

Dear Jemma Baker,

Having only recently come across Ofgem's consultation notice on its website, and seeing that it welcomes contributions from individual consumers, I would like to comment on some of the suggestions put forward. First, I would like to point out that I use a computer in a municipal library, and that although I have tried several times to use the link at the beginning of the proposal, no through-connection has occurred, so I fear I may have missed some useful information. However, since the closure date for submissions is close, with a bank holiday intervening, I am submitting my comments in this informal way and trust this will be acceptable.

My comments will principally concern the third part of the consultation, concerning the monitoring and quality of complaint handling, and examples of 'sharp practice' which do not appear to come up in the proposal.

With reference to the first two items on the agenda, I can offer the following comments :

PPMs : I agree with the efforts to control the enforced installation of these meters, but I see no reference to the ability of suppliers to remotely switch customers with smart meters onto the pre-payment system. This seems a power too far - third party authorisation should be necessary as a protection for an unwilling customer.

The recent decision to eliminate the discriminatory tariff is welcome and removes one big disadvantage of PPM, though others remain. Indeed the removal of similar discriminatory tariffs in the case of e.g. cash/cheque payments which many suppliers (though not all) impose should be challenged by the regulator.

Furthermore, the regulator should reject the cavalier use/misuse by suppliers of the word 'credit'. I have never seen it pointed out that those using PPMs are **giving** credit to the supplier by paying in advance, and, if anything, should be on a cheaper rate rather than an equal one. Additionally, the categorisation of cash/cheque payers as 'standard credit' customers (and therefore should pay more) never seems to apply to Direct Debit customers who equally pay **after** consuming energy yet seem to get considerably more favourable tariffs. Things have been a little different recently, but for over a decade of rock-bottom interest rates, with an average quarterly electricity bill of around £250, the 'credit' would have been worth about 15p a quarter (calculating on the kind of interest rate deemed good enough to be paid to the average saver) yet the tariff price difference was many, many times higher. Payment by DD has its costs too, the difference compared to cash has been calculated by bank employees as 'pennies' and in no way justifying the profiteering differentials imposed by many companies. This is not 'treating customers fairly' and I would suggest merits investigation by Ofgem.

Vulnerable Customers: I generally concur with your approach concerning help for these customers, and, of course, there should be a better and speedier answering of telephones. I would add that just as important, indeed, in the end, even more important, is the quality of the service when the phone is finally answered. I have noticed that Ofgem recently singled out Eon for unacceptably poor telephone response, but often the advice is to use written/email contact rather than phone as there are not so many customers with a recording facility on their phone, and confusion and misunderstanding can easily arise if the customer has no record to consult or as a way to compare promises with results. Using mail is no guarantee of quality of information or complaint handling, of course, but it does leave a useful trail of the process and internal fallibilities

of some suppliers' approach to problems, the practical effects and results of which Ofgem seems to be unaware, despite its array of SLCs and SOC's which, on the face of it, seem to offer the consumer considerable protections, but in reality, are not respected by many suppliers.

Evidence : I have a complaint with Eon dating back to June 2022 and still not concluded, beginning with 2 posted letters and continuing with an exchange of approx 35 emails, leading eventually to a partial success in extracting admissions of fault with related apologies, but where a back-billing problem is concerned, the company has shown bad faith, constant evasions, misrepresentation and a disturbing taint of dishonesty. I could, if necessary, send you a copy of the whole correspondence so far - not to involve you in the complaint but to give you a real example of how complaints get handled and of the frustrations inflicted (probably as part of the technique) on the complainant. My point is that Eon is rated almost at the bottom of Which's customer service list not only because of problems with its phone-answering, but also more

generally. The whole ethos of its complaint department is sub-standard. It illustrates how little progress Ofgem has been able to make in instilling the value and importance of good practice in the industry.

Taking this point a bit further, Eon recently embarked on a large scale admin. and accounting reorganisation to facilitate the absorption of 2 million or so N-Power customers. This was a long and no doubt complex process in the course of which the company took its eye off the ball in several respects, resulting in failings not dissimilar to those of Scottish Power a few years earlier which were severely criticised by Ofgem (Penalty Notice 2016), though Eon seems to have got off pretty much scott-free. There have been many behaviours showing a lack of respect for SOC's and SLC's, among which were :

- 1) A significant number of late bills
- 2) A failure to provide information
- 3) Bills not containing accurate information
- 4) Not communicating the scale of the billing issues to its customers
- 5) Bill shock from an overly late bill
- 6) Customers involved in wasted time they could have spent doing other things, with frustration, distress, inconvenience.

All of which apply to my experience with Eon 2021 - 2023 and continuing, but no reaction from Ofgem.

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You suggest, where monitoring is concerned, 'better, more detailed data from suppliers; essential, I would say. Eon's website statistics are minimal, imprecise and reveal nothing. Searching through the web doesn't seem to produce anything (I've no desire to register for Facebook or Twitter) ; Finding anything relevant in the press is hit and miss (like everybody else, I don't have the time or money to read through all the consumer sections) ; and Ofgem itself either doesn't collect the detail or through fear of upsetting the suppliers won't provide it to individual members of the public (I've tried....) ; Citizens Advice doesn't, in my experience, have

suitably qualified personnel, and can give out wrong information.

Note that suppliers play on this position of ignorance and isolation experienced by the public when handling complaints.

All the foregoing leads me to suggest the need for a **consumer forum website**, set up as part of Ofgem's main site, as a relatively easily found , independent source of useful information for consumers who could then understand their position - e.g. are they 1 in 10 regarding a problem, 1 in 1000, 1 in 100,000? ; to learn what failures a company admits to ; what line of argument to take ; what points to prove ; if any court actions have been taken, and with what result ; any useful practical hints ; whom to best contact..... and many other possibilities.

I was heartened to see the comments of the Business Secretary in February this year, coming to similar conclusions : calling on the regulator to set up a 'new customer reporting system for households to pass on their own stories of how they are being treated '. He expanded on that by suggesting the regulator should 'find out what is really happening in people's homes by hearing from them directly.....a customer reporting hotline being just one example '. I concur, but would consider an internet forum would also be necessary, being accessible to all (even to Ofgem, who could learn from it too) and a general source to cover a wide range of customer experience and information.

In annex 3), 3.21 you express the wish to 'help protect against consumer harms with much earlier identification of issues'... it is hard to see how you could react in this pre-emptive way without such a hotline or consumer forum.

In annex 3) you wonder if reputational sanctions would be effective. I would think many of the suppliers (not all) are not overly concerned with 'reputation'. They are more interested in their bottom line. It would seem from your many reports that attitudes towards SLCs and SOC's and ' putting the customer first ' are pretty lax (also see my experience with Eon above).

Likewise regarding **financial incentives**, I feel that too many companies are insufficiently ethically evolved to respond appropriately to positive incentives (which ,as you point out, have certain practical problems with implementation), and unfortunately we are on more effective ground with the negative options. Ofgem produced a report on 23/3/22 regarding financial penalties, and I would commend sections 2.2 and 2.3, especially concerning redress for consumers suffering ' detriment ', which, elsewhere in another report has reminded suppliers, is not just financial. As I mention above, when profits are affected, the CEOs pay attention. Perhaps tying executive bonuses to satisfactory complaint resolution and observance of licence obligations would be an encouragement to good practice too.

I raised the question of 'sharp practice' at the beginning of this submission, but time is short and you might consider it outside the bounds of the consultation at this stage, though it could be argued that it is intrinsically relevant . There are aspects of the Standing Charge which I feel have been abused, and there is clear need for transparency and proper itemisation of its constituents. The discrimination involved in surcharging certain payment methods is ripe for investigation - many companies do not apply surcharges (water companies, council tax etc). The position of the 'ombudsman' and its methods and independence also require examination, and if you would be interested in further comment, you have my email contact .

Trusting the above is of some use to you

Yours sincerely,