



Kraken Technologies Limited  
UK House, 4th floor,  
164-182 Oxford Street,  
London, W1D 1NN

lori.wilson@kraken.tech

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Dear Ofgem team,

Many thanks for the opportunity to respond to this Consumer Outcomes consultation. Kraken is a critical enabler of the consumer experience in the retail energy market. Technology and data architecture strongly influence whether outcomes-based regulation is deliverable in practice - including for debt, vulnerability and supporting consumers through the Net Zero transition.

We support Ofgem's objective of developing a more future-proof regulatory framework that protects consumers while enabling competition, innovation and growth.

Our response focuses on how regulation can best drive consistent consumer outcomes in practice, and why strong technology foundations and centralised, high-quality data are increasingly essential to achieving this at scale.

We would be happy to comment further on anything in this response.

Kind Regards,

**Lori Wilson**

Senior Lead, Regulatory Affairs and Market Development  
Kraken Technologies

## Appendix 1: Consumer Outcomes Question List

***Q1. In your view, what are the key factors we should consider if we are updating our regulatory framework for retail energy suppliers, keeping in mind the balance between our growth and net zero goals, and consumer interest duties?***

We support the direction of travel towards a more future-proofed and outcomes-led framework. In our view, key factors to consider include:

- Consumer outcomes must remain the anchor: the framework should remain grounded in what customers experience (especially those in vulnerable circumstances), rather than becoming dominated by process compliance.
- Enabling innovation without undermining protection: regulation should make space for new products and services (e.g. flexibility, time-of-use tariffs, low-carbon technologies) while ensuring that consumers are protected from unexpected risks and complexity.
- Reducing debt and improving affordability outcomes: debt and arrears are not a niche issue. If the framework is truly outcomes-led, it should drive earlier, more effective interventions that reduce the likelihood of consumers entering unsustainable arrears and support sustainable repayment outcomes.
- Keeping energy “simple” for consumers: a consumer-first market should not assume that good outcomes require high engagement. Many consumers want reliable, affordable energy without needing to actively manage complex choices, so outcomes should work well for both engaged and disengaged consumers.
- Avoiding regulatory burden by aligning incentives and evidence: suppliers should be able to evidence good outcomes using operational data and service evidence, without duplicative reporting and monitoring requirements.
- Technology and data as key enablers: outcomes-based approaches work best where suppliers can demonstrate outcomes through consistent data and auditable decision-making, including for vulnerable customers and complex journeys such as arrears support.
- Interoperability and market-wide standards: where outcomes rely on cross-industry processes (e.g. switching, third-party intermediaries, smart technologies), the framework should support stronger interoperability and shared standards to reduce friction and consumer harm.

Overall, we think a more adaptive, outcomes-led framework can better align consumer protection with Ofgem's Growth Duty and Net Zero objectives, but success will depend on clarity, evidence frameworks and monitoring that avoids accidental prescription.

***Q2. Why do you think there is such a divergence of satisfaction rates across different consumer cohorts?***

We think a key driver of divergence is that different consumer cohorts experience the market very differently, particularly in terms of how much they need to engage and the extent to which they are exposed to service failure points. There are wide differences in:

- Need to engage: customers who do not experience issues may have minimal contact and therefore would report higher satisfaction, whereas financially vulnerable customers, for example, often have to engage more frequently and under stress (billing issues, arrears, repayment plans, communication needs).
- Service sensitivity and "moments that matter": some cohorts experience higher exposure to service failure points (difficulty contacting suppliers, unclear bills, repeat complaints, lack of tailored support).
- Complexity and exclusion risk: consumers with accessibility needs, lower digital confidence, language barriers, unstable housing arrangements, or even just a lack of time, can face higher friction in navigating tariffs, communications and support mechanisms.
- Uneven ability to benefit from competition: some consumers are well-placed to shop around, while others experience barriers (e.g. technological lock-in, debt, switching complexity, time constraints).

As a result, cohorts facing affordability pressures are more likely to experience repeated "moments that matter" without the resources to engage effectively (e.g. technology, time, know-how), which can disproportionately reduce satisfaction even where overall market metrics improve. This supports the case for outcomes-based expectations, provided they translate into measurable improvements for these cohorts in practice.

***Q3. The Consumer Outcomes have been developed based on what industry, charities, consumer groups and consumers have told us they need to cover. Do you agree that these outcomes cover the most important expectations consumers have of energy suppliers?***

Broadly, yes. The proposed outcomes capture the areas that matter most to consumers:

- Affordability
- Reliability
- Effective support
- Transparency and confidence in suppliers and services

We particularly welcome the explicit focus on debt support, vulnerability and ensuring consumers are protected as the market evolves. However, we also feel that the number and granularity of outcomes risks making the framework harder to navigate and implement. We encourage Ofgem to streamline and group outcomes in a way that maintains intent while improving usability.

***Q4. Do you think we should streamline or consolidate the Consumer Outcomes further and, if so, which should we prioritise?***

Yes, a more concise set of outcomes could be more impactful. Overlapping or closely related outcomes may dilute clarity and create implementation ambiguity, making it harder for suppliers to prioritise delivery and for Ofgem to monitor outcomes consistently.

We suggest prioritising and consolidating around a smaller set of core consumer outcomes, for example:

1. Affordability and fair value (with a focus on protections against excessive pricing and enabling effective competition/ switching, recognising that “fairness” can be subjective and hard to operationalise consistently)
2. Reliable service and effective resolution (consolidating overlapping outcomes relating to responsiveness, billing experience and complaint handling)
3. Clear information that enables choice
4. Tailored support for those who need it
5. Safe and comprehensible innovation / Net Zero transition (focusing on transparency, informed consent and protections, rather than attempting to evidence consumer “understanding”, which is very hard to measure or prove)
6. Market resilience and trust (framed around consumer confidence that service will remain stable through shocks, without avoidable disruption or unnecessary costs)

Within this, we encourage Ofgem to ensure the framework clearly distinguishes between:

- Outcomes that should be universal, and
- Outcomes that should apply in specific journeys or situations (for example debt, vulnerability, or engagement with innovative products and services).

A smaller set of clearly defined outcomes is more likely to drive meaningful improvement than a long list with overlapping themes.

***Q5. Do you agree with the explanations provided of the Consumer Outcomes in the appendices of this call for input? Do they help you understand the intent of the outcomes?***

Yes, the explanations help to clarify Ofgem's intent and provide helpful context for how the outcomes should be interpreted. We support Ofgem continuing to develop these explanations into guidance, including the use of practical examples of good and poor practice to encourage consistency across the market. However, this should be balanced carefully with the risk of reintroducing prescription "through the back door", particularly if guidance becomes overly detailed and effectively recreates prescriptive process requirements.

***Q6. Why do you think these outcomes are not materialising consistently for all consumer groups given that they are in line with our existing rules?***

In our view, inconsistency persists because:

- Existing rules often focus on processes and minimum standards, which can be met without guaranteeing good outcomes (for example, an interaction may be "within SLA" but still ineffective or distressing for the consumer).
- Implementation quality and operational capability varies across suppliers and customer cohorts, particularly for vulnerable consumers and complex journeys such as debt support, billing issues and complaint resolution.
- Customers who are financially vulnerable or otherwise at risk are more exposed to service failure points, as they often need to engage more frequently, often at higher-stress moments and may require more tailored support.
- Variability in service design and delivery disproportionately impacts vulnerable cohorts, particularly where journeys are fragmented across teams, channels or outsourced functions.

- Data fragmentation (often associated with legacy technology stacks) can make it difficult to manage and improve journeys end-to-end, resulting in inconsistent experiences.
- Measuring effectiveness is harder than measuring activity, which can drive over-reliance on tick-box metrics that do not reflect lived experience or durable resolution.

Outcomes-based regulation could help address these gaps, but only if suppliers can evidence delivery credibly and monitoring frameworks reward genuine effectiveness rather than visible process compliance. This is where strong technology foundations, centralised data, and joined-up journeys matter, enabling a shift from “the process was followed” to “the consumer experience improved”.

***Q7. Do you think some outcomes are more important for consumers than others?***

Yes. Outcomes matter differently depending on customer circumstances. For most consumers, price and reliability are central. For vulnerable consumers, the ability to access tailored support and effective resolution may be equally or more important.

We support Ofgem prioritising outcomes that:

- Affect large numbers of consumers
- Address the greatest harm and detriment
- Strongly correlate with trust and confidence in the sector
- Actively support delivery of the energy transition, including electrification, decarbonisation and flexibility, ensuring consumers can participate safely and benefit from innovation (for example through smart tariffs, low-carbon technologies and flexible consumption) as the market evolves

***Q8. Do you see an opportunity for outcomes, though not necessarily the Consumer Outcomes set out in this call for input, to be applied to wider market participants? Who should they apply to and why?***

On balance, we do not think it would be appropriate to apply the full set of Consumer Outcome requirements directly to a broad range of market participants beyond suppliers. Clear accountability is critical if outcomes are to

carry real weight, and this becomes significantly more complex as more parties are formally responsible for delivering each outcome.

In our view, it is preferable to retain a single, primary accountable party for end-to-end consumer outcomes, while allowing that party to manage delivery and share risk across its value chain through appropriate contracting and governance. A fragmented framework of different outcomes applied across different market participants could also increase complexity, reduce transparency for consumers, and create the risk of overlapping or conflicting requirements.

***Q9. Do you have a preferred approach among those outlined below or should we retain the current framework? Do you have an alternative suggestion? Please explain your reasoning. a) What level of action/intervention do you feel would be proportionate to drive up customer service in the non-domestic sector? Does it differ from domestic?***

We support a hybrid approach, combining:

- Outcomes-led expectations where flexibility can unlock innovation
- Retained prescription where consumer harm risk is high or enforceability requires clarity
- Mechanisms like GSOPs for measurable failures where automatic redress is appropriate

For non-domestic consumers, intervention should be proportionate, with particular consideration for microbusinesses who may face similar risks to domestic consumers.

***Q10. Do you think a voluntary approach – where suppliers make a public commitment to deliver the Consumer Outcomes without formal regulatory change could be effective? What conditions would need to be in place for this to work?***

A purely voluntary approach is unlikely to be sufficient on its own, as incentives and risk appetite vary across suppliers and consumers benefit most when good outcomes are consistently delivered across the market.

However, a voluntary commitment phase could add value if it is paired with:

- Credible transparency and benchmarking,
- Clear expectations and guidance,
- And a credible pathway to formal requirements.

Overall, we support Ofgem progressing with implementation but doing so with phased, gradual enforcement and opportunities to learn and refine.

***Q11. Could a more outcomes-based regulatory framework benefit the supply market? Do you think this kind of approach could unlock innovation and growth? Please provide examples.***

Yes. By giving suppliers flexibility in how they meet outcomes, outcomes-based regulation can unlock innovation by allowing delivery models to evolve while maintaining accountability for the consumer experience.

Examples of innovation supported by flexibility include:

- Proactive detection of customers at risk of debt and earlier support interventions
- Digital-first and personalised service journeys
- Smarter tariff propositions and flexibility offerings that reduce costs and support Net Zero

However, for this approach to work in practice, suppliers need to be able to evidence outcomes credibly. That depends on strong operational systems, consistent and centralised data, and monitoring approaches that focus on consumer impact - without unintentionally favouring traditional operating models or rewarding narrow process metrics.

We also think implementation and enforcement should be phased, with clear monitoring of market and supplier impacts over time, to ensure the framework improves consumer outcomes without creating unintended risks to resilience or market participation.

***Q12. Are there specific licence conditions where less prescription could benefit the retail market without compromising consumer protection? a) For suppliers: are there any areas where you find guidance helpful or unhelpful?***

Yes, particularly where different delivery models can achieve the same consumer outcome. We support exploring areas where less prescription could enable innovation, for example:

- Customer contact models (allowing suppliers flexibility across channels)
- Tailored support journeys (enabling suppliers to personalise approaches)
- How suppliers evidence delivery (allowing multiple valid data sources / methods)



Guidance is helpful when it clarifies intent and provides examples. It becomes unhelpful when it removes flexibility by prescribing implementation detail or constraining alternative delivery models.

***Q13. Are there areas where prescriptive rules should remain in place? If so, why?***

Yes. We are supportive of retaining some prescription, where:

- The risk of consumer harm is high,
- Enforceability and clarity are essential,
- There is potential for gaming or ambiguity,
- Or market functioning relies on consistent minimum standards

GSOPs remain an important tool where minimum standards are required and breaches are objectively measurable, as automatic compensation can both deter poor performance and provide timely redress without consumers needing to take further action.

***Q14. What factors should we consider to determine whether specific rules are best delivered through prescription, principles or outcomes?***

We suggest Ofgem consider:

- Consumer harm severity and likelihood
- Evidence and measurability
- Enforceability and interpretability
- Risk of locking in legacy processes
- Journey complexity and context sensitivity
- Whether accountability is shared across parties
- Burden of monitoring and reporting relative to benefit

***Q15. Which of the monitoring approaches we outline below would be the most effective for monitoring supplier performance against the Consumer Outcomes? Are there alternative approaches? Please provide evidence.***

We support a blended model:

- Supplier-led reporting for journey-level outcomes and continuous improvement, with senior accountability
- Ofgem-led benchmarking and oversight using standardised indicators to detect poor performance and outliers

We also recommend designing monitoring to avoid creating prescription through measurement. For example, focusing too heavily on channel-based responsiveness metrics (e.g. call waiting time alone) can unintentionally favour traditional call-centre operating models. Modern service models may resolve issues asynchronously, proactively, or prevent problems altogether, delivering better outcomes with fewer interactions. Monitoring should therefore focus on effective resolution and durable improvement, not just visible activity.

***Q16. How do we best measure our success as to whether we have: a) Improved consumer outcomes and achieved our ambitions for customer service and b) Reduced regulatory burden and encouraged growth and innovation***

(a) Improved consumer outcomes / customer service ambitions

Success could be evidenced through:

- Improved outcomes for consumers in vulnerable situations and other at-risk cohorts
- Reductions in repeat complaints, escalations, and repeat service failures
- Improved arrears and debt support outcomes, including earlier Intervention and more sustainable repayment arrangements
- Improved levels of consumer trust and confidence in suppliers and the sector overall
- Increased safe and inclusive participation in the energy transition, including higher uptake of electrification and decarbonisation-related solutions (e.g EVs, heat pumps and smart tariffs), with consumers able to engage without experiencing risk or complexity

(b) Reduced regulatory burden / growth and innovation

Success could be evidenced through:

- Reduced duplication in reporting and monitoring
- Greater flexibility to innovate without repeated licence re-engineering
- Faster and safer deployment of new propositions (particularly Net Zero-related products and services)
- Evidence that suppliers can adapt without increasing consumer harm
- Improved interoperability and data consistency across the market, enabling innovation and consumer protections to scale more efficiently

***Q17. Is there anything Ofgem can do to improve how we work and engage with you as a stakeholder on retail energy supply policy and regulation?***

We encourage Ofgem to:

- Co-design monitoring frameworks and metrics with the industry, including solutions providers, and consumer groups
- Provide more clarity through practical examples of good and poor practice (without prescribing process)
- Coordinate more closely with advice bodies such as the Ombudsman on interpretation
- Share expectations early
- Maintain transparency on how guidance and expectations evolve over time

## Appendix 2: GSOPs Question List

We welcome the parallel review of GSOPs and support considering GSOPs as part of a hybrid regulatory toolkit. As a technology provider, we focus our comments on how GSOPs can be designed and operated in a way that delivers timely consumer redress while remaining efficient and scalable for the market.

### Role

***1. Do you have any views on how the GSOP should be used to deliver good consumer outcomes as part of our wider regulatory toolbox?***

GSOPs are most effective where the service failure is objective and measurable, enabling automatic compensation without requiring consumer action. This supports consumer confidence and reduces friction in achieving redress.

***2. Do you have any comments on our proposed objectives for the GSOP mechanism?***

No comment

***3. Do you have any comments on our proposed criteria for the design of any new Guaranteed Standards, or how we intend to use the criteria?***

No comment

***4. How effective is the current GSOP framework and individual standards in delivering good consumer outcomes? Please provide evidence where possible.***

No comment

## Scope

**5. Do you have any views on what would determine if a GSOP or a licence condition is the best tool to improve supplier performance?**

GSOPs work best where:

- Triggers are measurable
- Compensation is an appropriate remedy
- The process can be automated end-to-end

Licence conditions are better suited to:

- Context-dependent outcomes
- Cases requiring judgement
- Systemic behavioural change rather than redress

**6. Are there any supplier service areas where it would be appropriate for us to explore new GSOPs, or move an existing licence condition into the GSOP framework?**

No comment

**7. Should any of the current GSOPs be removed, or replaced with a licence condition to better achieve its policy aim?**

No comment

**8. Should we consider expanding the GSOP mechanism to cover non-domestic customers, or a sub-section of non-domestic customers? If so, which existing or potential future standards would be most appropriate?**

No comment

## Design

**9. Do you have any views on what the underlying rationale for the payment level and mechanism should be to best achieve the GSOP objectives?**

No comment

***10. Do you have any views on specific changes to the payment mechanism we should consider, including the examples included in this paper?***

No comment

***11. Are there any issues we should consider with introducing repeat payments for ongoing breaches?***

No comment

***12. Are there any issues we should consider with introducing variable payment levels for different consumer groups or severity?***

No comment

***13. Are there any specific changes to the current set of exemptions that we should consider?***

No comment

***14. Are there any specific changes to the target levels of existing standards that we should consider?***

No comment

## **Operation**

***15. Are there any improvements we can make to the way we collect data from suppliers specifically on their compliance with the GSOP?***

To support effective and low-burden implementation, GSOP reporting should be:

- Standardised across suppliers,
- Automation-friendly,
- Aligned with existing reporting where possible to avoid duplication,
- Designed around auditability and clear event evidence.

***16. Are there any additional risks that we should consider when exploring our approach to monitoring and ensuring supplier compliance with the GSOP?***

Risks include:

- Inconsistent interpretation of triggers
- Data quality gaps leading to disputes
- Manual processes creating delay and cost
- Incentives to optimise for reporting rather than preventing harm

***17. Is there a need for any supporting guidance, either aimed at suppliers or consumers, to improve the effectiveness of the GSOP?***

Yes. Clear supporting guidance would improve consistency of interpretation and implementation across suppliers, and improve consumer confidence in how redress works in practice. From a technology and delivery perspective, guidance is most helpful where it clarifies the trigger conditions, expected evidence/ audit trail and how to handle common edge cases - without becoming overly prescriptive about internal processes.

***18. Is it important that consumers are aware of GSOPs? Why?***

Yes, consumer awareness matters because it supports trust and confidence that service failures will be addressed fairly. However, awareness should not be a prerequisite for redress - GSOPs are most effective when compensation is automatic and does not rely on consumers knowing their entitlement or needing to take action.

***19. Are there any actions that Ofgem or suppliers should take to improve consumer awareness of the Guaranteed Standards?***

Yes. Awareness can be improved through simple, consistent signposting at relevant “moments that matter”, for example when an issue occurs, a complaint is raised, or compensation is paid. Ofgem could support this by providing standardised consumer-facing explanations and consistent terminology across the market, while suppliers could ensure GSOP entitlements are communicated in a clear, accessible way through the channels customers already use.