



Citizens Advice's response to
Ofgem's consultation on
*'Energy Supply Probe –
proposed retail market
remedies'*

May 2009

Summary

- Previously we welcomed the publication of Ofgem's *Energy Supply Probe – Initial Findings Report*, applauding its thorough and clear-sighted analysis of the problems which currently beset the energy retail market. In our opinion the report provided the impetus and a compelling rationale for Ofgem to make fundamental reforms to the domestic energy market to improve consumers' experiences in a wide range of areas.
- The proposals contained in Ofgem's *Energy Supply Probe – proposed retail market remedies* generally represent a step in the right direction but, overall, are somewhat underwhelming. In our view, Ofgem has failed to seize the opportunity to demand some form of 'New Deal' for consumers, one based on their interests rather than the narrowly defined interests of suppliers. Rather than remedies these proposals should be viewed, at best, as a form of palliative treatment – proposals that may help to alleviate or lessen the problems identified but which fall short of a cure. For a regulator whose principal objective is to protect the interests of consumers this is disappointing.
- In terms of our response to the specific proposals put forward by Ofgem:
 - We can understand the motivations for proposals to introduce **overarching standard** but the critical factor is how they are applied. In our view they will only have real utility if they are directly enforceable.
 - We welcome proposals to provide greater clarity on **customers' bills**, including the provision of the full and exact name of the customer's tariff and their consumption over the last 12 months. Such proposals are hardly radical, however. We advocate Ofgem go further in mandating additional information on customers' bills and the way it should appear.
 - We also welcome proposals for an **annual statement** to be sent to customers, and broadly agree with the list of information to be included in such statements. We seek clarification about whether customers who have switched in the past 12 months will receive an annual statement from their current supplier.
 - The proposal to retain the **65 working day period for unilateral contract variations** is deeply disappointing, and we question the basis on which the decision to retain it has been made.
 - We are supportive of the development of some form of 'peace of mind guarantee' for customers **switching suppliers** but it is essential that this: provides support for customers where things go wrong; sets down a timetable for when things will be put right by the supplier(s); provides regular updates to the consumer on progress; and provides automatic compensation where such timescales are not adhered to.
 - We are dissatisfied with the proposals for reform of **debt-blocking**. We consider that this represents a missed opportunity to take a fresh look at this area and challenge the assumptions that are prevalent about the need for such restrictive practices. We nevertheless accept that the proposals put forward represent progress on the current situation.
 - The proposals to improve **direct sales and marketing activity** have the potential to make real improvements to consumer experience and reduce incidences of mis-selling, though we have some concerns about how they will be implemented in practice.

Introduction

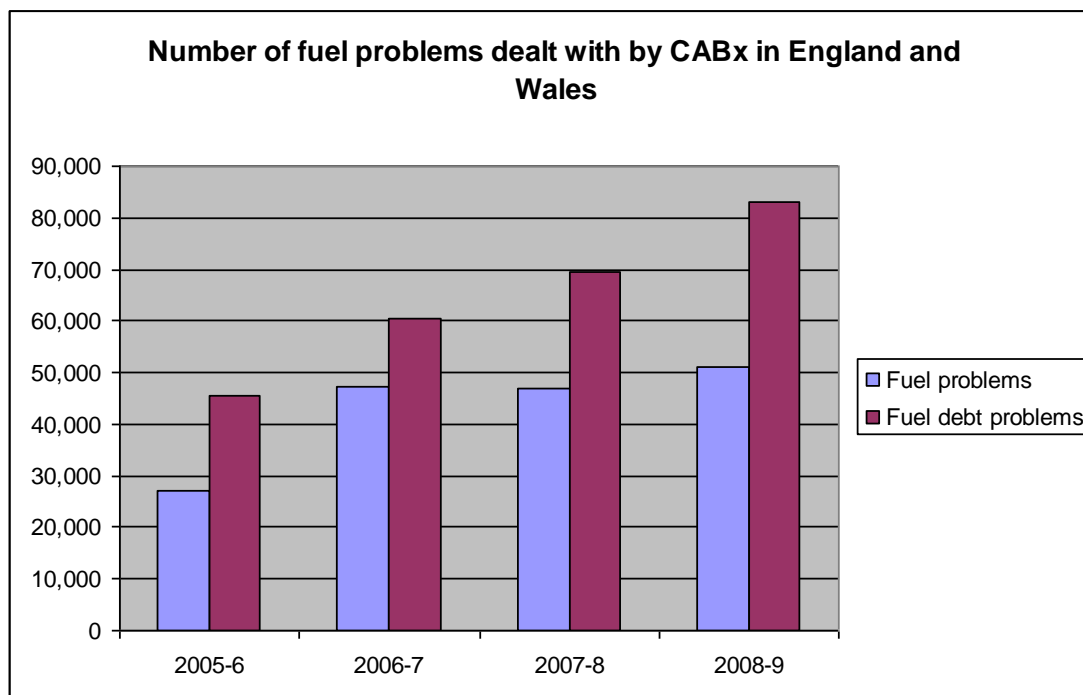
1. In 2008-2009 the CAB service in England and Wales dealt with almost 6 million problems in total, including 1.9 million on debt. Of these, almost 83,000 were concerned with fuel debt, which represents a 19% increase on the previous year, and an increase of 82 per cent since 2005-6.
2. Comparisons for fuel debt problems for specific quarters in 2008-9 with the corresponding periods from the previous year reveal a sharp increase in the latter part of the financial year, when it can be assumed that bills for the winter months, which featured higher fuel prices, were received by customers:

**Table 1:
Fuel debt problems dealt with by CABx in England and Wales - quarterly comparisons from 2007-8 to 2008-9**

	Q1	Q2	Q3	Q4
2007-8	17,825	16,986	16,687	17,880
2008-9	18,161	19,038	19,406	26,121
% increase on corresponding quarter from 2007-8 to 2008-9	2%	12%	16%	46%

3. In addition, in 2008-9 the CAB service dealt with almost 51,000 problems about a range of other (non-debt) fuel matters, which equates to an 89 percent increase on the figures reported in 2005/06. In 2008-9 billing and metering issues were responsible for 34 percent of these problems, with 14 percent due to methods of payment, while complaints and redress accounted for 13 percent of problems, and 8 percent were prompted by problems arising from switching supplier.
4. A summary of the increases in fuel and fuel debt problems dealt with by bureaux in England and Wales over the last four years is given in the chart below:

Chart 1:



Specific Comments

Overarching standards

5. Citizens Advice gives a guarded welcome to Ofgem's proposal to introduce overarching standards. In our view, the principal utility of having a set of overarching standards would be to allow Ofgem to take swift action on a newly emerging issue which may not be covered by an explicit licence condition. In addition, overarching standards of conduct could mean that suppliers:
 - do not simply adhere to detailed rules and, in so doing, fail to address wider issues of 'fairness'; and
 - comply with the 'spirit' as well as the rules in the licence conditions.
6. Although we can understand the motivations for proposals to introduce overarching standards, the critical factor is how they are applied. In this regard, we have significant concerns over the proposals put forward by Ofgem.
7. As Ofgem rightly state in their consultation paper "*simply presenting the standards without attracting more concrete status to them may reduce the likelihood that they will have a real and permanent impact*".¹ Yet in our view the two options put forward by

¹ *Energy Supply Probe – proposed retail market remedies*, Ofgem, April 2009, p.8

Ofgem to make the standards more enduring and effective will singularly fail to achieve this since they will not be enforceable. As such, we are puzzled as to why suppliers might wish to comply with them when they will already have a series of specific licence conditions which must be adhered to.

8. Ofgem clearly views the overarching standards as having merit, since they state “a set of overarching standards... would be helpful not only in making clear what consumers expect from suppliers but also in driving improved performance by suppliers”. Yet to deliver these benefits we would suggest that it is necessary for Ofgem to follow its convictions to a logical conclusion and incorporate the standards as directly enforceable licence conditions.
9. If the overarching standards are not enforceable we would have serious concerns over their worth, and would understand why some critics might view such moves as mere window-dressing which will have little or no impact upon the everyday experience of consumers.

Improving consumer information

10. Citizens Advice agrees strongly with Ofgem’s aim to increase the number of people engaging with the energy market and able to make well-informed decisions. Improving consumer information is obviously one important aspect of this.

Billing Information

11. As we state above, in 2008-9 the CAB service dealt with almost 51,000 problems about a range of fuel matters, and billing and metering issues were responsible for 34 percent of these problems. Some of the types of problems experienced by CAB clients with their energy bills are detailed in the following cases:

A CAB in West Sussex: reported that their client came to the bureau for assistance as he is currently disputing his dual fuel bill with his supplier. The bill was approximately three times higher than expected and as it was very complex the client asked for clarification. Even after an hour on the phone to the supplier the client felt that he had not received an adequate explanation of how the bill had been calculated. The client remains anxious about the outstanding bill as he usually pays all his bills in advance, and is becoming increasingly frustrated about the incoherent explanations given.

A CAB in North West Wales reported a case in which their client was unable to reconcile his energy usage with his bill payments because his energy bills were too confusing. The client has repeatedly asked for a simple breakdown of his usage and payments from his supplier but they merely re-send the bills already received. As a result, the client is unable to accurately predict his usage or to budget accordingly.

12. We welcome Ofgem’s proposals to provide greater clarity on customer’s bills, including the provision of the full and exact name of the customer’s tariff and their consumption over the last 12 months in pounds per year and kWh. That such information is not already provided by all suppliers as a matter of course is rather alarming.
13. We consider that all customers should receive information relating to their consumption, including those that have been with their supplier for less than 12 months. We would imagine that providing this information should not prove to be insurmountable, either

through using information on levels of consumption from a previous supplier or through using an annual estimate based on quarterly consumption data or some other estimated basis (provided this is made abundantly clear).

14. We are pleased to note that Ofgem proposes that where this information is based on estimated usage this needs to be made clear. Many of the cases reported to us by bureaux about unexpectedly large bills or disputes over amounts owed can be traced back to the prolonged and repeated use of estimated readings on customers' bills which are not made sufficiently obvious:

A CAB in the West Midlands reported a case in which their client had received estimated bills for a prolonged period but had been unaware of this fact. When the client finally received a meter reading, he was shocked at the amount demanded in the subsequent bill. The bills from his electricity supplier had only a very small logo on them to show whether the bill was an estimate or based on a reading, and the client had not been aware of this. The client now finds himself in debt and facing problems budgeting.

A CAB in Kent reported that their client, an unemployed male, had always paid for his gas and electricity bills by putting aside £20 per month for each but it transpired that this had been based on estimated bills and not actual readings. The client had been living at his flat for two years before he received a bill based on an actual meter reading. This bill was for far more than he had budgeted for and as the client is already finding paying other bills difficult he is now left with a bill he cannot meet.

15. While the measures proposed by Ofgem to improve information on bills are welcome, it should be noted that they are hardly radical. Indeed, it strikes us as somewhat startling that many suppliers do not already provide this basic information as a matter of course. We would advocate that Ofgem consider going further in mandating both the type of information and the way it should appear on customers' bills.
16. In terms of the type of information which should be included on customers' bills, there would seem to be two options which are immediately apparent. Firstly, Ofgem's proposals for the information which should be included in an annual statement could be used as a sensible starting point. And since Ofgem appear content to prescribe the information which must appear on the proposed annual statement, doing the same for bills would not seem to pose an insurmountable hurdle. Secondly, greater reference could be made to the research conducted by Opinion Leader Research for Ofgem which looked into what customers want to see on their bills. Results from the research would seem to provide a compelling reason for Ofgem to go further than their current proposals in mandating what should appear on bills, since the research concluded that:

"In view of the billing information presented, consumers felt that the essential pieces of information regular bills should include:

- *Cost (amount owed)*
- *Average Kwh cost during the billing period*
- *Kwh – what it means in terms of appliance usage*
- *Tariff information / options*
- *Usage classification (high / medium / low) - although there was some controversy over this and how it should be presented*

- *Payment method (i.e. Direct Debit)*²

17. With regard to the way in which suppliers display the information which must be included in customers' bills, we would be supportive of a greater degree of prescription over how this should be done. Faced with similar issues relating to the presentation of complex information and the need for customers to be able to easily locate and understand regular statements as a pre-requisite for them to engage more actively in the market, the financial services industry introduced the 'Summary Box'. We consider that this might provide a useful template for the energy industry to consider since the provision of clear bills is something that would stand to benefit every customer and we would contend that clarity of billing is not a key battleground for suppliers on which they seek to compete vigorously.
18. One additional area where we think it would be particularly helpful for Ofgem to consider the need to prescribe how information is provided is in sales and marketing literature, where the need to make at-a-glance comparisons is most pressing. If the type of information and the way it was presented in sales and marketing literature were to be consistent with how that information is to be provided in customers' bills and / or annual statements then this would be enormously helpful in enabling customers to make speedy and informed decisions about whether switching based on sales and marketing literature would be in their financial interest.

Annual statement

19. We welcome Ofgem's proposals for an annual statement to be sent to customers, and broadly agree with the list of information to be included in such statements. Although we recognise that there is a trade-off to be made between the need for clarity / simplicity in annual statements and the desire to include information relating to all manner of energy-related issues, we do think that there is merit in considering whether the list of information could usefully be expanded to include:
- a reminder that customers can switch payment method and, in so doing, may save money;
 - a reminder that customers may not be on the cheapest tariff with their current supplier and may be able to get a better deal if they contact their supplier;
 - a duty to highlight information relating to the supplier's social tariff and additional services (such as the Priority Services Register);
 - energy efficiency measures / schemes offered by the supplier;
 - sources of additional information / expertise for consumers about switching, energy efficiency, dealing with debt etc
20. We are pleased to note that Ofgem has made clear that a statement of such information, although referred to as an 'annual statement', should be sent whenever the supplier notifies the customer of an adverse unilateral change in contract terms (such as a price rise). This is in keeping with findings from the Opinion Leader Research which found that "*consumers do feel it is important to receive updated information if energy*

² *Ofgem Consumer First Panel - Research Findings from the Second Events – Billing Information and Price Metrics*, Opinion Leader Research, March 2009, p.8-9

prices rise or at the beginning / end of seasons so they can ascertain how this will impact on their bills.”³

21. We would welcome clarification from Ofgem about whether customers who have switched in the past 12 months will receive an annual statement from their current supplier, given that they may not have consumption data relating to the previous 12 month period. Of particular interest is whether those who switch on a regular basis, and at least every 12 months, will ever receive such a statement. Ideally, we would like all customers to receive annual statements and so we would urge Ofgem to consider whether there are acceptable workarounds to ensure that this is the case – for example would it be possible for the previous supplier to pass consumption data to the gaining supplier?

65 day notice for unilateral contract variations

22. We were pleased that Ofgem recently decided to revisit the issue of the 65 day notice for unilateral contract variations since it had been raised with us by a number of CAB advisers, angry at what they viewed as tardy notification of price rises. In one case a letter was received from a fuel supplier in mid-October 2008 stating that fuel prices would be increasing by 29.2% for gas and 19.2% for electric with effect from 25 August.
23. In their open letter of 20 February 2009 which sought views on this subject, Ofgem highlighted the main types of detriment that we see arising from this belated notification of price rises. Specifically, retrospective notification of price increases means that consumers are unable to budget for additional costs or to seek to reduce their usage and therefore the level of their fuel bill. The huge price rises introduced by suppliers in the second half of 2008 meant that this would have caused significant difficulties particularly for people on low incomes and those in debt. In addition to the immediate financial impact, notification of retrospective increases in price may lead to consumers having to take difficult decisions for which there may have been little time to prepare – in such circumstances the likelihood of sub-optimal choices being made would seem to be high.
24. Given this detriment, Citizens Advice argued strongly for suppliers to provide advance notice of unilateral contract variations, such as price rises. We pointed out that failure to do so would be an unfortunate example of how the energy industry can fail to treat its customers fairly, something which seriously undermines other efforts to improve the standing of the industry. In this context, it is interesting to speculate on the impact – if any - that Ofgem’s proposals for overarching standards would have on how this issue has been dealt with.
25. As it stands, Ofgem’s proposal to retain the 65 working day period is deeply disappointing since it perpetuates a questionable practice, one which would not be tolerated in other markets.⁴ We are perplexed as to why Ofgem felt persuaded by suppliers’ arguments that the 65 day notice was essential for them to respond to market movements and to phase notification and manage calls to their customer service centres. In response to the first reason, surely suppliers ought to have appropriate purchasing strategies in place to cope with ‘market movements’ and, if they do not then they should expect to suffer the consequences? And, clearly, simply requiring advance

³ *ibid*, p.9

⁴ For example, the Banking Code states at paragraph 6.4 that “*If the change is to your disadvantage, we will tell you about it personally at least 30 days before we make the change.*”

notification of price rises would in no way inhibit suppliers' ability to phase notification and manage calls to their call centres if this were deemed to be desirable.

26. We are pleased to learn that Ofgem continues to consider how this practice squares with consumer legislation, but it is frustrating that it will not be until the end of June that it is hoped that some preliminary assessment of this will be produced.
27. We should make clear that we are supportive of Ofgem's efforts to strengthen the notification of the right to switch and avoid the application of the retrospective change. Previously we drew attention to the underhand way in which this requirement was being carried out by some suppliers – in one case information about the customer's right to switch and avoid the price rise appeared in very small print at the bottom of a four page leaflet which accompanied information about the price rise. We recognise that Ofgem is working with suppliers and the ERA on this issue. We hope for a swift outcome to this work, one which draws on good practice in other industries to ensure that the notice is clear, prominent and easily understandable.

Addressing tariff confusion

28. We are pleased that Ofgem has looked into the issue of tariff confusion. The plethora of tariffs available means that it is important that Ofgem helps consumers cut through the confusion, enabling them to find an appropriate tariff simply and easily. One way of doing so is by offering a standard methodology to evaluate tariffs.
29. In general we are supportive of the proposals for how to take forward this work. Of course, comparisons should ideally be based on accurate consumption data. And we recognise that there are drawbacks associated with production of a 'price metric', but it does seem to us that there is a role for a metric to allow customers to make simple assessments of prices.

Simplifying the switching process

30. In its consultation document Ofgem highlights the concerns of non-switchers about problems they fear they may face when switching. It goes on to state that only nine per cent of those who had switched were dissatisfied in some way, yet it is important that their negative experiences are not disregarded, and improvements to the switching process deliver real and actual benefits to consumers rather than simply disseminating warm words that switching is easy and problem-free. Evidence reported by our bureaux reveals the problems which can ensue following a transfer:

A CAB in North Yorkshire reported that their client switched his electricity and gas suppliers two years previously and there were no arrears at the time. Although the client did not experience any problems with the switch of his electricity account he is being billed for his gas by both his previous and existing supplier. The client contacted his previous supplier by phone and mail on several occasions. Despite their promises to investigate nothing was done and the client was then threatened with court action for non-payment of £490.91. The CAB adviser managed to gain agreement from the client's previous supplier that the client had in fact switched away from them and that he should therefore ignore all demands for payment.

31. Where problems do occur following a switch it can be exceedingly time-consuming, expensive and stressful for a customer to put right something that has occurred due to a

mistake on the part of the supplier(s). In the cases reported to us suppliers are often high-handed in the way in which they deal with customers, failing to prioritise the matter and bouncing the customer from gaining to losing supplier and back again as they manfully attempt to resolve the matter. In such circumstances, customers come to their CAB since they are exasperated and want the matter sorted.

32. We would therefore be supportive of the development of some form of 'peace of mind guarantee' as floated in the consultation document but it is essential that this:

- actually provides support for customers where things go wrong;
- sets down a timetable for when things will be put right by the supplier(s);
- provides regular updates to the consumer on progress; and
- provides automatic compensation where such timescales are not adhered to.

Reviewing debt blocking arrangements

33. Previously we provided comments to Ofgem as part of their informal consultation on debt blocking in February 2009. Many of the comments we made in that response bear repetition in this context, specifically:

- there has been no robust analysis of why the current Debt Assignment Protocol (DAP) has seemingly failed, other than a cursory acknowledgement that since its introduction in 2004 the arrangement has been used "very rarely" by consumers. A more detailed analysis would have been helpful.
- discussion of the right to debt block must take place in the context of suppliers doing more to proactively monitor customer accounts and deal with debt before it arises, for example with prompt meter readings, clear and regular bills, and speedy resolution of complaints and problems. This should also include consideration of supplier actions which can exacerbate customer debts, such as the fees and charges imposed for providing replacement keys / cards for PPMs, letters sent threatening disconnection which incur fees, cost of disconnection and reconnection etc
- We supported the removal of the right to debt block. In our view, this would enable all customers, including those in debt, to heed the regulator's oft-repeated exhortations and switch supplier in order to get a better deal. The positive impact of this is likely to disproportionately benefit poorer and more vulnerable customers who can currently be retained as reluctant captives by their existing supplier, since they are unable to switch. In addition, such a move would actively encourage suppliers to redouble their efforts with regards to preventing the build-up of debt in the first place. We disputed the disadvantages of this radical reform voiced by Ofgem, pointing out that allowing people in debt to switch supplier is not equivalent to enabling them to abscond from debts that are owed; rather, it should involve transfer of a customer's liabilities – ideally to better terms - meaning that debts owed can be paid off more quickly thus benefiting the individual, the supplier and indeed the competitive market. Reform need not prompt greater levels of debt, merely the transfer of debt (and ongoing supply) from one supplier to another. As such, we fail to understand why such moves should increase suppliers' exposure to bad debt or seemingly justify their use of more aggressive debt recovery action.

34. In the context of our previous comments on this subject, Ofgem will not be surprised to learn that we are dissatisfied with their proposals for reform of this area. We are particularly frustrated by Ofgem's meek acceptance of suppliers' assertions that

substantial reform of debt-blocking would inevitably result in more aggressive debt collection activity. In our view, this line of causation need not necessarily occur and, in any case, it is within Ofgem's purview to scrutinise suppliers' debt and disconnection activities to make sure that they remain compliant with relevant licence conditions, such as the duty to consider the needs of customers who may be having difficulty paying their bills due to individual circumstances or an inability to pay and to offer them help and assistance as early as possible.

35. We also wish to take issue with the use of the data relating to how many debt blocked customers subsequently went on to switch supplier. Ofgem quote figures from four suppliers which suggests that "around 38 per cent of debt-blocked customers subsequently repaid their debt and switched supplier", and use this to assert that "of those customers who are debt blocked, a substantial percentage appear subsequently to repay their debt and switch shortly thereafter". It is important to point out that 62% of those who were debt-blocked – by far the majority - did not subsequently pay off their debt and switch. Moreover, there is a failure to see the bigger picture with regard to *how* people paid off their fuel debts, for example did they feel as if they were effectively held to ransom by their fuel supplier and therefore were forced to borrow money or cut back on spending for other essential items?
36. Although disappointed with Ofgem's failure to adopt more fundamental reform of this area, we nevertheless accept that the proposals put forward will have some positive effects, and certainly represent progress on the current situation. We particularly welcome suppliers being obliged to offer debt, tariff and energy efficiency advice to those whose transfer is blocked due to debt, and also to the removal of the ability to debt block where the debt has accrued because of supplier error (though we question how disputes over culpability will be handled in this respect).
37. We are particularly intrigued by the proposal that suppliers will be prevented from debt blocking anyone who chooses to switch supplier in response to an adverse unilateral contract variation by switching. We would welcome clarification from Ofgem on how this would work in practice.

Promoting confidence in price comparison and switching sites

38. We agree with the need to improve customer confidence in comparison and switching sites, and it is right that the Confidence Code forms a key part of this.

Strengthening sales and marketing rules

39. Switching is usually referred to as a good in itself, with high levels of switching being interpreted as an indicator of healthy competition and a market that is working well. However, as Ofgem's initial findings report makes clear, large numbers of people who switch do not switch to a better deal – indeed as many as one third of switchers may not achieve a price reduction, and this proportion is even higher for PPM customers (45%) and consumers who switch as a result of a direct sales approach (48 per cent for gas, 42 percent for electricity). Truly, these figures are a damning indictment of the value of direct sales from a consumer perspective, with almost half of those switching by this route moving to a worse deal.
40. Problems with direct sales in the energy market are not new. Despite the introduction of the Energy Retail Association's *Code Of Practice For The Face-To-Face Marketing Of*

Energy Supply, Citizens Advice Bureaux continue to report significant numbers of cases in which customers are hoodwinked or aggressively persuaded to switch their energy supplier, often with promises that they will get a better deal and pay less for their energy. Unfortunately these promises often turn out to be hollow:

A CAB in Northamptonshire reported that their client was told by a doorstep salesman that if he switched supplier he would be able to benefit from cheaper gas. Having agreed to the transfer, the client then found that there was 50 pence a day standing charge levied by his new supplier. The client complained to the supplier by phone and was told it would be sorted out when an engineer would call and change the meter tariff. This took 6 weeks and even then the client found no change had been made to the tariff. As a result, the client has been left with only £1.50 per week to spend on gas so he has had to stop cooking on his gas cooker.

A CAB in Derbyshire reported a case in which their client, who is aged 81 and lives alone, was persuaded to switch fuel supplier by a doorstep salesman who told him he would be able to reduce his current direct debit of £45.00 per month to just £21.50 per month. However, after a year of paying £21.50 per month by direct debit, the client received a letter from his fuel supplier stating that they would be putting his Direct Debit up to a whopping £185.00 per month as there was a substantial debt on his account of over £400.00. The CAB intervened on behalf of the client and offered to pay the fuel supplier £100.00 per month, which was all the client could afford, but this was refused. The supplier would not accept less than £140.00 per month even though they were aware of the client's situation. It was only when the matter was referred to Consumer Focus' Extra Help Unit that the fuel supplier agreed to accept payments of £100 per month.

41. Previously we have stated that if Ofgem is serious about making the market work better for all, including those who may not have access to the internet or may not be 'active' consumers, then it is imperative that direct sales are made to work correctly. We are therefore pleased to see that Ofgem has put forward a number of proposals which we think have the potential to make real improvements to direct sales.
42. Specifically, we welcome the proposal that suppliers will be required to provide consumers with a written quotation in a clear and understandable format, expressed in terms of cost per year and based wherever possible on actual consumption data prior to any direct sale. By highlighting the likely annual cost of the deal, and hopefully prompting comparison by the consumer with annual consumption data provided by their existing supplier, we would hope that decisions to switch supplier will be made by consumers making an informed choice.
43. Similarly, we welcome the proposal that where a sales agent makes a claim that their supplier is cheaper or where the customer is on a PPM, the supplier must provide a written comparison between their offer and the customer's current deal. The selection of cases above are fairly representative of those reported by bureaux and these often hinge on sales agents' spurious claims to save customers' money by switching. We expect that the new requirement will make this more difficult to perpetrate, though we would have preferred Ofgem to go even further and only permit a switch to take place where it can be verified that the consumer is being offered a better deal than that which they are currently on.

44. While we acknowledge that Ofgem's proposals should help to improve the conduct of sales agents since there would be a written record of claims that were made, we would welcome clarification from Ofgem on when, and indeed how, a consumer might become aware that the basis on which he had been encouraged to switch supplier was false. Presumably this would, in general, only become apparent at a much later date – perhaps when the client received their first quarterly bill.
45. We also wonder what the consumer in this situation would be expected to do. Would they have to pursue the matter with their supplier to claim some form of refund based on the level of tariff that the sales agent had promised would apply to them? If so, this strikes us as extremely unwieldy. Much preferable would be if the supplier was forced to verify in some way at the point of sale that the quotation provided was legitimate, or indeed that sales agents could only opt for pre-defined tariff rates when providing comparative quotes.