

**Supplier CEOs and Directors  
of Regulation**

**BY EMAIL ONLY**

15 February 2023

Dear colleagues,

**Follow up on our letter to suppliers on the treatment of domestic customers during pre-payment meter installations**

Further to our letter on Ofgem's expectations regarding the treatment of domestic customers during pre-payment meter installations<sup>1</sup>, as discussed during our conversation on 9 February 2023, you have agreed to our request to immediately halt forced installations and remote transfers to pre-payment meters until the end of March 2023. For the avoidance of doubt, this includes ceasing installation by warrant, ceasing the remote mode switch of smart meters to pre-payment without explicit agreement from the customer, and ceasing new applications to court for installation warrants – unless theft is suspected.

We have received responses from you setting out preliminary findings of your internal reviews into how the installation of pre-payment meters under warrant and remote switches to smart pre-payment are carried out and managed. We are reviewing your responses and we expect and require further information from you through the Market Compliance Review process.

On 21 February, we will publish an update on the scope and timelines of our Market Compliance Review on pre-payment meter warrant installations and remote mode switching.

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<sup>1</sup> [Letter to suppliers on the treatment of domestic customers during pre-payment meter installations | Ofgem](#)

Over the next six weeks, ahead of 31 March 2023, Ofgem will complete an intensive consultation process bringing together energy suppliers, consumer groups and charities to consider how the rules and guidance on the use of pre-payment meters by suppliers apply in the current exceptional circumstances as well as whether these rules and guidance should be amended going forward. We welcome your agreement in our conversation on 9 February 2023 to engage intensively in this process.

Some suppliers have expressed concerns on the levels of customer debt caused by a halt to warrant pre-payment meter installation and forced remote switch of smart meters to pre-payment mode. If this debt cannot be recovered from some customers, then this increases costs for suppliers. We are aware of the difficult balance here as unrecoverable debts from some customers may then be recovered from the bills of paying customers, many of whom are themselves struggling with paying their bills given the wider affordability issue. We have an ongoing programme of work to assess costs to suppliers from customer debt. Once we have analysed your responses to our Request for Information on debt we will be able to determine what action we need to take and, if an adjustment is required, we will act quickly.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J Brearley', written in a cursive style.

**Jonathan Brearley**  
**Chief Executive**