

Sent by email to [RetailStakeholderTeam@ofgem.gov.uk](mailto:RetailStakeholderTeam@ofgem.gov.uk)

10 August 2023

Dear Ofgem

**Thermal Storage UK response to consumer standards statutory consultation**

While we agree that energy suppliers should respond promptly to resolve issues and complaints, we remain concerned with the lack of focus on energy efficiency and heat decarbonisation within the consumer standards framework. For instance, the qualitative research conducted by Ofgem does not explore the link between energy debt and the energy (in)efficiency of homes. We remain concerned that the Ofgem proposals insufficiently consider the importance of energy suppliers providing good advice on energy efficiency and heat decarbonisation to people.

High-quality energy efficiency advice and support could significantly reduce energy bills, help the person to manage their energy bills and reduce the risk of future debt. We recommend that energy suppliers provide tailored advice to people to support a reduction in heating costs and the decarbonisation of heating wherever possible. Depending on the property and the person, this may include advice and support in reducing damp, improving the fabric of the building, improving the efficiency of the existing heating system, making the property heat pump-ready and installing low carbon electric heating.

We recommend that Ofgem increases the bar so that energy debt advice always explores energy efficiency and eligibility for energy efficiency support schemes. For fuel poor households, a conversation about debt could cover eligibility for Energy Company Obligation (ECO) or the Great British Insulation Scheme (GBIS). For those who are not eligible for these schemes, the energy supplier could point people to Energy Saving Trust advice and to the TrustMark website. Some suppliers may offer to conduct in person energy efficiency assessments of people's homes.

We recommend that Ofgem conducts a review of the quality of energy efficiency advice provided by energy suppliers under SLC 31G.2. As the UK electrifies heating, the quality of the installations of heating systems and energy efficiency will have a significant impact on electricity consumption, energy bills and demands on the distribution system. Energy suppliers are expected to have a central role in achieving this transition. This will also support Ofgem in adhering with the new net zero duty introduced by the Energy Security Bill.

We answer some of the questions in the consultation below. This response is not confidential and may be published by Ofgem.

Best wishes

Tom Lowe

Founding Director  
**Thermal Storage UK**

## **More about Thermal Storage UK**

Thermal Storage UK represents companies who have developed modern thermal storage products. We promote the use of smart thermal storage in buildings in the United Kingdom and other countries to achieve net zero. Our mission is to take the carbon out of heating buildings.

You can find out more about Thermal Storage UK at [www.thermalstorage.org.uk](http://www.thermalstorage.org.uk)

## Questions

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

High-quality energy efficiency advice and support could significantly reduce energy bills, help the person to manage their energy bills and reduce the risk of future debt. We recommend that energy suppliers provide tailored advice to people to support a reduction in heating costs and the decarbonisation of heating wherever possible. Depending on the property and the person, this may include advice and support in reducing damp, improving the fabric of the building, improving the efficiency of the existing heating system, making the property heat pump-ready and installing low carbon electric heating.

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To reflect the above and building on SLC 31G.2 of the existing licence, we recommend that Ofgem incorporates an additional licence condition as follows:

“When providing the enquiry service to Domestic Customers, the licensee must provide tailored advice relating to energy efficiency (including heat decarbonisation) as part of debt prevention and management. This must include signposting social, financial and energy efficiency programmes to customers in Vulnerable Situations”

We encourage Ofgem to consider how self-disconnection of electricity meters will impact on the efficient operation of heat pump systems.

Aside from the direct impact on the customer, self-disconnection is likely to reduce the efficiency of the heat pump and increase its running costs. This interaction is particularly important for Ofgem's consumer standards framework as heat pumps are increasingly installed in social housing and through government schemes such as LAD and ECO.

**2. Do you have any comments or views on our proposed contact ease guidance document? We would welcome evidence of ways in which suppliers are already delivering best practice.**

We strongly recommend that Ofgem adds criteria about energy efficiency and heat decarbonisation into section 3 ("contacting suppliers and getting timely and appropriate response") of the contact ease guidance document. As set out in this response, people in debt who contact energy suppliers will often require information about how to reduce their energy consumption. This should mean energy suppliers providing high quality and tailored advice about energy efficiency and heat decarbonisation.

We also recommend that Ofgem conducts a review of the quality of energy efficiency advice provided by energy suppliers. As the UK electrifies heating, the quality of the installations of heating systems and energy efficiency will have a significant impact on electricity consumption, energy bills and demands on the distribution system. Energy suppliers are expected to have a central role in achieving this transition. This will also support Ofgem in adhering with the new net zero duty introduced by the Energy Security Bill.

**3. Do you have any comment or questions on our proposed licence changes to better support customers struggling with their bills?**

High-quality energy efficiency advice and support could significantly reduce energy bills, help the person to manage their energy bills and reduce the risk of future debt. We recommend that energy suppliers provide tailored advice to people to support a reduction in heating costs and the decarbonisation of heating wherever possible. Depending on the property and the person, this may include advice and support in reducing

damp, improving the fabric of the building, improving the efficiency of the existing heating system, making the property heat pump-ready and installing low carbon electric heating.

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**4. Do you have any comments or questions on our proposed licence changes to require suppliers to publish information on their customer service performance, as measured by Citizens Advice?**

No comment.

**5. Could you provide any further, detailed evidence on the potential costs and benefits of our revised proposals?**

No comment.

**6. Could you provide detailed evidence or information on the proposed timescales for implementation of our revised proposals?**

No comment.