

Energy Networks **Association response**

Ofgem consultation on
framework for consumer
standards and policy options
to address priority customer
service issues

May 2023

Energy Networks Association

About ENA

Energy Networks Association represents the companies which operate the electricity wires, gas pipes and energy system in the UK and Ireland.

We help our members meet the challenge of delivering electricity and gas to communities across the UK and Ireland safely, sustainably and reliably.

1. Create smart grids, ensuring our networks are prepared for more renewable generation than ever before, decentralised sources of energy, more electric vehicles and heat pumps. Learn more about our [Open Networks programme](#).
2. Create the world's first zero-carbon gas grid, by speeding up the switch from natural gas to hydrogen. Learn more about our [Gas Goes Green programme](#).
3. Innovate. We're supporting over £450m of [innovation investment](#) to support customers, connections and more.
4. Be safe. We bring our industry together to [improve safety](#) and reduce workforce and public injury.
5. Manage our networks. We support our members manage, create and maintain a vast array of electricity codes, standards and regulations which supports the day-to-day operation of our energy networks.

Together, the energy networks are [keeping your energy flowing](#), supporting our economy through [jobs](#) and investment and [preparing for a net zero future](#).

Our members and associates

Membership of Energy Networks Association is open to all owners and operators of energy networks in the UK.

- ▶ Companies which operate smaller networks or are licence holders in the islands around the UK and Ireland can be associates of ENA too. This gives them access to the expertise and knowledge available through ENA.
- ▶ Companies and organisations with an interest in the UK transmission and distribution market are now able to directly benefit from the work of ENA through associate status.

ENA members



Introduction

ENA welcomes the opportunity to respond to the Ofgem consultation on options to address priority customer service issues, and on the introduction of a new consumer standards framework.

DNOs have worked collaboratively throughout the ED1 price control on improving services to vulnerable customers; notably with various data sharing agreements, a joint winter-readiness plan, and the implementation of ThePSR.co.uk. Network companies are committed to providing priority services to vulnerable customers and working with suppliers in preparation for next winter to ensure that there are clearly identifiable methods of contact for the respective services of each company.

This consultation response is a collaborative response representing the views of our DNO member companies; some of our members will be providing their own consultation response.

Approach to addressing priority customer service issues

Question 1. Do you agree with our assessment on what good looks like for the issues consumers are facing relating to the priority issues of contact ease and identification and support/advice for consumers struggling with their bills. Are there any issues missing?

Contact ease: we agree with the detail provided in Table 2 on what good outcomes look like. Regarding the 'method of contact meeting different customer needs' we would welcome suppliers clearly detailing on their websites, what the different contact methods provide and how that differs from the 105 service. We have provided further information on this in our answer to question 2

Identification and support/advice for customers struggling with their bills (Debt Support): We agree with the detail provided in Table 4

Question 2: Do you have any views on potential options to address priority issues and do you agree with the extra requirements we are proposing?

The Network Companies welcome the proposal of options to address the two priority issues, particularly the options targeted at contact ease.

Contact Ease

Since the launch of the 105 service in 2016 DNOs have seen a rise in calls that are directed to them that are issues needing to be answered/resolved by the suppliers. These can include but are not limited to running out of credit, lost prepayment keys, issues that customers see as an "emergency" but are not relating to a loss of power or a dangerous situation involving electricity.

The DNOs have collectively looked at this and see it as an ongoing and increasing issue. There are two contributing factors:

1. A lack of information or understanding of what the 105 service is for, with misleading information provided on supplier websites.
2. Customers having difficulty contacting their suppliers, which then leads them to contact their DNO.

On the information gap, the DNOs have been engaging with suppliers to encourage them to make changes to their websites to better explain what emergencies DNO's deal with via the 105 phone line (low and grounded cable, cable damages etc) and how that differs to the phone lines for supplier services. We would also suggest

that supplier employees working in the contact centres could be better trained in the role of the DNOs and how that differs from the suppliers. A clearer understanding of the level of network responsibility would be beneficial. Any pre-recorded messages on supplier phone lines could also include this information.

During core business hours of 09.00-17.00 the issue makes up a smaller percentage of calls. During out of hours on weekdays the issue becomes more prominent as often this is when the customer most feels it may be an “emergency”. At UKPN, for example, these calls make up around 15%-20% of the calls they take through the faults telephone service. During weekend out of business hours the issue becomes significant as often this is when it can be more difficult in reaching the suppliers. At UKPN these calls make up around 50% of the calls they take through the faults telephone service. Similarly at NPG c6% of calls, upwards of 20,000 calls over the last 12 months, have been on matters relating to supplier services and SPEN are recording between 2,000-2,500 supplier calls per month, with the majority received at weekends, and from 5pm on weekdays.

Network companies are therefore supportive of the proposed requirements for suppliers to have a free phone number, that is easy to locate, and has 24 hours a day / 7 days a week to provide enhanced support for vulnerable customers. It would also be beneficial for customers to have a dedicated PSR phone number for their supplier, with no pre-dialling options – allowing the customer to get straight through to a person. This will help deliver the outcome listed under ‘Contacting suppliers and getting timely and appropriate response’.

This will have a secondary benefit of minimising the cost, time and resources required when DNOs are called out to bypass a meter for medical needs at times the suppliers are closed or uncontactable. These instances cost suppliers who then have to rectify the bypass. It would therefore benefit both DNOs and suppliers if they were accessible and able to respond in the first instance.

Identification and support/advice for customers struggling with their bills (Debt Support)

Question 3: Do you have any evidence that suggests that we should be considering additional and/or different rules beyond what we have proposed?

An additional issue for DNOs is that they see a spike in call volumes reporting no power, which in fact relate to prepayment meters running out of credit, this is often seen on Monday mornings, however, depending on the meter configuration, this also occurs over weekends too - where some suppliers do not offer an out of hours service.

Two primary causes of concern related to supplier information and out of hours services;

On information, some suppliers provide very useful information on this, clearly advising customers what to do in the event of losing credit and how to resolve this. Octopus energy is a particular standout.

Regarding out of hours services, we recommend an out of hours service is provided to customers by the supplier - providing the ability for customers struggling with their bills, in short term financial crisis or with a meter fault, to easily get in touch with their supplier. Alternatively, we'd suggest that "Friendly Hours", which prevents meters from disconnecting in unsociable hours, is extended to be any time the suppliers contact channels are closed - preventing an urgent support matter where the customer potentially waits more than 48 hours for additional help.

Question 4: Do you agree with our proposed approach of introducing reputational incentives in our priority areas?

We do not have any comments on this question or section of the consultation.

Assessment and Monitoring of Options

Question 5: Do you agree with what we have set out in the assessment chapter? Please provide supporting evidence with your views. For evidence regarding additional costs, please provide quantitative data.

Question 6: Using the list of prospective data items we present in the monitoring chapter as a guide, what other additional data items could we aim to collect and from what data sources? Do you consider there are any challenges you may face when collecting/providing these? If so, please provide any supporting evidence you have.

DNO's would be comfortable providing a further and regular review of the impacts this is having on their call volumes annually

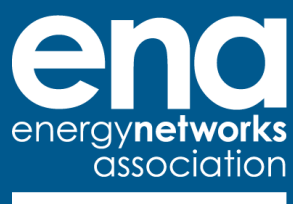
Consumers Standards Framework

Question 7: Do you have any comments on the factors that should be considered in determining whether to use principle-based or rule-based approach to setting standards? 1.8.

We would recommend a rules-based approach to setting standards. With such a large and complex industry, a principle-based approach leaves much open to interpretation and lacks structure and consistency for the industry to meet the same standards. Although a principle-based standard provides more opportunity for review of compliance, we do believe it remains too subjective.

Question 8: Do you agree with our early view of reputational based incentive options for winter 2023 and the potential incentive options for development over the longer-term? Please provide explanations to support your responses.

We do not have any comments on this question.



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