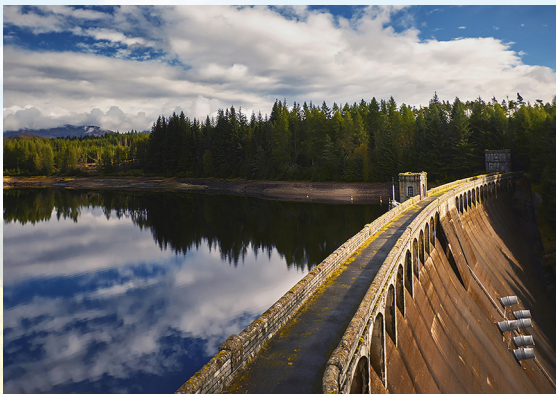




Making a positive difference
for energy consumers



Supplier Performance Report

1 July 2023 to 31 December 2023



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Foreword

Ofgem administers 12 schemes on behalf of the UK government and the devolved administrations. These schemes are designed to reduce carbon emissions and support vulnerable consumers, and were worth almost £10 billion in the year 2022 to 2023. Over this period these schemes supported low carbon electricity generation equivalent to more than a third of the UK supply market, provided heat and green gas generation sufficient to heat 1.4 million typical UK homes (the equivalent of heating every household in Wales), and in 2021 to 2022 delivered energy efficiency measures projected to save around £2.5 billion on consumer energy bills.

Energy suppliers play a key role in delivering many of Ofgem's schemes, and we expect them to comply with scheme rules, for example by providing accurate data and timely payments, and to work with us constructively to deliver scheme objectives. Where suppliers deliver well, they can help drive significant decarbonisation and consumer benefits. Where suppliers don't deliver well and they fail to comply with the rules, it can result in extra costs for energy consumers and taxpayers. It can also compromise effective scheme administration and undermine successful achievement of scheme goals. That is why it is important that we measure supplier performance and if we find they have not been performing as expected, we take action, including imposing sanctions where appropriate.

We constantly assess supplier performance through our compliance, audit, counter fraud and enforcement work. This includes assessing how proactive suppliers have been in understanding their obligations, how well they have engaged with us and how they have approached self-reporting. The Supplier Performance Report holds suppliers to account for their performance by showing where they have failed to meet one or more of their scheme obligations in full and on time.

We expect suppliers featured in this report to promptly rectify any issues with their processes or performance. If we have concerns about a supplier's performance we may require them to develop an action plan, detailing how issues will be addressed and future non-compliance will be prevented. Where an action plan is in place we follow up with the supplier to ensure the necessary changes have been successfully implemented.

We constantly review our approach to monitoring and reporting supplier non-compliances. As part of this we recently introduced a focus on the most serious incidents of supplier non-compliance ('category 4' incidents). As not all non-compliances are equal, identifying suppliers with 'category 4' incidents highlights those responsible for

the incidents with the greatest potential impact. Once a 'category 4' incident has been identified we intervene to address the issue as quickly as possible, which may include enforcement action. This will also trigger a review of a supplier's compliance history. Where there is a track record of poor compliance, we will engage with the supplier to identify and ensure they address the root cause of their failings.

Over the last two years (January 2022 to December 2023), the five worst-performing suppliers with the most 'category 4' incidents were:

- Home Energy Trading Ltd (12 serious incidents)
- Utility Warehouse (7 serious incidents)
- Delta Gas and Power Ltd (6 serious incidents)
- SEFE Energy Ltd (6 serious incidents), and
- Vattenfall Energy Solutions GmbH (5 serious incidents).

The very worst-performing of these, Home Energy Trading Ltd, repeatedly failed to meet payment deadlines on the Renewables Obligation, Feed-in Tariffs and Green Gas Levy schemes. This is not good enough and we are engaging with Home Energy Trading Ltd, and the other suppliers listed above, to ensure that they improve their performance.

We intend to expand future reports to include non-compliance incidents on the Energy Company Obligation (ECO) and Great British Insulation (GBIS) schemes. These schemes require larger suppliers to deliver energy efficiency measures, such as loft and cavity wall insulation, to domestic premises in Great Britain. With the addition of ECO and GBIS scheme incidents, we expect to see the total volume of supplier non-compliances reported to increase significantly. This report contributes to Ofgem's principal objectives by bringing transparency to supplier performance and showing how we are working hard to improve standards across the energy market. We welcome stakeholder views on how our engagement and reporting via the Supplier Performance Report can be improved further. Any feedback can be provided to schemesreportingfeedback@ofgem.gov.uk.

Kiera Schoenemann

Director, Audit & Compliance
Delivery & Schemes

1. Introduction

What does the Supplier Performance Report show?

- 1.1. The Supplier Performance Report (SPR) shows supplier performance against their obligations on the low carbon energy and social schemes we administer. Each report covers a six-month period which provides a regular view of supplier performance for stakeholders.

The schemes covered are:

- Feed-in Tariffs (FIT)
- Green Gas Levy (GGL)
- Offtaker of Last Resort (OLR)
- Renewable Energy Guarantees of Origin/Guarantees of Origin (REGO/GoO)
- Renewables Obligation (RO)
- Smart Export Guarantee (SEG)
- Warm Home Discount (WHD)

- 1.2. In addition to the schemes listed above we also report on the performance of suppliers against their obligations under 'The Electricity (Fuel Mix Disclosure) Regulations 2005'¹.

- 1.3. In future we intend to add the Energy Company Obligation scheme (ECO) and Great British Insulation Scheme (GBIS) to this reporting, for a consolidated picture of supplier performance across all our schemes.

- 1.4. It should be noted that this report does not reflect a supplier's customer service², wider environmental performance, or its energy mix³. It records the number and type of supplier non-compliance incidents on the schemes listed above.

- 1.5. Scheme non-compliance might include things like not meeting a deadline set out in the relevant legislation or submitting inaccurate data to us.

¹ [Information on Fuel Mix Disclosure](https://www.ofgem.gov.uk/fuel-mix-disclosure-fmd): <<https://www.ofgem.gov.uk/fuel-mix-disclosure-fmd>>

² [Information on supplier customer service performance](https://www.ofgem.gov.uk/energy-data-and-research/data-portal/customer-service-data): <<https://www.ofgem.gov.uk/energy-data-and-research/data-portal/customer-service-data>>

³ Suppliers are required to publish details of their energy mix on their websites.

- 1.6. The data used to inform this report has been published alongside the report on our website. More information about the schemes, and suppliers' obligations, can also be found on our website⁴.

Why are we publishing this data?

- 1.7. Energy suppliers play an important role in the successful delivery of many of the low carbon energy and social schemes that we administer. Incidents of non-compliance can impact the achievement of policy objectives and increase the costs of scheme delivery, which can be passed on to consumers through energy bills or lead to increased costs for taxpayers. As the administrator, we are committed to ensuring the schemes work as effectively as possible and deliver the intended benefits to consumers, without unnecessary cost.
- 1.8. We therefore take supplier compliance on these schemes extremely seriously. We publish this data in the interests of providing transparency to consumers and other interested parties, to send a signal to suppliers about our expectations, and to hold suppliers to account for poor performance.

What happens to suppliers featured in the report?

- 1.9. We work with the suppliers featured in this report to help them to improve their performance, including improving our guidance where necessary. Over time, we expect suppliers to improve and deliver the schemes more efficiently.
- 1.10. However, if there are repeat occurrences and suppliers do not improve, or there are serious non-compliances such as a failure to make a scheme obligation payment, we will consider a stronger response. This can include referring cases for enforcement action⁵. Any action taken following an enforcement investigation may be published on our website⁶.
- 1.11. We expect suppliers to review this report and take the findings seriously. We are also aware that some boards, investors and creditors carefully consider the information in this report and may use it as an indication of a supplier's ability to

⁴ [Environmental Programmes webpage](https://www.ofgem.gov.uk/environmental-programmes): <<https://www.ofgem.gov.uk/environmental-programmes>>

⁵ [Ofgem's Enforcement Guidelines](https://www.ofgem.gov.uk/publications/enforcement-guidelines): <<https://www.ofgem.gov.uk/publications/enforcement-guidelines>>

⁶ [Compliance and enforcement - Investigations, orders and penalties](https://www.ofgem.gov.uk/energy-policy-and-regulation/compliance-and-enforcement/investigations-orders-and-penalties): <<https://www.ofgem.gov.uk/energy-policy-and-regulation/compliance-and-enforcement/investigations-orders-and-penalties>>

manage risk, appropriately govern itself and deliver on its obligations more generally.

Which suppliers are included?⁷

- 1.12. Suppliers that had a non-compliance incident recorded on our SPR database between 1 July 2023 and 31 December 2023 are shown in chapter three (**Details of non-compliances**). Those with the most serious non-compliances are also shown in chapter four (**'Category 4' non-compliances**). Please note that in some instances, due to the work required to confirm a non-compliance, it may have occurred sometime before it is added to our SPR database.

⁷ Obligations to participate in the schemes are placed on suppliers based on the number of customers they have. The threshold at which suppliers become obligated varies between the schemes, and some schemes (such as the FIT) allow smaller suppliers to participate voluntarily.

2. Report summary

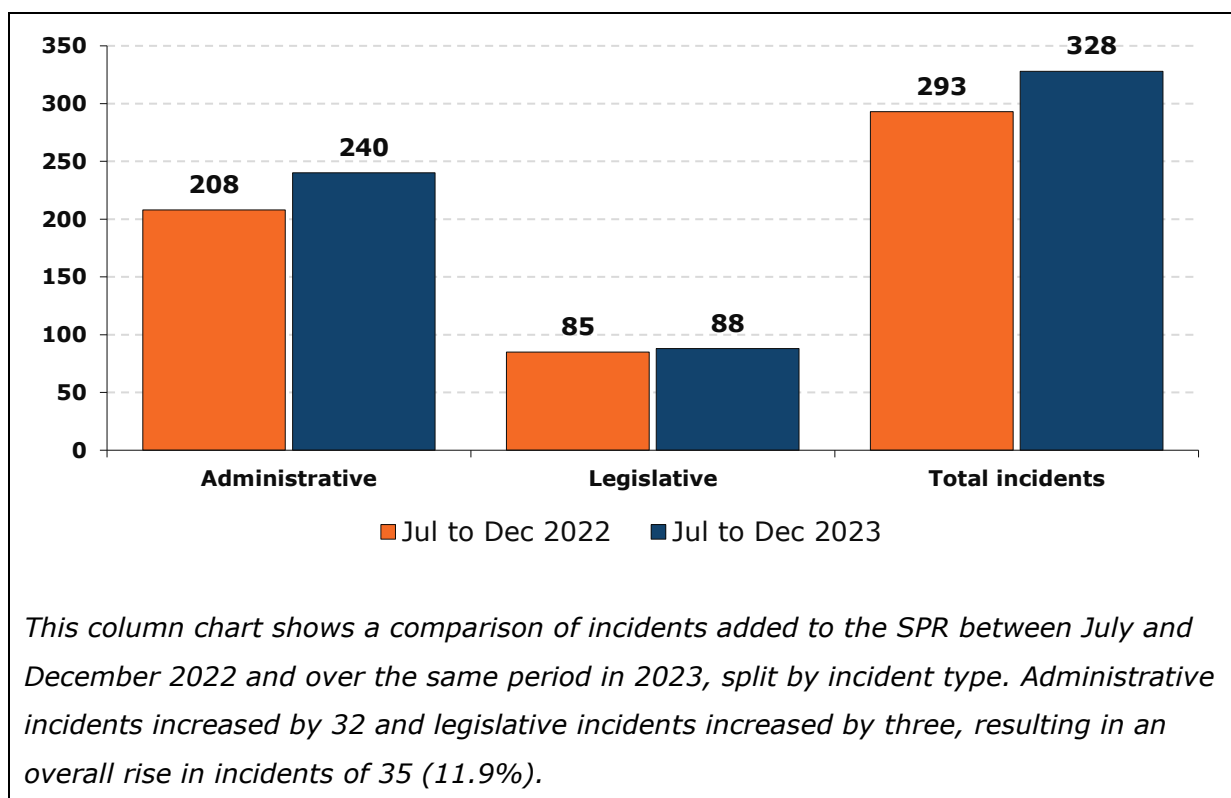
Responsibility to meet scheme obligations sits with suppliers and Ofgem actively engages with suppliers to ensure they are on track to fulfil their responsibilities.

Overall, 328 incidents were added to the SPR database between 1 July 2023 and 31 December 2023. Of these, the most common type were issues on the Central FIT Register (CFR), accounting for 59.5% of the total. The next most common issue types related to FIT Biennial Meter Verification (15.5%) and FIT levelisation (14.6%). Thirty-two of the incidents recorded were of the most serious type – ‘category 4’ incidents.

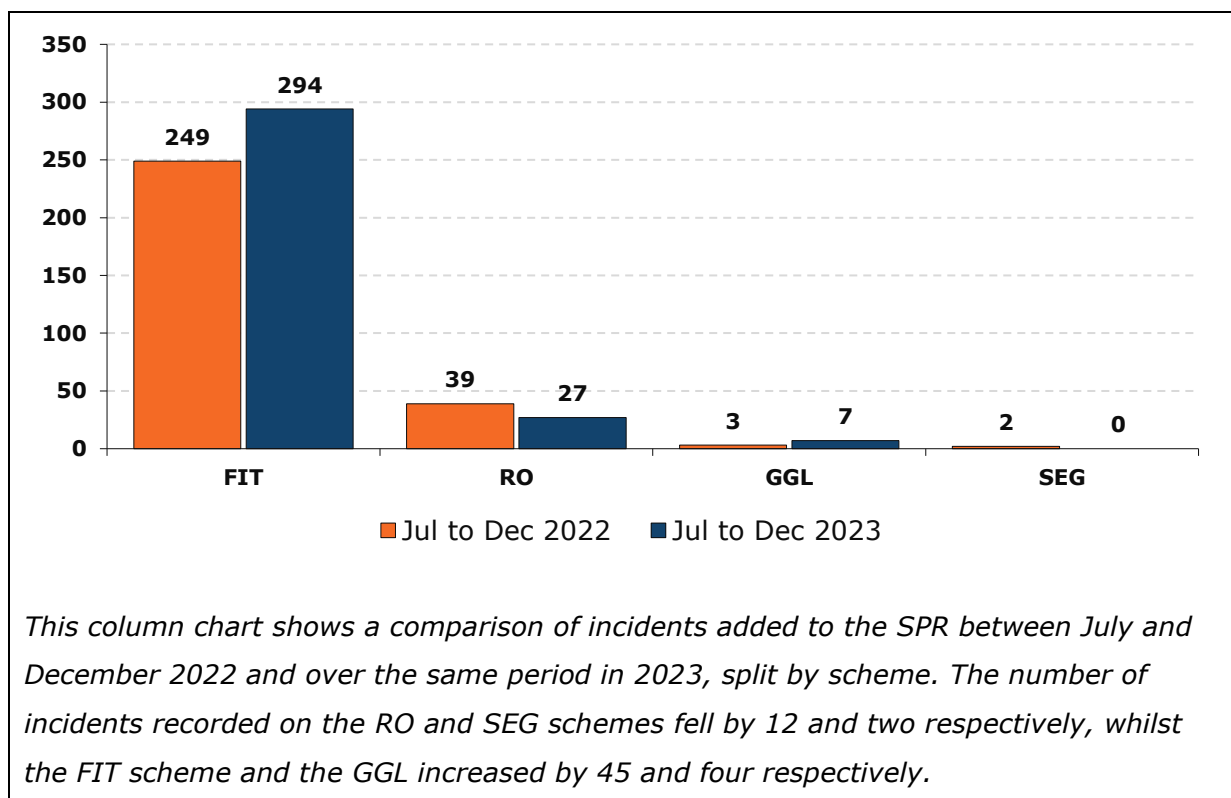
- 2.1. It should be noted that non-compliance incidents tend to occur around certain compliance activities and deadlines which are not uniformly spread across the year. As this report covers the six-month period July to December 2023, when comparisons are made, they are made with the equivalent period in 2022.
- 2.2. Incidents are categorised as being either administrative or legislative:
 - **Administrative incidents** are those where a supplier has failed to comply with a requirement set by Ofgem
 - **Legislative incidents** are those where a supplier has failed to comply with a requirement in scheme legislation.
- 2.3. **Figure 2.1** shows that there was a total of 240 administrative incidents, which represents 73.2% of all incidents recorded over the period. Amongst these the most common were errors made by suppliers entering data on the CFR. These account for 61.7% of all administrative incidents recorded. Where suppliers are making administrative errors, this requires additional resources to be allocated for investigation and resolution. This can potentially lead to delays in generators receiving the support that they are eligible for.
- 2.4. Additionally, there were 88 legislative incidents reported, representing 26.8% of the total. CFR non-compliances form the majority of these at 53.4%. Also significant were missed payment deadlines in relation to RO mutualisation (26.1%). It is the responsibility of each supplier to have awareness of, and to meet their obligations in line with the relevant scheme legislative deadlines.
- 2.5. In comparison to the equivalent period in 2022 there has been a 15.4% increase in administrative incidents, and a 3.5% increase in legislative incidents. The

overall number of incidents recorded increased by 11.9%. This has been driven by poor data accuracy on FIT Levelisation submissions. We have written to suppliers raising concerns about the quality of data submitted to Ofgem. Suppliers that continue to submit poor quality data to us will be subject to compliance engagement and potentially enforcement action.

Figure 2.1: Total non-compliance incidents by type

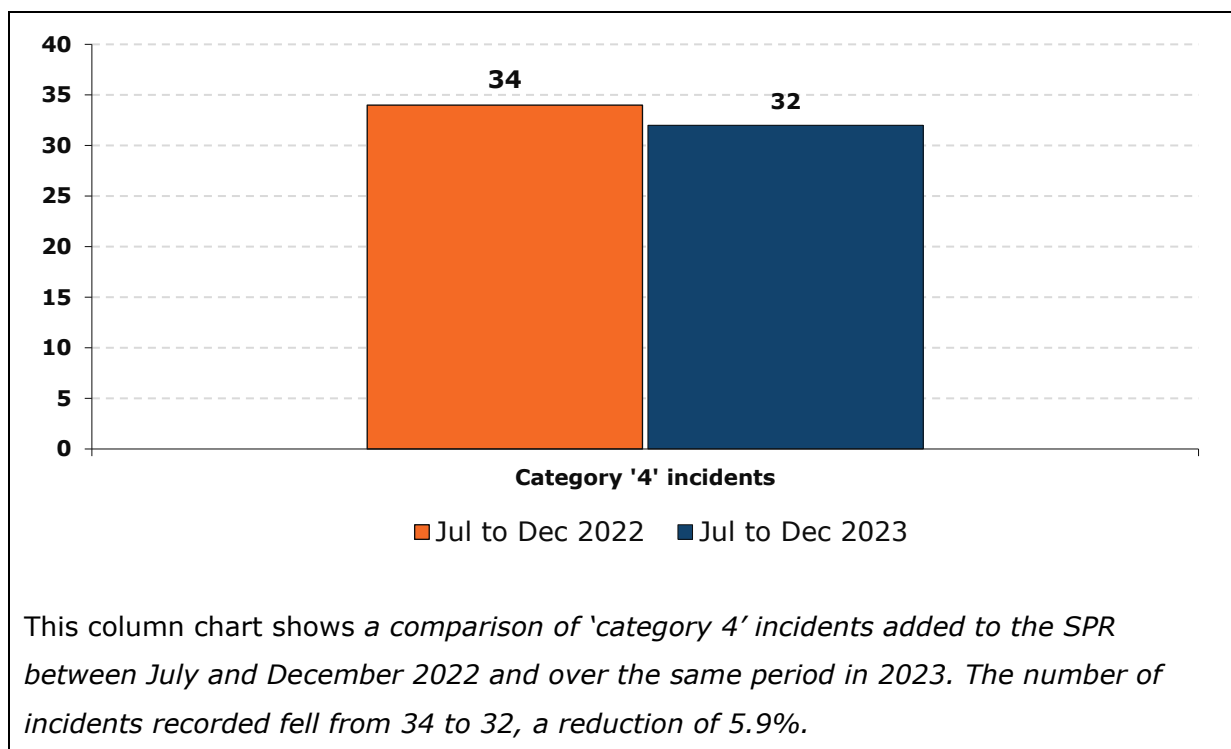


- 2.6. **Figure 2.2** shows the breakdown of incidents recorded by scheme. FIT-related incidents increased by 18.1% and continue to be the most common. This increase can be attributed to a rise in CFR, levelisation and biennial meter verification incidents.
- 2.7. On the RO scheme there were 27 incidents recorded, a fall from the 39 incidents recorded over the same period in 2022. Of the 27 incidents, 23 were for suppliers missing mutualisation payment deadlines. Missed RO mutualisation payment deadlines are unacceptable. Suppliers who do not comply with payment deadlines can expect compliance or enforcement action.

Figure 2.2: Total non-compliance incidents by scheme

2.8. As shown in **Figure 2.3**, of all the incidents recorded 32 were assessed as being 'category 4' incidents – the most serious. All of these incidents related to missed payment deadlines on either the FIT, RO or GGL schemes. For more information on the way we categorise incidents (and the 'category 4' incidents identified) please refer to chapter four.

Figure 2.3: 'Category 4' incidents recorded



3. Details of non-compliances

In this chapter we present the supplier non-compliances added to the SPR database by us over the period 1 July 2023 to 31 December 2023. The non-compliances are broken down into categories covering the submission of data, data accuracy, payment issues and FIT biennial meter verification.

- 3.1. This chapter presents information on all supplier non-compliances added to the SPR database by us over the period 1 July 2023 to 31 December 2023. The non-compliances are broken down into specific categories of non-compliance. The visualisations present information on the number of non-compliances by supplier for each category. A table for each visualisation providing more detail on the nature of the non-compliances is also provided.
- 3.2. For more detail on the incidents featured you can refer to the dataset published alongside this report, which is the source for all the data presented. Chapter four provides further information on the most serious incidents of non-compliance added to the SPR database over this period.

Submission of data

- 3.3. To be able to conduct effective administration of the schemes we deliver, it is important that suppliers provide data to Ofgem in line with relevant deadlines. These requirements are defined in legislation and/or published in guidance for suppliers. Suppliers are obligated under condition 5 of the Standard Conditions of Electricity Supply Licences⁸ to provide data, which is accurate, timely and complete, and may face additional consequences where this is not the case.
- 3.4. Details of suppliers with data submission non-compliances as recorded on the SPR database between July and December 2023 are shown in **Figure 3.1**.

⁸ [Standard Conditions of Electricity Supply Licences:](https://epr.ofgem.gov.uk/Content/Documents/Electricity%20Supply%20Standard%20Licence%20Conditions%20Consolidated%20-%20Current%20Version.pdf)
<<https://epr.ofgem.gov.uk/Content/Documents/Electricity%20Supply%20Standard%20Licence%20Conditions%20Consolidated%20-%20Current%20Version.pdf>>

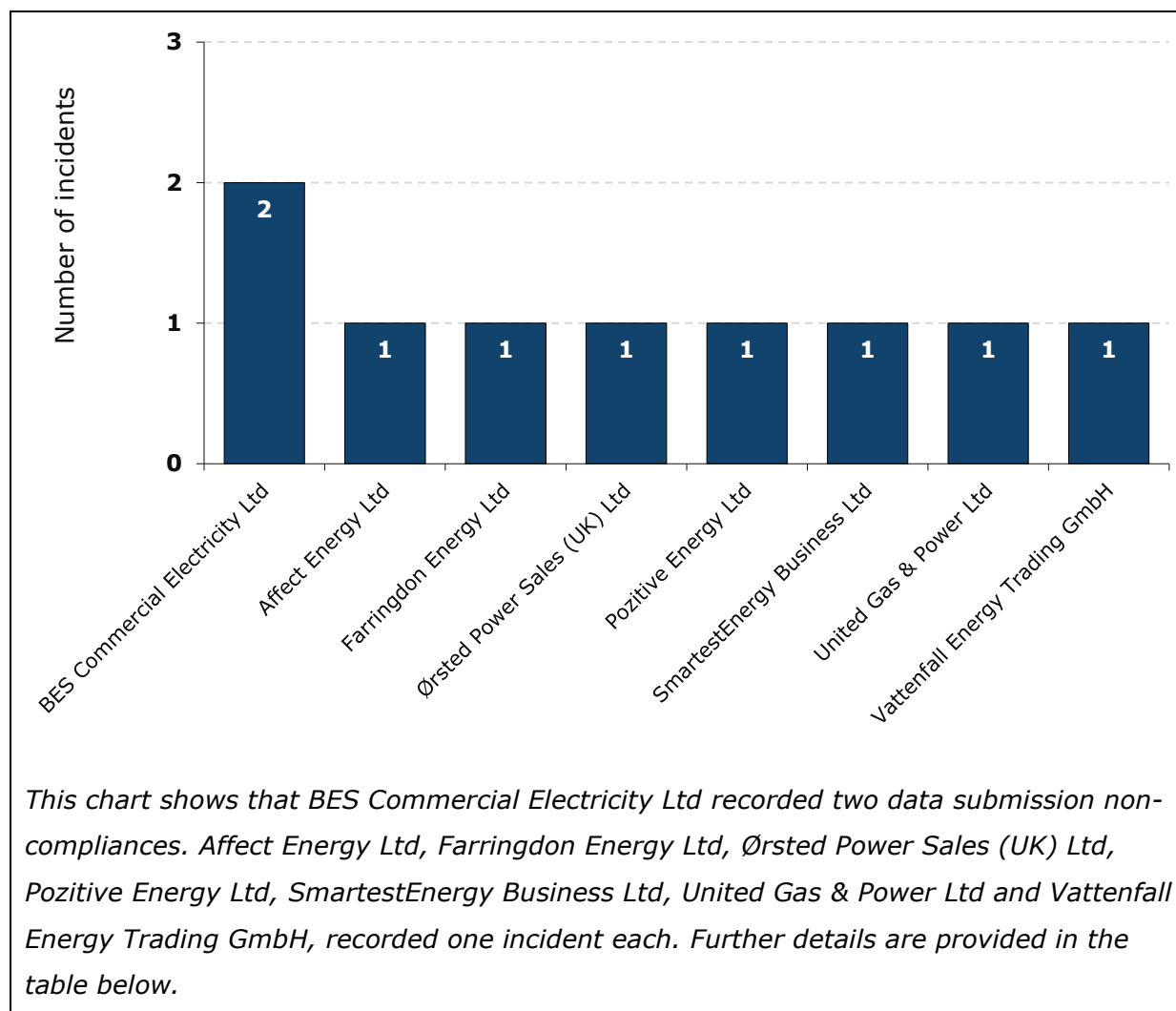
Figure 3.1: Missed submission deadlines

Figure 3.1 (Table): Missed submission deadlines

Supplier	Scheme	Deadline
Affect Energy Ltd	FIT	Levelisation - Y13 annual
BES Commercial Electricity Ltd	FIT	Levelisation - Y14 Q1
BES Commercial Electricity Ltd	FIT	Levelisation - Y13 annual
Farringdon Energy Ltd	FIT	Levelisation - Y13 annual
Ørsted Power Sales (UK) Ltd	FIT	Levelisation - Y13 annual
Pozitive Energy Ltd	RO	GB final supply volume
SmartestEnergy Business Ltd	FIT	Levelisation - Y14 Q1
United Gas & Power Ltd	RO	GB final supply volume
Vattenfall Energy Trading GmbH	RO	GB final supply volume

N.B. each row represents one incident.

- 3.5. As part of the levelisation process⁹ on the FIT scheme, suppliers are required to submit data to us on a quarterly and annual basis in accordance with the published FIT levelisation schedule¹⁰. Failure to meet the relevant deadlines results in a legislative non-compliance being recorded.
- 3.6. On the RO, scheme suppliers are required to provide Ofgem with estimated electricity supply figures for the preceding obligation period by 1 June, and the final supply figures by 1 July¹¹. Failure to submit the information to us by these deadlines results in a legislative non-compliance.

⁹ [Information on FIT levelisation](https://www.ofgem.gov.uk/publications-and-updates/feed-tariff-fit-levelisation-faqs): <<https://www.ofgem.gov.uk/publications-and-updates/feed-tariff-fit-levelisation-faqs>>

¹⁰ [FIT levelisation schedules](https://www.ofgem.gov.uk/environmental-programmes/fit/electricity-suppliers/fit-licensees): <<https://www.ofgem.gov.uk/environmental-programmes/fit/electricity-suppliers/fit-licensees>>

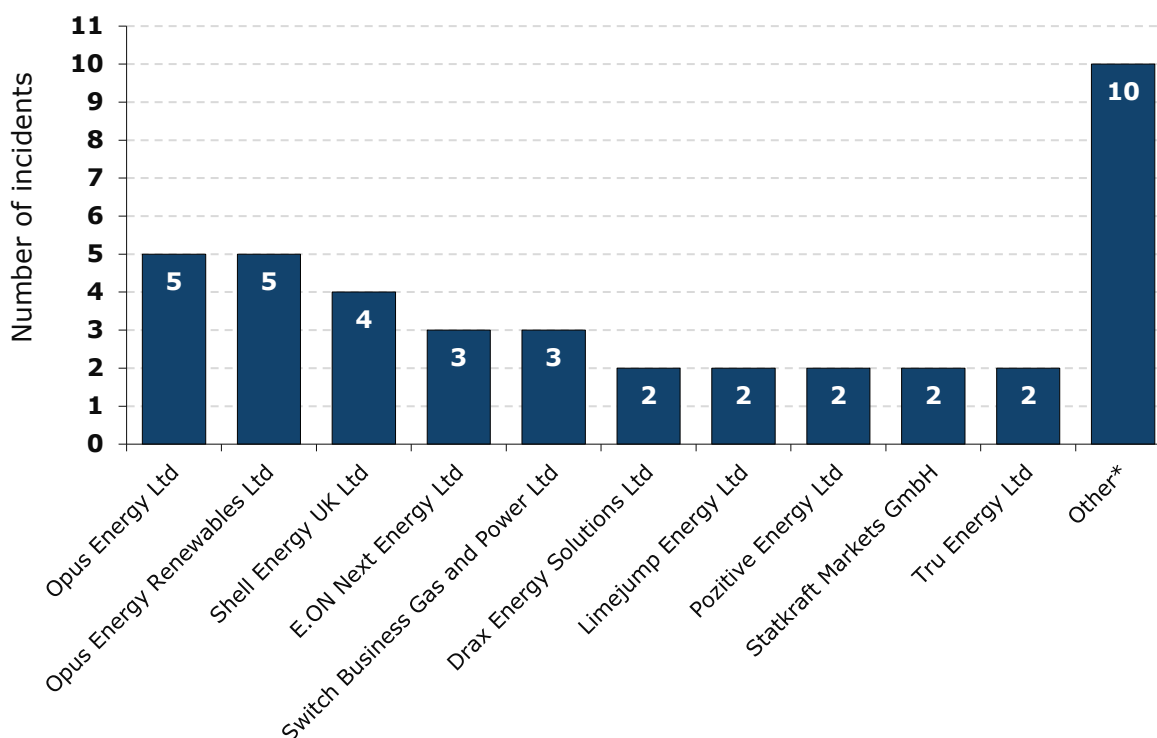
¹¹ [Information on RO supplier obligations](https://www.ofgem.gov.uk/publications/renewables-obligation-guidance-suppliers): <<https://www.ofgem.gov.uk/publications/renewables-obligation-guidance-suppliers>>

Data accuracy

- 3.7. It is also important that the data suppliers use and the data we receive from them is accurate and complete. Inaccurate or incomplete data can have direct financial consequences on scheme participants, other suppliers and ultimately energy consumers.

FIT Levelisation

- 3.8. As part of the levelisation process on the FIT scheme, suppliers are required to submit data to us on a quarterly and annual basis in accordance with the published FIT levelisation schedule. Where the data we receive is misreported, an administrative incident is added to the SPR database. All such non-compliances added to the SPR between July and December 2023 are shown in **Figure 3.2**.
- 3.9. Opus Energy Ltd and Opus Energy Renewables Ltd had the most incidents of data inaccuracy in relation to FIT Levelisation. We have reviewed these errors and established that they stem from a single incident. We are satisfied that the cause of this error has been addressed and that further engagement with Opus is not necessary.

Figure 3.2: FIT levelisation – data accuracy

*Suppliers with a single incident are shown in the 'Other' category

This chart shows that the following suppliers recorded data accuracy non-compliances in relation to FIT levelisation; Opus Energy Ltd (5), Opus Energy Renewables Ltd (5), Shell Energy UK Ltd (4), E.ON Next Energy Ltd (3), Switch Business Gas and Power Ltd (3), Drax Energy Solutions Ltd (2), Limejump Energy Ltd (2), Pozitive Energy Ltd (2), Statkraft Markets GmbH (2), Tru Energy Ltd (2) and ten other suppliers with one incident recorded each. Further details are provided in the table below.

Figure 3.2 (Table): FIT levelisation – data accuracy

Supplier	Detail
Brook Green Trading Ltd	EII - Exempt excluded supply - Y14 Q1
Drax Energy Solutions Ltd	Domestic supply volume - Y14 Q1
Drax Energy Solutions Ltd	Non-domestic supply volume - Y14 Q1
Dyce Energy Ltd (PROZ)	Non-domestic supply volume - Y14 Q1
E.ON Next Energy Ltd	Non-domestic supply volume - Y14 Q1
E.ON Next Energy Ltd	Deemed export payment - Y14 Q1
E.ON Next Energy Ltd	Metered export payment - Y14 Q1
EDF Energy Customers Ltd	EII - Exempt excluded supply - Y14 Q1
ENGIE Power Ltd	Non-domestic supply volume - Y14 Q1
EPG Energy Ltd	Non-domestic supply volume - Y14 Q1
Home Energy Trading Ltd	Domestic supply volume - Y14 Q1
Limejump Energy Ltd	Generation payment - Y13 annual
Limejump Energy Ltd	Generation - Y13 annual
Opus Energy Ltd	Generation payment - Y13 annual
Opus Energy Ltd	Deemed export payment - Y13 annual
Opus Energy Ltd	Metered export payment - Y13 annual
Opus Energy Ltd	Deemed electricity - Y13 annual
Opus Energy Ltd	Metered export payment - Y13 annual
Opus Energy Renewables Ltd	Generation payment - Y13 annual
Opus Energy Renewables Ltd	Deemed export payment - Y13 annual
Opus Energy Renewables Ltd	Metered export payment - Y13 annual
Opus Energy Renewables Ltd	Metered electricity - Y13 annual
Opus Energy Renewables Ltd	Deemed electricity - Y13 annual

Supplier	Detail
P3P Energy Supply Ltd	Non-domestic supply volume - Y14 Q1
Pozitive Energy Ltd	Non-domestic supply volume - Y14 Q1
Pozitive Energy Ltd	Domestic supply volume - Y14 Q1
Shell Energy Retail Ltd	Domestic supply volume - Y14 Q1
Shell Energy UK Ltd	EII - Electricity supplied - Y14 Q1
Shell Energy UK Ltd	Non-domestic supply volume - Y14 Q1
Shell Energy UK Ltd	EII - Electricity supplied - Y13 annual
Shell Energy UK Ltd	EII - Exempt excluded supply - Y13 annual
So Energy Trading Ltd	Export payment - Y13 annual
Squeaky Clean Energy Ltd	EII - Exempt excluded supply - Y14 Q1
Statkraft Markets GmbH	EII - Electricity supplied - Y14 Q1
Statkraft Markets GmbH	Non-domestic supply volume - Y14 Q1
Switch Business Gas and Power Ltd	EII - Electricity supplied - Y14 Q1
Switch Business Gas and Power Ltd	Non-domestic supply volume - Y14 Q1
Switch Business Gas and Power Ltd	Domestic supply volume - Y14 Q1
Tru Energy Ltd	EII - Electricity supplied - Y13 annual
Tru Energy Ltd	EII - Exempt excluded supply - Y13 annual

N.B. each row represents one incident.

The Central FIT Register (CFR)

- 3.10. As part of our duties under the FIT scheme we are required to manage and maintain the CFR database. FIT licensees use this database to record and update details of FIT installations and are responsible for ensuring the data added to the CFR is accurate and complete.
- 3.11. Non-compliances occur when there is an error in the details entered by a supplier. These non-compliances are categorised as follows:
- **Administrative error approvals** – where we approve amendments made by a licensee which corrects an earlier error not affecting an installation's tariff.
 - **Administrative error rejections** – where a licensee submits an amendment or new registration which we must reject due to an error, which does not affect the installation's tariff.
 - **Eligibility error approvals** – where we approve amendments made by a licensee which corrects an earlier error which affects an installation's tariff.
 - **Eligibility error rejections** – where a licensee submits an amendment or new registration which we must reject due to an error, which affects the installation's tariff.
- 3.12. Details of 'administrative error' non-compliances that were added to the SPR between July and December 2023 can be seen in **Figure 3.3**.
- 3.13. FIT Licensees have an obligation to take all reasonable steps to ensure data entered onto the CFR is accurate and up to date. FIT Licensees should ensure that they hold appropriate documentation to support entries on the CFR. We will be working with FIT Licensees during 2024 to 2025 to ensure that they can evidence that the data held on the CFR is accurate and up to date.

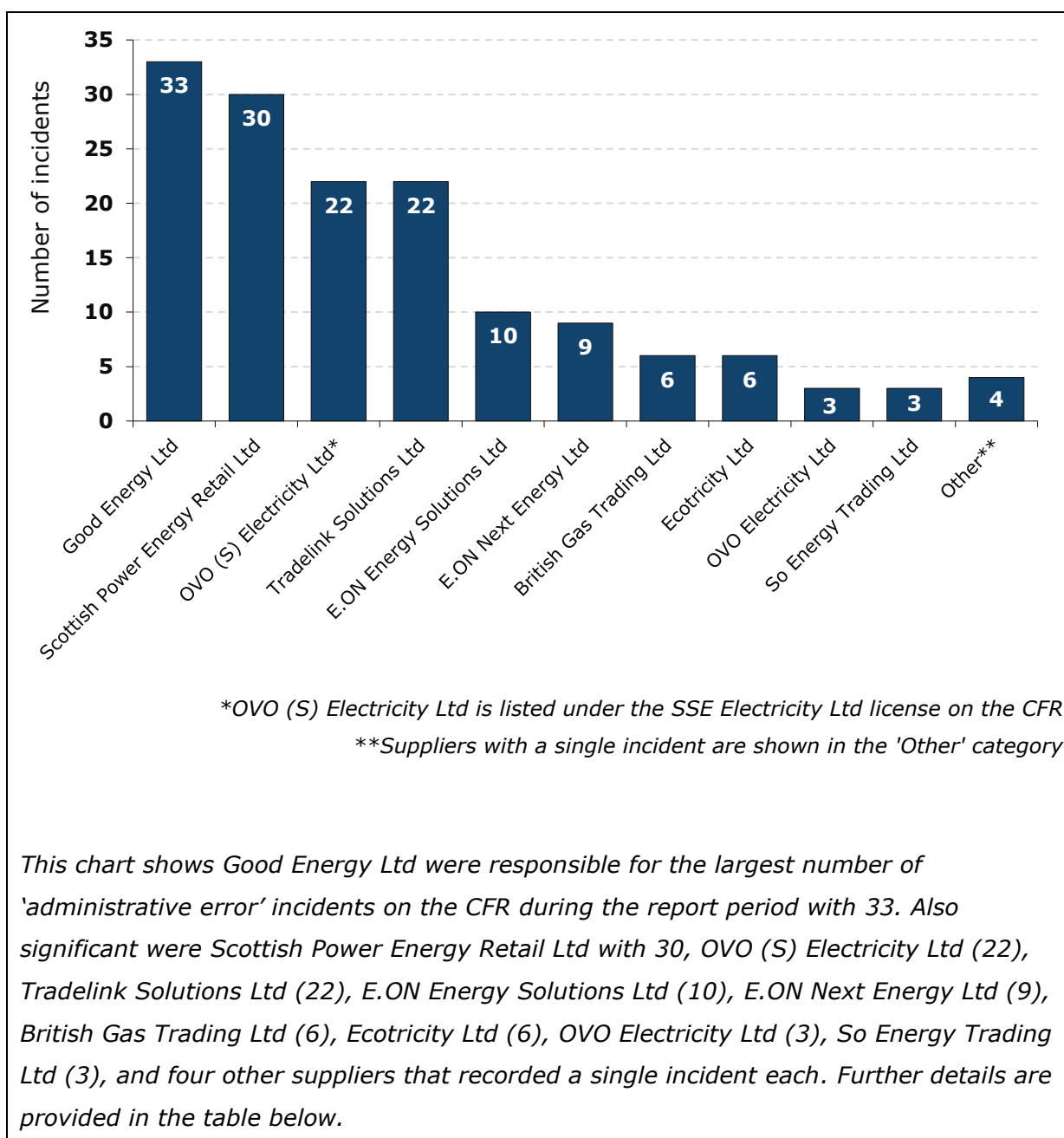
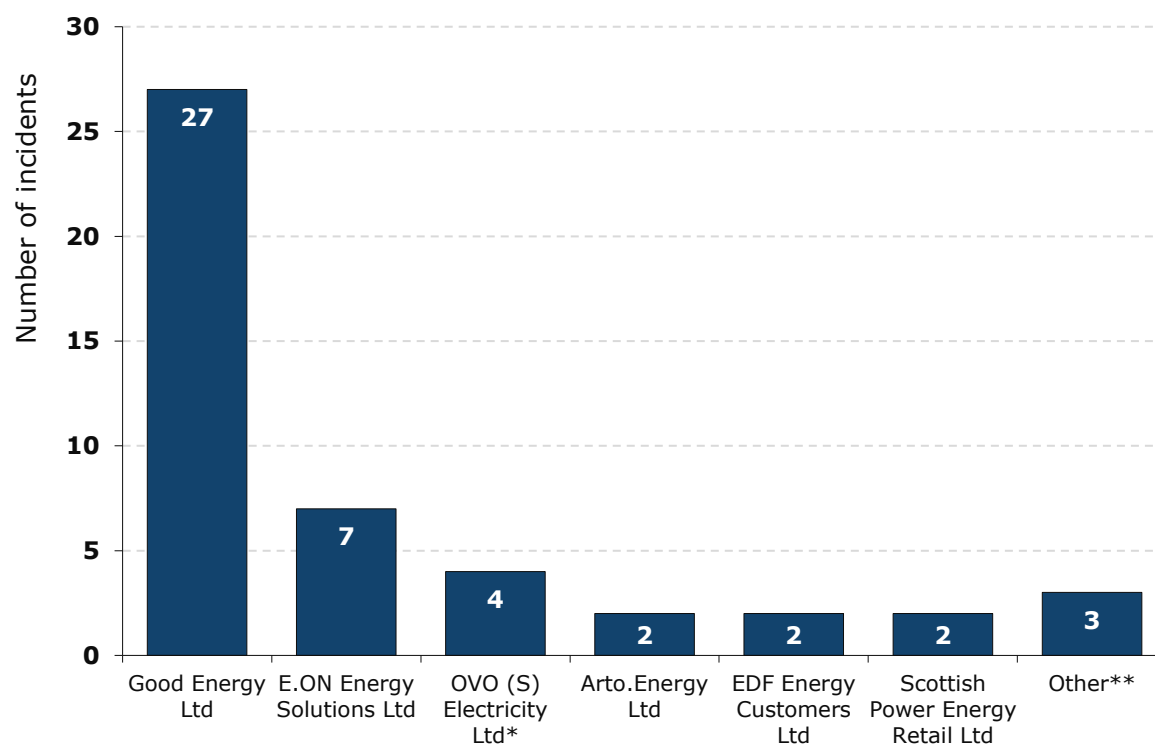
Figure 3.3: FIT – 'Administrative error' CFR changes

Figure 3.3 (Table): FIT – 'Administrative error' CFR changes

Supplier	Outcome	Incidents
British Gas Trading Ltd	Approved	3
British Gas Trading Ltd	Rejected	3
Bulb Energy Ltd	Rejected	1
E.ON Energy Solutions Ltd	Approved	6
E.ON Energy Solutions Ltd	Rejected	4
E.ON Next Energy Ltd	Approved	6
E.ON Next Energy Ltd	Rejected	3
Ecotricity Ltd	Approved	3
Ecotricity Ltd	Rejected	3
Good Energy Ltd	Approved	17
Good Energy Ltd	Rejected	16
Octopus Energy Ltd	Approved	1
Octopus Energy Operations Ltd (Bulb)	Approved	1
OVO Electricity Ltd	Approved	3
OVO (S) Electricity Ltd (SSE licence on CFR)	Approved	18
OVO (S) Electricity Ltd (SSE licence on CFR)	Rejected	4
Scottish Power Energy Retail Ltd	Approved	29
Scottish Power Energy Retail Ltd	Rejected	1
Shell Energy Retail Ltd	Approved	1
So Energy Trading Ltd	Rejected	3
Tradelink Solutions Ltd	Rejected	22

3.14. Details of CFR 'eligibility error' non-compliances can be seen in **Figure 3.4**. These are categorised as legislative non-compliances.

Figure 3.4: FIT – 'Eligibility error' CFR changes



*OVO (S) Electricity Ltd is listed under the SSE Electricity Ltd license on the CFR

**Suppliers with a single incident are shown in the 'Other' category

This chart shows that Good Energy Ltd were responsible for the most 'eligibility error' incidents on the CFR during the report period with 27. Also significant were E.ON Energy Solutions Ltd (7), OVO (S) Electricity Ltd (4), Arto.Energy Ltd (2), EDF Energy Customers Ltd (2), Scottish Power Energy Retail Ltd (2), and three other suppliers that recorded a single incident each. Further details are provided in the table below.

Figure 3.4 (Table): FIT – 'Eligibility error' CFR changes

Supplier	Outcome	Incidents
Arto.Energy Ltd	Rejected	2
British Gas Trading Ltd	Approved	1
Bulb Energy Ltd	Approved	1
E.ON Energy Solutions Ltd	Rejected	7
EDF Energy Customers Ltd	Approved	1
EDF Energy Customers Ltd	Rejected	1
Good Energy Ltd	Approved	4
Good Energy Ltd	Rejected	23
Octopus Energy Ltd	Approved	1
OVO (S) Electricity Ltd (SSE licence on CFR)	Approved	3
OVO (S) Electricity Ltd (SSE licence on CFR)	Rejected	1
Scottish Power Energy Retail Ltd	Approved	2

Payments

3.15. Suppliers are required to make payments to us in relation to several of the schemes we administer. Information on the payments required from suppliers that resulted in a non-compliance between July and December 2023 are shown below:

- On the FIT scheme, suppliers are required to make payments in relation to the levelisation process¹². The levelisation process ensures that the costs of the FIT scheme are distributed fairly between licensed electricity suppliers.
- On the Green Gas Levy (GGL) scheme¹³, obligated gas suppliers are required to make quarterly levy payments which are used to fund payments to biomethane producers on the Green Gas Support Scheme¹⁴. Additionally obligated gas suppliers are required to submit credit cover which can be used if a supplier fails to make a levy payment by the required deadline.
- On the RO scheme payments are required from, and made to, suppliers as part of the mutualisation process. The mutualisation process is used when there is a shortfall in RO scheme funds (normally due to the failure of a scheme supplier), so the costs are shared fairly amongst remaining scheme suppliers.¹⁵

3.16. We ensure suppliers are notified of how and when to make payments to us. Where a required payment is late, wrong, missed or there is some other type of issue, these non-compliances are added to the SPR. In most cases payment non-compliances are legislative non-compliances. However some, for example where money is paid into the wrong account, are administrative non-compliances.

3.17. Details of all payment non-compliances between July and December 2023 can be seen in **Figure 3.5**.

¹² [Information on FIT levelisation](https://www.ofgem.gov.uk/publications-and-updates/feed-tariff-fit-levelisation-faqs): <<https://www.ofgem.gov.uk/publications-and-updates/feed-tariff-fit-levelisation-faqs>>

¹³ Further detail on the GGL scheme can be found in our [GGL Guidance](https://www.ofgem.gov.uk/publications/green-gas-levy-guidance): <<https://www.ofgem.gov.uk/publications/green-gas-levy-guidance>>

¹⁴ [Information on the GGSS](https://www.ofgem.gov.uk/environmental-and-social-schemes/green-gas-support-scheme-and-green-gas-levy): <<https://www.ofgem.gov.uk/environmental-and-social-schemes/green-gas-support-scheme-and-green-gas-levy>>

¹⁵ [RO: Guidance for suppliers](https://www.ofgem.gov.uk/publications-and-updates/renewables-obligation-guidance-suppliers) for information on mutualisation, the buy-out fund, and late payments: <<https://www.ofgem.gov.uk/publications-and-updates/renewables-obligation-guidance-suppliers>>

Figure 3.5: Payment non-compliances

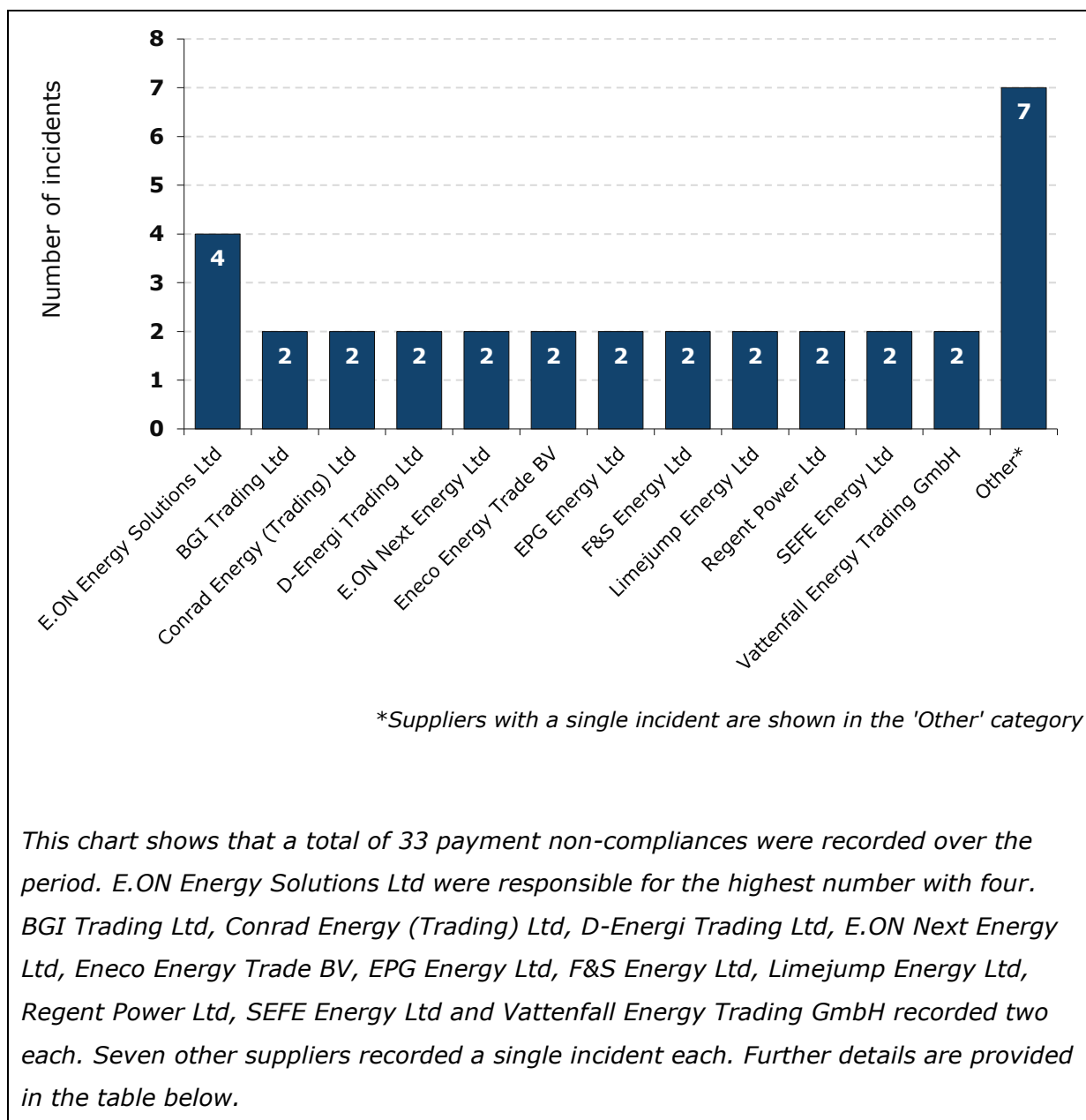


Figure 3.5 (Table): Payment non-compliances

Supplier	Scheme	Detail
BGI Trading Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
BGI Trading Ltd	RO	Mutualisation missed deadline - RO Q2 2021 to 22
Conrad Energy (Trading) Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
Conrad Energy (Trading) Ltd	RO	Mutualisation missed deadline - ROS Q1 2021 to 22
Delta Gas and Power Ltd	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment
D-Energi Trading Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
D-Energi Trading Ltd	RO	Mutualisation missed deadline - ROS Q1 2021 to 22
E.ON Energy Solutions Ltd	RO	Mutualisation missed deadline - RO Q2 2021 to 22
E.ON Energy Solutions Ltd	RO	Mutualisation missed deadline - RO Q2 2021 to 22
E.ON Energy Solutions Ltd	RO	Mutualisation missed deadline - ROS Q2 2021 to 22
E.ON Energy Solutions Ltd	RO	Mutualisation missed deadline - ROS Q2 2021 to 22
E.ON Next Energy Ltd	RO	Mutualisation missed deadline - RO Q2 2021 to 22
E.ON Next Energy Ltd	RO	Mutualisation missed deadline - ROS Q2 2021 to 22
Eneco Energy Trade BV	FIT	Levelisation missed deadline - Q1 Y14
Eneco Energy Trade BV	RO	Mutualisation missed deadline - ROS Q2 2021 to 22
Engie Gas Ltd	GGL	Failure to make payment by the deadline - Q2 2023 to 24 levy payment
EPG Energy Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
EPG Energy Ltd	RO	Mutualisation missed deadline - ROS Q1 2021 to 22
F&S Energy Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
F&S Energy Ltd	RO	Mutualisation missed deadline - ROS Q1 2021 to 22

Supplier	Scheme	Detail
Home Energy Trading Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
Limejump Energy Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
Limejump Energy Ltd	RO	Mutualisation missed deadline - ROS Q1 2021 to 22
Pozitive Energy Ltd	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment
Regent Power Ltd	RO	Mutualisation missed deadline - RO Q1 2021 to 22
Regent Power Ltd	RO	Mutualisation paid into wrong account - RO Q1 2021 to 22
SEFE Energy Ltd (previously Gazprom)	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment
SEFE Energy Ltd (previously Gazprom)	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment interest
So Energy Trading Ltd	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment
Statkraft Markets GmbH	FIT	Levelisation missed deadline - Q1 Y14
Vattenfall Energy Trading GmbH	RO	Mutualisation missed deadline - RO Q1 2021 to 22
Vattenfall Energy Trading GmbH	RO	Mutualisation missed deadline - ROS Q1 2021 to 22
Yu Energy Retail Ltd	GGL	Failure to make payment by the deadline - Q3 2023 to 24 levy payment

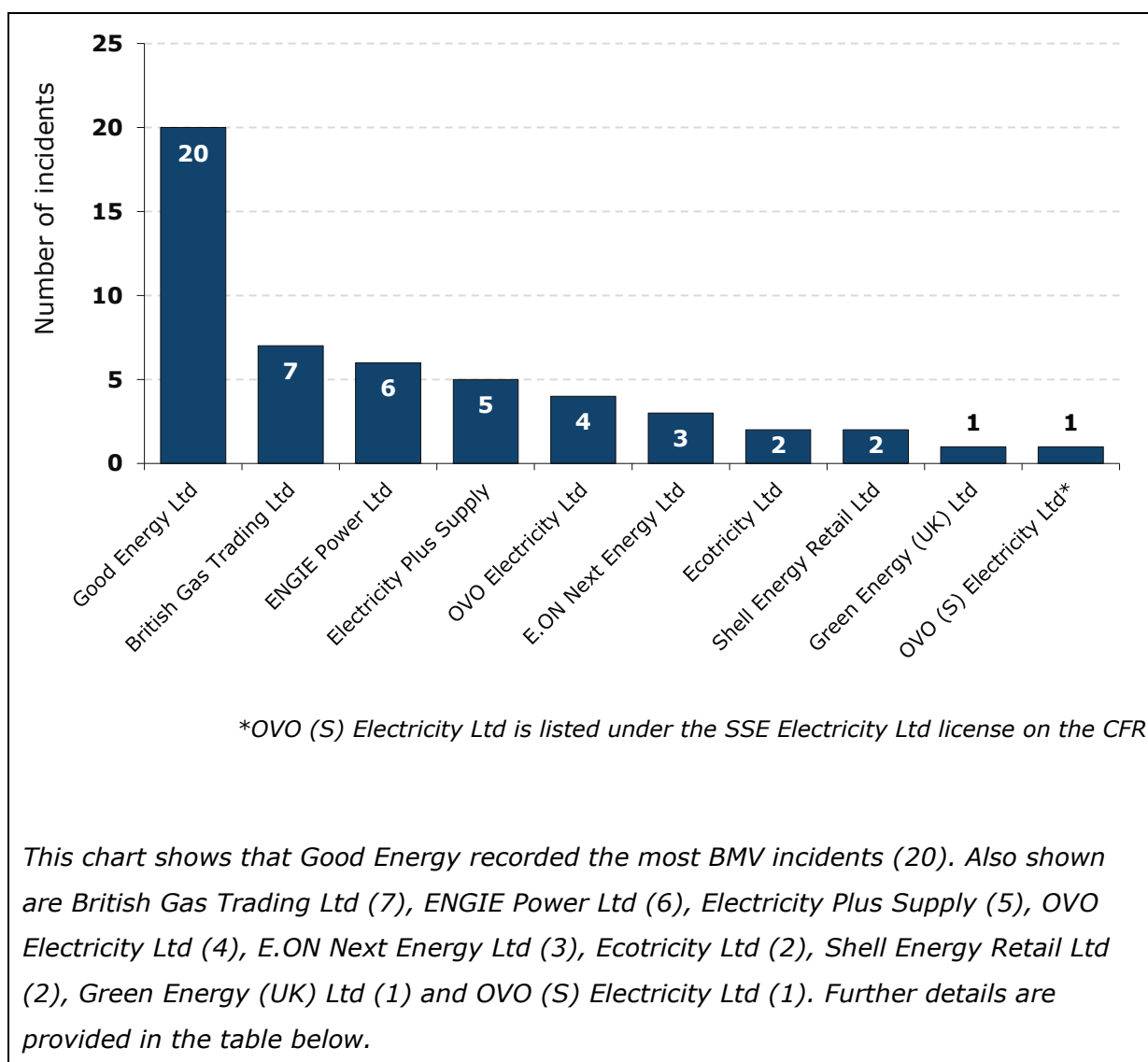
N.B. each row represents one incident.

Biennial meter verification

3.18. In order to guard against fraud, FIT Licensees are required to verify generation and/or export meter readings at least once every two years. This is monitored by Ofgem. Where we have identified issues with this process an administrative incident is added to the SPR. For more information on biennial meter verification (BMV) please refer to our Feed-in Tariffs: Guidance for Licensed Electricity Suppliers¹⁶.

3.19. Details of incidents added to the SPR in relation to BMV can be seen in **Figure 3.6**.

Figure 3.6: Biennial meter verification incidents



¹⁶ FIT: Guidance for suppliers: <<https://www.ofgem.gov.uk/publications/feed-tariffs-guidance-licensed-electricity-suppliers>>

Figure 3.6 (Table): Biennial meter verification incidents

Supplier	Incidents	Installations affected
British Gas Trading Ltd	7	45
E.ON Next Energy Ltd	3	23
Ecotricity Ltd	2	7
Electricity Plus Supply	5	16
ENGIE Power Ltd	6	287
Good Energy Ltd	20	2,568
Green Energy (UK) Ltd	1	1
OVO Electricity Ltd	4	7
OVO (S) Electricity Ltd (SSE licence on CFR)	1	1
Shell Energy Retail Ltd	2	7

4. 'Category 4' non-compliances

This chapter presents information on the most serious ('category 4') incidents recorded between 1 July 2023 and 31 December 2023. We also provide summary statistics on the 'category 4' incidents recorded over the previous two-year period.

- 4.1. The non-compliance incidents on the SPR database can vary significantly in seriousness and impact. Therefore, when adding incidents of non-compliance to the SPR database they are scored according to their severity. There are five areas in which each incident can be scored, and each area can be scored from '0' (no impact/not relevant) to '4' (very serious/high impact). The highest score given in any area is taken as the overall score for that incident. The five areas are:
- Compliance with overriding scheme obligation
 - Deadlines
 - Governance
 - Accuracy of data
 - Financial implication
- 4.2. During the period 1 July 2023 to 31 December 2023, a total of 32 'category 4' incidents were recorded. All of these incidents related to missed payment deadlines and were judged to be in the most serious category due to scoring a '4' in the areas, 'Compliance with overriding scheme obligation' and 'Deadlines'. This is not good enough. We expect suppliers to meet their scheme obligations and take failure to do so seriously. Where a payment deadline is missed, we may open a compliance investigation. Serious or repeated failures to meet obligations will result in an increased likelihood of compliance and/or enforcement action being taken.
- 4.3. Information on these 32 'category 4' incidents is provided in **Figure 4.1** below.

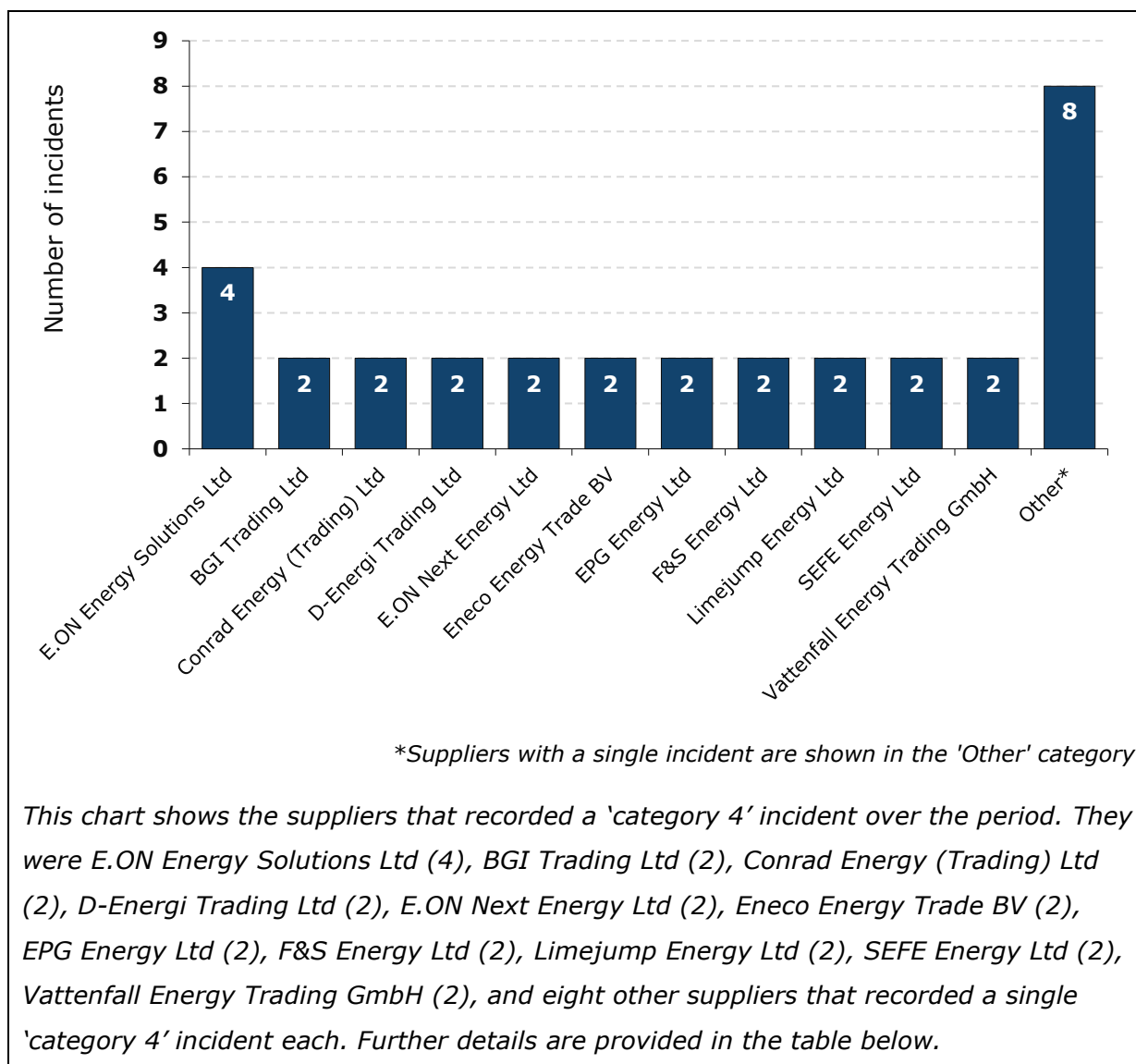
Figure 4.1: 'Category 4' incidents recorded July to December 2023

Figure 4.1 (Table): 'Category 4' incidents recorded July to December 2023

Supplier	Scheme	Type of issue	Detail
BGI Trading Ltd	RO	Payments	Mutualisation - Missed deadline
BGI Trading Ltd	RO	Payments	Mutualisation - Missed deadline
Conrad Energy (Trading) Ltd	RO	Payments	Mutualisation - Missed deadline
Conrad Energy (Trading) Ltd	RO	Payments	Mutualisation - Missed deadline
Delta Gas and Power Ltd	GGL	Payments	Failure to make payment by the deadline
D-Energi Trading Ltd	RO	Payments	Mutualisation - Missed deadline
D-Energi Trading Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Energy Solutions Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Energy Solutions Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Energy Solutions Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Energy Solutions Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Next Energy Ltd	RO	Payments	Mutualisation - Missed deadline
E.ON Next Energy Ltd	RO	Payments	Mutualisation - Missed deadline
Eneco Energy Trade BV	FIT	Payments	Levelisation - Missed deadline
Eneco Energy Trade BV	RO	Payments	Failure to make payment by the deadline
Engie Gas Ltd	GGL	Payments	Failure to make payment by the deadline
EPG Energy Ltd	RO	Payments	Mutualisation - Missed deadline
EPG Energy Ltd	RO	Payments	Mutualisation - Missed deadline
F&S Energy Ltd	RO	Payments	Mutualisation - Missed deadline
F&S Energy Ltd	RO	Payments	Mutualisation - Missed deadline
Home Energy Trading Ltd	RO	Payments	Mutualisation - Missed deadline
Limejump Energy Ltd	RO	Payments	Mutualisation - Missed deadline

Supplier	Scheme	Type of issue	Detail
Limejump Energy Ltd	RO	Payments	Mutualisation - Missed deadline
Pozitive Energy Ltd	GGL	Payments	Failure to make payment by the deadline
Regent Power Ltd	RO	Payments	Mutualisation - Missed deadline
SEFE Energy Ltd (previously Gazprom)	GGL	Payments	Failure to make payment by the deadline
SEFE Energy Ltd (previously Gazprom)	GGL	Payments	Failure to make payment by the deadline
So Energy Trading Ltd	GGL	Payments	Failure to make payment by the deadline
Statkraft Markets GmbH	FIT	Payments	Levelisation - Missed deadline
Vattenfall Energy Trading GmbH	RO	Payments	Mutualisation - Missed deadline
Vattenfall Energy Trading GmbH	RO	Payments	Mutualisation - Missed deadline
Yu Energy Retail Ltd	GGL	Payments	Failure to make payment by the deadline

N.B. each row represents one incident.

- 4.4. In relation to the 'category 4' late payment incidents recorded for the FIT scheme, we engaged with the suppliers to chase for payment. In each case following our engagement, payments were received within a few days of the relevant deadline.
- 4.5. Suppliers responsible for late payments on the GGL scheme were required to make payment as soon as possible after the deadline. As required by the scheme regulations¹⁷, interest was charged on the outstanding sum and details of the late payments have been added to the GGL Default Register¹⁸. In each of these cases the supplier also paid within a few days of the relevant deadline.

¹⁷ Regulation 54 of the Green Gas Support Scheme Regulations 2021 requires us to charge interest on late GGL payments. Late RO mutualisation and late FIT levelisation payments are not subject to interest.

¹⁸ [The GGL Default Register](https://www.ofgem.gov.uk/publications/green-gas-levy-default-register): <<https://www.ofgem.gov.uk/publications/green-gas-levy-default-register>>

- 4.6. Where a mutualisation payment deadline was missed on the RO, we followed up with the suppliers to pursue payment. All suppliers subsequently paid the outstanding amounts.
- 4.7. In all of the incidents above, the suppliers have failed to meet their obligations and our expectations. In future we do not expect to need to chase suppliers for their payments. It is their responsibility to ensure they meet all their obligations on time and in full, and they may face serious consequences (which could include escalation to enforcement) if they don't.
- 4.8. Ofgem has formal enforcement powers which we may use to address instances of non-compliance and suspected non-compliance, where this is appropriate. Whilst formal enforcement action was not undertaken for the cases above, it can include opening investigations, making orders and imposing penalties.¹⁹
- 4.9. **Figure 4.2** shows that when looking back over the last two years there have been 93 'category 4' incidents recorded. The 32 recorded for the most recent period is a 6% fall on the 34 'category 4' incidents recorded during the equivalent July to December period in 2022.

Figure 4.2: 'Category 4' incidents by period since January 2022

Report period	'Category 4' incidents
January to June 2022	18
July to December 2022	34
January to June 2023	9
July to December 2023	32
Total	93

- 4.10. **Figure 4.3** below shows the number of 'category 4' incidents recorded against individual suppliers over the previous two-year period. **Figure 4.4** illustrates the distribution of incidents between the schemes.

¹⁹ [Ofgem's Enforcement Guidelines](https://www.ofgem.gov.uk/publications/enforcement-guidelines): <<https://www.ofgem.gov.uk/publications/enforcement-guidelines>>

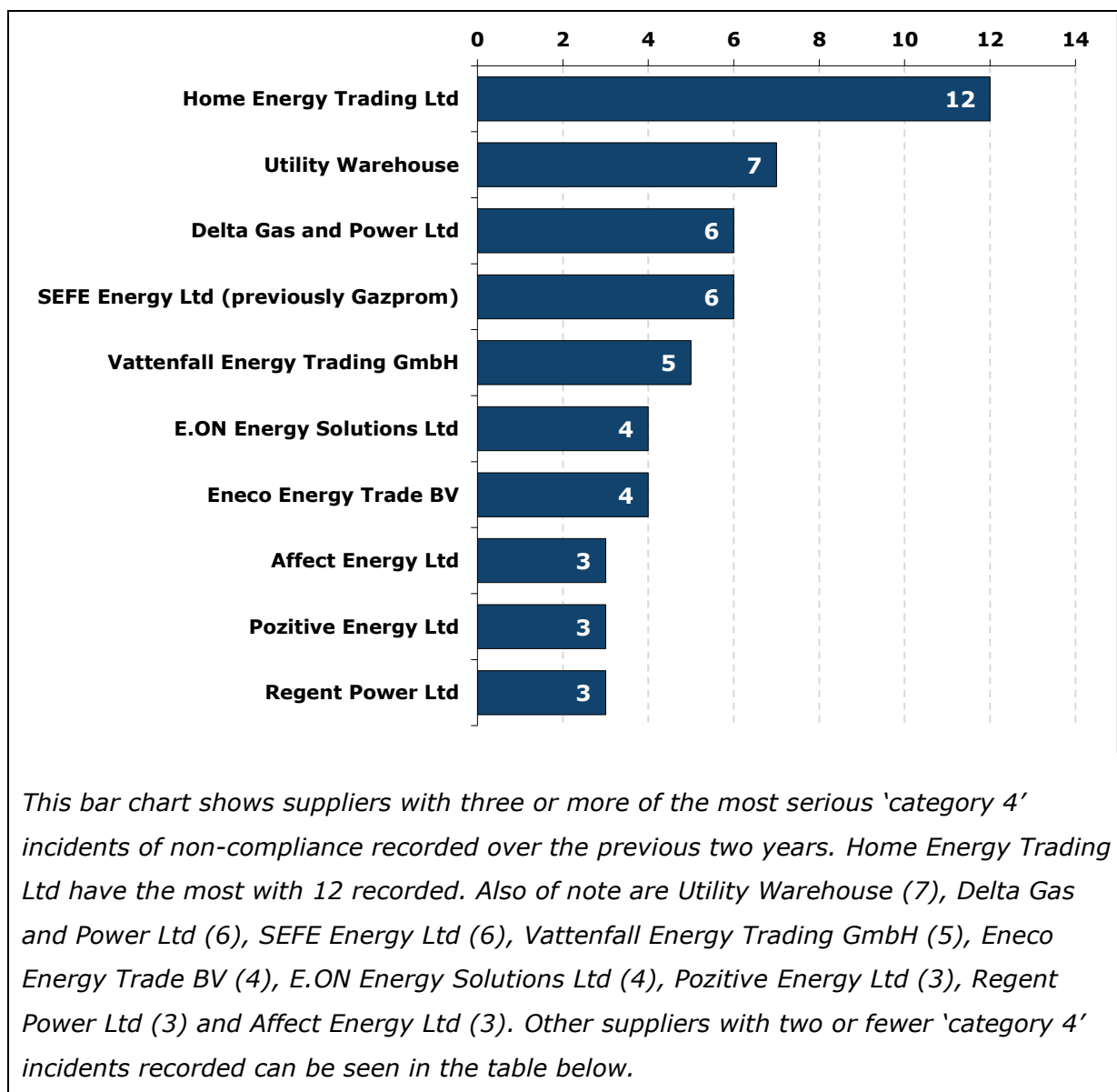
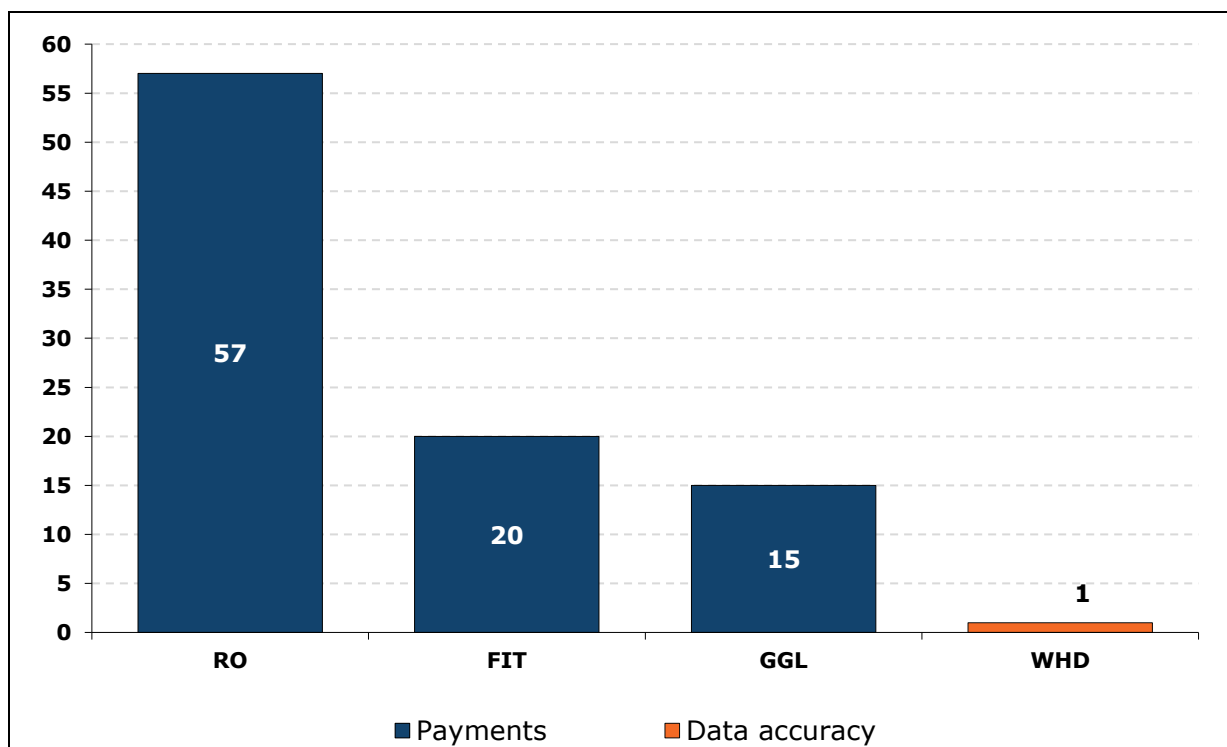
Figure 4.3: 'Category 4' incidents by supplier since January 2022

Figure 4.3 (Table): 'Category 4' incidents by supplier since January 2022

Supplier	'Category 4' incidents
Affect Energy Ltd	3
BGI Trading Ltd	2
Brook Green Trading Ltd	2
Bruntwood Energy Services Ltd	1
Cilleni Energy Supply Ltd	1
Conrad Energy (Trading) Ltd	2
Delta Gas and Power Ltd	6
D-Energi Trading Ltd	2
E.ON Energy Solutions Ltd	4
E.ON Next Energy Ltd	2
EDF Energy Customers Ltd	1
Eneco Energy Trade BV	4
Engie Gas Ltd	1
EPG Energy Ltd	2
F&S Energy Ltd	2
Home Energy Trading Ltd	12
Limejump Energy Ltd	2
MVV Environment Services Ltd	1
Octopus Energy Ltd	1
Opus Energy (Corporate) Ltd	1
Opus Energy Ltd	1
OVO Electricity Ltd	1
Pozitive Energy Ltd	3

Supplier	'Category 4' incidents
Regent Gas Ltd	1
Regent Power Ltd	3
Scottish Power Energy Retail Ltd	1
SEFE Energy Ltd (previously Gazprom)	6
Sinq Power Ltd	1
So Energy Trading Ltd	1
Squeaky Clean Energy Ltd	2
Statkraft Markets GmbH	1
Total Energies Gas and Power	1
Tru Energy Ltd	2
UK Power Reserve Ltd	1
Unify Energy Ltd	1
United Gas & Power Ltd	2
Utility Warehouse	7
Vattenfall Energy Trading GmbH	5
Yu Energy Retail Ltd	1

Figure 4.4: 'Category 4' incidents by scheme and type since January 2022



This column chart shows that all but one of the 'category 4' incidents were payment related. On the RO scheme there were 57, on the FIT 20, and on the GGL 15. The one 'category 4' on the WHD scheme was a data accuracy incident.