



An Coimisiún
um Rialáil Fónais

Commission for
Regulation of Utilities

Attitudes and Experiences in the Domestic and SME Electricity and Gas Markets in Ireland - 2022

*Prepared by Behaviour and Attitudes Ltd and The Research Perspective Ltd
On behalf of the CRU*

Contents

Contents	ii
1. Executive Summary	1
2. Key Findings	4
3. Research background	9
4. Market Background	10
5. Purpose of the research.....	11
6. Data Collection Methodology	12
7. Representative Sample.....	14
8. Market Satisfaction Profile	15
9. Arrears and Disconnections among residential respondents	20
10. Response to the bill	23
11. Clarity of bill estimated or actual status	25
12. Impact of energy costs and Bill understanding – SME electricity and gas markets	27
13. Understanding and comparing offers	29
14. Switching and Engagement.....	31
15. Drivers for switching amongst electricity and gas markets	35
16. Drivers for not switching	37
17. Overall experience of the switching process.....	39
18. Awareness of the CRU and Complaint Handling	43
19. Experience of Irish Water	45
20. Vulnerable and Priority Customers	47
21. Prepayment.....	51
22. Smart Metering and Renewable Energy	54
23. Microgeneration, active consumers and energy communities	62
24. Conclusion	66

1. Executive Summary

This survey was conducted during a time of unprecedented change. As we moved out of the COVID-19 crisis, we transitioned quickly into a cost-of-living crisis, with soaring inflationary energy prices triggered by the war in Ukraine. Consumer sentiment has become more pessimistic as consumers form their expectations about the national economy in a post-Covid inflationary period. This was evidenced in the CRU 2022 Annual Consumer and Business survey.

The survey is used by CRU as one source of information to determine if the public interest is being met through monitoring the degree to which residential and business customers are satisfied with their energy suppliers, the services offered and the functioning of the market in terms of choice and competition. The survey also offers an opportunity to evaluate the level of financial struggle felt by consumers, which was a significant consideration this year given the growing financial strain in the economy. Overall, the survey gives the CRU an insight into customer experiences and attitudes within the energy market and aids in policy formation from the CRU. The 2022 research was conducted by Behaviour and Attitudes and The Research Perspective, on behalf of the CRU.

When focusing on the findings, this report should be viewed within the context of the global energy crisis with the attendant issues of rising energy prices, affordability, supplier withdrawal from the market, market engagement and consumer confusion over pricing and management of energy consumption. These considerations played a vital role in shaping consumer and SME attitudes towards the energy market.

Satisfaction is in decline across both residential and SME markets. Consumers remain reasonably satisfied with their energy suppliers (Electricity 71% and Gas 73%), notwithstanding the 6% and 11% decline in satisfaction scores since 2021. In a larger context, this is the fourth year of decline for electricity and the lowest score since measurement began in 2012 for both the electricity and gas markets, likely due to a mix of dissatisfaction with prices, alongside a developing pessimistic view of the national economy. It is also important to highlight that there is lower tolerance of perceived shortfalls in customer service within organisations, following on from the covid pandemic. It should be noted that the dissatisfaction highlighted by consumers is focused on supplier organisations and the associated services they deliver rather than the network companies, where there are no clear supply-specific issues. However, this may change as we move into winter season and if there is an increased level of supply outages.

SME satisfaction with energy suppliers has also decreased, in both the electricity and gas markets – but the level of decrease is less than expected. This is likely because the respondents comprise those businesses who have withstood both the impact of the Covid pandemic, as well as the initial challenges associated with the energy crisis. Much like the experience of residential customers, business customers are becoming more vigilant in terms of energy costs. There is also a clear signal from business customers in the SME sector that businesses are struggling from an energy affordability perspective. The 2022 survey reports a 25% increase in the number of SMEs who indicate that the cost of electricity is a significant challenge for their business and recognise that all businesses are struggling with this challenge.

Consumer engagement in energy-related activity appears to be on the cusp of an increase, with evidence of evolving interest in two of the components of the Demand Response

Technology Cluster (Smart Meters and TOU Tariffs) – accelerated customer engagement with digital comparison tools and options for supplier switching. This is most likely driven by a need to buffer the unrelenting rising energy prices as well as a post-Covid state where people are consuming more consciously, and more are confidently embracing digital enablers.

When turning our attention to vulnerable customers, there is an enduring challenge in managing the gap between the experience of vulnerable customers (in terms of advancing age, medical conditions) and those who are economically constrained, compared with the rest of the population. Vulnerable customers have consistently lower levels of satisfaction across the price and service-based metrics, report higher incidences of arrears and a greater probability of having to delay, displace or partially pay their energy bill. This is paired with a lower likelihood of being aware of CRU resulting in vulnerable customers being less advised of the protections offered, given their specific and unique circumstances.

There appears to be a challenge in involving consumers in the energy market through ‘Active Customers’ and ‘Energy Communities’, with low numbers engaging in microgeneration and modest numbers willing to participate in Active Customer activities (if no cost involved). With the exception of a marginal increase in the likelihood to invest in an electric vehicle, customers are somewhat circumspect in terms of investment in energy-saving initiatives, particularly solar panels. However, this may be a temporary pause, fuelled by perceived economic instability and their assessments of the economic outlook.

Given the soaring energy costs, a key area of focus of this year’s research has been on switching. It should not come as a surprise that switching has increased among both electricity and gas customers, with switching rates in the last 12 months now standing at 23% (19% in 2021) for electricity customers and 27% (20% in 2021) for gas customers. In the context of the SME market, 29% of electricity customers and 33% of gas customers indicated they switched in the last 12 months. Consumers in pursuit of savings confirm that switching suppliers has resulted in 2 in 3 electricity customers and 3 in 5 gas customers achieving savings by the amount expected.

Interestingly, as we exit the Covid crisis (and move into the cost-of-living crisis), we see an increase in both telephone and door-to-door communications as the method used to switch, while online switching has reduced. This is reflective of both an end to the online boom of the Covid period, and the drive to reduce costs as much as possible. Customers perceive that in-person discussions with sales reps have a higher likelihood of them being offered a better deal. Although the use of the online channel for switching has reduced, there has been increased usage of online comparison tools and websites to inform the switching decision.

Given a total of 2 in 5 respondents believe they will switch suppliers in the next 12 months, it is likely that a multi-pronged switching approach will be used by consumers to optimise their chances of achieving the best savings possible.

When focusing on switching within the SME market, it becomes clear that customers perceive less market differentiation. While the proportion of SMEs who have ever switched has increased, the proportion of SME electricity switchers in the past 12 months has decreased, which may point to a perception of the absence of differentiated offers in the SME market (reduced tailored offers). It should be noted that the proportion of SME gas switchers increased by 4 percentage points.

In contrast to the residential switching experience, the confidence of the market in the value of switching appears to be significantly compromised as over 40% of SME respondents report that they did not experience the bill reduction that they expected from switching to another supplier, whilst also reporting that the switching process was less smooth. It is also important to highlight that comparison of offers seems to be moving further from the perceived capability of SMEs with a 25% decrease in the perception of the capability to understand alternative offers.

In addition to this, businesses perceive there is limited support for them through the mechanism of understanding the bill while also reporting decreases in either awareness of CRU (electricity SMEs) or awareness of CRU's role in Consumer Protection (gas SMEs).

2. Key Findings

Residential Research

The key findings from the **residential** research include:

Context Setting: Market share and satisfaction

- Market share across the residential electricity and gas market has remained relatively stable.
- Spontaneous awareness of electricity suppliers has declined marginally in the case of most electricity suppliers, except for Prepay power and Flogas. In the case of awareness of gas suppliers, there were small increases for SSE Airtricity, Electric Ireland, Prepay Power and Panda.
- The impact of energy costs is reflected in reduced consumer satisfaction rates across both electricity providers, in particular, Energia and SSE Airtricity) and gas providers (especially Flogas).
- 71% overall electricity supplier satisfaction (77% in 2021)
- 73% overall gas supplier satisfaction (84% in 2021)
- When focusing on prepayment customers, satisfaction ratings are lower amongst both electricity (63%) and gas prepayment customers (62%). This is paired with reductions in scores relating to specific benefits of prepayment, although these scores remain high in absolute terms.

Billing

- The number of electricity customers who open and read their bill has dropped slightly to 86% compared to 91% in 2021, while those reading every bill have remained steady at just under 50%. Given the current soaring energy prices and cost-of-living crisis, it is somewhat surprising that the rate of consumer engagement with the bill has not increased. Although there has been a slight increase in the rate of gas customers engaging with their bill, there has been a reduction in those reading every bill.
- This is paired with a decrease in the proportion of customers who say they understand how their bill is calculated, and how much energy they have used. Close to 20% of customers continue to struggle with identifying if a particular bill is an estimate.
- The proportion of electricity customers claiming to have submitted their own meter reading in the past 12 months has decreased (-8%pts) but has remained steady in the gas residential market.

Arrears & Disconnection

- Although we are experiencing significant increases in energy costs and potential supply issues moving into Winter, it is important to point out that those who state that they are in arrears (3% electricity customers; 6% gas customers) and those who state that they have experienced disconnections (7% electricity customers; 4% gas customers) have remained relatively stable from the previous year.
- In terms of disconnections, it should be noted that prepayment customers are more likely to report disconnections. 5% of electricity and 15% of gas prepayment customers also note they have experienced disconnection for longer than 24 hours. This disconnection metric includes multiple reasons for disconnection and not just for reasons related to non-payment.

- There is a worryingly large proportion of consumers noting that increases in energy prices have resulted in bills no longer being manageable for their household, with more than 1 in 3 electricity and over 2 in 5 gas consumers noting some issues with managing the increase of energy bills.

Vulnerable Customers and the Priority and Special Services Register

- Awareness of the Priority Services Register, at 30%, among electricity customers remains steady with 2021 levels.
- Awareness of the Special Services register shows increases amongst gas customers at 34% (+4%pts), following a major increase between 2020 and 2021, while awareness among electricity customers sees a slight increase to 21%.
- Incidence of registering for Priority Services and Special Services register remains low, mostly due to many not knowing this was a possibility.

Comparing Offers

- Following a period of gradual improvement, the ease of comparing offers has reversed across both electricity and gas customers.
- Usage of online comparison websites continues to increase year on year (note the role of online comparison websites as more of a support role in switching)
- 43% of electricity customers agree that it was easy to compare offers (49% in 2021)
- 43% of gas customers agree that it was easy to compare offers, which is down from 54% in 2021.

Switching

- Notable increase in switching in both gas and electricity with rates increasing by 4%pts (electricity) & 7% pts (gas) since 2021. The primary driver for switching was to save money.
- 2 in 3 electricity customers and 3 in 5 gas customers who switched said their bill reduced by the amount expected.
- 2 in 5 customers believe they will switch suppliers in the next 12 months. The factors driving the decision of supplier choice include unit cost of electricity/gas and the overall bill impact.
- There has been a significant reduction in the number of customers relying on websites to switch suppliers, but there has been an increase in contact through phone and home visits. Cost-saving behaviour is also reflected by increased numbers indicating their likelihood to switch if there were cheaper tariffs and more information about reducing electricity usage.
- In previous year's measurement, typical behaviour by both electricity and gas customers in the case of imminent contract expiration was to automatically continue with their supplier. This remains the case in 2022 for 41% of electricity customers, but there has been a notable decrease in this metric amongst gas customers, dropping to 29% from 38% in 2021. This can be attributed to the more severe energy price increases for gas compared with electricity. Gas customers are now equally likely to consider alternatives to either their existing provider or a new provider, as they are to automatically stay on their current plan.
- There has been a significant reduction in the number relying on websites to switch, with increased contact through phone and home visits.

- Among those who have switched, the ease of switching has decreased substantially (easy-to-switch now stands at 80% for electricity customers and 81% for gas customers, down from 94% (electricity) and 92% (gas) in 2021).

Smart Metering

- Awareness of Smart Meters has increased significantly across both electricity (+12%pts) and gas (+12%pts).
- Electricity customers' willingness to share their energy information with suppliers to avail of new offers and services has remained steady while interest in a Time of Use tariff has decreased by 5%pts.
- The vast majority of customers (over 3 in 4 electricity; over 4 in 5 gas) have an appetite for tracking daily electricity and gas usage, with most, this is best channelled in the form of an app.
- At present, 1 in 5 of customers that already have a Smart Meter installed, believe they are availing of time-of-use tariffs (equates to less than 1 in 10 of the population).

Active Consumer and Energy Communities

- Over half of customers are interested in participating in an 'Energy Community'.
- Installation of solar panels, monitoring energy through a smart device, and electric vehicles are the main initiatives 'Active Consumers' are interested in.
- Under 1 in 10 customers claim to have microgeneration installed. Among those with microgeneration installed, 3 in 5 are aware of the surplus electricity payment.

CRU Awareness

- During this turbulent period, awareness of the role of CRU remains modest, particularly on the residential side with 1 in 4 electricity customers and 1 in 3 gas customers indicating they are aware.
- Awareness of CRU's role in consumer protection has dropped since 2021, and knowledge of CRU's regulation of Irish Water remains very low in absolute terms, with 10% of electricity and 12% of gas customers aware.

Irish Water Engagement

- Just over 1 in 10 electricity and gas customers claim to have contacted Irish Water in the last year regarding an issue.
- Of those customers who contacted Irish Water, there are high levels of dissatisfaction, with 3 in 5 electricity and over 2 in 5 gas customers noting their dissatisfaction with how the issue was handled.

SME Research

The key findings from the **SME** research include:

Context setting: Satisfaction

- Overall satisfaction with the electricity market shows signs of decline at 76% (-3%pts), with the gas market showing substantial decreases in satisfaction of -11%pts and now stands at 81%.
- Bord Gais Energy and Energia experienced boosts in satisfaction, while Electric Ireland and SSE Airtricity experienced declines.
- In contrast, all gas suppliers have experienced a decrease in satisfaction, with Flogas still achieving the highest satisfaction (86%).
- Satisfaction has also dropped in relation to Irish Water, electricity and gas suppliers generally.

Competition

- Spontaneous awareness of gas providers has increased in 2021 scores. However, awareness of electricity suppliers is mixed, with improvements for SSE Airtricity, but decreases for Energia and Electric Ireland.
- Ease of comparing offers has decreased substantially with 42% of electricity SMEs and
- 45% of gas SMEs indicating it is easy to compare offers.

Billing

- Bill understanding generally remains high, albeit some slippage is evident amongst electricity SMEs, particularly in regard to bills aiding one's understanding of their current tariff.
- There is a growing number of electricity SMEs reviewing costs on a more frequent basis while the reverse is true for gas SMEs.
- There has been a major shift in affordability, with a significant increase in both electricity and gas SMEs noting costs of energy are significant challenges for their businesses (2 in 3 electricity; 3 in 5 gas).
- Although there has been increased concern about energy costs, this is not necessarily reflected in the number of SMEs in arrears. Electricity customers in arrears decreased from 8% in 2021 to 3% in 2022 while the number of gas customers in arrears decreased from 8% in 2021 to 6% in 2022.

Switching

- When electricity and gas contracts come to an end, electricity customers are more likely to stay with their current supplier either by automatically continuing with the supplier or reviewing offers from existing suppliers. Gas customers are less likely to automatically stay with their provider, though reviewing offers with existing suppliers has increased.
- The incidence of switching in the last 12 months has decreased slightly for electricity SMEs to 20% (-2%pts) while the incidence of switching amongst gas SMEs has increased to 20% (+4%pts). Cost is the key reason for switching.
- Overall, the ease of switching remains high, but a significant decline is clear among electricity customers (-17%pts), while gas SMEs have also declined by 5%pts.

- There is a significant reduction in the incidence of both electricity and gas SMEs saving money following a switch, with 2 in 5 electricity customers agreeing that their bill reduced by the amount expected, while half of the gas customers noted this. This is a reduction of -25%pts and -36%pts respectively.

Smart metering

- There has been a significant increase in awareness of smart meters as 72% of electricity and 67% of gas SMEs now claim to be aware of smart meters.
- Interest in Time of Use tariffs also remains high with 66% of electricity SMEs (65% in 2021) and 78% of gas SMEs (73% in 2021) indicating interest.
- A total of 4 in 5 electricity and 71% of gas customers claim they would be interested in viewing daily energy usage.

CRU Awareness

- Just under 2 in 5 electricity SMEs are aware of CRU, increasing to half of gas SMEs. There is much lower awareness surrounding CRU's role in consumer protection, with 16% of electricity and 26% of gas SMEs indicating awareness.
- CRU is seen as being responsible for increasing awareness of customer rights and protection for all energy customers.
- Almost 2 in 5 electricity and half of gas SMEs are aware of CRU's role in regulating Irish Water.

Irish Water Engagement

- 1 in 4 electricity customers claims to have contacted Irish Water in the last year regarding an issue.
- Of those customers who contacted Irish Water, almost 2 in 3 noted their dissatisfaction with how the issue was handled.

3. Research background

The fieldwork for each survey was conducted during May-July 2022.

The research was undertaken by Behaviour and Attitudes in conjunction with The Research Perspective.

This research pays particular focus to the:

- Measurement of the residential retail electricity and gas market in 2022, with comparable scope to previous research.
- Measurement of the business electricity and gas markets in 2022 with comparable scope to previous research. The business element included both small and medium-sized enterprises (SMEs), defined as those with 250 employees or fewer.

The methodology used for the residential retail electricity and gas market measurements has been kept as comparable as possible to provide comparisons with the trended data from 2013-2021. Due to health restrictions imposed following the outbreak of Covid-19 in Ireland in March 2020, survey data collection for the residential study has been conducted using a combined CATI telephone and online approach using B&A's online panel, Acumen.ie during 2020, 2021, and 2022. In previous years all main survey residential interviewing was conducted via face-to-face interviewing using CAPI machines, in the respondent's own home. As in previous years, there have been changes to question inclusion, order, sequence and format, which is likely to have had an impact on comparability – where this has arisen, attention has been drawn to it in the report.

As in 2020 and 2021, part of the 2022 measurement included a shorter online study element (n=80 electricity and n=64 gas). The objective of this online element was to ensure a broader reach of vulnerable customers from both the electricity and gas markets. Advertising placement seeking participation in the online study was included on Instagram and Facebook sites, which targeted interest groups related to the definition of vulnerable. B&A's online survey panel (acumenpanel.ie) was also utilised. To qualify for the online survey, respondents needed to self-identify as having a disability consistent with the definition of vulnerable customers.

The Computer Assisted Telephone Interviewing (CATI) methodology used for the business research is directly comparable to the methodology used for the business electricity and gas market measurement pre-Covid. Respondents were decision-makers for electricity/gas supply-related activities within the organization and included both private and public sector, government organizations and sole traders. Residential and SME market share data was provided by CRU and a corrective weighting was applied to the data at the data analysis stage to ensure representativity.

Comparisons between the four measurements are presented with the following observations:

- The two residential markets are now broadly comparable in terms of the level of competition and the regulatory framework, notwithstanding the residential electricity market has been deregulated for longer than the residential gas market;
- The two SME markets are structurally different with electricity universally used by SMEs, in comparison to natural gas which is used by a minority of SMEs.

4. Market Background

Price deregulation of the electricity and gas markets occurred between 2005 and 2014 which allowed suppliers to enter and compete in the market. Since 2005, competition has continued to develop in all aspects of the market. The markets are somewhat different compared with recent years as some suppliers have withdrawn from the Irish market or changed their business models in terms of markets served.

The Single Electricity Market (SEM), the wholesale electricity market for the island of Ireland, went live in 2007, with the goals of providing the least cost source of electricity generation to meet customer demand across the island of Ireland while maximizing long-term sustainability and reliability.

At the time of surveying, there were circa 16 suppliers across the different segments of the gas and electricity markets, serving the residential and business communities. However, it should be noted that Panda Power has recently announced its withdrawal from the Irish market.

2022 has proven to be a very financially challenging time for many due to energy costs and economic instability in terms of cost of living and inflation. Research in the energy space is vital to understand people's attitudes and concerns toward the industry during such a tumultuous time.

5. Purpose of the research

The purpose of this research is:

- To determine the level, quality and benefits of competition in the residential and business electricity and natural gas markets as perceived by customers within these markets;
- To determine the level of switching occurring, drivers or inhibitors impacting the level of switching and other measures of engagement in the four markets, such as consumer's understanding of and ability to compare offers;
- To measure issues such as bill clarity, sales process, the complaints process and protection of vulnerable customers;
- To inform CRU generally about consumer behaviour and attitudes as they emerge within the markets.
- To examine the impact of the cost-of-living crisis on utility usage and consumers' ability to pay utility bills
- To greater understand the attitudes toward and propensity for smart meters and time of use tariffs.
- To gauge the importance of renewable energy and reducing consumption for consumers and businesses.

The research included the following specific areas:

1. General awareness of and satisfaction with competition and supply companies providing services in each market;
2. Satisfaction with specific elements of utility services, including pricing and customer service;
3. Experience of switching within each market including end-of-contract behaviour, switching rates, reasons for switching or not switching and perceived understanding and ability to compare offers;
4. Level of engagement by customers with suppliers as demonstrated by investigation of alternative tariff packages, changing to alternative tariff packages, changes in payment methods and changes in billing frequency;
5. Assessment of the sales process and advertising from electricity and gas supply businesses;
6. Knowledge of pricing, understanding of billing, and interest in and experience of prepayment;
7. Payment arrears and disconnections;
8. Awareness of CRU and its role in customer protection and Irish Water;
9. Level of engagement with Irish Water and satisfaction levels based on engagement
10. Awareness of the availability of registration as vulnerable customers (defined by a range of criteria including those who rely on electricity supply for the operation of medical equipment in the home, the elderly and the disabled).
11. Interest in becoming Active Consumers and joining Energy Communities;
12. Awareness and interest in Smart Metering.

This report is a summary of the findings of the research and is designed to cover the issues assessed at a high level. The full research will be released by the CRU in a set of stand-alone PowerPoint presentations, one covering the residential electricity and gas markets and a second report covering the business electricity and gas markets.

6. Data Collection Methodology

This survey has been conducted on an annual basis since 2011 and has captured the evolution of the energy markets for over a decade. This survey is designed to ensure continuous annual measurement of customer experience and attitudes in the residential and SME electricity and gas markets. Priority in design is given to maintaining comparability over time, whilst ensuring the measurement adapts to incorporate current and emerging considerations and attitudes. However, given the soaring energy prices, there have been some additions to the questionnaire, touching on specific areas of satisfaction/dissatisfaction and gauging people's perceived management of the energy price increases. Much like in 2021, the change in methodology that was adopted in 2020 following the onset of the COVID-19 pandemic was maintained in 2022. This was a combination of telephone surveying and online panel interviewing.

Just over 1,000 interviews are conducted in each of the electricity and gas residential markets. Each of these samples is based on a nationally representative sample of households, conducted using a Computer Based Telephone Interview (CATI) approach and the Acumen Online Panel, to reach customers who use electricity or gas in their residential premises, including those with night saver meters and smart meters.

In the case of the SME electricity and gas markets, the focus of the research is on enterprises with low to medium consumption, with 250 or fewer employees. Unlike the residential sector, the research in the SME sector was unaffected by Covid-19 in terms of the data collection methodology. For the SME sector, a Computer Based Telephone Interview (CATI) approach was used to get responses from 400 SMEs in the electricity market and 250 in the gas market.

The data collection methodology followed best practice methods and processes executed under internationally recognised quality standards (ESOMAR).

The methodology used for the residential retail electricity and gas market measurements has been kept as comparable as possible to facilitate comparisons of trended data from 2013-2020. However, due to health restrictions imposed following the outbreak of Covid-19 in Ireland in March 2020, the main survey data collection for the residential study was conducted utilizing a combined CATI telephone and online approach using B&A's online panel, Acumen.ie during 2020 and 2021. This continued in 2022. In previous years all main survey residential interviewing was conducted via face-to-face interviewing using CAPI machines, in the respondent's own home.

As in previous years, the SME surveys used a Computer Assisted Telephone Interviewing (CATI) based methodology and were also conducted by Behaviour and Attitudes. Telephone interviewing is particularly appropriate for business respondents because calls can be easily scheduled for times when the respondent is available, and it is also flexible enough to allow rescheduling at short notice at the respondent's request.

The organisations contacted for an interview for the electricity and gas business surveys were selected at random from validated lists of businesses and public sector organisations with up to 250 employees. The respondents of the SME electricity survey were distributed across the Republic of Ireland, while the respondents of the SME gas survey were distributed across the areas served by the national natural gas network. These populations of potential respondents included the full range of business categories.

The number of responses achieved with each survey, as shown in figure 1 matched the number of responses included in previous measurements. The sample sizes were selected to ensure that the results are statistically robust and reliable.

Figure A: Number of Respondents in the four market surveys

Sample Size	Electricity	Natural gas
Residential	1,007	1,000
SME business	400	250

Research services have been provided annually to CRU by B&A and The Research Perspective since 2011, with the exception of the 2017 measurement. Services were initially provided by The Research Perspective and subsequently by a combined team from Behaviour and Attitudes and The Research Perspective.

7. Representative Sample

As in previous years, ensuring a representative sample was a fundamental consideration. For the residential electricity survey, strict interlocking quota controls were placed on both the CATI telephone and online samples, calculated on age and class targets within gender. Overall, demographic quota controls were based upon the latest Census / Central Statistics Office population estimates. For the residential gas survey, a similar approach was used with respondents restricted to those living within areas served by the natural gas supply network and demographic quotas set in line with previous surveys. At the data analysis stage, the CATI telephone and online samples were merged together, and a corrective weight was applied to ensure the full representativity of the sample. In the case of the business surveys, the population from which respondents were randomly drawn was checked to ensure representation across sub-sectors and other demographic dimensions, both during the survey and upon completion of the survey.

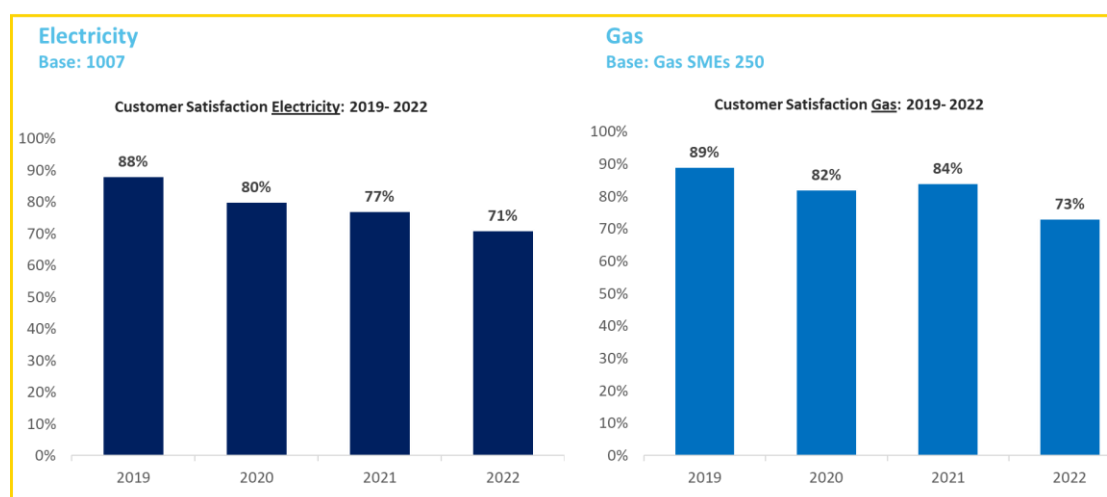
Post-fieldwork, the respondent sets were validated to ensure a representative sample across other market-specific dimensions such as the use of different electricity suppliers or payment methods. This validated respondent data set was determined to be representative at a household/business level and representative of the distribution of market share by suppliers in Quarter 4, 2021.

8. Market Satisfaction Profile

Satisfaction with the service provided by suppliers

Respondents were asked to rate their overall satisfaction with the service provided by their electricity or gas supplier. The focus of this question on respondents' overall satisfaction is likely to include assessment across all facets of the supplier-customer relationship, such as price, tariff, offer etc. To see the specific breakdown of satisfaction with these aspects we included an additional question this year, looking specifically at elements such as customer service, supply, and cost to help identify the key areas of satisfaction/dissatisfaction. In terms of the satisfaction metric, the impact of energy costs is reflected in reduced consumer satisfaction rates with the customer's supplier, which has compounded the stepped decrease in satisfaction from previous years. This is the lowest score for satisfaction measured since 2015. Furthermore, overall satisfaction amongst the online vulnerable customer survey sample is at 60% for electricity and 75% for gas customers, both of which are notable reductions from the previous year.

Figure 1: Overall satisfaction with Residential electricity (left) and gas (right) suppliers



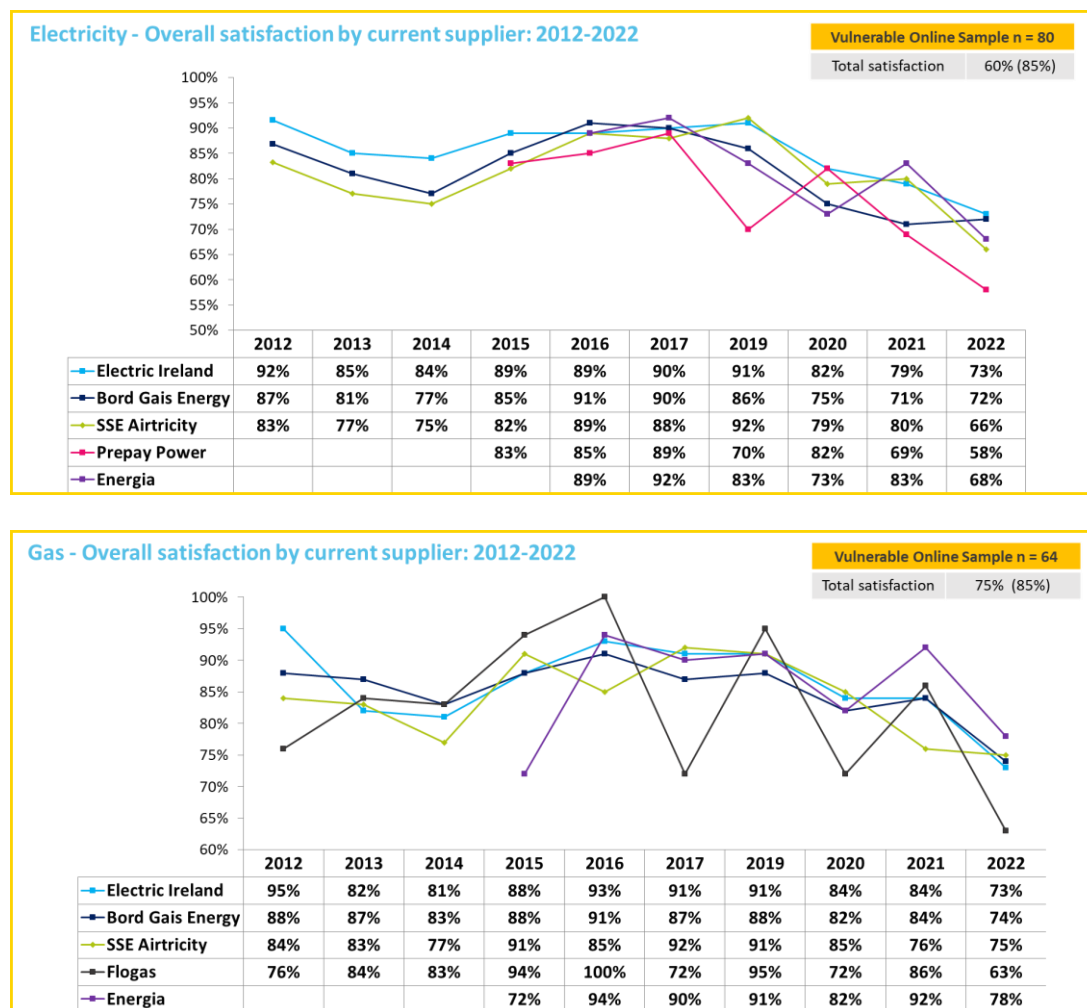
When focusing on supplier-specific satisfaction rates, it paints a challenging picture, with all but one supplier experiencing a decrease in satisfaction. The levels of decrease in satisfaction by supplier range from -1% to -23%.

Among electricity suppliers, Prepay Power (58%) and SSE Airtricity (66%) returned the lowest scores, while Energia has seen the largest decrease (-15%pts) to 68%.

Among gas suppliers, Flogas (63%) had the lowest supplier score and was also the supplier with the largest decrease from the previous year (-23%pts).

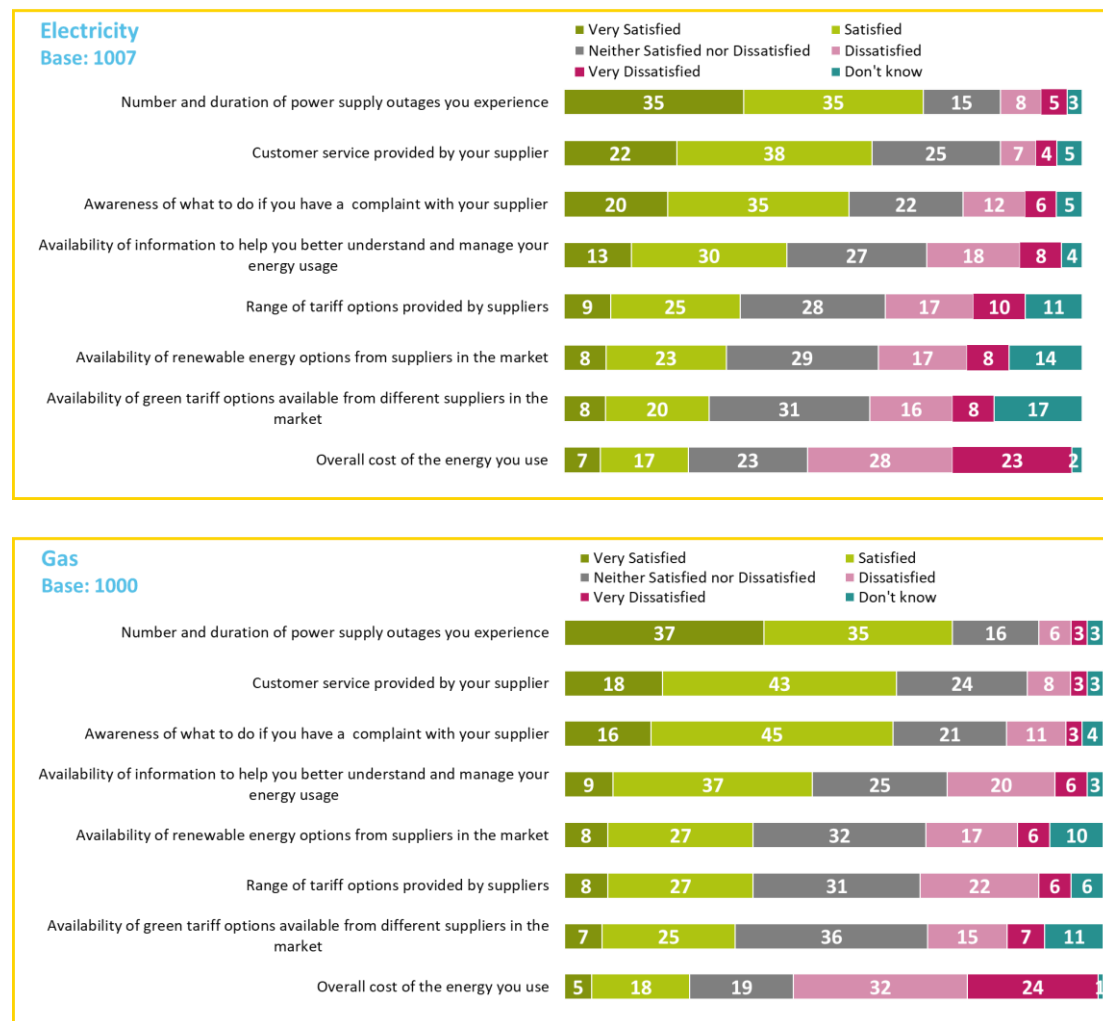
It should be noted that the dissatisfaction felt by consumers is mostly linked to the suppliers, with the actual network companies performing better in terms of customer satisfaction levels.

Figure 2: Satisfaction amongst residential customers with the service provided by current supplier of electricity and gas below:



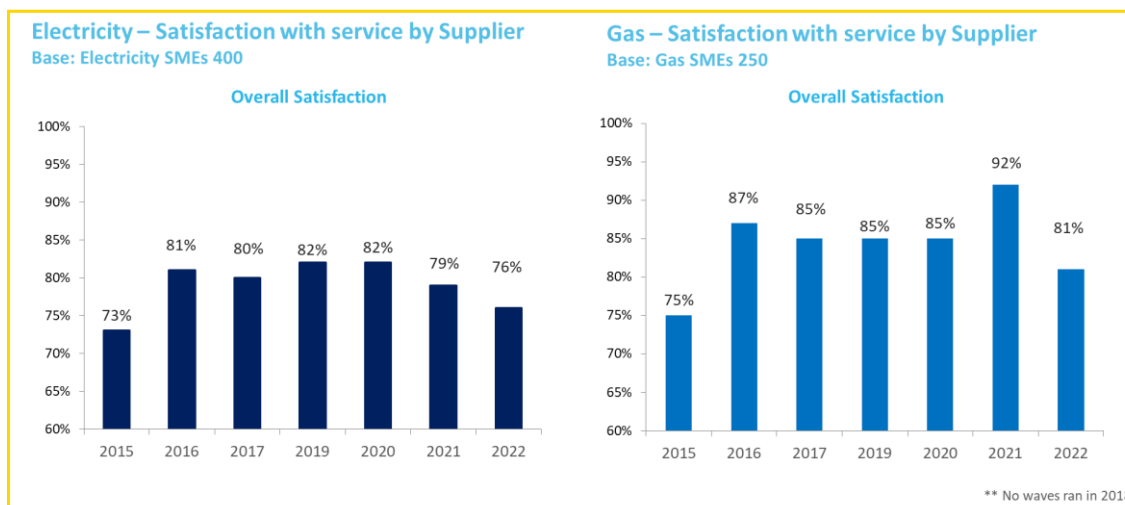
When focusing on specific elements of utility services, it is clear that dissatisfaction with the current price of energy is the driving factor in the deterioration of consumer satisfaction, with over half the respondents indicating their dissatisfaction with the cost of energy. In contrast, many are satisfied with their power supply and associated customer service.

Figure 3: Residential satisfaction surrounding specific aspects of services



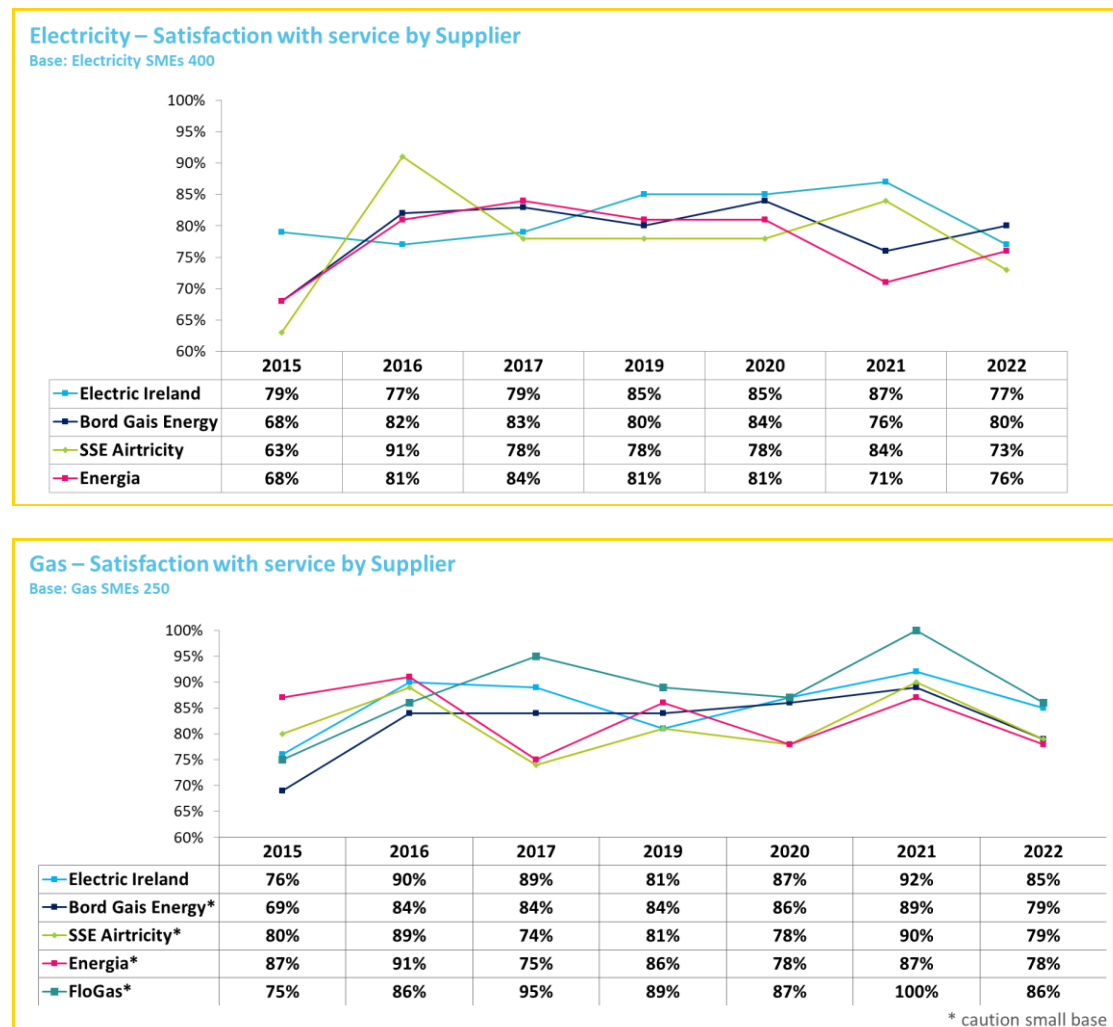
Among businesses, overall levels of satisfaction with electricity suppliers show a continued decline to reach 76%. With regards to the SME gas market, overall satisfaction with gas suppliers has decreased substantially following a sharp rise in 2021, decreasing from 92% to 81% in 2022.

Figure 4: Satisfaction amongst SME business customers with the service provided by current suppliers of electricity (left) and gas (right).



Looking specifically at providers within the electricity SME market, the decline in overall satisfaction with service appears to be driven by declining satisfaction with Electric Ireland and SSE Airtricity. Within the gas market, much like the residential research, all gas suppliers have experienced a dis-improvement in satisfaction levels this year.

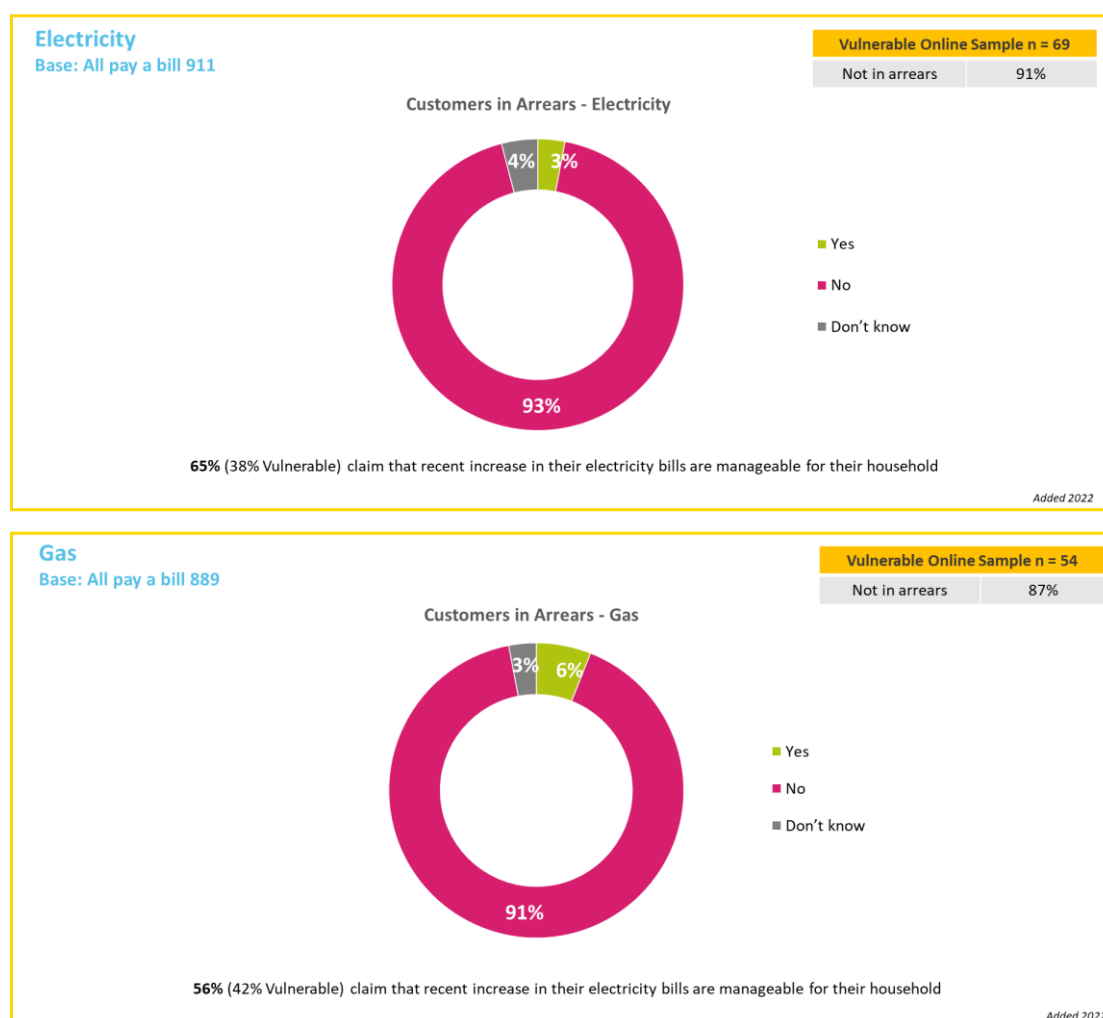
Figure 5: Satisfaction amongst SME business customers with the service by current supplier of gas and electricity.



9. Arrears and Disconnections among residential respondents

Notwithstanding the increase in energy costs and the decrease in satisfaction levels (with price dissatisfaction driving this), the level of arrears has remained relatively stable at 3% of electricity and 6% of gas customers. It should be noted, however, that there is a substantial number of respondents who note difficulties in paying their bills due to the increased energy costs, with 35% of electricity and 44% of gas customers noting some difficulty. This issue is especially true for vulnerable customers, with 62% of electricity and 58% of gas customers noting some difficulty in paying their energy bills.

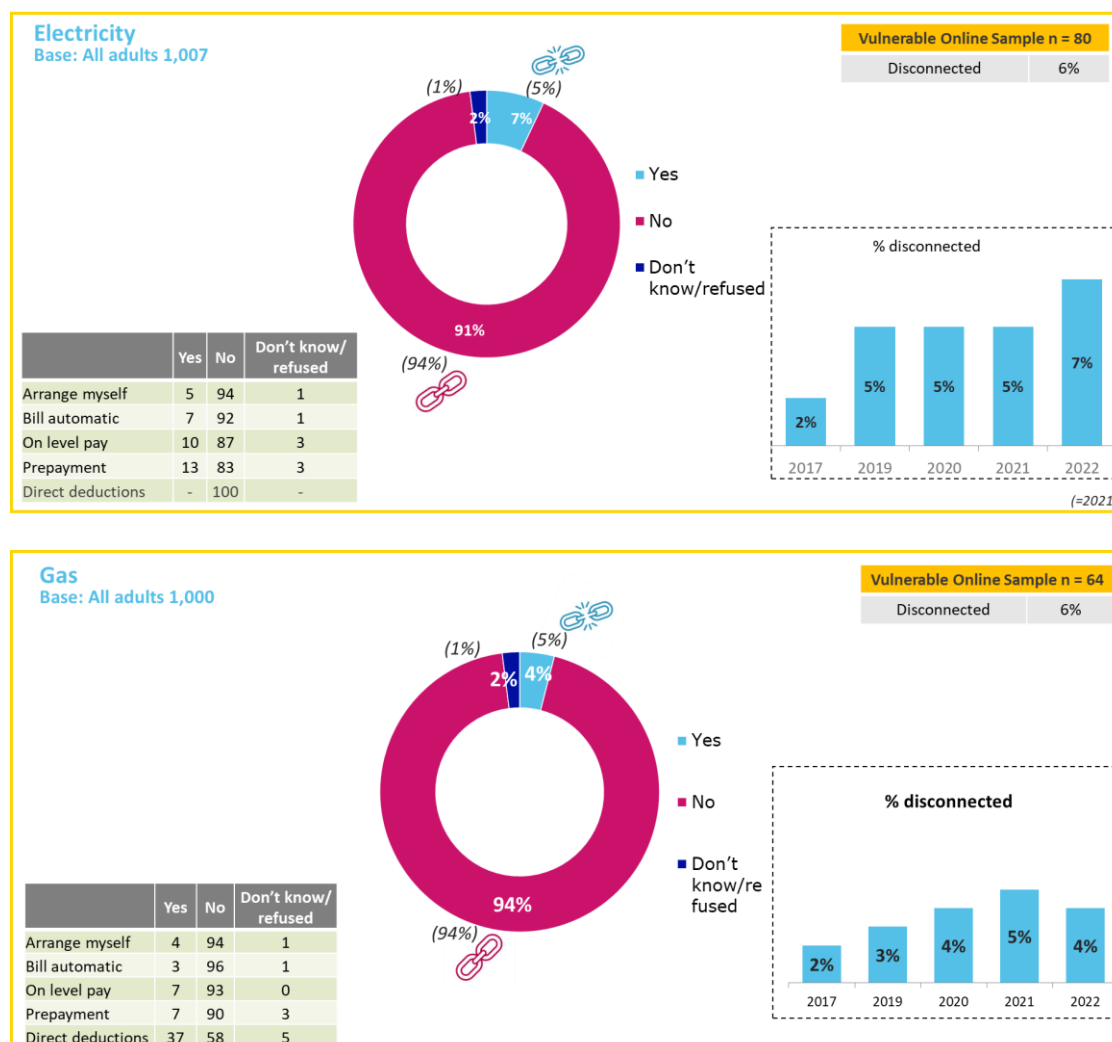
Figure 6: Incidence of arrears among residential electricity and gas below:



It is noteworthy that the level of disconnections reported has remained relatively stable. It should also be noted here that it appears prepayment customers are disproportionately impacted by disconnection with 12% electricity and 7% gas prepayment customers indicating they experienced disconnection in the last 12 months. Although it is outlined to respondents that claims of disconnection are not to be based on supply issues, consumers

are likely to view this more subjectively, possibly considering disconnections generally regardless of definition¹. In addition, a sample margin of error will come into play.

Figure 6a: Incidence of Disconnection among electricity and gas customers below:



Gas
Base: All adults 1,000

Vulnerable Online Sample n = 64

Disconnected 6%

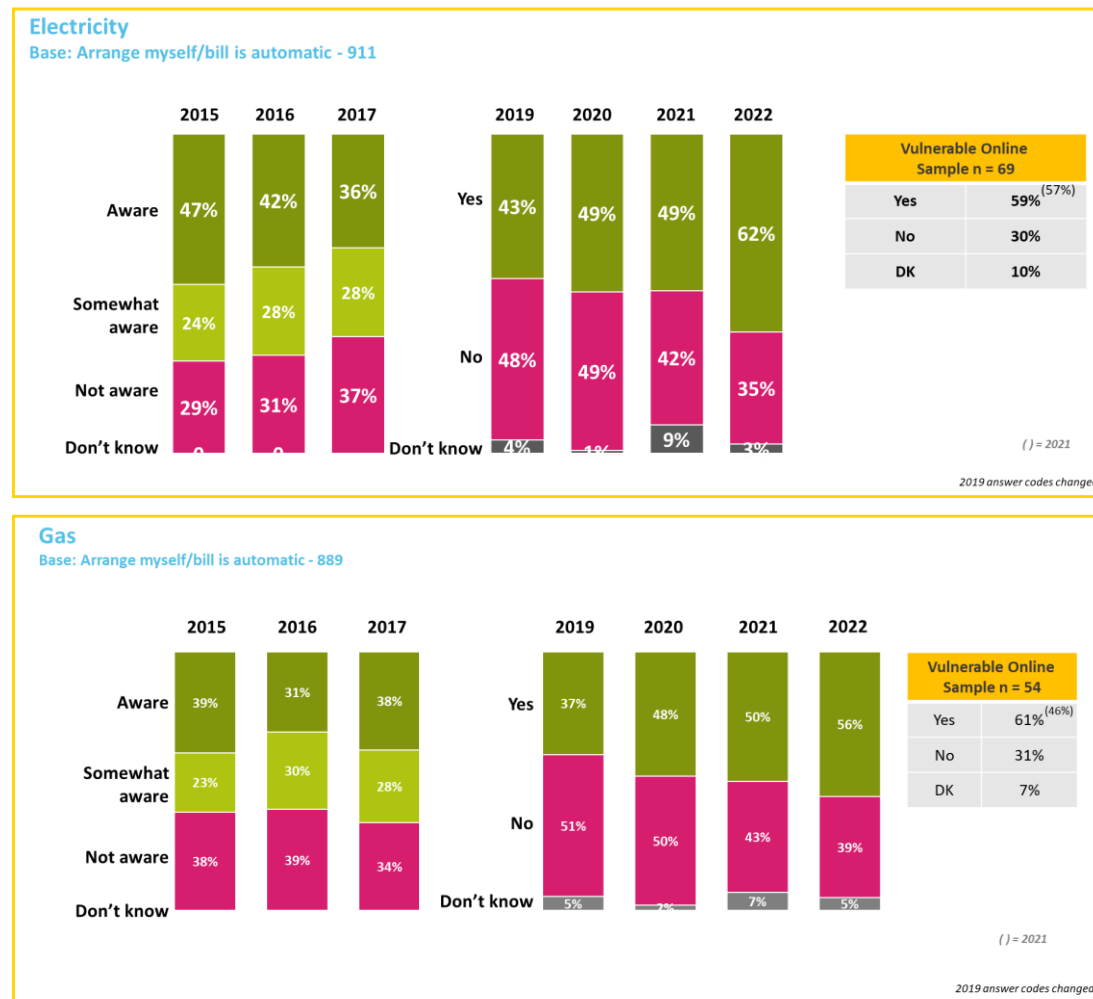
% disconnected

2017 2019 2020 2021 2022

It is interesting to note that there has been a significant shift in terms of awareness of payment plans, with electricity customers' awareness increasing from 49% in 2021 to 62% this year. Increases among gas customers are less pronounced but still notable with a 6%pt increase since 2021. This arrangement may become much more relevant particularly during the winter months, as energy consumption patterns change.

¹ For reference, the question was phrased in the following way: "Over the last 12 months, has your electricity supply been temporarily disconnected for any reason? (Apart from disconnection related to maintenance or power outages)"

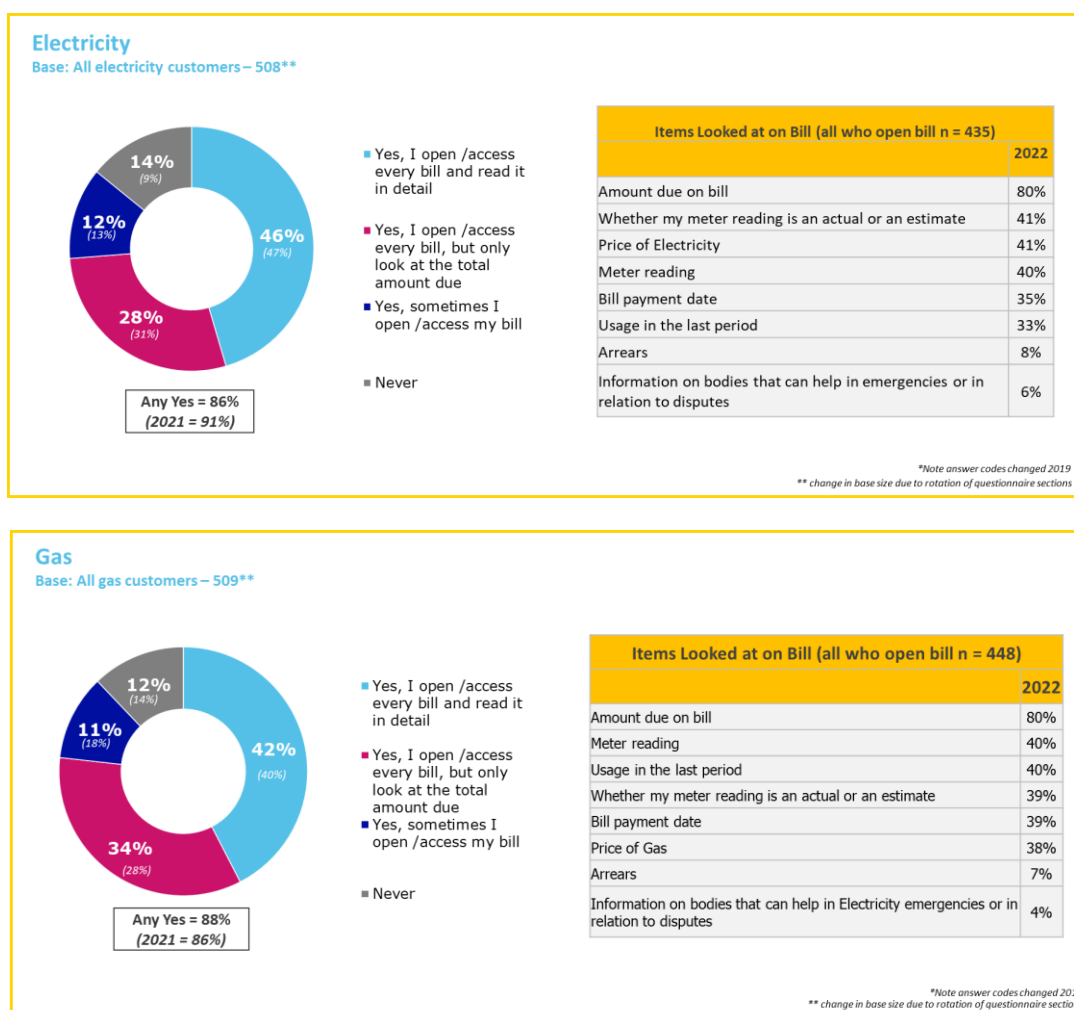
Figure 7: Knowledge of payment plan arrangements



10. Response to the bill

Much like in 2021, the vast majority of electricity and gas customers open their bill and read at least some part of it, primarily focusing on the total bill amount. However, there has been a slight reduction in the number of electricity customers doing this, while the rate of those opening and reading every bill has remained the same as in 2021 (46% of electricity and 42% of gas customers). Given the current cost of energy and the continuing rise in prices, it is somewhat surprising that this has not increased any further.

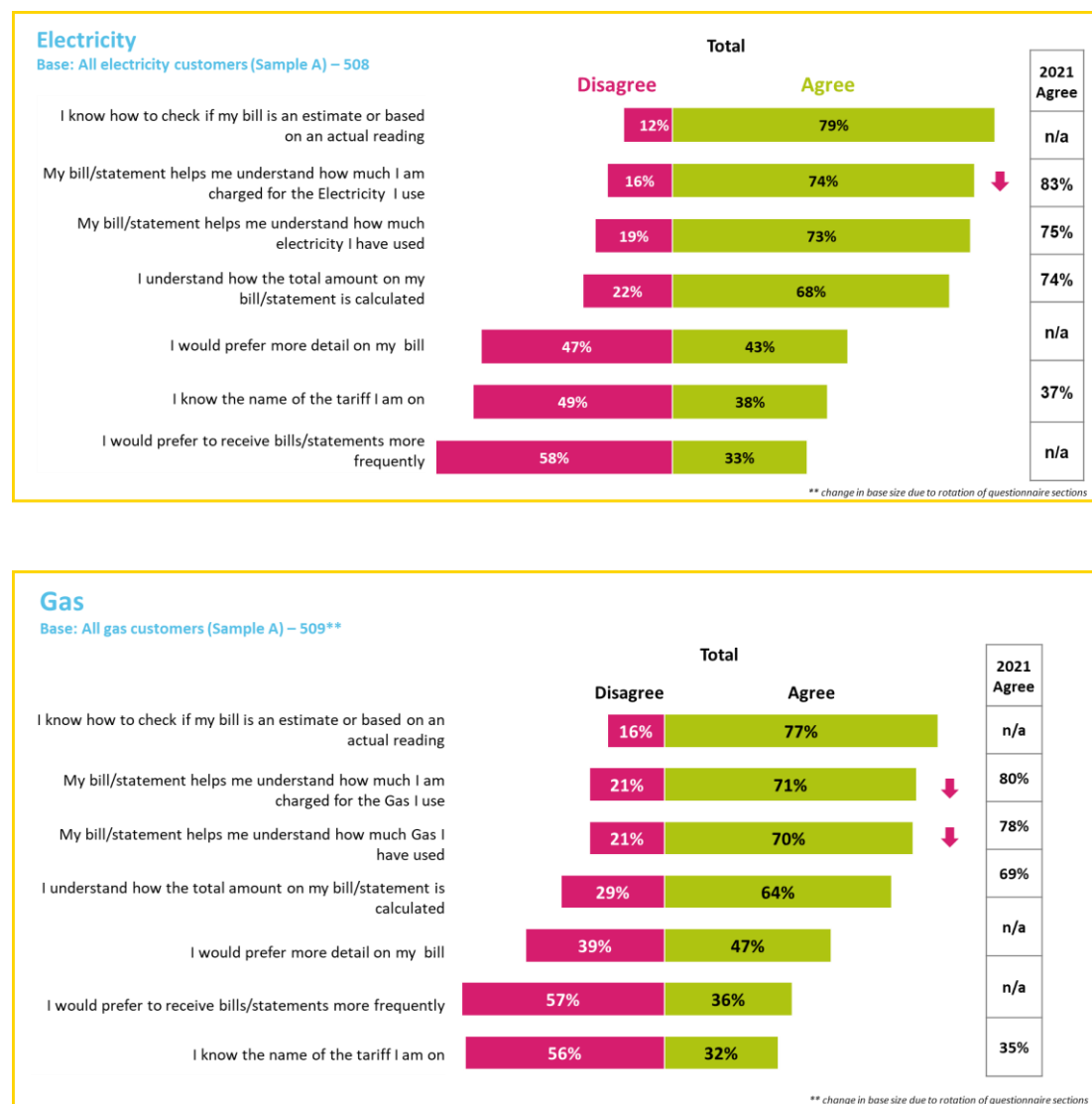
Figure 8: Typical Bill Behaviour in electricity and gas customers below:



Bill understanding has reduced for both electricity and gas customers, particularly in understanding how their bill is calculated, and how much energy they have used.

Figure 9: Rating the bill amongst electricity and gas customers below:

Much like in 2021, the vast majority of electricity and gas customers open their bill and read at least how much they are charged for their usage.



11. Clarity of bill estimated or actual status

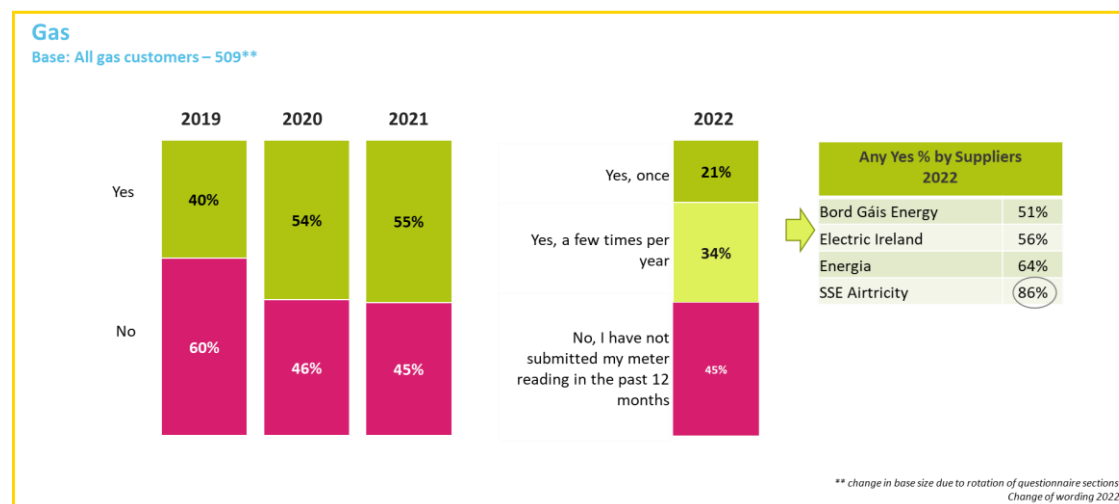
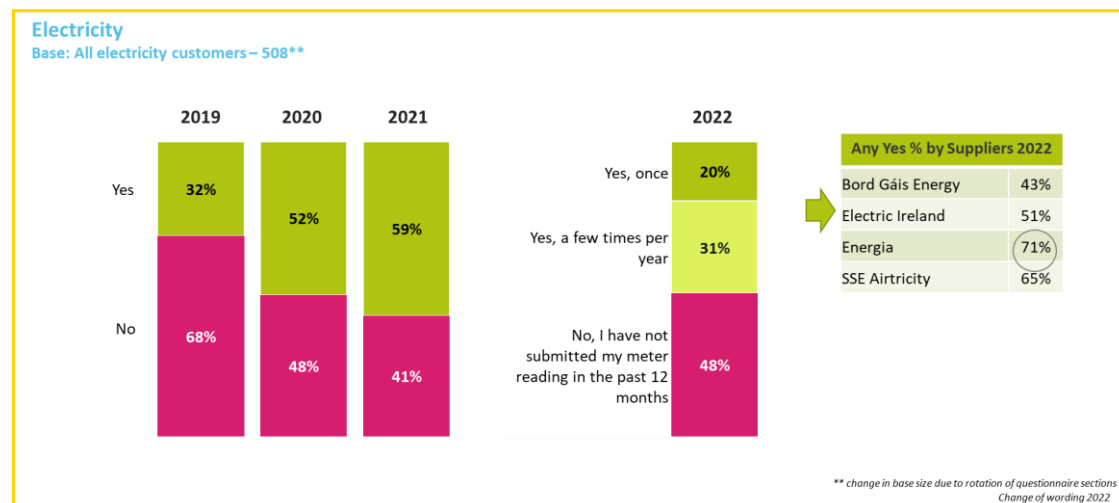
Consumers were asked if they could easily identify if a bill was based on estimated or an actual reading. In both the electricity and gas markets, the incidence of customers who can easily identify if their bill is an actual reading or an estimate remained steady with the high levels reported in 2020 and 2021. 79% can identify if a particular bill is based on an estimate or an actual reading. Electric Ireland customers appear to be marginally more knowledgeable in terms of actual versus estimated bills, particularly gas customers, compared with customers of other suppliers.

Figure 10a: Incidence of easily identifying when a bill is estimated or actual reading among electricity and gas customers below:



When it comes to submitting their own meter reading, over half of electricity and gas customers indicate they have submitted their own meter reading in the past 12 months, remaining steady on 2021 levels. The incidence is higher for Energia and SSE Airtricity customers across both electricity and gas.

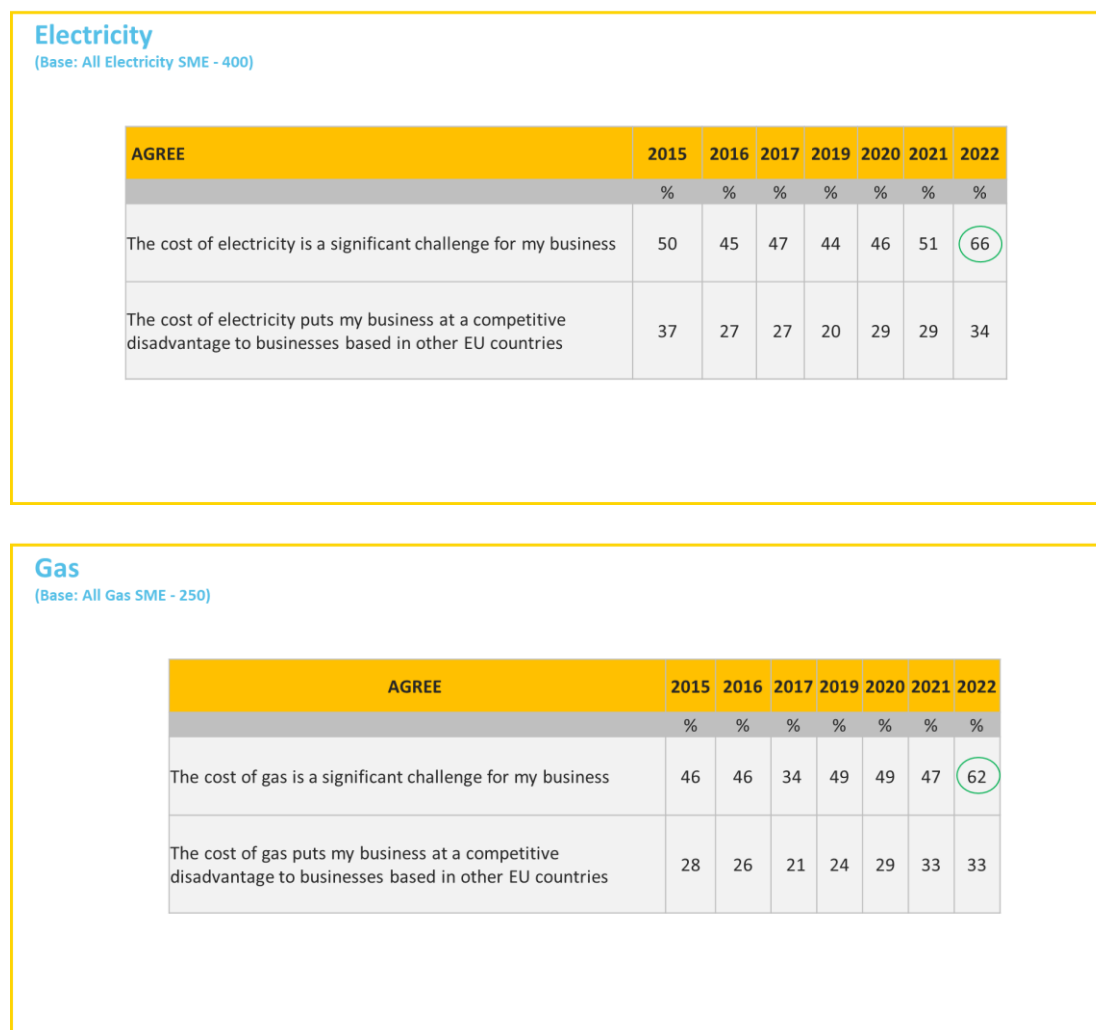
Figure 10b: Incidence of submitting own meter reading in electricity and gas customers below:



12. Impact of energy costs and Bill understanding - SME electricity and gas markets

Businesses were also asked a series of questions relating to the impact of energy costs on their business and competitive environment. The incidence of SMEs who find the cost of energy a significant challenge for their business has increased substantially in relation to both electricity (66%) and gas (62%). This is to be expected given the addition of the energy crisis to the other challenges faced by businesses currently.

Figure 11: Bill impact among electricity SMEs and all gas SMEs below



Overall, bill understanding remains high, though there has been some slippage in both electricity and gas SMEs. However, slippage has been gradual amongst electricity SMEs. Across both electricity and gas, understanding which tariff the customer is on and the ability to identify all the components of the tariff are the metrics which were scored lowest by the SMEs. Gas customers appear to have a better understanding overall.

Figure 12: Bill understanding and impact on electricity and gas SMEs below



13. Understanding and comparing offers

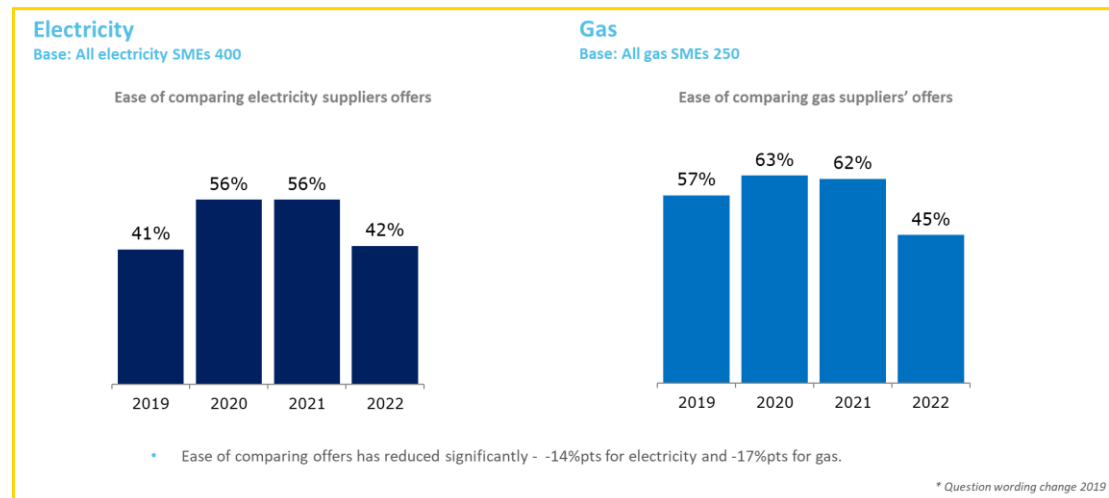
Consumer ability to understand market offers is an important dynamic in a competitive market. Consumers were asked about the ease of comparing offers. A total of 57% of electricity and gas customers claimed that they find it difficult to compare offers, representing an increase of 6%pts for electricity and 11%pts for gas customers compared with 2021. Energia customers scored highest for ease of comparison while Electric Ireland and Energia customers scored highest amongst the gas suppliers. To understand the channels used for comparison, the survey investigated the usage of price comparison websites to compare offers, and the results showed that 45% of electricity and 53% of gas customers claimed to have used a price comparison website to compare electricity offers in 2022 – this has continued to rise post-Covid.

Figure 13: Ability to compare and understand offers from electricity and gas suppliers in electricity and gas customers below



Within the SME market, understanding of offers in the market has decreased significantly for both electricity and gas customers, with electricity dropping from 56% to 42% in 2022 and gas decreasing from 62% to 45%. Both the lack of understanding and ease of comparing offers is of concern as it is likely to impact the propensity of this customer group to switch suppliers in search of a more competitive offer.

Figure 14: SMEs' ability to compare and understand offers from electricity and gas suppliers
electricity and gas below:



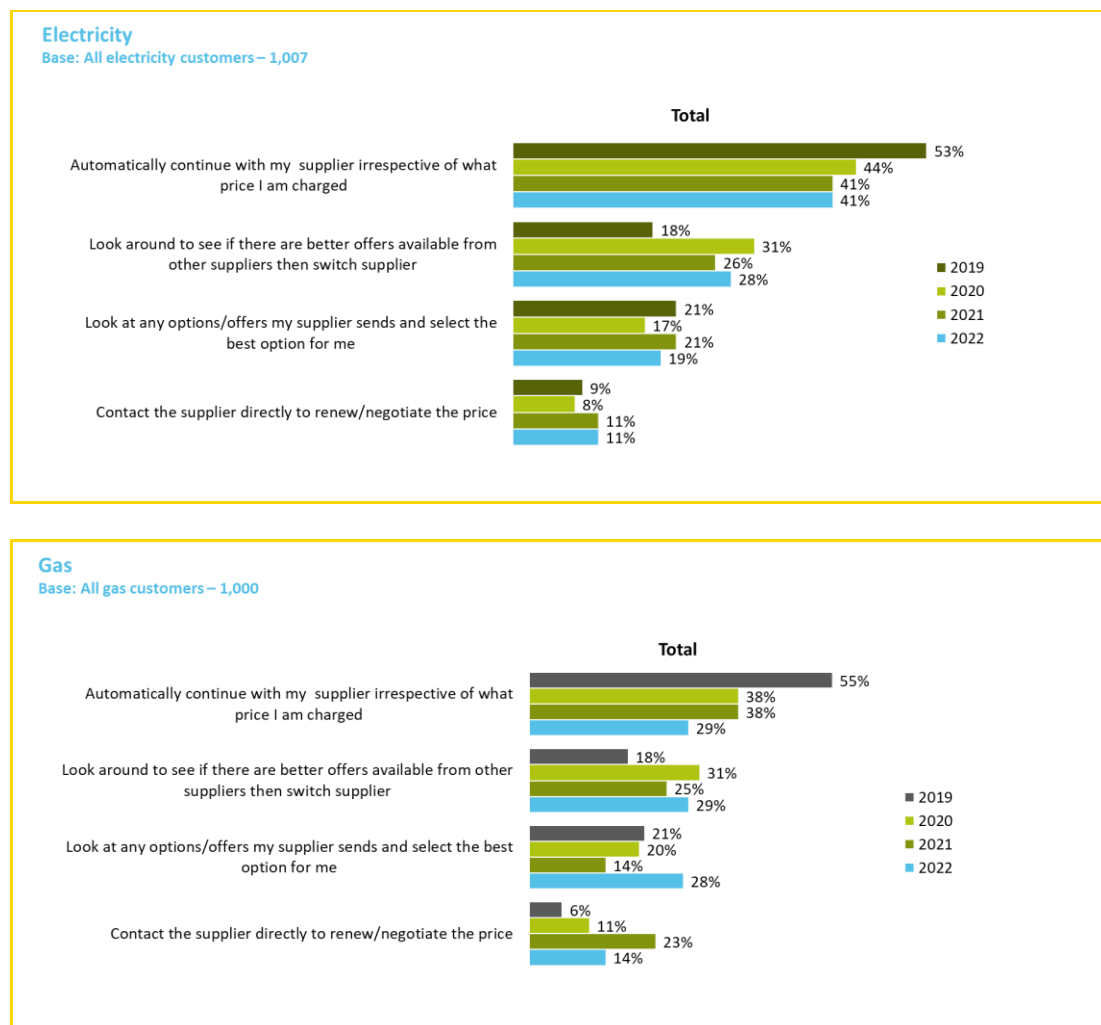
14. Switching and Engagement

Levels of switching, the ease of doing so and the associated outcomes of switching energy providers are a key focus of this research. This research follows the same structure as previous studies across the four markets. The research includes an assessment of the level of switching, the experience of switching and reasons for the decision to switch, or not to switch. The research also includes an assessment of the sales process and sales techniques used by electricity and gas suppliers in the residential market, as well as the method used to switch.

Residential and SME electricity and gas markets

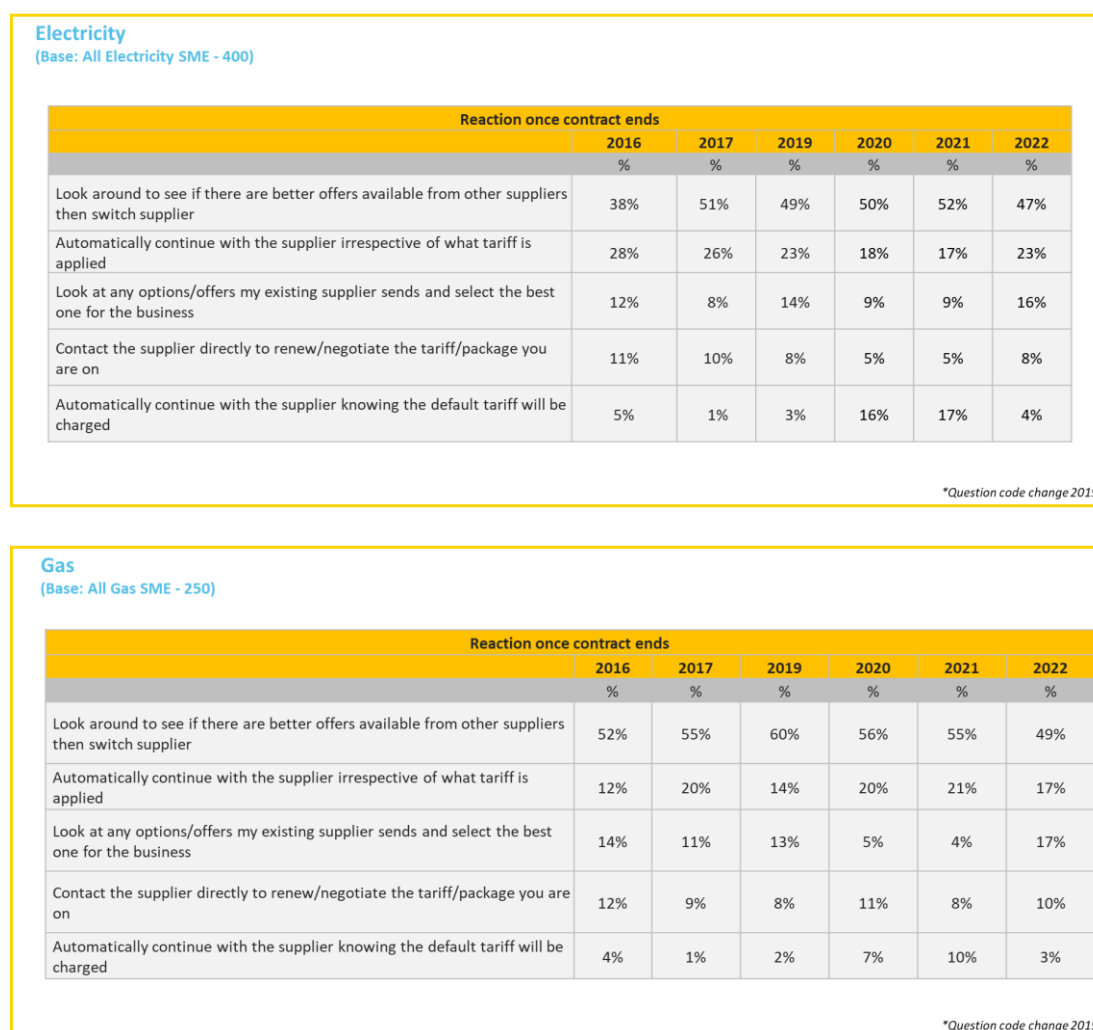
Amongst electricity customers, as measured in previous surveys, typical behaviour is to automatically continue with their supplier when the initial 12-month contract has expired. However, there has been a notable decrease in gas customers automatically staying with their supplier, dropping to 29% in 2022 (38% in 2021) likely because of the more severe energy price increases for gas. Gas customers are now equally likely to consider alternatives from either their existing provider or a new provider, as they are to automatically stay on their current plan.

Figure 15: How consumers typically react when initial 12-month contract expires amongst electricity and gas consumers below.



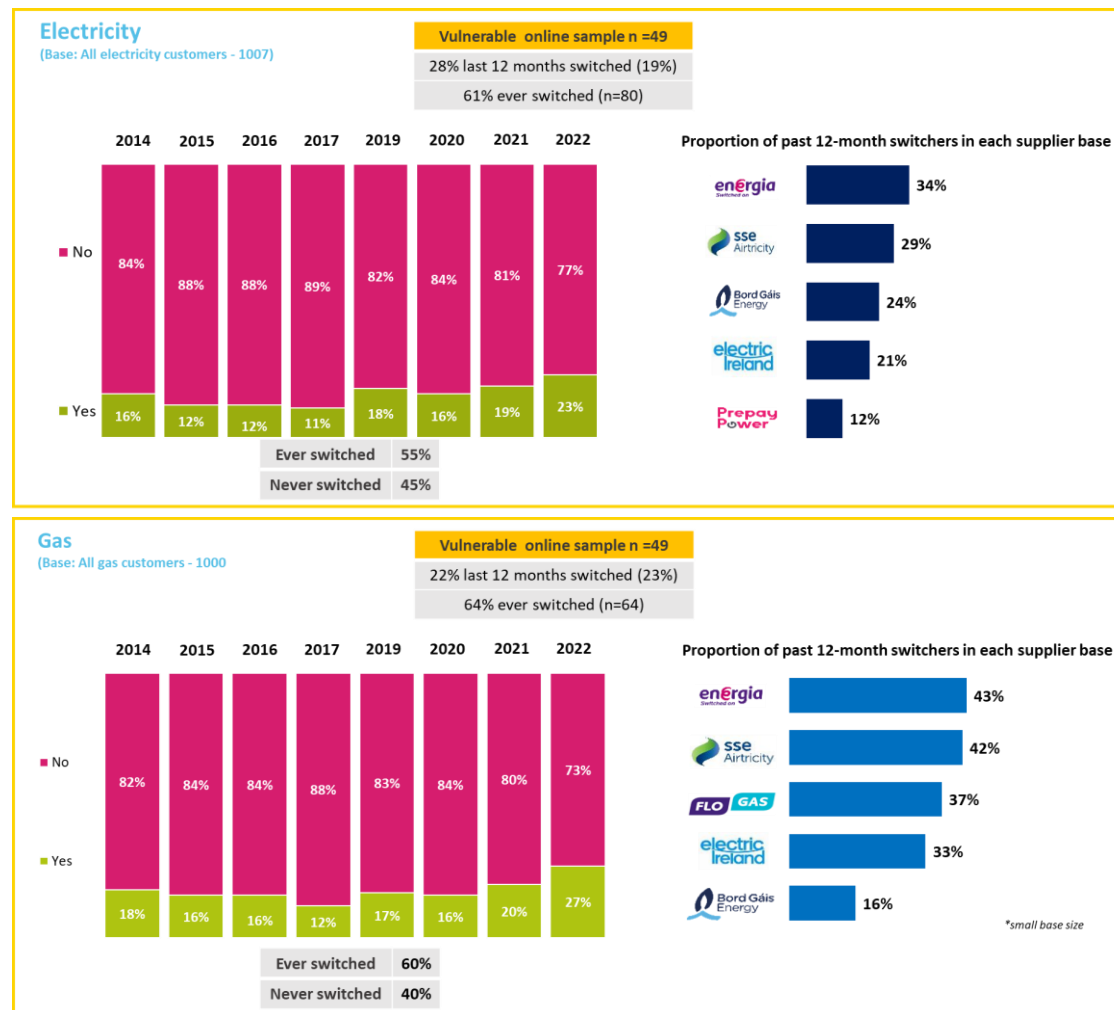
Among electricity and gas SMEs the typical behaviour has remained the same as in 2021 – looking around and considering alternative offers from other suppliers. However, there has been a decrease in the number of electricity (47%) and gas (49%) customers who follow this pattern. This has been paired with an increase in the rate of electricity customers automatically continuing with their supplier (+5%pts). This is not seen in the response of gas customers, where the proportion of customers automatically continuing with their supplier has decreased and is now at 17%.

Figure 16: How SMEs typically react when initial 12-month contract expires



When it comes to switching energy suppliers, 55% of electricity and 60% of gas consumers have switched suppliers at least once in the past. Among those who have switched, there has been an increase in the rate of switching within the last 12 months, with electricity switching rates standing at 23% and gas rates at 27%. The rate of vulnerable customer switching in the last 12 months is roughly in line with the general respondent group, indicating no clear issues in regard to switching specifically for vulnerable customers.

Figure 17: Switching past - 12 months in electricity and gas customers



Gas

(Base: All gas customers - 1000)

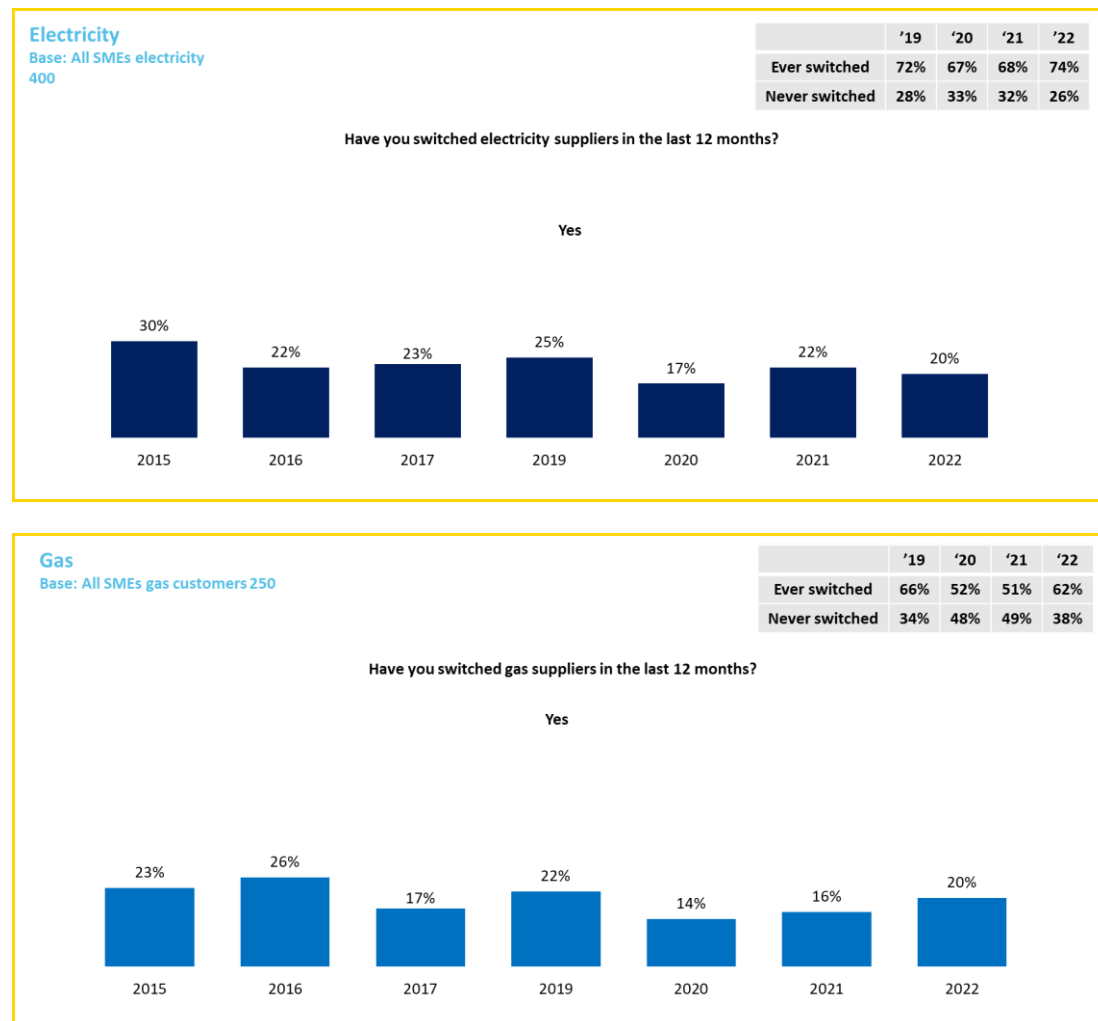
Vulnerable online sample n=49

22% last 12 months switched (23%)

64% ever switched (n=64)

Within the SME market, 74% of electricity SMEs and 62% of gas SMEs have switched energy providers at least once in the past. This is a notable increase from last year and has returned to pre-pandemic levels. However, the incidence of those SMEs who have switched electricity suppliers within the last 12 months has decreased compared with the levels measured in 2021, with a decline of 2% pts for electricity customers. In contrast, the level of gas SMEs who have switched in the past 12 months has increased by 4%pts, resulting in both electricity and gas customers having 1 in 5 switching in the last 12 months.

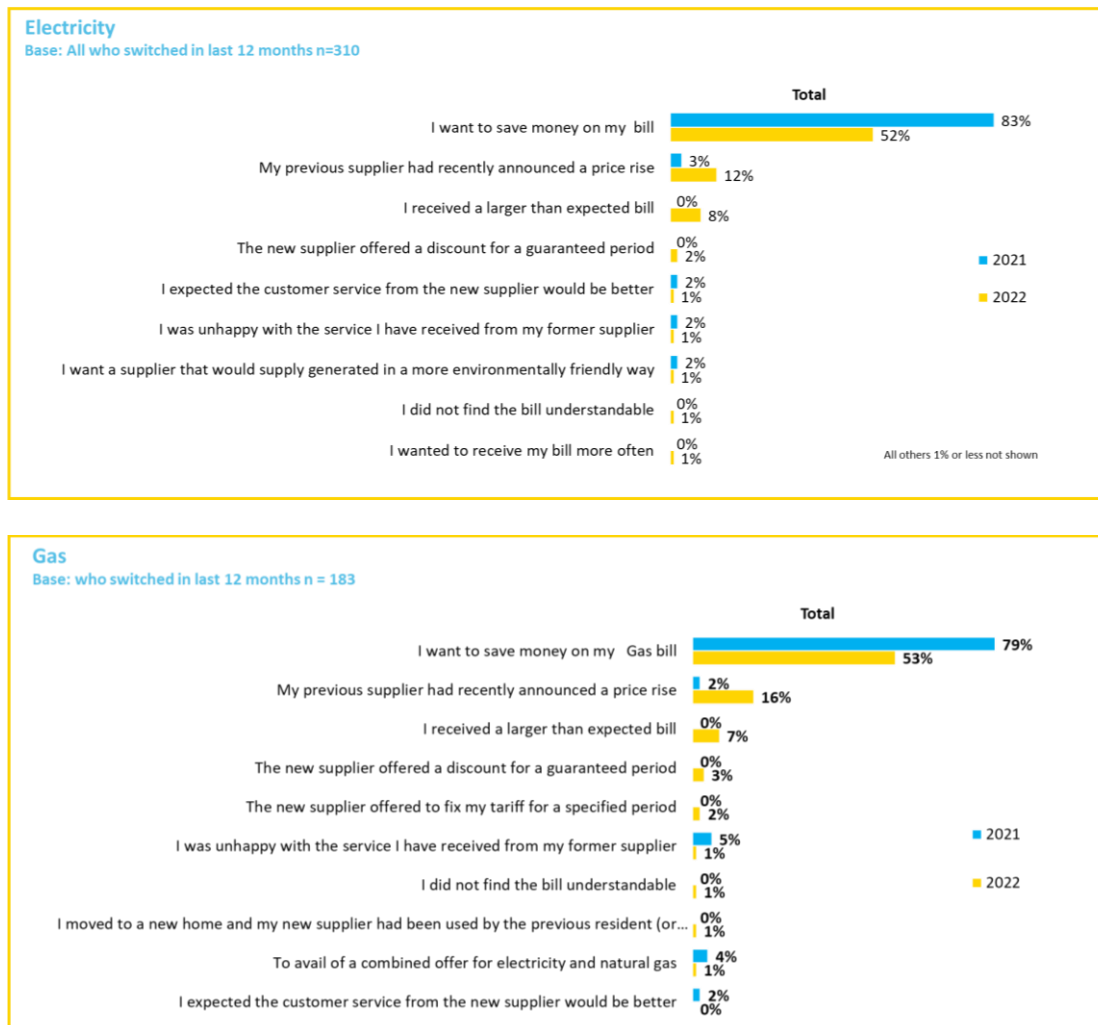
Figure 18: Switching past 12 months amongst electricity and gas SMEs



15. Drivers for switching amongst electricity and gas markets

Respondents were asked to give their reasons for switching electricity and gas suppliers to understand the factors influencing switching in the market. Motivation to save money was the main reason given by both electricity and gas customers. However, this has decreased substantially since 2021, with the emergence of more specific reasons, such as a price rise announcement from their previous supplier, or a larger than expected bill being received.

Figure 19: Reasons for switching in last 12 months amongst electricity and gas customer switchers

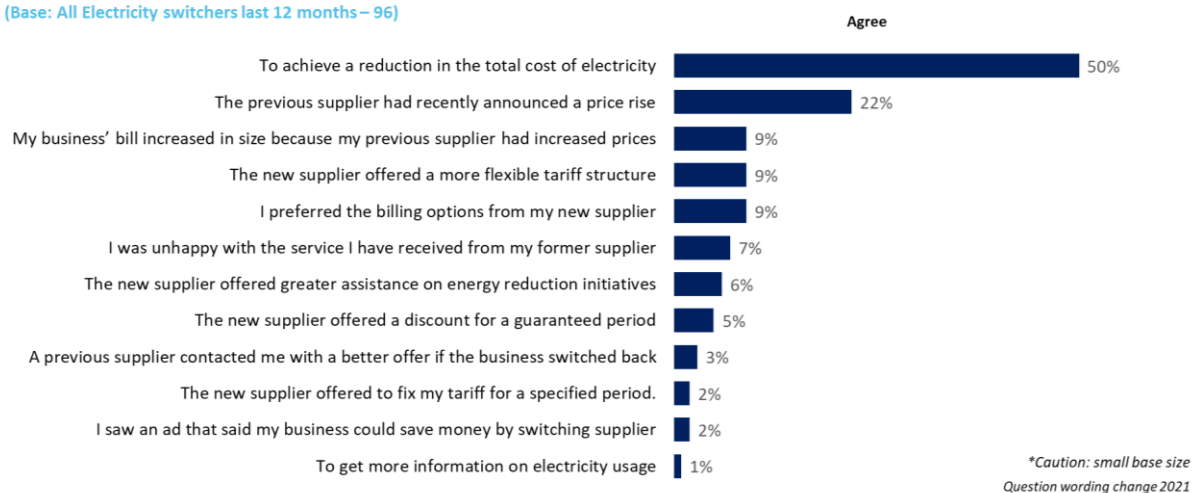


Among SMEs, the requirement to reduce the cost of energy bills is the main reason given by both electricity and gas customers for switching within the last 12 months, though recent price rise announcements from their existing suppliers also play a key role in decision-making.

Figure 20: Reasons for switching in last 12 months amongst electricity and gas SME switchers

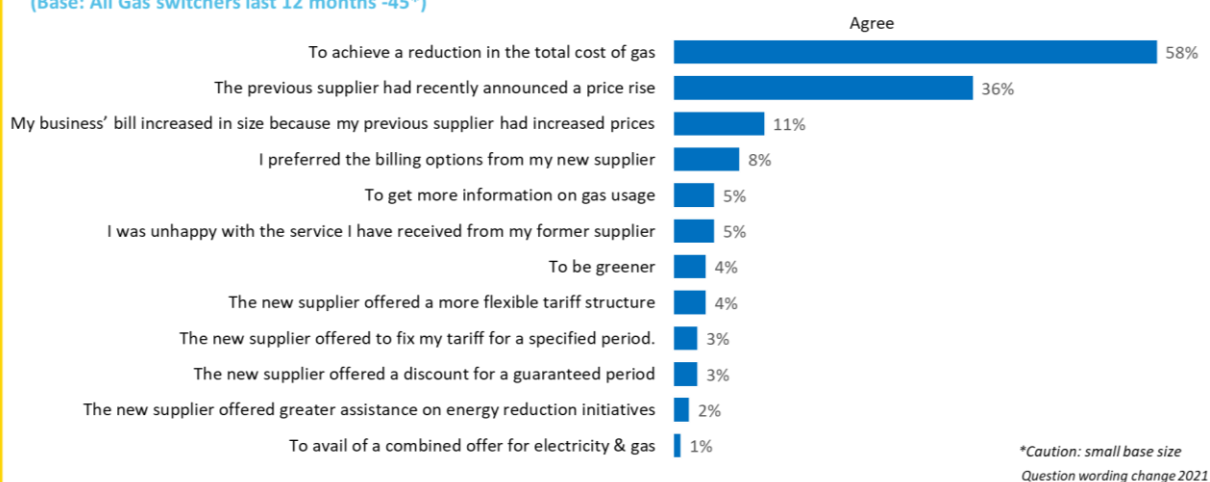
Electricity

(Base: All Electricity switchers last 12 months – 96)



Gas

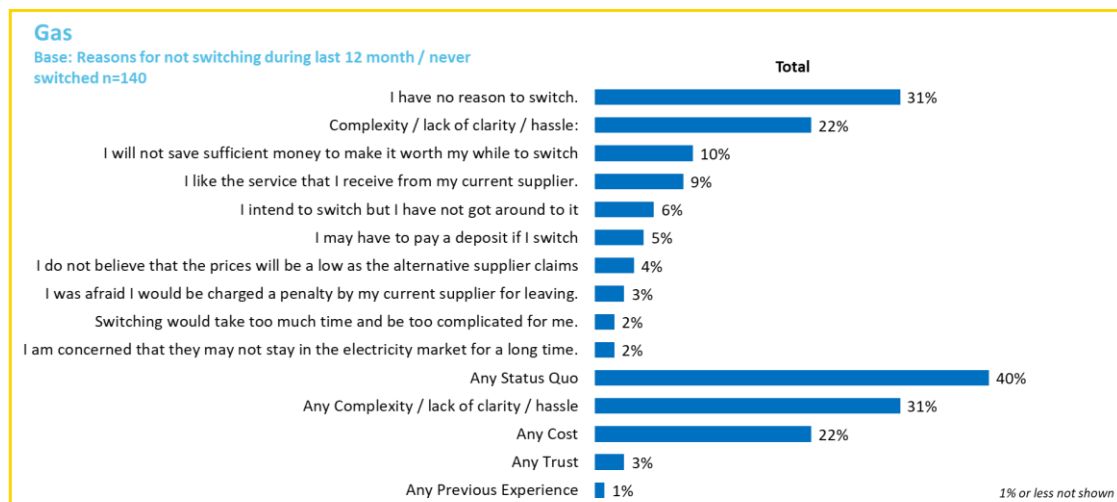
(Base: All Gas switchers last 12 months – 45*)



16. Drivers for not switching

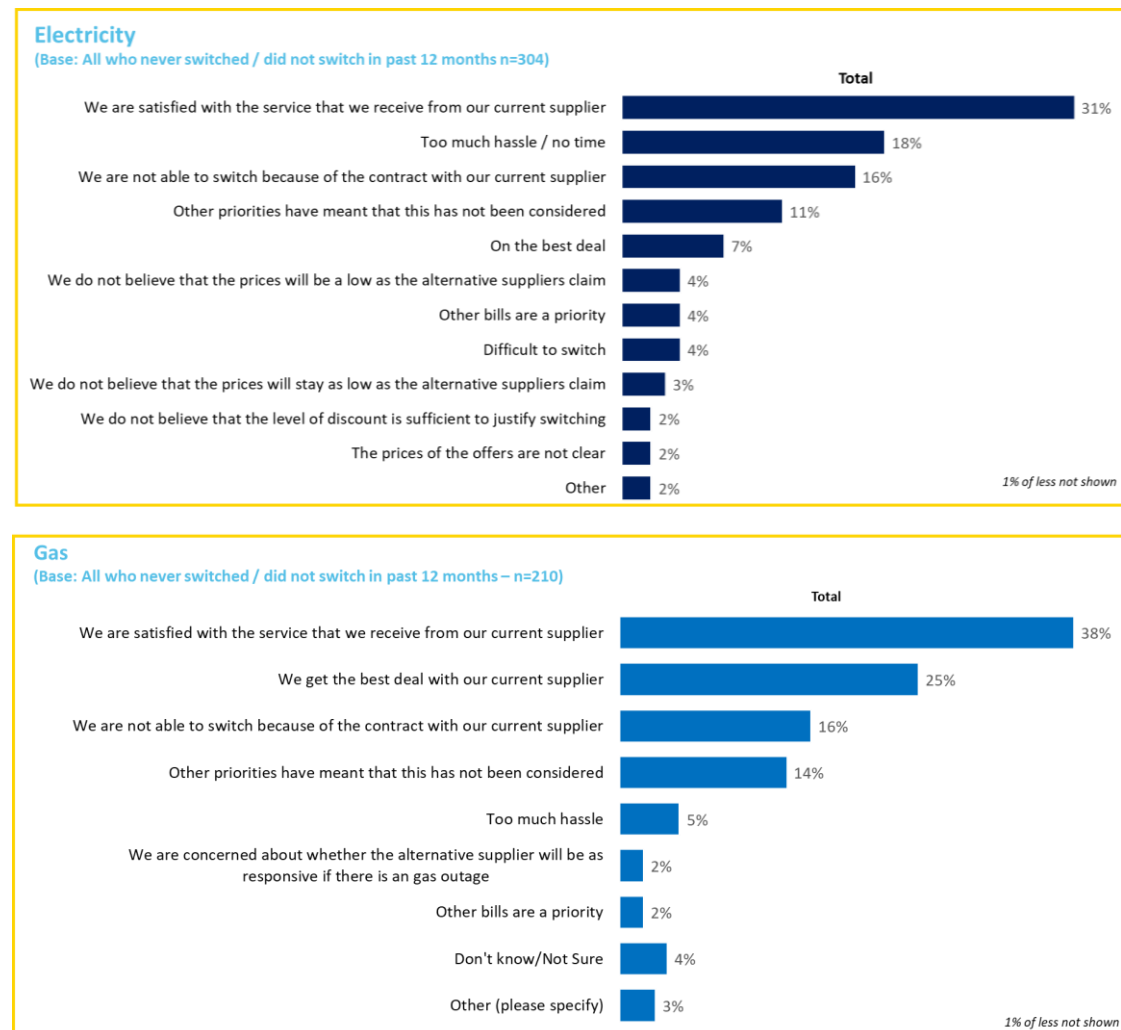
Residential electricity and gas consumers who had not switched in the previous 12 months were asked why they had not switched their energy supplier. The most cited reasons for not switching included not having a reason to switch and the perceived complex nature of switching. 1 in 10 note that they believe they will not save enough money to warrant a switch.

Figure 21: Reasons for not switching in last 12 months among electricity and gas customers



Among SME non-switchers, 'satisfaction with current provider' was the main reason given for not switching, among both electricity and gas SMEs. The level of effort to switch plays a much more key role for electricity customers compared to gas customers.

Figure 22: Reasons for not switching in last 12 months among electricity and gas SMEs below:

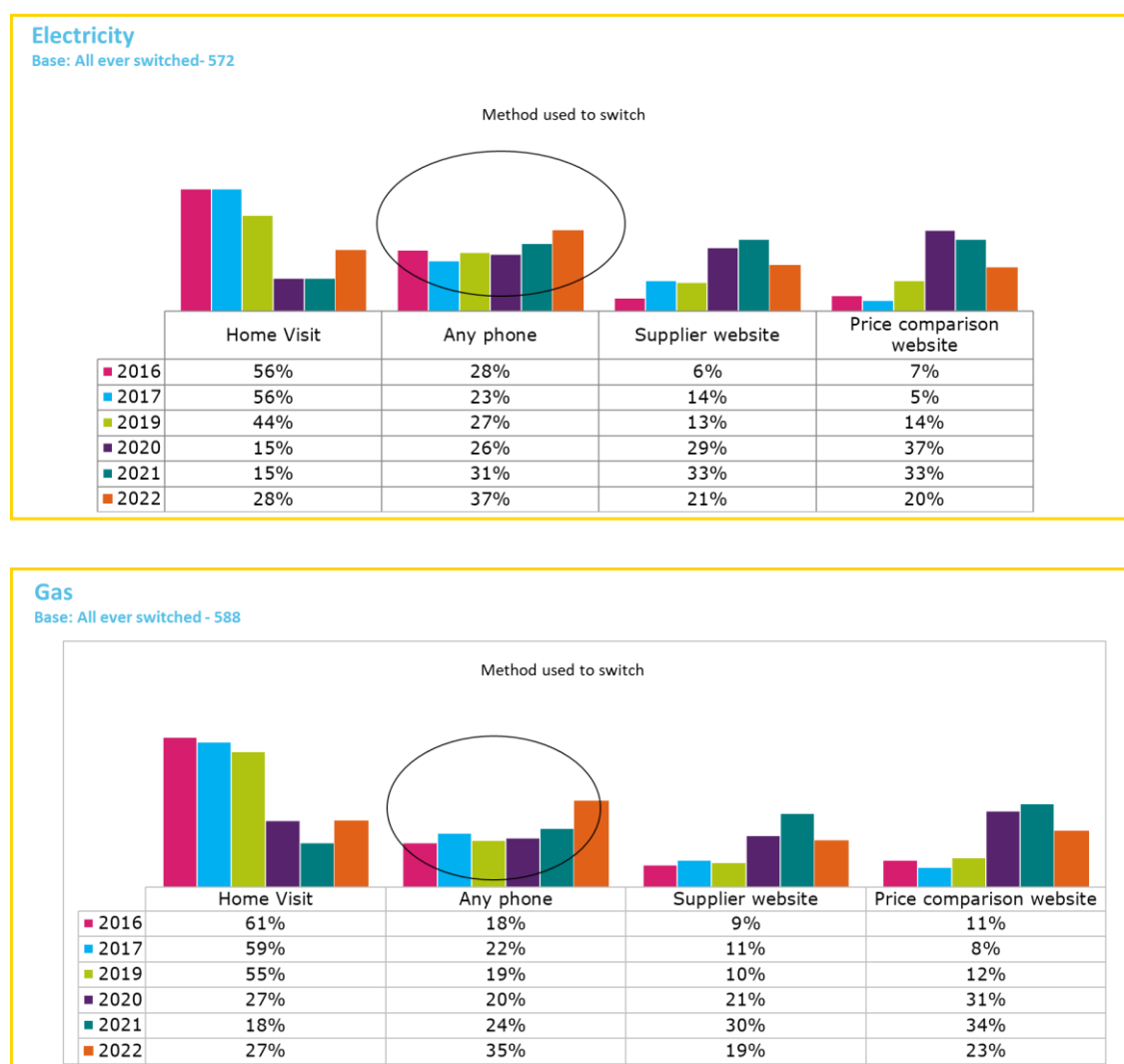


17. Overall experience of the switching process

There has been a significant reduction in the number of customers who indicate they rely on websites to switch, with increased contact through phone and home visits. This appears to be signaling an end to the online boom which emerged during covid, in addition to the drive to save more money, with a perceived notion that in-person contact often results in a better deal.

It should be noted that this does not mean that online comparison tools are redundant, but rather they play a more supportive role in the switch, with indications that a multi-pronged approach to switching is being utilised by many.

Figure 23: Contact method used to switch by electricity and gas customer switchers below:



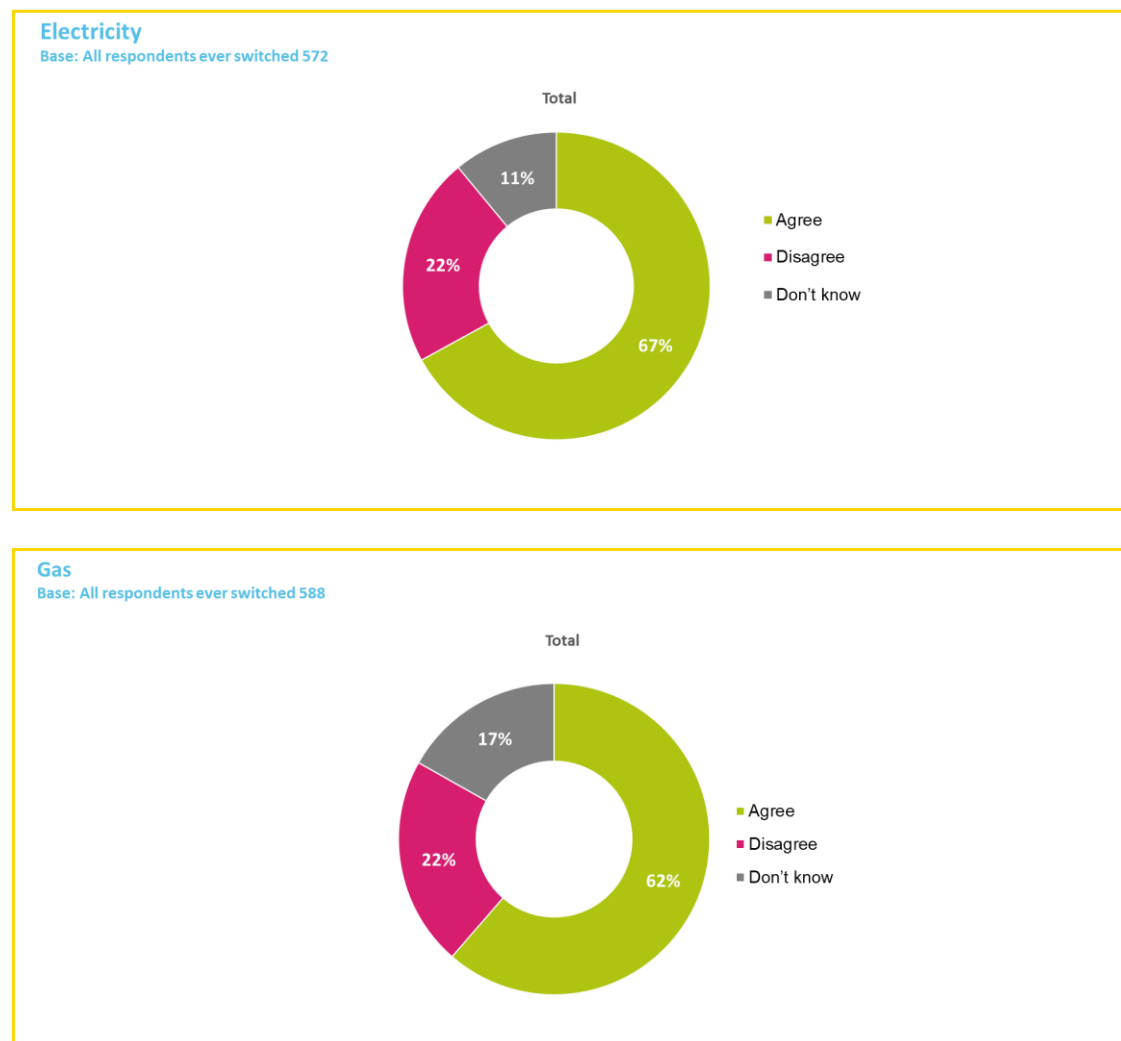
With regards to the actual process of switching energy providers, there has been a reduction of over 10%pts in the percentage of those perceiving that the process is easy, with 80% of electricity and 81% of gas customers claiming the process was easy in contrast to 94% and 92% respectively in 2021. This still remains high, however, regardless of the reduction.

Figure 24: Experience of switching process by electricity and gas customer switchers below:



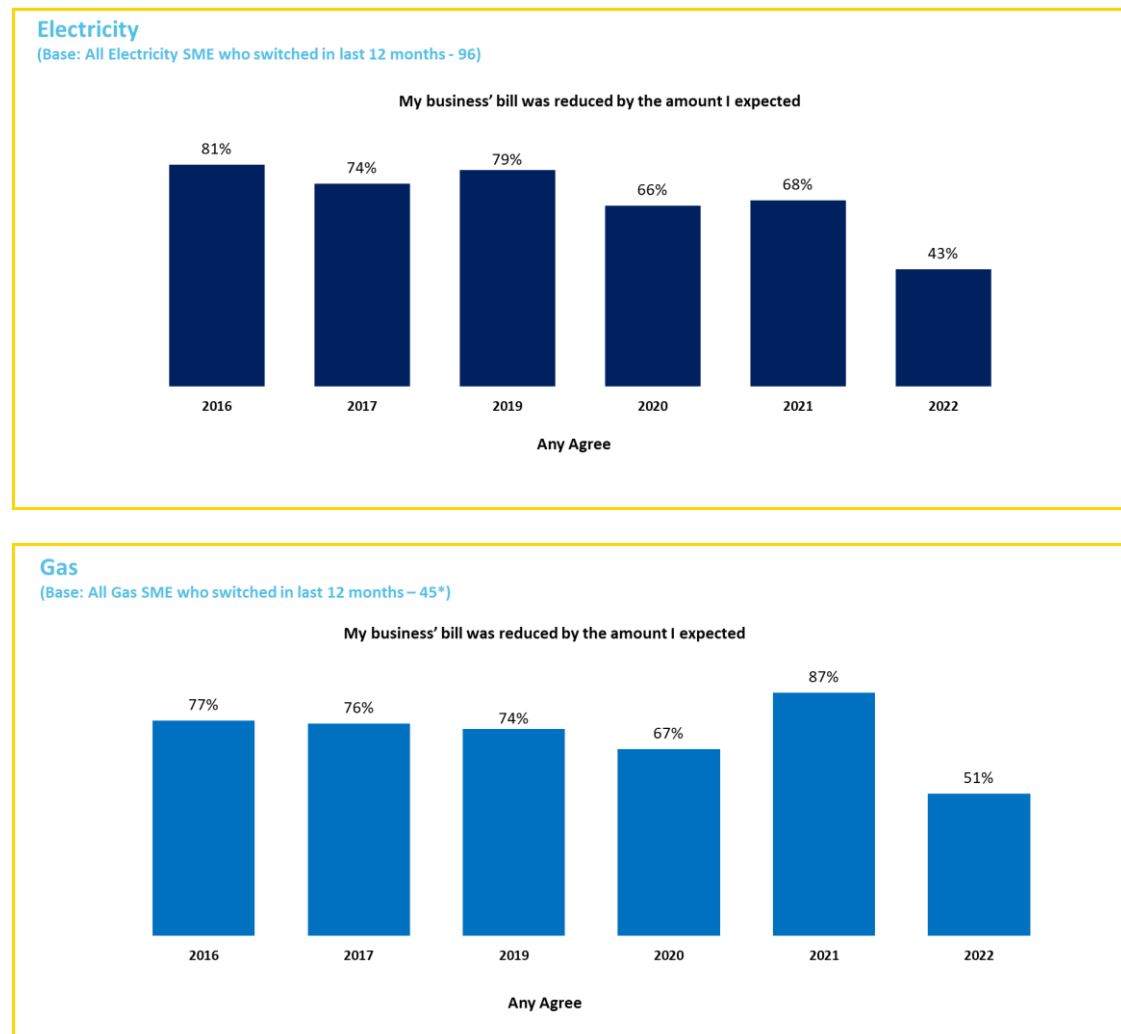
The act of switching is perceived to have positive outcomes in this time of rising energy costs, with 2 in 3 electricity and 3 in 5 gas customers noting that their bills reduced as much as they expected them to. It should be noted that compared to previous years, there has been a marked decrease in agreement here, with a -11%pt decrease since 2020 among electricity customers (78% in 2020), and a -19%pts decrease among gas customers (81% in 2020).

Figure 25: Residential bill reducing as expected following the switch among electricity and gas switchers below:



Switching seems to have been less effective for SMEs with a sharp reduction in those stating their bill reduced as much as was expected.

Figure 26: SME bill reducing as expected following the switch among electricity and gas switchers below:



18. Awareness of the CRU and Complaint Handling

Awareness of the CRU has remained relatively stable amongst electricity and gas customers since 2019, though there has been a slight reduction in awareness surrounding its role in consumer protection. Awareness is lower amongst the vulnerable electricity customers, while vulnerable gas customers' awareness is in line with the general gas customer cohort. The proportion of customers who are aware that the CRU regulates Irish Water has increased over the last 12 months reaching 10% and 12% respectively for electricity and gas customers.

Figure 27: Awareness of CRU and its role in consumer protection and Irish Water by electricity and gas customers below:



SME respondents were also asked about their awareness of the CRU and its role in consumer protection. The proportion of electricity SMEs who are aware of CRU has remained relatively stable with 2021 levels. There is a significant decline in the proportion of SMEs who are aware of the CRU's role in consumer protection with a -11%pt decline among electricity customers and a -16%pt decline among gas customers.

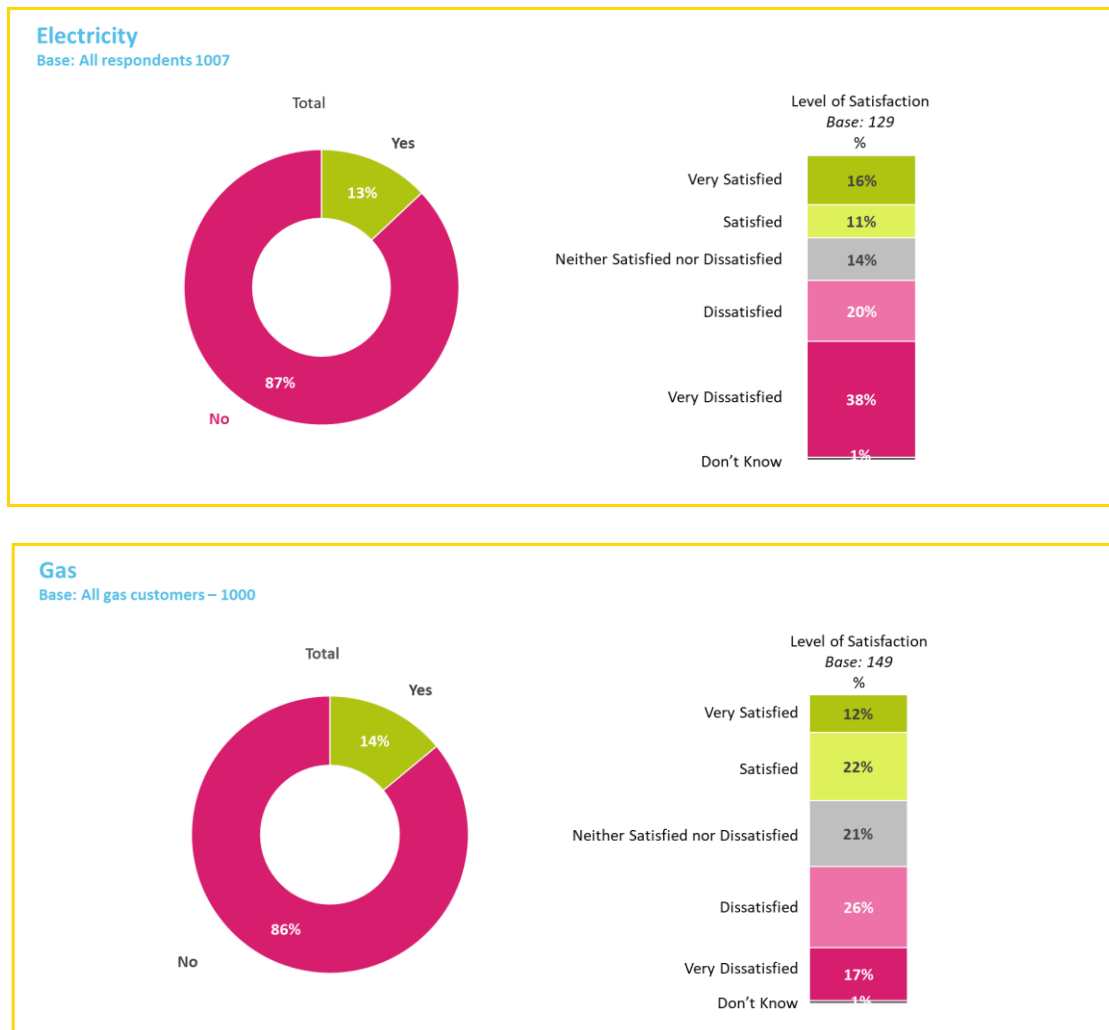
Figure 28: Awareness of CRU and its role in consumer protection and Irish Water by electricity and gas SMEs below:



19. Experience of Irish Water

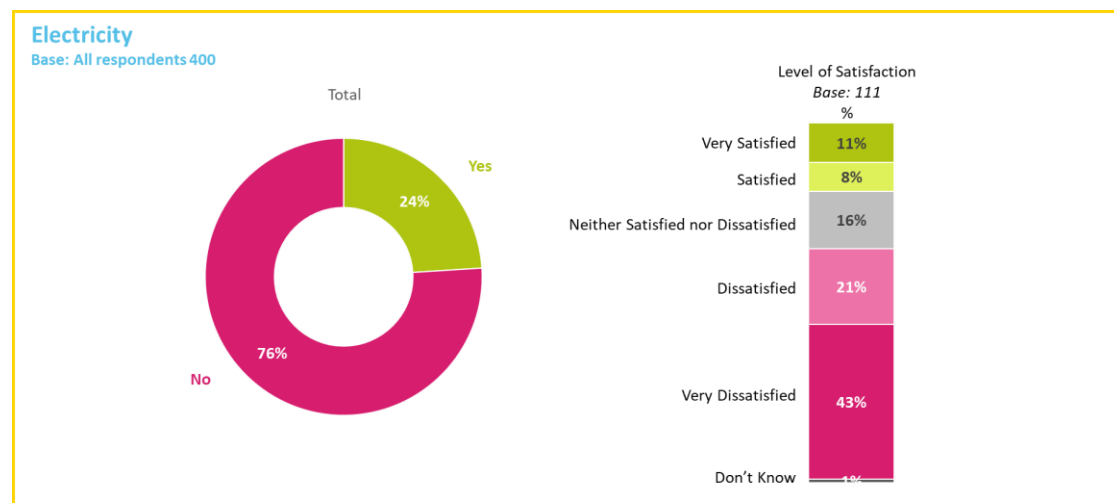
Residential customers were also asked about their level of contact with Irish Water. Just over 1 in 10 customers have been in contact with Irish Water, with almost 3 in 5 electricity customers noting dissatisfaction with how the issue raised by the customer was handled by Irish Water. Gas customers are more positive but still a substantial number noting dissatisfaction (over 2 in 5).

Figure 29: Residential experience of Irish Water regarding an issue among electricity and gas customers below:



Electricity SMEs were also asked about their experience with Irish Water. One-quarter of SMEs have had contact with Irish Water which represents a much higher incidence than among residential customers. Of those who have had contact with Irish Water, almost 2 in 3 noted their dissatisfaction.

Figure 30: SME experience of Irish Water regarding an issue among electricity customers



Q.8a Have you had to contact Irish Water in the past 12 months regarding an issue?

Q.8b Please rate your level of satisfaction with how Irish water dealt with your issue, using a scale of 1 to 5 where 1 is Very Dissatisfied and 5 is Very Satisfied?

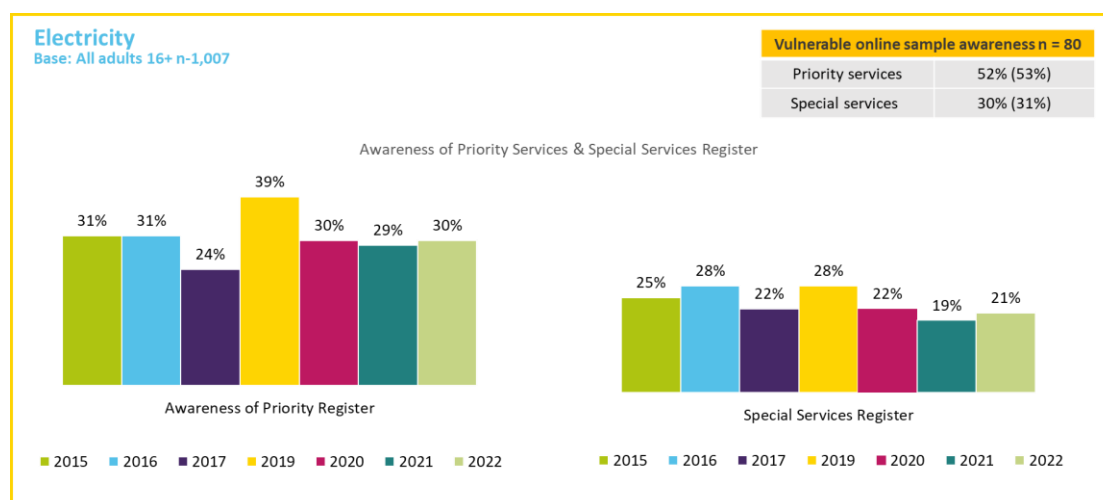
20. Vulnerable and Priority Customers

The CRU's remit includes statutory responsibility to ensure the protection of vulnerable customers, i.e. those who are vulnerable² and require an enhanced service from their electricity or gas supplier.

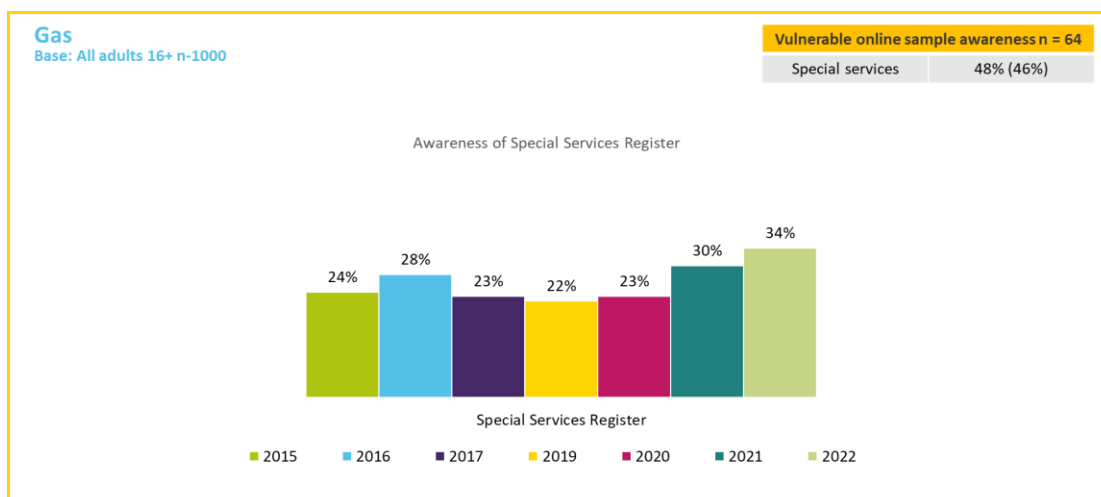
Vulnerable customers must register with their electricity and gas supplier, where relevant, to avail of the enhanced service and supply guarantees that are available to them. For instance, registration means that customers who are vulnerable to supply interruption have additional safeguards against disconnection. For customers who have special communication requirements, suppliers and network operators must develop appropriate methods of communication.

The incidence of consumers who are aware that it is possible to register with the supplier if dependent on electrically powered medical equipment (priority status) remains steady with 2020 and 2021 levels at 30%. Awareness is higher amongst the vulnerable sample with over half indicating awareness of the Special Services Register. Awareness of the Special Services register has rebounded slightly among the electricity customers, while awareness amongst gas consumers has increased to 34% (+4%pts) for the same period. Awareness is higher among the vulnerable sample once again.

Figure 31: Vulnerable consumers- Awareness of registration categories in electricity and gas customers below:

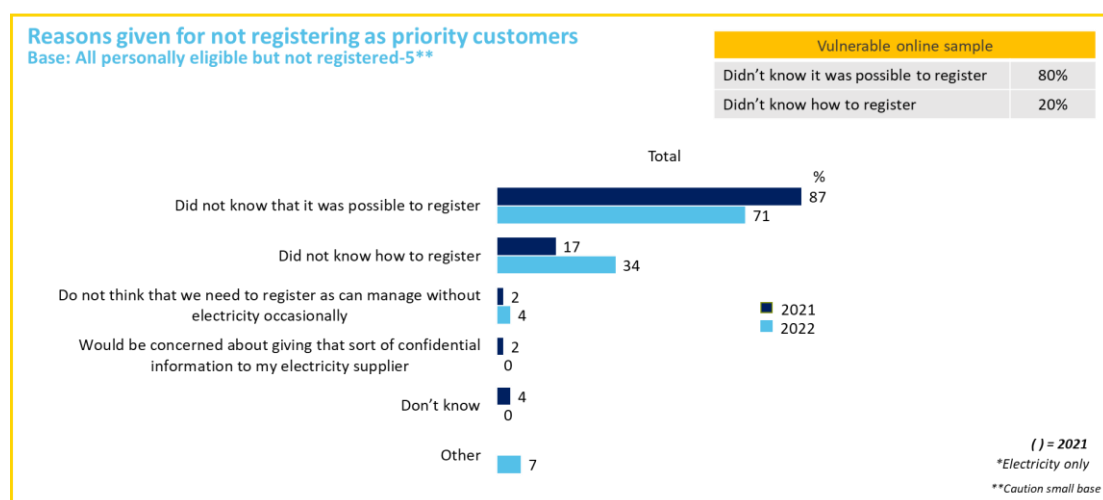
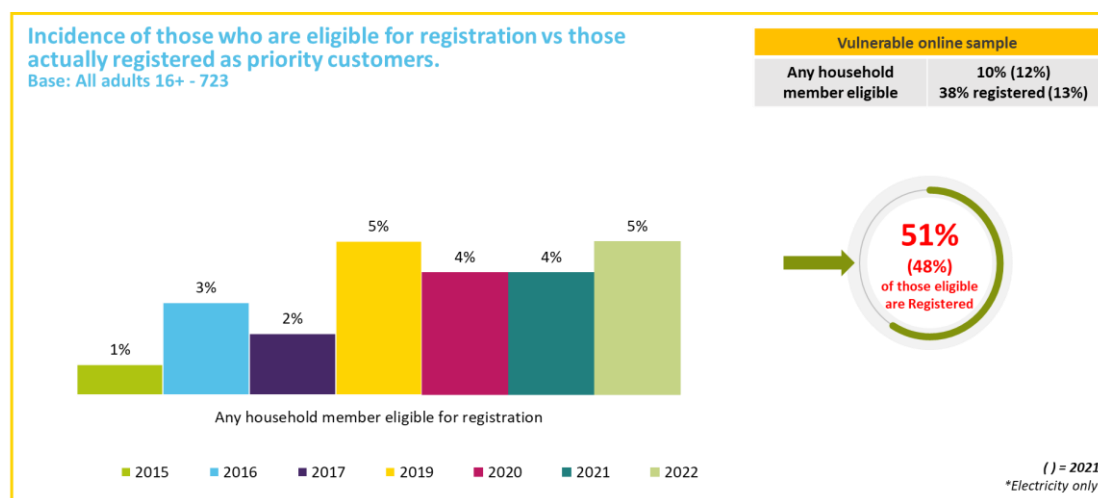


² A vulnerable customer is defined in legislation as a household customer who is: **a.** critically dependent on electrically powered equipment, which shall include but is not limited to life protecting devices, assistive technologies to support independent living and medical equipment (Priority Services Register), or **b.** particularly vulnerable to disconnection during winter months for reasons of advanced age or physical, sensory, intellectual or mental health (Special Services Register).



While 30% of electricity customers are aware of the Priority Services Register, 5% of electricity respondents claimed that someone in their household is eligible for registration as a priority customer. Of these, 51% are actually registered. The most common reason cited for not registering was that they were not aware that it was possible to register (small base). A higher proportion of the vulnerable sample claim to be eligible to register for the Priority Services register, however, fewer are actually registered (note all vulnerable samples have a disability by definition).

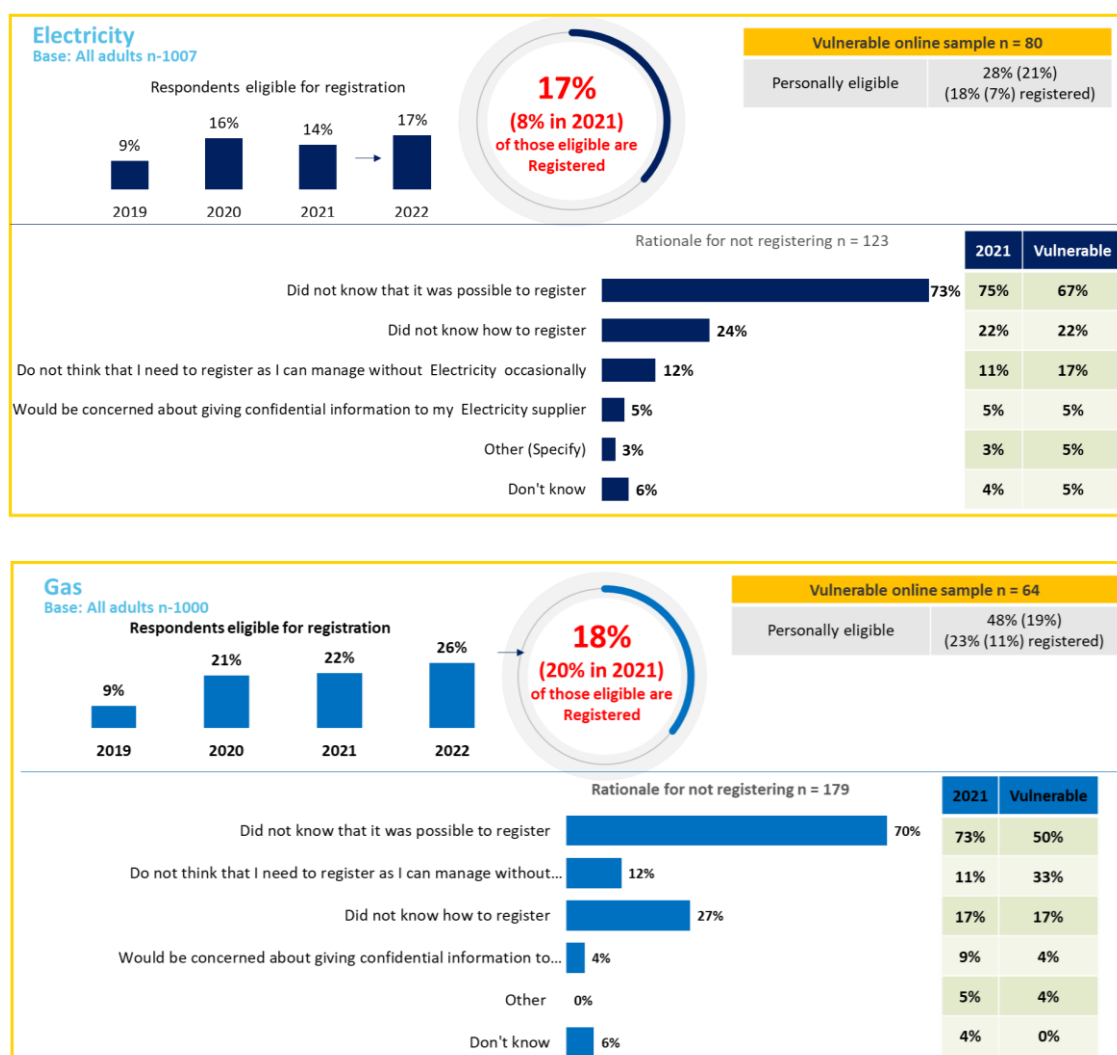
Figure 32: Priority consumers- Level of eligibility and registration (electricity only) in customers



The proportion of electricity and gas customers who claimed that they are personally eligible for the special services register has remained broadly steady with 2020 levels. However, there has been a significant increase in the rate of those eligible electricity customers who are registered; this has reached 17% (8% in 2021). Gas customer registration has remained stable, however.

As in previous measurements, the most common reason for not registering was not knowing it was possible to register. 28% of the vulnerable electricity sample and 48% of the vulnerable gas sample claim to be eligible for the Special Services register. This is a major increase from 2021. This increase can also be seen in relation to those claiming to be registered, with 18% electricity and 23% gas customers now registered.

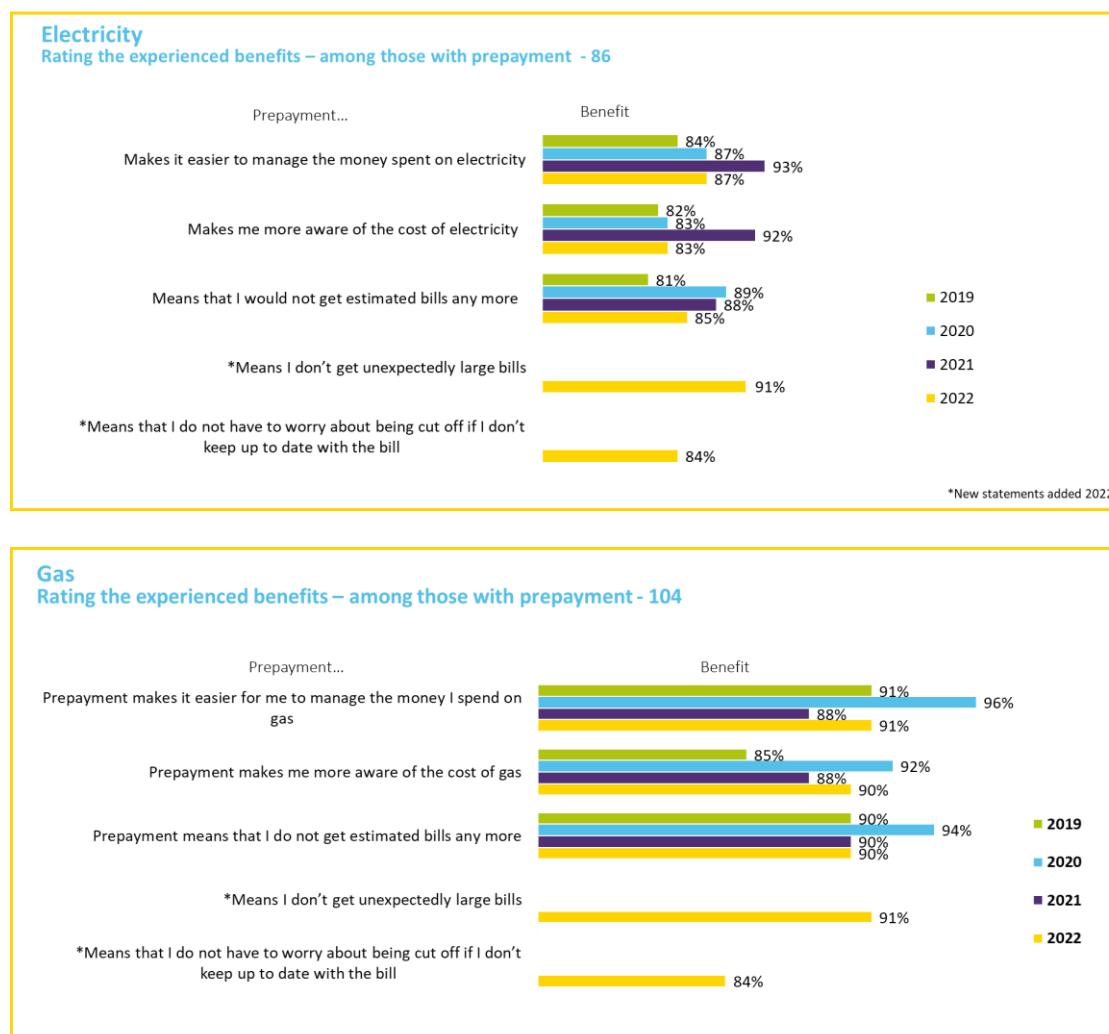
Figure 33: Special services: Level of registration in electricity and gas customers below:



21. Prepayment

The consumer surveys within the electricity and gas markets identified that 1 in 10 electricity and 1 in 7 gas customers use prepayment meters. Those on prepayment highlight the benefits including that this method of payment makes it easier to avoid unexpectedly large bills, avoids any estimated bills and makes it easier to manage money spent on energy.

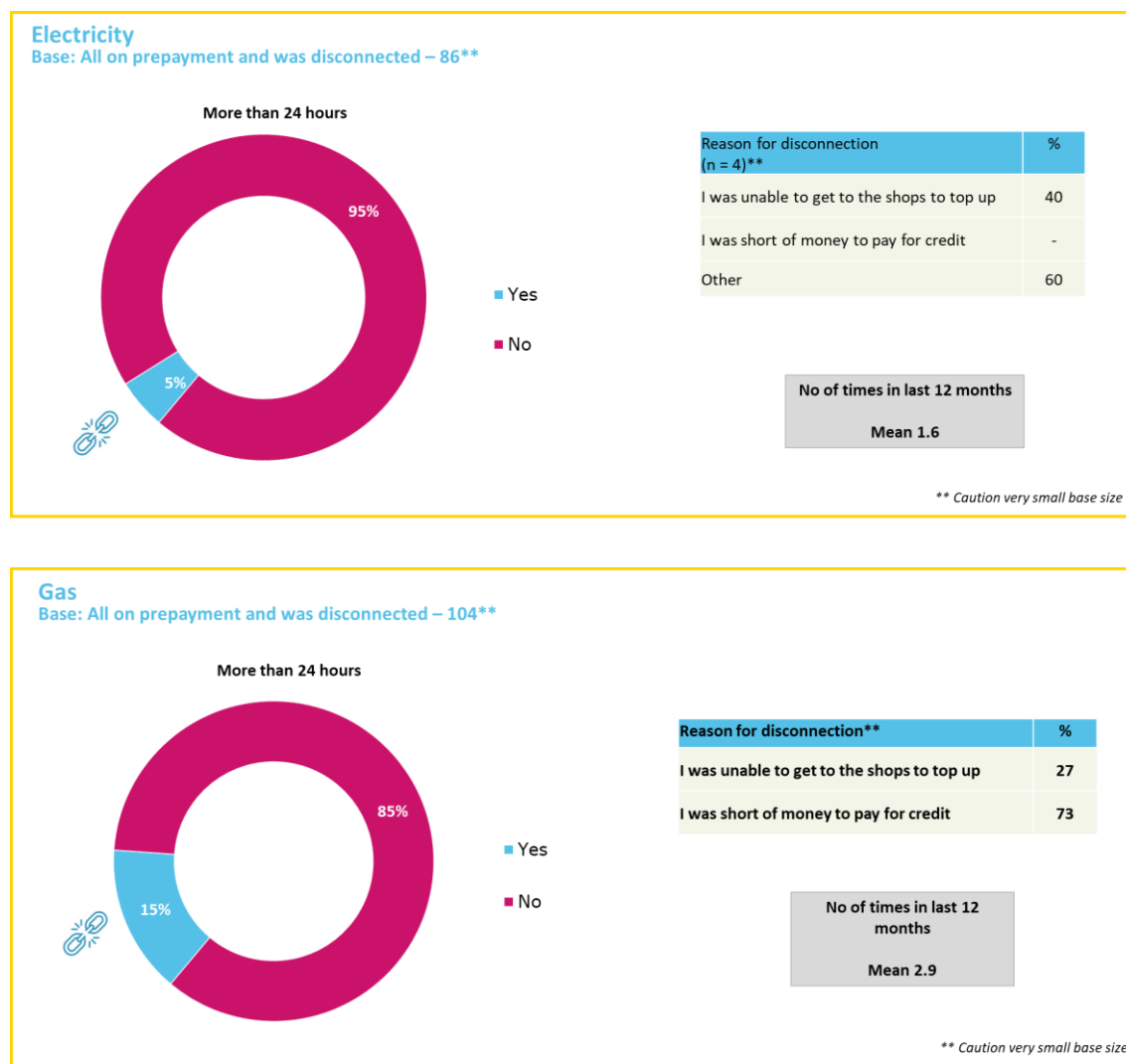
Figure 34: Rating of perceived benefits among consumers on prepayment in electricity and gas customers³



Among prepayment customers, 5% of electricity customers have experienced a disconnection lasting more than 24 hours, while 17% of gas customers indicate they have experienced this. This is potentially likely due to the seasonal nature of gas heating or to self-disconnection practices focused on cost saving.

³ For clarity, the question was phrased as follows: "For each of these potential benefits of having a prepayment meter, please advise if you agree or disagree based on your own experience of using prepayment meters?"

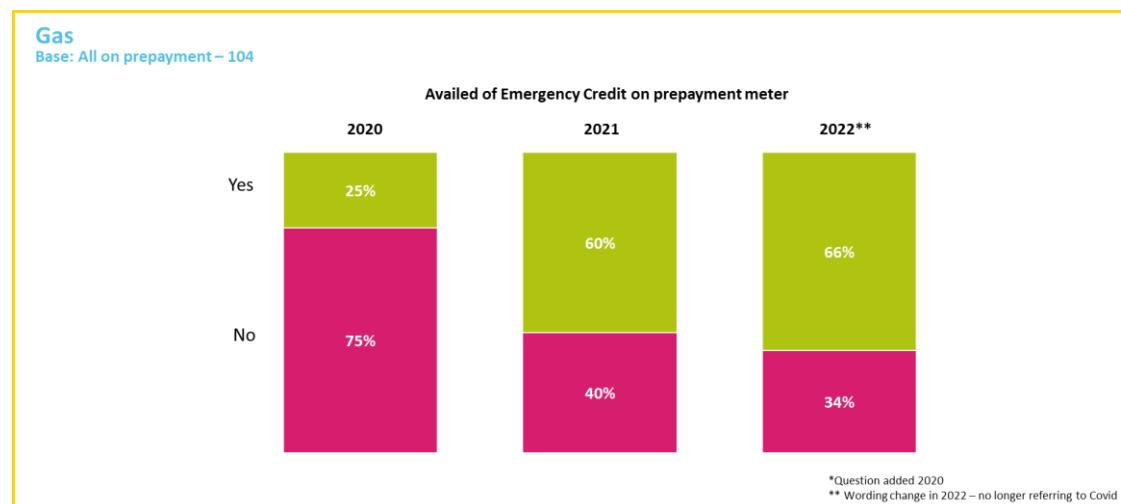
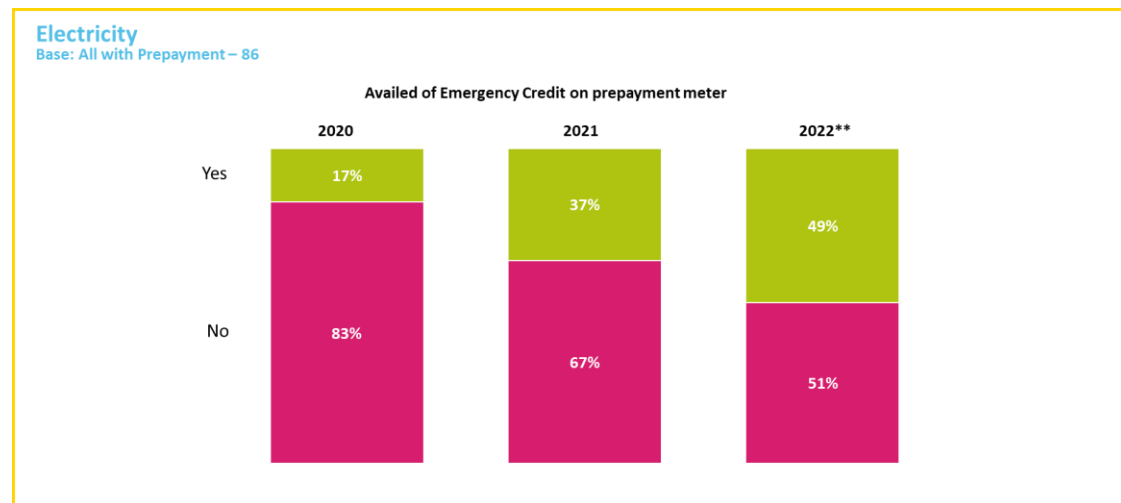
Figure 35: Incidence of disconnections lasting 24 hours or longer among electricity and gas customers⁴



Respondents on prepayment were also asked about whether they had ever availed of the emergency credit. Please note that in previous years, this question was asked specifically in relation to Covid-19. This year, this reference was removed. This may help to explain the increase in those claiming to have availed, though the increase in energy costs may have impacted here as well.

⁴ For clarity, the question was phrased as follows: “Has your prepayment meter ever been disconnected for more than 24 hours?”

Figure 36: Prepayment – Incidence of availing of emergency credit on PPM in electricity and gas customers below:



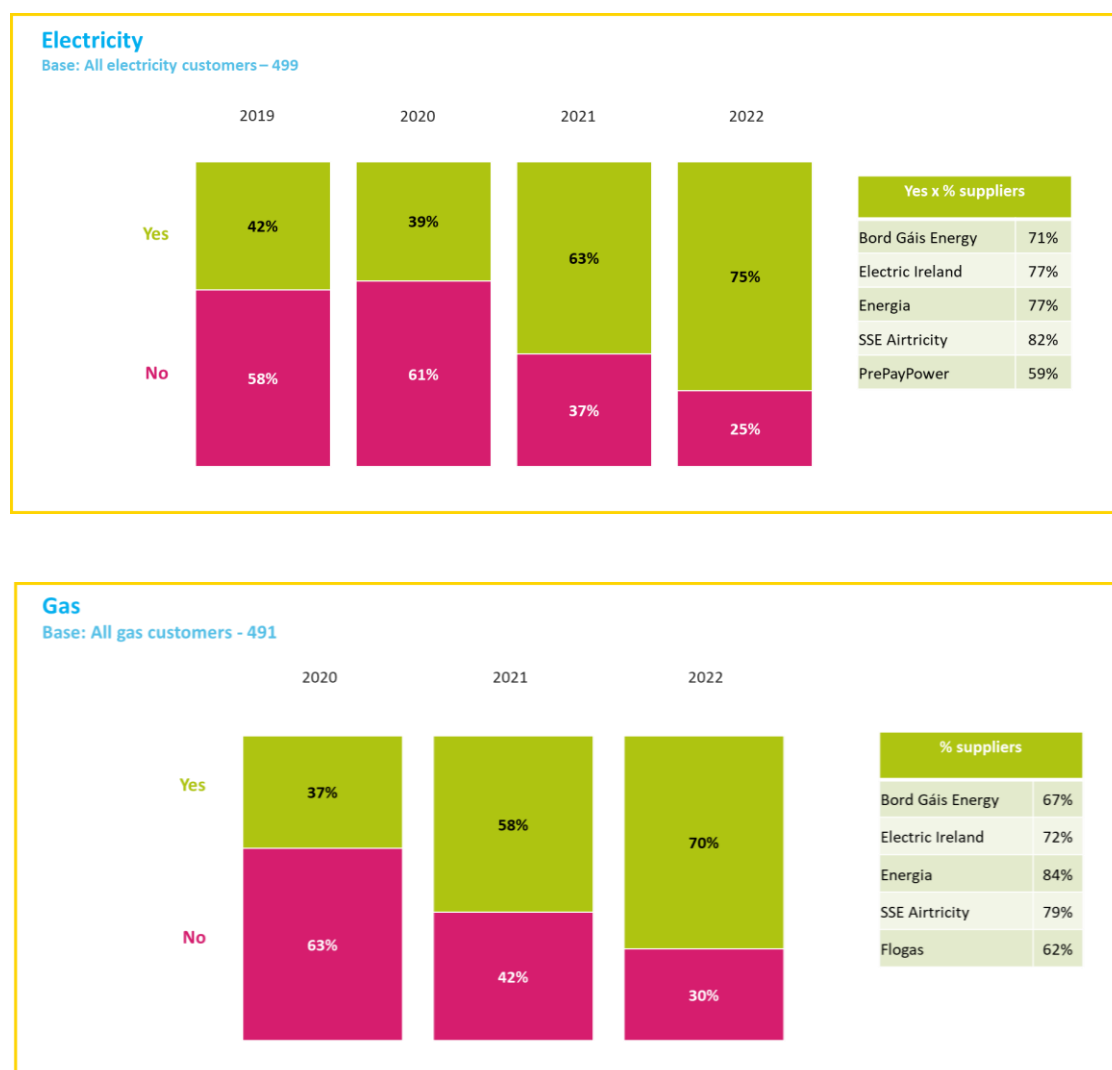
22. Smart Metering and Renewable Energy

Residential and SME respondents were asked their opinion on smart metering to establish levels of awareness and interest. The following information was read out to all electricity and gas consumers and SME respondents before being asked a series of questions:

“Smart Meters are the next generation of electricity meters to replace older meters. They are being rolled out now and will continue to be rolled out over the coming years. Smart meters can give you / your business ongoing and detailed information on its energy usage and removes the need for estimated bills. “

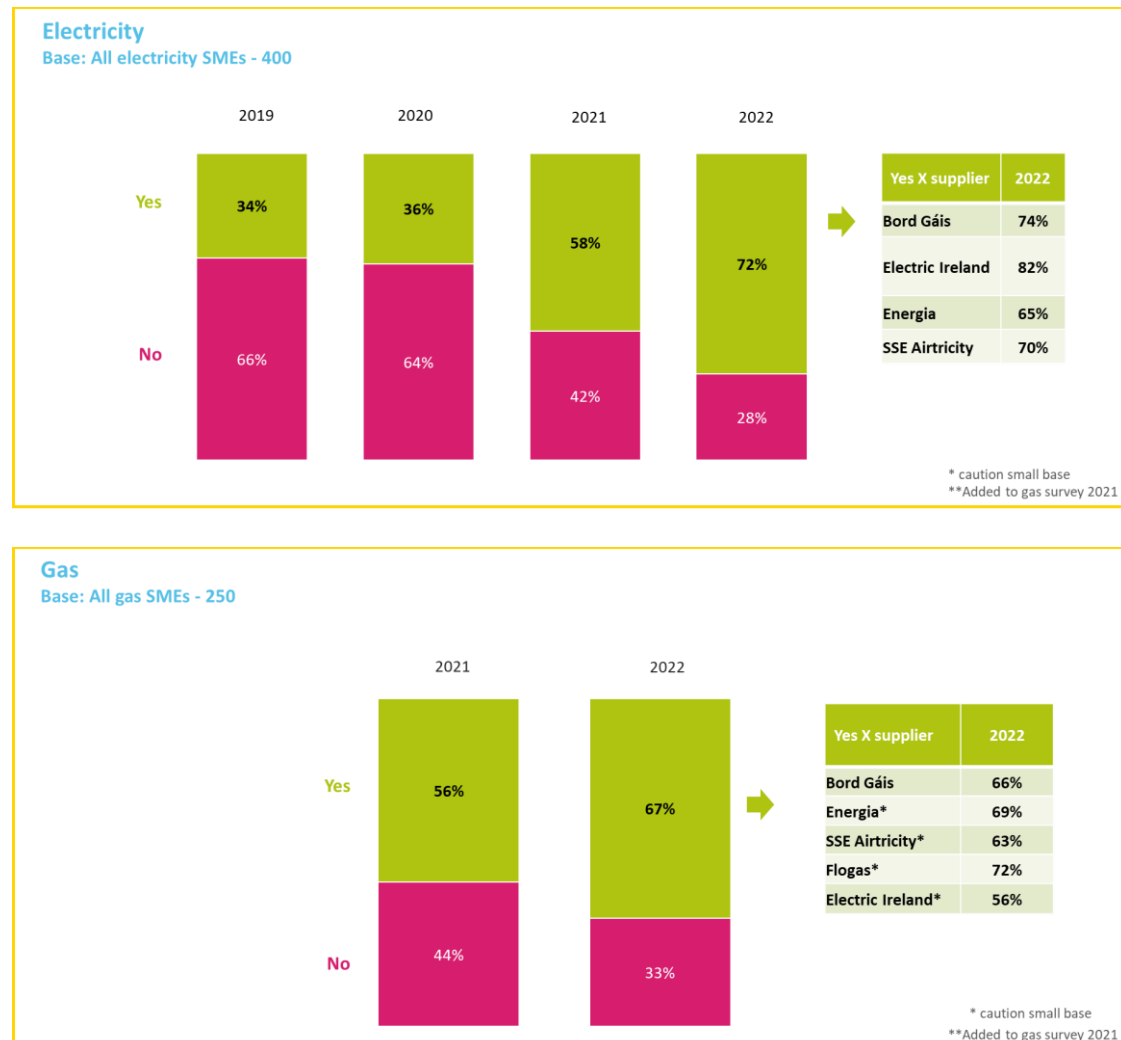
The proportion of electricity customers who were aware of Smart Meters before the interview has increased significantly across both electricity (+12%pts) and gas (+12%pts) customers compared with 2021. Awareness is higher among SSE Airtricity electricity customers and is also higher among gas customers of Energia and SSE Airtricity.

Figure 37: Awareness of smart meters among electricity and gas customers



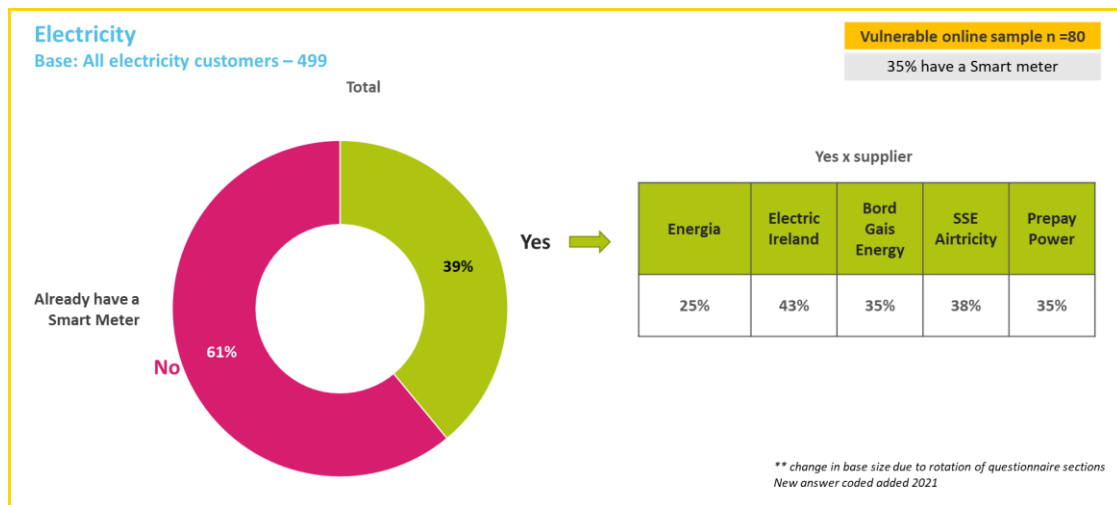
SME awareness of smart meters is slightly lower compared with residential customers, although increases have been seen across both electricity and gas customers, with 72% and 67% aware respectively.

Figure 38: SME Awareness of smart meters among electricity and gas customers



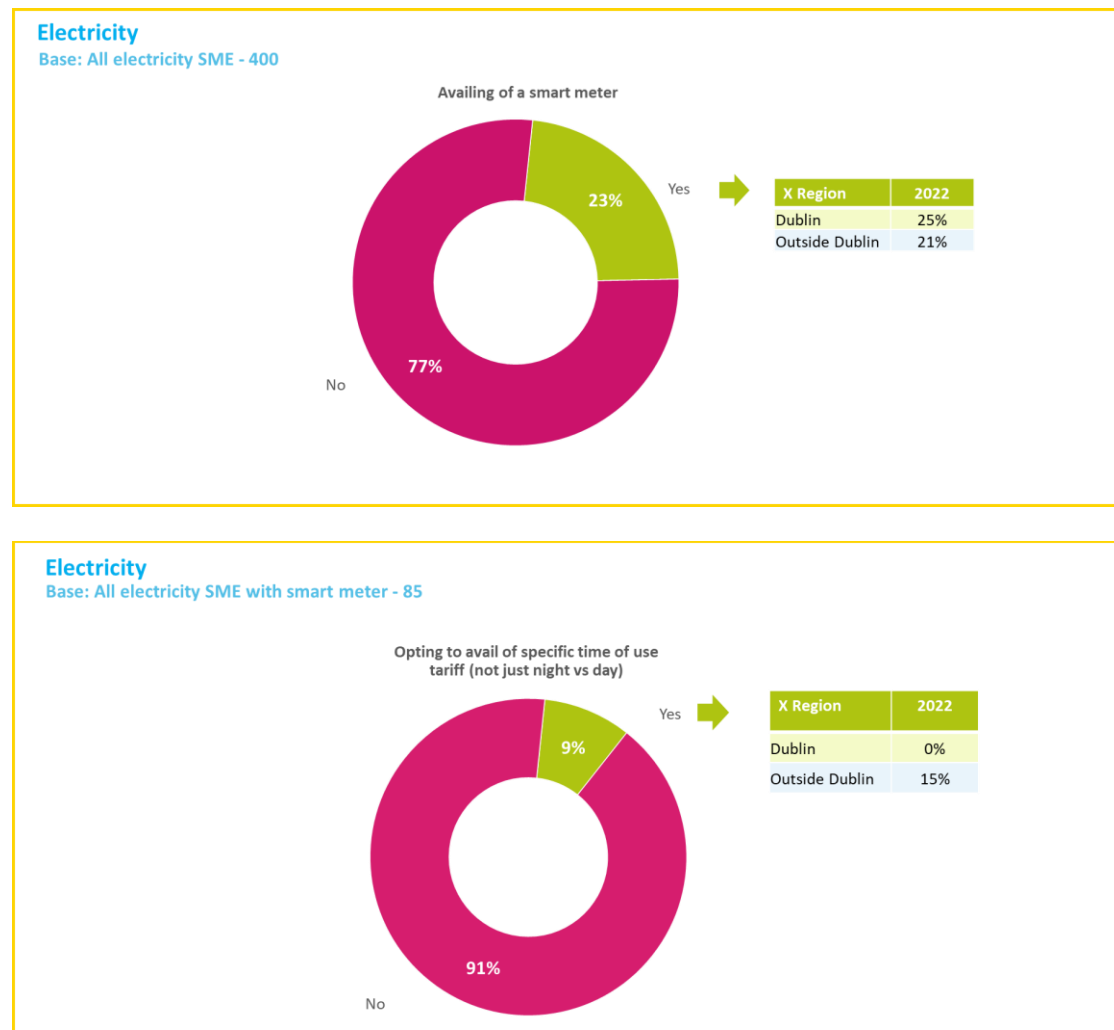
When asked about whether they have a Smart Meter installed, 2 in 5 electricity and gas customers indicate they have a smart meter installed. The vulnerable sample report similar levels of installation.

Figure 39: Incidence of getting a smart meter among electricity customers



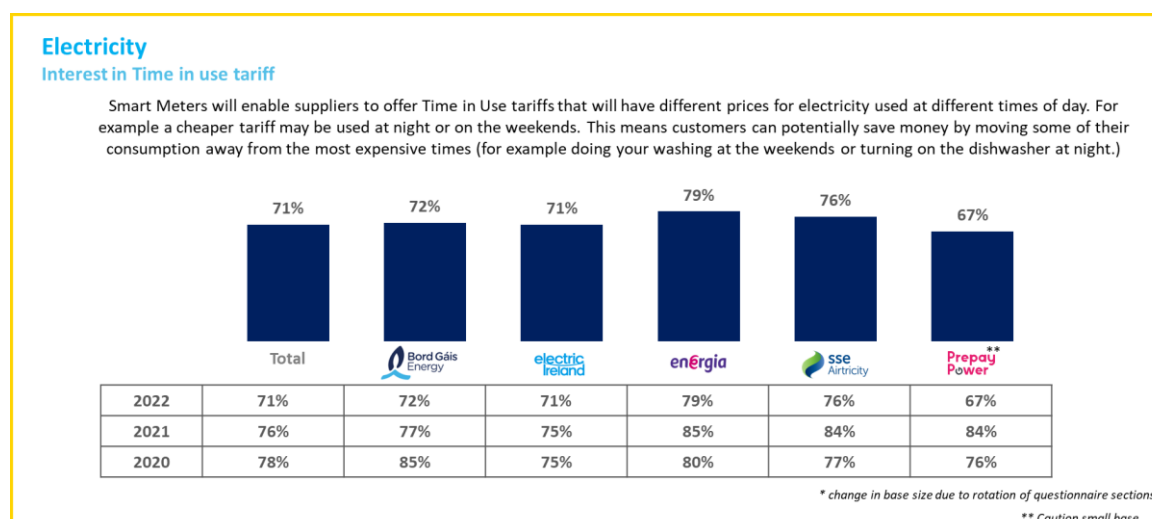
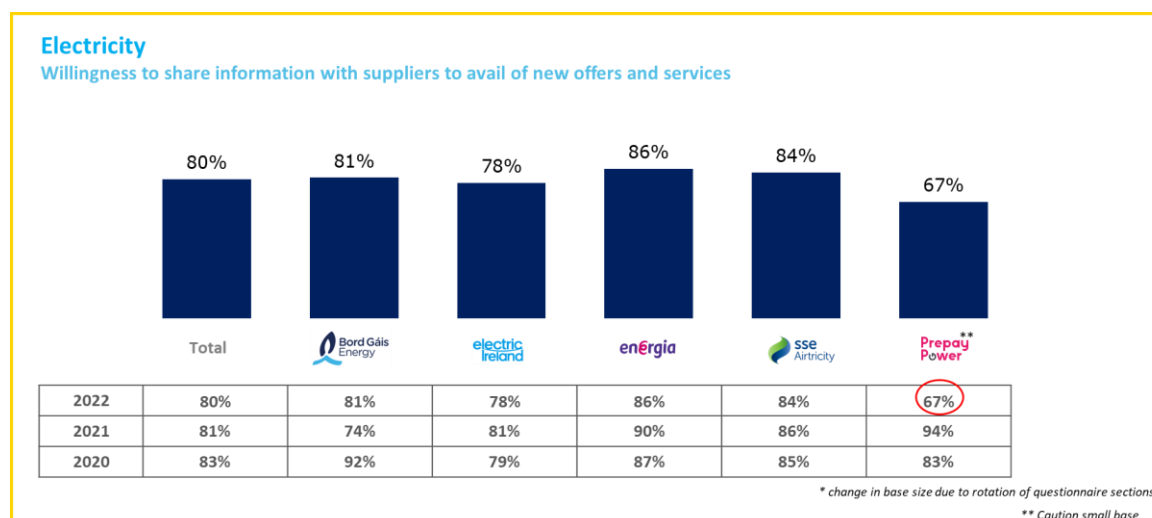
There is less take-up of smart meters on the business side, with one quarter claiming to have a smart meter installed. Even fewer are availing of specific time of use tariffs with 1 in 10 of those with smart meters claiming to be availing of these tariffs.

Figure 40: Incidence of SMEs availing of smart meters (electricity only), and specific time of use tariffs



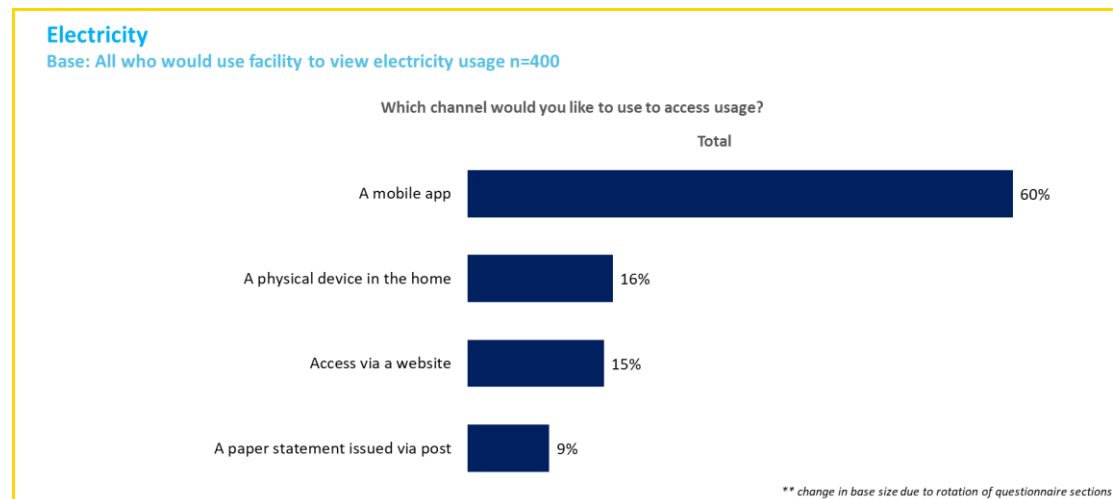
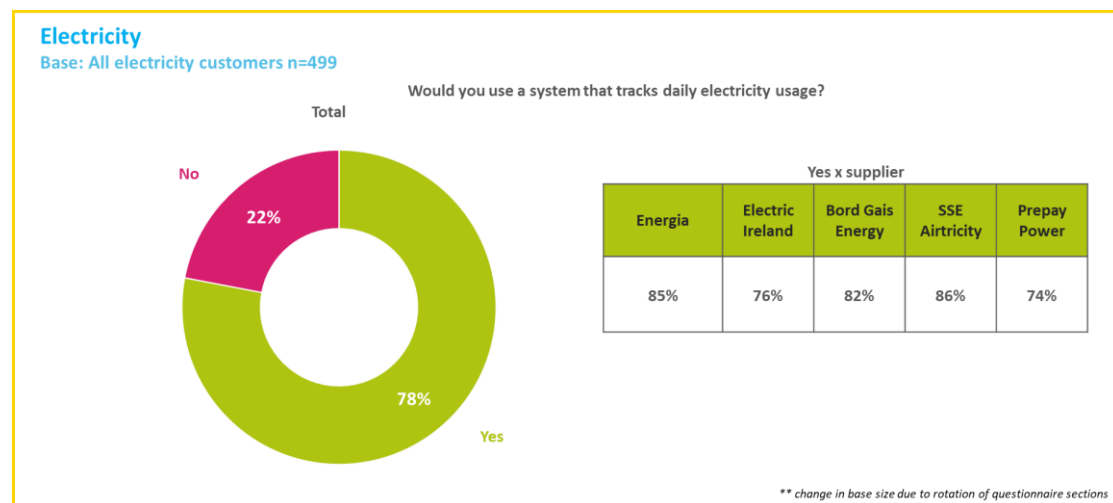
Electricity consumers were also asked if they would be willing to share their energy information with suppliers to avail of new offers and services. Customer willingness to share information with suppliers remains steady at 80%. Customers interested in a Time in Use tariff have decreased slightly from 76% to 71%.

Figure 41: Willingness to share information with energy providers so they can offer new tariffs and services (electricity only)- customers



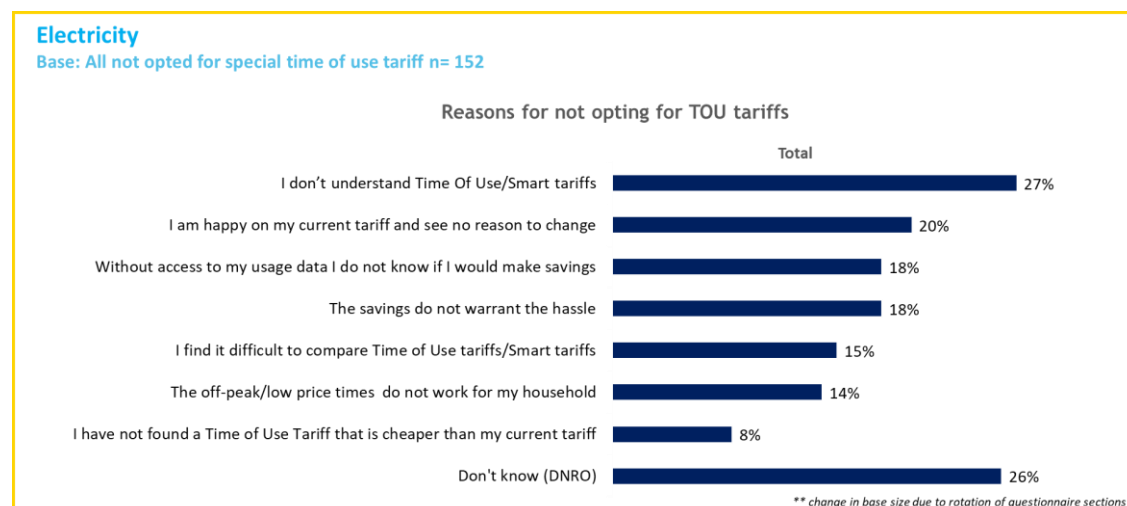
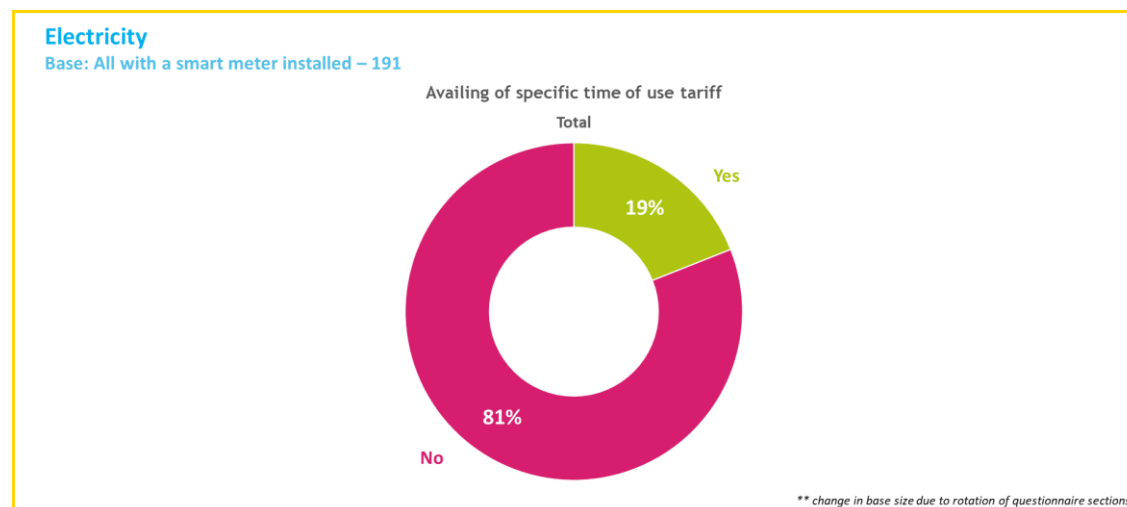
There is a clear appetite for tracking electricity usage with almost 4 in 5 noting interest in this. Most would prefer this to be conducted through an app, though it should be noted that those over 65 are more likely to want the tracker to be accessible through a physical device or a paper statement.

Figure 42: Appetite for tracking electricity usage among consumers



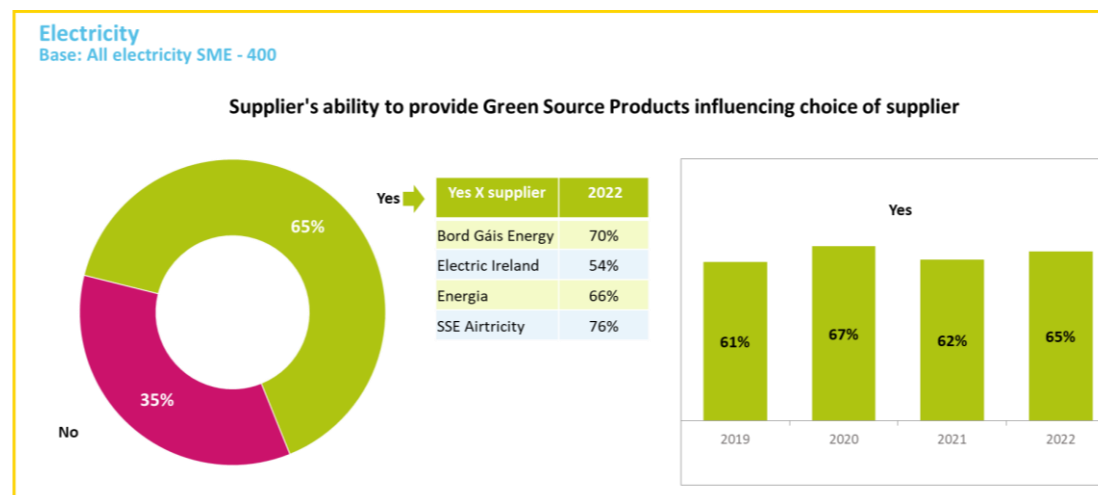
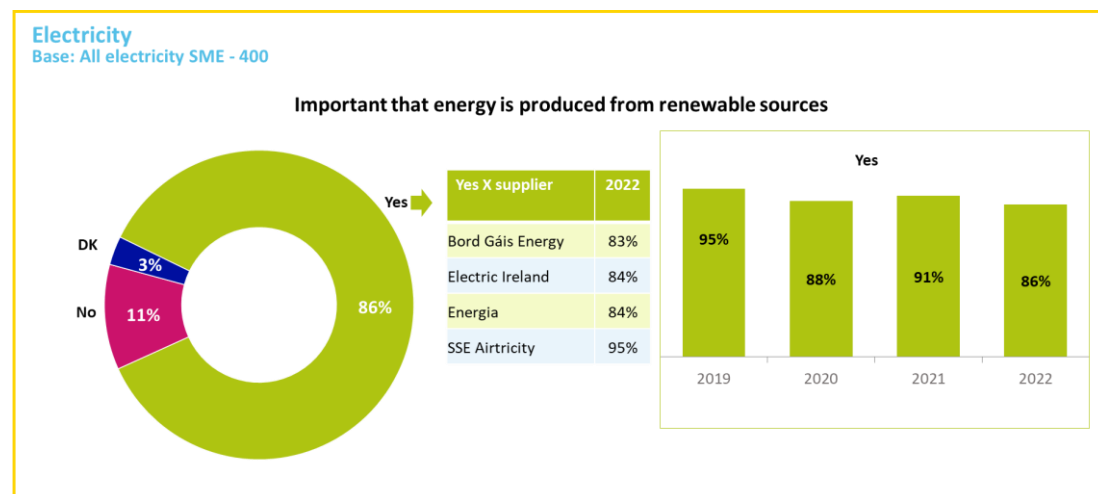
1 in 5 residential customers with a smart meter installed are currently availing of specific time-of-use tariffs. Of those who are not, over one quarter do not understand time-of-use tariffs, while another 20% are happy with their current tariff, indicating a level of apathy still exists even in times of increasing energy costs.

Figure 43: Incidence of availing of specific time-of-use tariffs



SME customers were also asked whether they felt it was important that energy is produced from renewable sources; agreement remains high at just under 9 in 10. There is less agreement that the energy suppliers' ability to provide green source products influences their choice of supplier, with 2 in 3 agreeing with this.

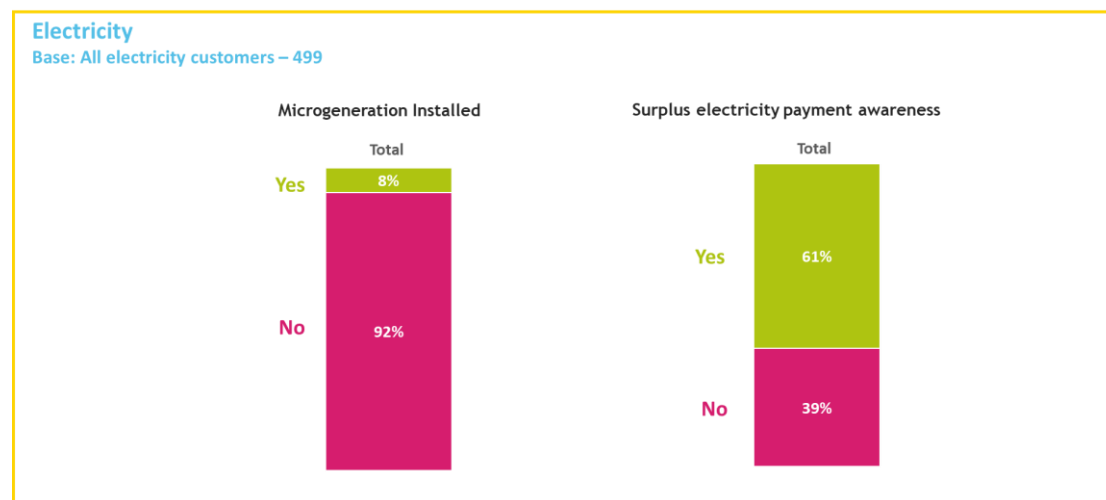
Figure 44: Importance of renewable energy - (electricity only) SME



23. Microgeneration, active consumers and energy communities

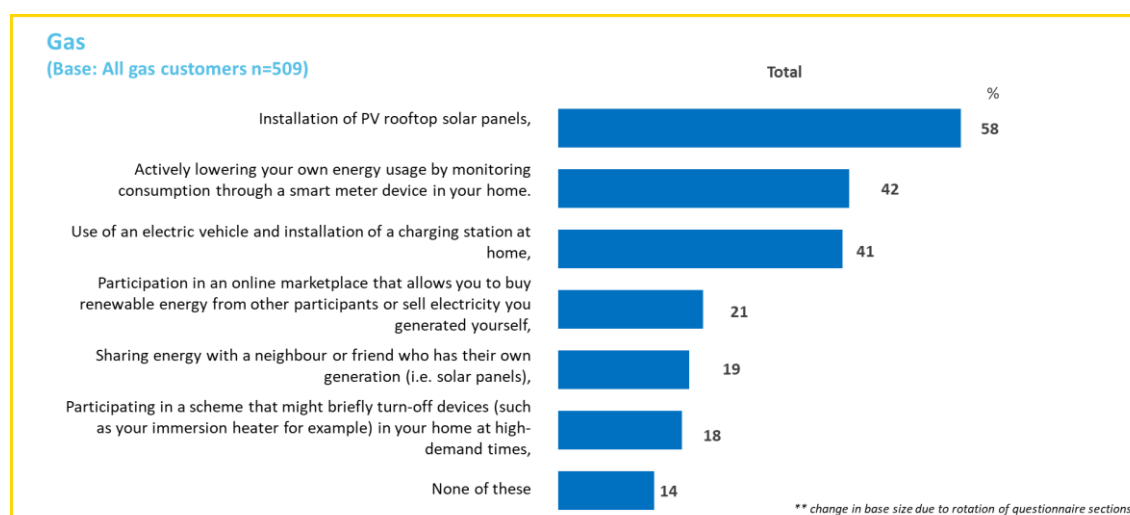
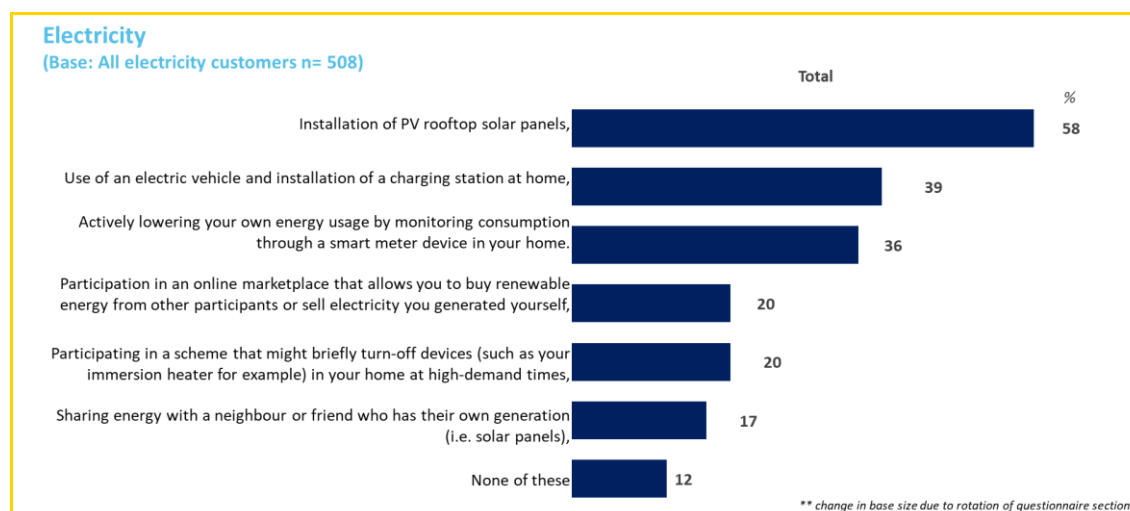
Residential respondents were also asked whether they have microgeneration installed. Less than 1 in 10 have microgeneration installed currently. Among those with microgeneration, 3 in 5 are aware of surplus electricity payments.

Figure 45: Incidence of microgeneration & awareness of surplus electricity payment among electricity customers



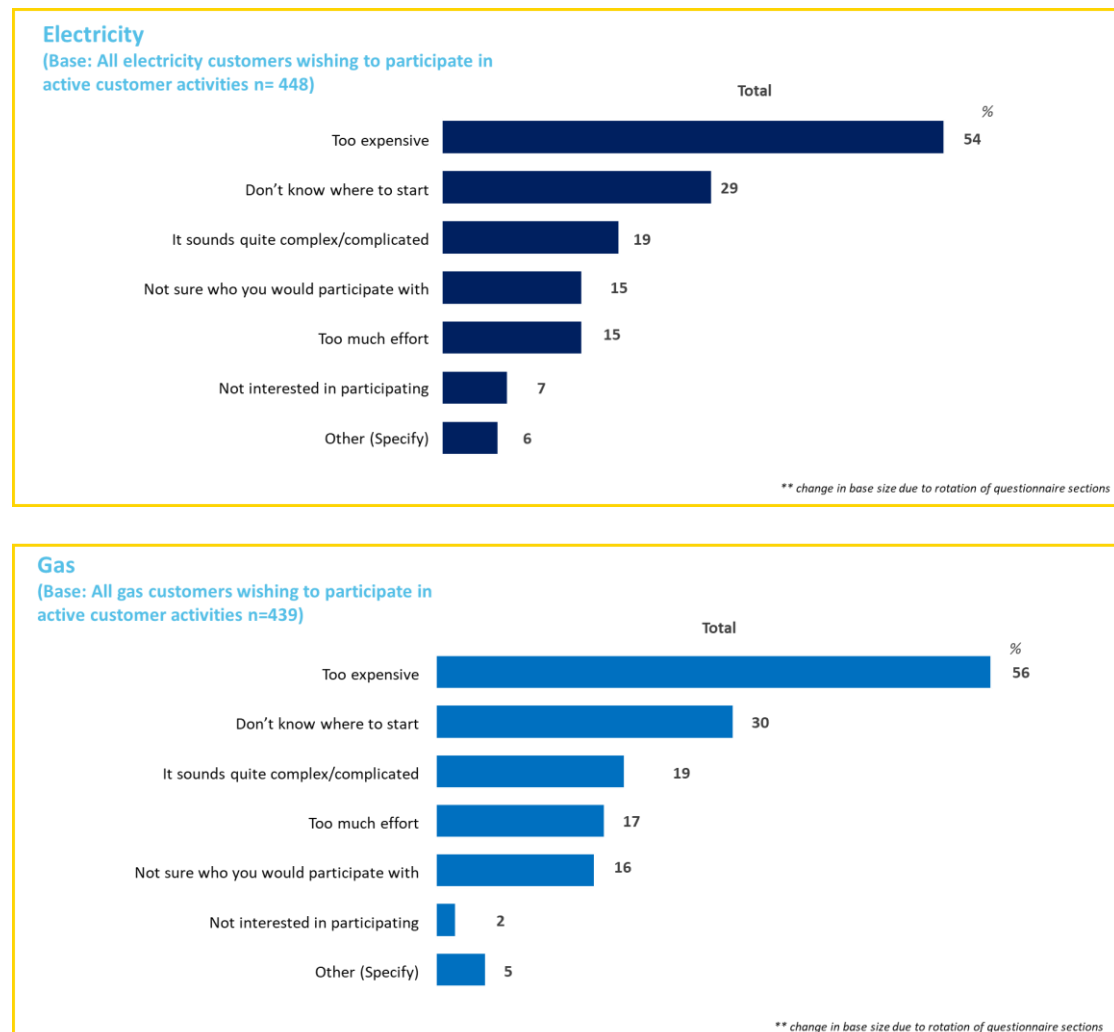
Rooftop solar panels, monitoring energy usage through a smart device, and electric vehicles are the dominant 'Active Consumer' activities that electricity and gas customers are interested in participating in (if no costs are involved).

Figure 46: Likelihood to participate in Active Customer activities - electricity and gas customers below:



The main reason for not taking part in active customer activities revolves around the cost of such activities, which may remain a deterrent during the current cost-of-living crisis.

Figure 47: Reasons for not participating in Active Customer activities among electricity and gas customers below:

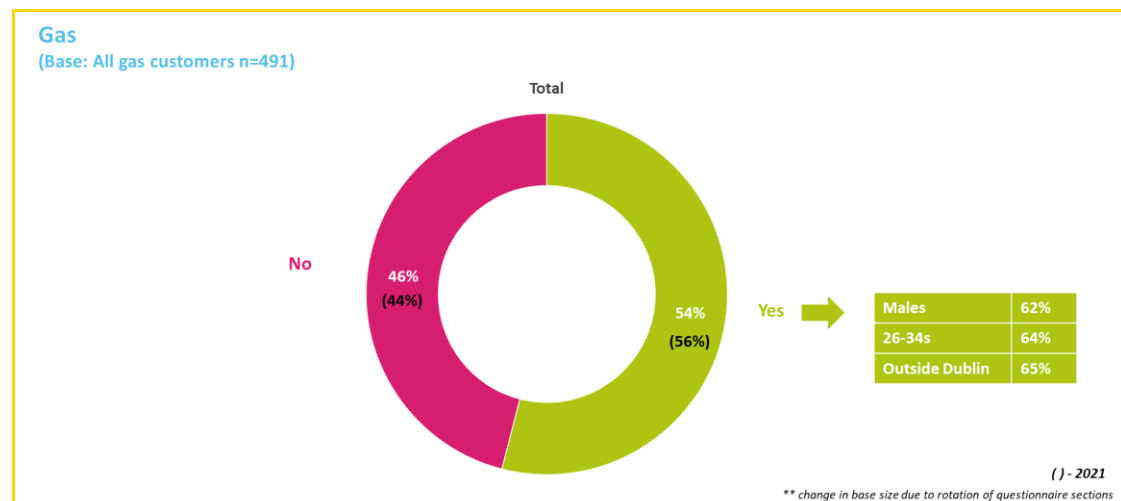
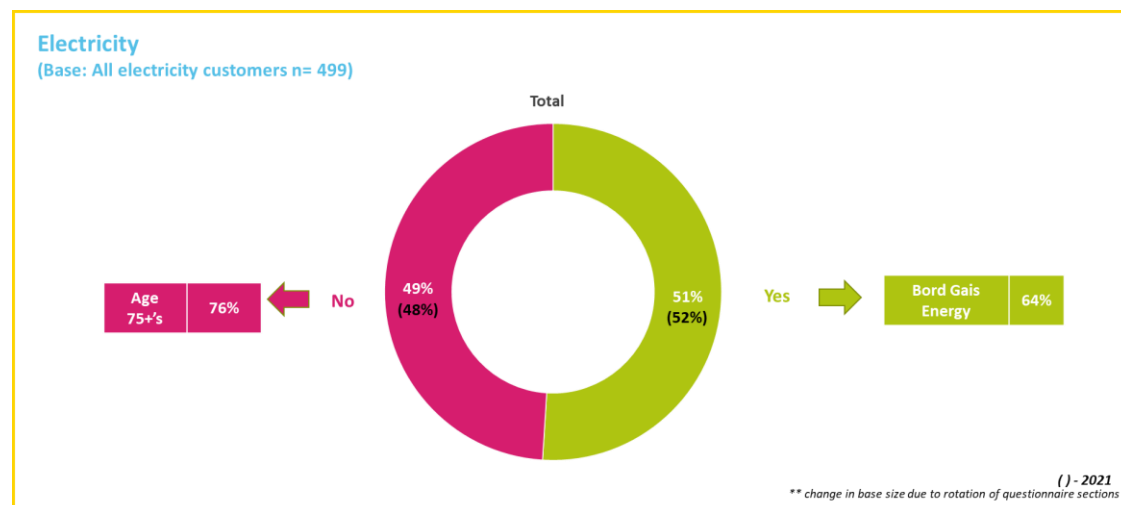


Residential respondents were also asked their opinion on Energy Communities. The following information was read out to all electricity and gas respondents before being asked a series of questions:

“An energy community is a group of active consumers who have come together, on a voluntary basis, to find ways to provide environmental and social benefits to the community through their involvement in renewable energy activities, such as production, supply, sharing or storage”.

Over half of electricity and gas customers are interested in participating in an energy community. Interest in the electricity base is highest for Bord Gais customers.

Figure 48: Interest in participating in an energy community - electricity and gas customers below:



24. Conclusion

Residential Research

Soaring increases in energy costs have resulted in sharp reductions in overall customer satisfaction among the residential cohorts with the services provided by energy suppliers, with satisfaction now at 71% (down from 77% in 2021) for electricity and 73% (down from 84%) for gas customers.

When focusing on supplier-specific satisfaction rates it paints a challenging picture, with all but one supplier experiencing a decrease in satisfaction. Price satisfaction is the driving factor in the reduction of satisfaction, while customer service is still viewed positively by the majority.

Dissatisfaction is not felt as intensely in regard to the Network companies (ESB Networks and Gas Networks Ireland) with consumers perceiving the current problems experienced as less associated with the Networks and more associated with the Suppliers and the market overall. The electricity and gas market in its entirety (Suppliers and network companies) was assessed at 62% and 60% dissatisfaction respectively (Irish Water is at 57%), while the Networks companies are assessed at 37% and 39% respectively.

When focusing on energy supply, those in arrears and those experiencing disconnections have remained relatively stable from the previous year. There is a large proportion of consumers claiming that the increases in energy prices have resulted in their bills no longer being manageable for the household, with more than 1 in 3 electricity and 2 in 5 gas consumers noting difficulties.

Much like in 2021, engagement with energy usage and associated energy cost remains a strategic consideration for CRU, with the rise in energy costs and continued working from home likely bringing about more considered energy usage choices among consumers. This is reflected in the increased rate of switching among consumers within the last 12 months.

Increased consumer consideration is also evidenced in the approach to switching. From the research, we see an increase in both telephone and door-to-door communications as the method used to switch, while online switching has reduced. While this may reflect an end to the online boom of the Covid period, price comparison websites remain important in the switching process with increased usage of comparison tools noted.

Although the proportion of respondents engaging with their bill has remained relatively stable, there has been a reduction in bill understanding among consumers, particularly in terms of understanding how their bill is calculated, and how much energy they have used. In addition to this, less than 80% of customers surveyed can identify if a particular bill has been based on an estimated meter reading.

Building upon the indicators of consumer empowerment from 2020 and 2021, typical behaviour by both electricity and gas customers in the case of imminent contract expiration was to automatically continue with their supplier. This still remains the case for 41% of electricity customers, but there has been a notable decrease amongst gas customers, dropping to 29% from 38% in 2021 (likely because of the more severe energy price increases for gas).

Among the residential cohorts, the key desired outcome of consumer empowerment centers on their willingness to switch supplier. This is especially important in this financially challenging time. As noted in previous years, switching continues to be something that is not yet routine behaviour with over 2 in 5 consumers indicating they have never switched

suppliers. This is notable seeing as 2 in 3 electricity and 3 in 5 gas customers claimed to have saved the expected amount following a switch. The 12-month switching rate has increased to 23% and 27% respectively amongst electricity and gas consumers. Alongside this increase in switching over the last 12 months, there has been a decrease in the ease of switching felt by consumers.

During this turbulent period, CRU's awareness levels remain modest, particularly on the residential side with 1 in 4 electricity customers and 1 in 3 gas customers aware of CRU. There is work to be done in promoting the CRU to vulnerable electricity customers with only 15% aware. Awareness of CRU's role in consumer protection has dropped since 2021, while knowledge of CRU's regulation of Irish Water remains very low in absolute terms, with 10% of electricity and 12% of gas customers aware.

Just over 1 in 10 customers claim to have contacted Irish Water in the last year regarding an issue. Of those customers who contacted Irish Water, there are high levels of dissatisfaction, with 3 in 5 electricity and over 2 in 5 gas customers stating they were unhappy with how the issue was handled.

Energy consumers appear to be open to forming 'Energy Communities', with just over half of consumers noting interest in participating. If cost was not a factor, solar panels, electric vehicles, and the use of smart meter devices to monitor and reduce consumption are the most popular initiatives. Though the actual take-up of initiatives such as microgeneration is low, there is a clear appetite to engage in energy behaviours designed to reduce energy consumption. High levels of awareness regarding smart meters have translated into 2 in 5 consumers claiming to have smart meters installed.

SME Research

Much like the residential research, SMEs have also noted a decrease in satisfaction among electricity customers. However, this is not as pronounced as in the residential market, with a decrease of 3% in overall satisfaction. However, there was a notable deterioration in relation to overall satisfaction with gas suppliers of 11%.

As discussed in the residential research, there is likely to be more considered energy usage choices among both residential cohorts and SMEs. This is reflected in the increased rate of switching among gas SMEs within the last 12 months.

Again, mirroring the residential research, bill understanding has decreased among SMEs also - this marks the third year in a row of decline for electricity customers.

When focusing on end-of-contract behaviour, the overall behaviour when electricity and gas contracts come to an end has shifted, with electricity customers more likely to stay with their current supplier either through automatically continuing with their supplier (27%), or reviewing offers from the existing supplier (24%). Gas customers are less likely to automatically stay with their provider, though reviewing offers with existing suppliers has increased. The reduced appetite of SMEs to switch suppliers likely reflects the myriad of challenges faced by many companies. Not only are SMEs contending with energy prices, but there are also issues surrounding Brexit, increased labour costs, and staff shortages. Rising energy prices do remain a worry with 2 in 3 electricity customers and over 3 in 5 gas customers noting that the cost of energy is a significant challenge for their business. This has increased substantially from 2021, reflecting the steep increase in costs.

In terms of switching, 1 in 5 SMEs have switched within the last 12 months, which is slightly lower than that experienced among the residential cohort.

Awareness of CRU is much stronger among SMEs, standing at 2 in 5 electricity cohorts, and half of the gas cohorts noting awareness of CRU. When focusing on Irish Water, again we see stronger awareness among SMEs. When focusing specifically on the role of CRU, SMEs mainly see CRU as an organization responsible for increasing awareness of customer rights and protection for all energy customers. When we focus on contact with Irish Water, a quarter of SMEs have had contact with Irish Water regarding an issue, with over 3 in 5 noting their dissatisfaction with Irish Water's management of the issue.

In relation to energy efficiency, SMEs are not as strong as the residential cohorts in regard to smart meter installation, with less than a quarter of SMEs having a meter installed. However, when we shift our focus toward sustainability interest in renewable energy and environmentally friendly energy generation is not restricted to only residential consumers; SMEs are emphatic on this point, with 86% of SME electricity customers indicating that it is important that energy is produced from renewable sources.