

Date
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Jemma Baker

Ofgem
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[Email: retailstakeholderteam@ofgem.gov.uk]

To Jemma,

Consumer standards statutory consultation

This response to Ofgem's statutory consultation on consumer standards is made on behalf of Cadent. It is made on a non-confidential basis and can be published. Cadent is supportive of Ofgem's objective to make it easier for customers to contact their gas suppliers. Whilst we acknowledge that the consultation is in relation to the retail market only, we are mindful of the consequential impact on the wider gas market and communication with customers, specifically the National Gas Emergency Service (0800 111 999). We have therefore not responded to all the individual consultation questions, however, below we have highlighted a few key considerations.

The risk to life and property

Cadent operates the National Gas Emergency Service on behalf of all Gas Transporters for consumers to report an actual or suspected gas leak, smell of gas, or carbon monoxide presence. In December 2022, we experienced an unprecedented increase in the number of consumers calling the service for what they deemed to be a gas emergency (during this period, the service received ten of the highest demand days ever). When we analysed the calls, the majority were not related to gas leaks or issues which met the definition of a network gas emergency¹ which the service is designed to cover. Examples of non-network gas emergency related calls that we received include metering queries, billing issues, and in-home appliance faults and issues. These additional misdirected calls to the service impacted on the ability of consumers in a network gas emergency to speak to a call adviser in a timely manner and inhibited the timely despatch of an emergency engineer to the customer posing a real risk to life and property.

Steps taken and mitigating actions

Through our engagement with other GDNs and Energy UK, we are aware that there has been a significant increase in consumer calls across various gas industry sectors. We have collectively seen a material change in consumer behaviour that we believe has led to consumers calling the National Gas Emergency Service, as it is one of the very few 24/7 call centre services and well publicised on energy bills and appliances. Many of these consumers explained to our Call Agents that they had called the National Gas Emergency Service as a last resort, because they were unable to contact their gas supplier or other in-home service providers. As noted in

¹ The Health and Safety Executive (HSE) aligned interpretation of the Gas Safety (Management) Regulations 1996 is that the National Gas Emergency Service is for reporting leaks, including loss of pressure / loss of supply events.

the May consultation document, many gas suppliers only operate their call centres during traditional business hours and are typically closed on weekends.

Over the past six months, Cadent has held workshops with other GDNs, Ofgem, HSE, Suppliers and Energy UK. A joint action plan has been created, which includes producing common collateral on the definition of a gas emergency and where and how the 0800 number should be advertised to ensure consistency in communications; and establishing a collaborative forum between call centres to plan and share information on a more frequent basis.

In addition to the above steps that have been taken, we agree there is more that should be done to ensure consumers are able to call their gas supplier in a timely manner. We therefore support the proposed introduction of licence conditions and a guidance document to strengthen the support channels available to consumers. We are particularly supportive of Ofgem's proposal to require gas suppliers to be open 24/7 for consumers who have lost gas due to issues related to their metering or other supplier equipment. We are keen to understand how this will work in practice, to ensure it addresses root cause of issues experienced last Winter through misdirected call traffic, particularly during evenings and weekends. Our expectations would be for this 24/7 service to include a telephony service, with any concerns regarding increased operational costs justified by the improved service to consumers, many in vulnerable situations.

Please contact me should you wish to discuss any aspect of this consultation response.

Yours sincerely,

[By email]

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Continuation sheet:

Question 1: Do you have any comments or questions on our proposed licence changes to improve supplier contact ease?

We support the introduction of licence conditions to improve supplier contact ease. We believe consumers would benefit from more prescriptive drafting, however, we acknowledge the importance of *Standard Licence Condition 31G.3E*², which ensures the licensee must have regard to any guidance. If suppliers are found to be non-compliant with the guidance document, we seek clarity on what actions Ofgem could take to ensure timely compliance.

Question 2: Do you have any comments or views on our proposed contact ease guidance document?

Contact information that is easy to locate – we support the proposed guidance and Ofgem's confirmation action will be taken where potential non-compliances are identified. We seek clarity on what actions Ofgem would take to ensure timely compliance.

Opening hours for all – whilst we support extending the opening hours of suppliers' enquiry services, we believe the guidance should be strengthened. For example, under clause 1.26 of the proposed guidance, it is expected a supplier would need to justify and explain how their enquiry service opening hours meet customers' needs if their service is open less than 2 hours a day outside 09:00-17:00 Monday to Friday, and/or less than 7 hours in total over the weekend. We believe this should be amended to 4 hours a day (08:00-20:00) Monday to Friday and/or 16 hours in total over the weekend. This is supported by our data which shows that we consistently receive a higher volume of non-network gas emergency calls during these hours.

24/7 enquiry services for customers without supply due to supplier issues – We are particularly pleased that Ofgem is proposing to require gas suppliers to be open 24/7 for consumers who have lost gas due to issues related to their metering or other supplier equipment. We are keen to understand how this will work in practice. Our expectations would be for this 24/7 service to include a telephony service, with any concerns regarding increased costs justified by the improved service to consumers, many in vulnerable situations.

Timely and appropriate responses – Clause 1.54 states a supplier must be able to justify and explain its level of performance if it took, significantly or consistently, longer than 5 minutes on average to answer phone calls. We note that it is possible for the average to be influenced by answering calls very quickly within the summer months, consequentially providing an opportunity to mask lengthy average wait times in the winter months. We therefore seek clarity over what period this average is calculated and how frequent this measure will be reported. Furthermore, we believe the guidance should be updated to reflect that customers' needs are sensitive to variables such as the weather and change throughout the year. For example, it is not unreasonable for customers to expect to be able to speak to their gas supplier in far less than 5 minutes in the winter months, when there is a greater reliance on gas for home heating.

² SLC 31G.3E *The licensee must have regard to any guidance on standard condition 31G.3A to 31G.3D which the Authority may issue from time to time following consultation.*