and accuracy rests with the electricity supplier. Greater clarity around accountability is welcome and should reduce the risk of consumers being passed between organisations when issues arise. There must, however, be a clear point of contact and prompt resolution regardless of internal industry arrangements.

It is therefore essential that the amended standards are supported by robust operational arrangements between suppliers and their contracted service providers to ensure that response times are met consistently in rural areas. Consumers should not be required to navigate supplier-distributor interfaces to secure compliance, and electricity suppliers must retain clear accountability for the delivery of standards.

Q5: Do respondents agree with the amended proposed metering OSP for electricity suppliers presented in this chapter?

UFU agrees in principle with the amended proposed metering OSP for electricity suppliers. However, we note that OSP do not carry financial payments, and therefore their effectiveness will depend heavily on robust monitoring, enforcement, and regulatory scrutiny. This is particularly important for rural and agricultural consumers who can experience longer response times for routine metering activities due to location and network constraints.

UFU stresses that the proposed performance targets must be delivered consistently across NI, and not met primarily through an urban-focused performance. Electricity suppliers should be required to demonstrated that compliance is being achieved equitably, including in rural areas where delays can disrupt essential farm operations and increase costs. While many metering OSP standards require delivery in 100% of cases and others in 99.5%, any future revision must explicitly reflect rural needs if performance thresholds are lowered.

UFU further emphasises that electricity suppliers must retain clear end-to-end accountability for meeting these standards, regardless of any third-party or contractual arrangements used to deliver metering services. From the consumer perspective, responsibility must be simple, transparent, and clearly owned by the supplier.

Q6: Do respondents agree with the amended proposed metering GSS for electricity distribution presented in this chapter?

The UFU agrees in principle with the amended proposed metering GSS for electricity distribution, insofar as they introduce clear and enforceable notification obligations on the electricity distributor where consumers first contact NIE Networks regarding metering issues. This clarification is welcome and should help prevent delays and reduce the risk of consumers, particularly in rural areas, being passed between organisations.

UFU considers the proposed timeframes and associated payment levels of £40 to be proportionate and appropriate in reinforcing prompt escalation to the electricity supplier, while maintaining clear separation of statutory responsibility for metering-related activities. As with the proposed supplier standards, UFU emphasises that the primary benefit for agricultural businesses lies in timely fault progression and resolution rather than in compensation.

Consumers should not be required to understand or navigate internal supplier-distributor arrangements, and these standards must operate effectively and consistently in practice.

Q7: Do respondents agree with the amended proposed metering OSP for electricity distribution presented in this chapter?

UFU has no objection in principle to the amended proposed metering OSP for electricity distribution, insofar as they support effective coordination between the electricity distributor and suppliers and help ensure that metering-related issues are progressed without unnecessary delay.

UFU notes that, as with all OSP, these standards do not carry direct payments and therefore rely on effective monitoring and enforcement to drive performance. It is important that compliance is achieved consistently across NI and not concentrated in urban areas, as rural and agricultural consumers are more likely to experience delays in routine service delivery.

UFU further emphasises that the introduction of these standards should not dilute accountability or create uncertainty for consumers. For the consumer perspective, responsibility must remain clear and seamless with electricity suppliers retaining accountability for metering activities and the electricity distributor fulfilling its coordination role effectively in practice.

Chapter 6 – Supply restoration in severe weather conditions

Q8: Of the options presented, can respondents please share their preference in relation to introducing a standard for supply restoration in severe weather conditions.

Agricultural businesses in NI are disproportionately exposed to electricity outages during severe weather. Farms are predominantly rural and more likely to be served by overhead networks and depend on electricity for animal welfare, food safety, and regulatory compliance. Storm Éowyn demonstrated that prolonged outages impose real and unavoidable costs on farms, even where generators are available. Generator use carries fuel, labour and welfare risks and cannot be treated as a substitute for a resilient network.

Against this backdrop, the options in Chapter 6 have different implications for agriculture.

Option 1 (no change) is not supported. Retaining the severe weather exemption without a dedicated standard leaves farms carrying all the risk during major storms with no recognition of prolonged outages. This entrenches an inequitable outcome for rural consumers, fails to reflect the essential nature of electricity to farms, and cuts across wider policy objectives on equality and rural proofing. UFU is not, however, criticising the response of NIE Networks and others during Storm Éowyn.

Option 2 (2015 GB Regulations) represents an improvement by introducing a severe weather standard linked to outage duration and event scale. This better reflects the reality that agricultural impacts escalate as outages lengthen. However, the proposed payment levels and cap are low relative to the costs faced by livestock and dairy farms during multi-day outages.

Option 3 (current GB regulations) is the preferred approach from a farming perspective. Higher initial payments, faster escalation and a higher cap better reflect the time-critical nature of modern farming systems, particularly dairy, poultry, and intensive livestock units. While Guaranteed Standards payments will not compensate full business losses, this option provides the most credible acknowledgement of the disruption experienced by agricultural businesses during severe weather.

Option 4 (delayed repair / £10 per day) is not supported. A flat daily payment does not reflect the scale or urgency of the electricity loss on farms and risks reducing severe weather compensation to a symbolic measure with little relevance.

Q9: Do respondents think that the proposed level of payments and caps to the payment levels are appropriate?

The proposed payment levels and caps can only be judged on the basis that GSS payments are not intended to compensate consumers for actual losses, but to act as token acknowledgement of inconvenience and disruption. Assessed on that basis, the payment levels and caps proposed under Option 3 (current GB regulations) are broadly appropriate. The higher initial payment, faster escalation, and a higher cap provide a more credible recognition of the escalating disruption experienced by farms once outages extend beyond 24-48 hours. However, even at these levels, payments will fall far short of covering the real costs incurred by agricultural businesses during severe weather, including generator fuel, labour, animal welfare interventions, and production losses. The proposed caps are therefore only acceptable insofar as payments are explicitly understood to be symbolic. This should not detract from the primacy of investment in network resilience.

By contrast, the payment levels and caps under Option 2 risk under-recognising the scale of disruption faced by farms, and the flat daily payment rate under Option 4 does not provide a meaningful acknowledgement of the impact of prolonged outages.

In summary, when assessed explicitly as a token recognition rather than compensation, the payment levels and caps under Option 3 are more appropriate.

Q10: Should a standard for supply restoration in severe weather conditions be implemented, can respondents please share views on how the payment should be funded.

If a standard for supply restoration in severe weather conditions is implemented, any associated payments should be funded from within NIE Networks' existing allowed revenues and profits, and not recovered from consumer electricity bills.

GSS payments are intended to be a token acknowledgement of inconvenience, not compensation for loss, and so allowing the cost of payments to be routinely passed through consumers would undermine that principle and would be particularly inequitable for rural consumers. Funding payments from existing revenue and profits would ensure the scheme operates as a genuine performance and resilience incentive, rather than a circular transfer of costs back onto the same consumers who suffer the disruption.

Chapter 7 – Payment levels and inflationary uplifts

Q11: Do respondents agree with UR's proposal to increase the current GSS payment levels to align with those currently offered in GB?

Increases in payment levels, including alignment with Great Britain (GB) and the application of inflationary uplifts, are supported. However, payment levels under GSS should be set at

the highest level reasonably permissible within the framework. This should not, however, detract from the primacy of investment in network resilience. Electricity outages and other issues have immediate consequences for farms, and while GSS payments are not intended to compensate for actual losses, they should provide a meaningful acknowledgement of the disruption and operational pressure experienced during outages or with other issues. There is a risk that payment levels set too low, even if technically compliant, would fail to reflect the seriousness of electricity loss for time-critical agricultural operations and could undermine confidence in the regime among rural consumers. Payment values should therefore be calibrated at the upper end of the available range.

Q12: Do respondents agree with UR's proposal for annual inflationary uplifts to payment levels?

Yes. From an agricultural and rural business perspective, the proposal to increase current GSS payment levels to align with those offered in GB is supported. Alignment with GB helps ensure consistency and address the fact that NI GSS payment levels have been eroded in real terms. However, consumers would prefer RPI rather CPIH, to be used as the basis for inflationary uplifts. RPI more closely reflects the cost pressures faced by rural and agricultural businesses, particularly in relation to energy, fuel and operational inputs, and is therefore more appropriate for maintaining the real-terms value of GSS payments over time.

In addition, where inflationary indexation results in non-rounded figures, all GSS payments should be rounded up to the nearest £5. Rounding up, rather than rounding to the nearest multiple, would prevent incremental erosion of payment values.

Q13: Do respondents agree with UR's proposed methodology for annual inflationary uplifts to payment levels?

No - for reasons set out in the previous answer.

Chapter 9 – Exemptions

Q14: Do respondents agree with UR's proposed approach to update the exemptions to be informed by those in place in GB?

The proposals in Chapter 9 are a welcome clarification on how exemptions should apply, particularly in the context of introducing a specific GSS for supply restoration during severe weather. Removing the blanket exemption and explicitly linking exemptions to the structure of the severe weather standard is a positive step.

It is important that exemptions are clearly defined, tightly framed, and applied consistently. Overly broad or loosely interpreted exemptions risk undermining the effectiveness of any severe weather GSS and render it effectively useless.