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Our ref: CQ DfE 435/26
Your Ref: EC2026:1114

Date: 20 October 2026

Dear Peter

UTILITY REGULATOR (SUPPORT FOR DECARBONISATION PREPARATION) BILL

Thank you for your letter dated 14 October 2026 following the department's evidence session regarding the Utility Regulator (Support for Decarbonisation Preparation) Bill. The Committee is seeking information regarding:

- enforcement action and fines pursued by the Trading Standards Service regarding home heating oil breach of contract or related matters;
- information on the number and scope of decarbonisation queries received including from other departments in recent years; and
- information on the numbers and costs of Department staff developing policy in respect of offshore renewable energy and biomethane exploitation.

The Committee has also sought the Department's commentary on a proposed amendment to the Utility Regulator (Support for Decarbonisation Preparation) Bill which would permit the Utility Regulator to provide decarbonisation advice to all Executive departments.

The Department for the Economy's Trading Standards Service (TSS) has a statutory responsibility for the enforcement of weights and measures legislation in Northern Ireland, including in relation to the sale and delivery of home heating oil.

TSS undertakes checks on bulk fuel road-tanker metering systems to ensure that measuring equipment is accurate, appropriately secured and operating within the prescribed legal limits of error. This work is intended to ensure that consumers purchasing home heating oil receive the quantity of fuel for which they have paid.

Heating oil delivered by road tankers is regulated by the following legislation enforced by TSS:

- Weights and Measures (Northern Ireland) Order 1981
- Measuring Equipment (Liquid Fuel by Road Tanker) Regulations (Northern Ireland) 1984
- Measuring Instruments (Liquid Fuel by Road Tanker) (Use for Trade) Regulations (Northern Ireland) 2007
- Measuring Instrument Regulations 2016

TSS also has responsibility for enforcing a range of consumer protection legislation applicable to businesses engaged in the sale and supply of home heating oil. This includes provisions of the Digital Markets, Competition and Consumers Act 2024, the Consumer Rights Act 2015, relevant pricing and consumer contract information requirements, as well as weights and measures legislation. These provisions provide TSS with powers to address unfair or misleading commercial practices and other failures by businesses to comply with their legal obligations to consumers. This may include circumstances involving misleading representations concerning the price or quantity of fuel supplied, or where a retailer seeks to depart from the terms on which a consumer entered into a contract.

Home heating oil remains a priority area for the TSS Metrology team, reflecting its widespread use across Northern Ireland, where over 60% of households rely on oil as their primary energy source.

In 2022, the sector experienced significant disruption following the outbreak of the conflict between Russia and Ukraine, which contributed to an unprecedented increase in oil prices. During this period, TSS recorded an increase in consumer complaints, primarily relating to delayed deliveries, cancelled orders and allegations that consumers were being charged prices higher than those quoted at the point of purchase.

Given the exceptional market conditions, formal enforcement action was not considered proportionate or appropriate. TSS instead adopted an engagement and education-led approach, aimed at securing timely compliance and improvements across the sector.

The Chief Inspector engaged directly with the NI Oil Federation and its members, while Inspectors engaged with other oil traders operating across Northern Ireland. Advisory letters were issued setting out traders' legal obligations and providing guidance on maintaining compliance during the challenging trading conditions. This proactive engagement, alongside the subsequent stabilisation of market prices, contributed to a reduction in consumer complaints.

Since 2022, TSS has undertaken a dedicated oil sector focus on a biennial basis, with exercises conducted in 2022, 2024 and 2026. This programme of activity has supported continued industry compliance and consumer protection. The value of this sustained approach has been particularly evident in 2026. Despite further global conflict

contributing to another significant increase in oil prices, TSS has not experienced the same level of consumer complaints recorded during the 2022 market disruption.

Figures relating to the Home Heating Oil Sector from 2021-present day:

Complaints - 285 received in total
35 logged for intelligence
8 no evidence of an offence
1 specialised advice given
4 withdrawn by complainant
4 complainants required no advice
All others received consumer advice from Consumerline advisors

Inspections - 194 inspections to heating oil retailers
114 full compliance
27 reverified (either at the request of a trader or following a missing seal)
32 non-compliant
20 gathering information
1 online check

Non-compliance found per tanker:
10 incorrect/missing data plate
29 missing seals as prescribed by regulations
6 found outside limit of error and therefore disqualified
6 found with incorrect markings (incorrect notified body number for year of being placed on the market)
All non-compliance during inspections is either corrected on the day i.e. missing seals are replaced by Trading Standards following accurate testing or, the tanker is sent for recalibration/addition of a data plate by a third party, with evidence then presented to Trading Standards.

TSS has not taken any formal enforcement action against a home heating oil supplier, whether by way of financial penalty, undertakings or prosecution, in recent years.

Regarding the number and scope of decarbonisation queries received in recent years. It would be difficult to answer this question accurately without a clear definition of what the Committee means by the word ‘query’. While some teams record specific external enquiries, much of the Department’s engagement takes place through established governance arrangements, working groups, bilateral discussions and ongoing collaboration. Consequently, recorded enquiry figures represent only part of the Department’s wider engagement. So, to be as helpful as possible and reassure the Committee of the breadth of collaboration that takes place between DfE and the other Executive Departments, we have provided below an indication of our ongoing work.

The Department works extensively across government, with arm's-length bodies, Utility Regulator, industry and research organisations to support the development, coordination and delivery of energy decarbonisation policy. This engagement is integral to implementing the Executive's Energy Strategy, progressing our energy and climate objectives, strengthening the evidence base for policymaking and supporting the transition to a low-carbon economy.

Over the past two years, this work has encompassed strategic governance, policy development and delivery, analytical modelling, power decarbonisation policy, energy efficiency, public sector decarbonisation, gas and hydrogen policy, and support for businesses and households.

The Energy Strategy Team provides a central coordinating role in monitoring and progressing the Executive's Energy Strategy. The Energy Strategy Oversight Group comprises senior officials from DfE and other departments, alongside the Utility Regulator and Consumer Council.

Engagement also supports the alignment of decarbonisation policy across individual sectors. In relation to domestic heating, the Department for Communities receives quarterly updates through the Residential Decarbonisation Coordination Group on DfE's heat networks policy trajectory. The Department's Energy Efficiency Team works with the Department for Communities on domestic energy efficiency, including the Domestic Energy Efficiency and Heating Programme (DEEHP) and contributes to wider government work on climate action and emissions reduction. The Energy Efficiency Team has responded to approximately 54 energy efficiency enquiries over the past two years, including requests for information, correspondence, Committee queries and enquiries from stakeholders, members of the public and MLAs.

For businesses, DfE's Business Decarbonisation Team engages with other departments primarily through the cross-government structures established by the Department of Agriculture, Environment and Rural Affairs (DAERA) to support delivery of the Climate Change Act. This includes sectoral planning meetings, technical and analytical groups, cross-departmental workshops and bilateral engagement. The team also works with Invest NI's Green Economy team on an almost weekly basis, meets regularly with the Utility Regulator and engages with the UK Government's Department for Energy Security and Net Zero and Department for Business and Trade on support schemes and business competitiveness. Engagement with the business community will develop further as work progresses on a scheme comparable to the British Industrial Competitiveness Scheme.

The Department's analytical and evidence-gathering work provides a further important foundation for collaborative policymaking. Through its Energy Evidence Programme, the Energy Intelligence Team works with organisations including NISRA, the Utility Regulator, the Consumer Council, Invest NI, Queen's University and Ulster University, alongside other government departments and research specialists. Work with the NICS Library is also intended to improve access to energy research across government,

encourage knowledge sharing and reduce duplication. In addition, the Future Energy Modelling Group, established by DfE, SONI and the Utility Regulator, provides a forum for collaborative discussion and scrutiny of modelling to inform electricity policy, investment decisions and the achievement of energy and climate targets.

This analytical collaboration has delivered practical support across several areas. DfE has reviewed the Department for Communities' decarbonisation modelling, shared analysis with the Utility Regulator comparing emissions from heat pumps and fossil-fuel boilers and worked with NIE Networks to model the potential impact of electrification on electricity demand and network capacity. The Department has also worked with the Utility Regulator to strengthen biomethane modelling, drawing on technical advice and network data, and engaged with DAERA and the Agri-Food and Biosciences Institute to consider evidence on digestate and carbon capture. Separately, the Energy Intelligence Team supports the collection, quality assurance and analysis of energy consumption data across the central government estate, helping to establish emissions baselines, identify opportunities for intervention and monitor progress in reducing energy use, costs and carbon emissions.

Collaboration on public sector decarbonisation is supported by a comprehensive network of engagement arrangements. The Public Buildings Decarbonisation Working Group meets quarterly and brings together eight government departments, 15 arm's-length bodies and four councils. The Energy Managers Forum meets twice yearly, involving approximately 80 energy managers and policy officials from eight departments and 25 arm's-length bodies. Further engagement takes place through programme boards, monthly project governance meetings and sustainability forums, alongside working groups and task-and-finish groups involving departments and public sector delivery partners. These arrangements enable the sharing of expertise and the coordination of approaches to improving energy efficiency and decarbonising public buildings.

DfE's Gas Team also maintains regular engagement with the Utility Regulator, gas network companies and other government departments on the future of the gas network and associated policy and regulatory issues. This includes monthly gas network strategy steering group meetings, bi-monthly working group meetings and ongoing work on gas price controls, gas metering, gas safety and legislation. The team contributes to the Interdepartmental Biomethane Group with DAERA and other partners, supporting the development of policy on biomethane connections, gas quality and the interaction between energy, agriculture and environmental objectives. Engagement with DfI, Invest NI, the Department for Transport and industry partners also support hydrogen policy development, including consideration of hydrogen's potential role in transport and the feasibility of a cross-border green hydrogen refuelling corridor between Belfast and Dublin. Further collaboration with the Health and Safety Executive and the Consumer Council addresses gas safety, network implications and consumer-related issues.

The Department also receives and responds to decarbonisation-related enquiries through its wider machinery of government and policy functions. The Energy Group received 46 decarbonisation queries over the past 24 months. These figures relate to distinct reporting categories and should not be interpreted as a complete measure of the Department's engagement, which also includes substantial ongoing policy development, formal governance and technical collaboration, indicated clearly and in some detail above.

Taken together, these activities demonstrate that DfE's approach to decarbonisation is not confined to responding to individual requests for information or advice. It is supported by established cross-government governance, regular engagement with regulators and delivery partners, shared analytical capability and sustained collaboration with industry, academia and other stakeholders. This approach helps ensure that energy policy is informed by relevant evidence, aligned across sectors and departments, and responsive to the practical challenges associated with delivering our energy and climate objectives.

It is due to this level of engagement, collaboration and partnership undertaken by DfE on the government's energy journey that we do not accept the possible amendment put forward for consideration by the Committee. DfE is proactive in engaging all partners in our decarbonisation journey and will continue to do so.

Additionally, all previous comments provided to the Committee remain. The purpose and intent of this Bill was to provide legal clarity to the Utility Regulator in providing decarbonisation advice to DfE. It is a small, single-issue Bill, intended to bridge a perceived gap and enable exploration of further, potentially more significant, legislative change in the next mandate.

DfE holds policy responsibility and accountability for energy outcomes on behalf of the Executive and the Assembly. It must remain the lead department in engaging and working with the Utility Regulator. Whilst the Utility Regulator maintains independence regarding its regulatory functions, it is not independent regarding energy policy. Expanding the legislative remit of the Utility Regulator to providing energy policy advice directly to other Departments would leave DfE unsighted in areas relating its energy policy leadership, responsibility and accountability to the Executive and Assembly. The amendment is also unfunded. Given the narrow, legally binding nature of the Utility Regulator's funding, via gas and electricity licence holders, it is unlikely that requests from other departments would be able to be funded via that route as DfE holds policy responsibility for gas and electricity. Central government funding would be required and is not accounted for.

Lastly, regarding the number and costs of Departmental Staff developing policy in offshore renewable energy and biomethane. We have 2.5 full-time equivalent staff working in Biomethane and 3.5 full-time equivalent working in Offshore renewables.

The below information on costs for these teams has been taken from the 2026/27 NICS annual Ready Reckoners which details the cost of staff per grade for the financial year.

Grade	Annual cost per FTE	Biomethane FTE	Biomethane cost	Offshore FTE	Offshore cost
G7	£97,611	0.5	£48,805.50	0.75	£73,208.25
DP	£74,769	1.0	£74,769.00	1.0	£74,769.00
SO	£58,889	1.0	£58,889.00	1.0	£58,889.00
EOII	£46,968	—	—	0.75	£35,226.00
Total		**2.5**	**£182,463.50**	**3.5**	**£242,092.25**

I trust this information is helpful.

Yours Sincerely

DEPARTMENTAL ASSEMBLY LIAISON OFFICER

Northern Ireland
Assembly

Committee for the Economy

Departmental Assembly Liaison Officer
Department for the Economy
[redacted]

Our Ref: **EC2026:1114**

14 October 2026

Dear DALO,

Utility Regulator (Support for Decarbonisation Preparation) Bill

Please accept the Committee's thanks for the evidence provided by Departmental officials at the meeting of 14 October 2026, in respect of the Utility Regulator (Support for Decarbonisation Preparation) Bill.

The Committee considered matters relating to the regulation of the home heating oil market in Northern Ireland including the identification of vulnerable customers; protections for all customers in respect of breach of contract issues; and domestic home heating oil price regulation.

The Committee noted that home heating oil consumers had been subject to considerable unregulated price variations and that proportionate measures were urgently required. The Committee noted also the recent CMA report and UK Government response on these matters and the differing regulatory regimes in other parts of the UK and in respect of other parts of the energy sector.

The Committee informally agreed, with considerable regret, that the Bill was unlikely to provide a suitable legislative vehicle in respect of any of the above aspects of the regulation of the home heating oil market in Northern Ireland.

Further to this, the Committee agreed to write to the Department urging it to give consideration to enhancing the role of the Consumer Council of NI and Trading Standards in order to provide for better protections for both: vulnerable home heating oil customers in particular from price variations; and all consumers generally from related breach of contract issues etc..

In respect of the above, the Committee agreed to write to the Department seeking information on the enforcement action and fines pursued by Trading Standards in

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Northern Ireland in recent years relating to home heating oil breach of contract or related matters.

The Committee also considered the provision of decarbonisation advice by the Utility Regulator. The Committee noted previous Departmental advice that the scope of related queries would be agreed on a case-by-case basis by the Department and the Utility Regulator and that where a query might fall outside of the remit covered by gas and electricity fees, the Department would make an application for support on behalf of the Utility Regulator to the Department of Finance.

Given the above, the Committee therefore agreed to give further consideration to an amendment which would permit the Utility Regulator to provide decarbonisation advice to all Executive departments. The Committee agreed to seek the Department's commentary on this.

The Committee also agreed to write to the Department seeking:

- information on the number and scope of decarbonisation queries received including from other departments in recent years; and
- information on the numbers and costs of Department staff developing policy in respect of offshore renewable energy and biomethane exploitation.

The Committee also agreed to write to the Utility Regulator, seeking information on the number and scope of decarbonisation queries received in recent years including from other departments.

Owing to the short timeframe for the completion of the Committee Stage of the Bill, the Committee would greatly appreciate a written response on or before **Tuesday 20 October 2026** so as to inform the Committee's formal Clause by Clause consideration on 21 October 2026. The Committee would also greatly appreciate any related background policy information that you can provide as appropriate.

If you require further information or clarification in respect of the above, please do not hesitate to contact me.

Yours sincerely,

Peter McCallion

Peter McCallion
Clerk to the Committee for the Economy