

Decision document

DECISION TO CLOSE INVESTIGATION INTO OVO ENERGY LIMITED PREPAYMENT METER PRACTICES

Date: 03 June 2026

Background

In April 2023, following a report of a failure to properly monitor 'self-disconnection', Ofgem opened an investigation into OVO Energy Limited's (OVO) pre-payment meter (PPM) practices. The investigation covered the period from 10 July 2018 to 28 June 2024 and focused on OVO's monitoring of PPMs as they were utilised by vulnerable customers (including self-disconnection), as well as OVO's maintenance of its Priority Services Register (PSR). On 16 May 2025, Ofgem extended the investigation to cover replacement Standard Licence Conditions (SLCs) relating to PPMs¹ and another SLC relating to the Priority Service Register (PSR) (SLC 26.1).

To support the investigation into OVO, Ofgem conducted a sampling exercise of multiple customer journeys, drawn from a total relevant population of customers who were documented as having at least one supply dependent vulnerability PSR marker.

Set out below is a summary of the breaches identified throughout our investigation.

Breaches identified

SLC 28.1A and 28.1B and 28.2 and 28.4: Failure to conduct sufficient assessments throughout contact with customers.

The investigation identified a significant number of customer journeys within the sample that demonstrated instances where OVO had failed in its monitoring obligations. Such process failures could have created risks for customers with vulnerabilities.

The investigation found that some of OVO's staff training documents were

¹ On 8 November 2023, SLC 28.2 and 28.4 replaced 28.1A and 28.1B.

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inconsistent, unclear and provided conflicting information.

SLC 26.1, 26.4 and 26.5 (d) and (f): Failure to establish, maintain and take all reasonable steps to promote the PSR.

Ofgem identified breaches of the PSR obligations, namely, failures to maintain, promote and update the PSR in accordance with SLCs obligations. During the investigation, Ofgem was shown many appropriately worded internal procedure documents but found issues within the customer journeys which evidenced process failures, with the result that customers were at risk.

SLC 27A.1 (a) & (b): Failure to offer Domestic Customers appropriate support following Self-Disconnection and failing to monitor disconnection.

Further process failures were discovered relating to OVO's monitoring of self-disconnection. Evidence from a proportion of the customer journeys revealed self-disconnecting customers not having received any form of communication from OVO. Therefore, vulnerable customers who were self-disconnecting were not receiving the required support from their supplier, even though OVO had appropriate internal documents, as noted in the previous paragraph.

Resolution

OVO accepts that its processes failed its vulnerable PPM customers, including in meeting its monitoring obligations. OVO has therefore breached its licence conditions. It fully recognises and regrets that the experience of these customers was unacceptable. There were several cases where OVO's processes failed to ensure that the PPMs in use by vulnerable customers were in accordance with the SLCs.

We have resolved this investigation via Alternative Action and have closed the investigation. In recognition of these process failures OVO has agreed:

- To make a £7 million payment into Ofgem's Voluntary Redress Fund.
- To provide a £3.4 million package of credit and debt relief for some of its most vulnerable customers, in lieu of compensation.

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OVO's practices around the installation of PPM without customer consent were reviewed as part of a separate Market Compliance Review (MCR) and OVO has paid over £100,000 compensation to vulnerable customers in accordance with the original MCR framework.

OVO is also in the process of paying £1.1 million to customers in the Scottish Highlands and Islands following compliance engagement, which identified that some rural customers did not have appropriate access to engineer support during the period from 1st January 2022 and 1st April 2024.

During the investigation, OVO undertook remedial actions to support vulnerable customers, including welfare visits for customers who have disconnected for more than 72 hours, and not responded to any communication during that period.

OVO has already contributed £11.9 million to support vulnerable customers between 2022 to 2025, this includes donations to charity, free electric blankets and smart thermostats.