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Email to: FutureConsumers@Ofgem.gov.uk

22 January 2026

Dear Steven,

Response to Ofgem Call for Input - Review of Supplier Guaranteed Standards of Performance (GSOP)

EDF is the UK's largest producer of low carbon electricity. EDF operates low carbon nuclear power stations and is building the first of a new generation of nuclear plants. EDF also has a large and growing portfolio of renewables, including onshore and offshore wind and solar generation, as well as energy storage. EDF is therefore driving the transition towards '[an Electric Britain](#)' – a secure, affordable, low-carbon future for everyone. As [Britain's biggest generator of zero carbon electricity](#), we are investing more than £100 million weekly in Britain's electricity infrastructure. We supply millions of customers with electricity and help homes and businesses switch to electricity for heating, transport and industrial processes.

EDF welcomes the opportunity to respond to this call for input and to do so alongside Ofgem's Consumer Outcomes work. We recognise the public and political pressure facing Ofgem to be "*tough on poor service*" and drive improvement. We also recognise the genuine frustration consumers feel when things go wrong. But those pressures must not drive the wrong regulatory design. If the sector is to deliver sustainably better outcomes, the regulatory framework must be coherent, targeted, and built around the incentives that actually improve service.

Consumer Outcomes vs GSOPs: choosing the right tool

There is a fundamental tension running through the two consultations. Consumer Outcomes is, at its core, an invitation to reset culture: away from ever thicker rulebooks and towards a model that defines what good looks like, enables innovation in how to get there, and uses transparency and supervision to lift performance over time. For that shift to be credible, however, it cannot be aimed only at suppliers. It also requires a deliberate reset in Ofgem's own regulatory culture: a move away from solving each new pressure point by adding another prescriptive rule, and towards a more collaborative, evidence-led and outcomes-focused way of regulating, one that builds trust through clarity, predictability, and earlier engagement with the market. Put simply, if the direction of travel is outcomes-based regulation, the system must resist the instinct to respond to each new concern by ratcheting up prescription and compensation triggers.

A broadening GSOP regime pulls in the opposite direction. It is prescriptive by nature: it translates complex service delivery into binary triggers and fixed payments, and it encourages suppliers to manage to a narrow definition of compliance rather than to manage to outcomes. In practice, it also risks pulling the regulator back towards a “*rule-accumulation*” mindset where the primary response to service concerns is to tighten or multiply standards, rather than using outcomes-based supervision, transparency and targeted intervention to address the real drivers of detriment. That is not a stable direction for the sector. It tends to redirect effort into working around triggers rather than fixing root causes, and it drives homogeneity by pushing suppliers towards the same regulation-led operating model rather than competing through genuinely better propositions and service innovation.

Targeted GSOPs: not a catch-all solution

We want to be clear about our starting point. We do not view GSOPs as a primary solution to improved customer service performance. There is of course a role for automatic redress where something has gone demonstrably wrong in a way that is clear, binary, and within a supplier's control. That is the narrow space where GSOPs can work well. But we are concerned that the GSOP mechanism is increasingly being treated as a tool to fix every perceived service issue, and that this review could become a ratchet: more standards, tighter thresholds, wider scope, and higher payments. That approach will not deliver the step-change in outcomes that consumers want. It risks delivering something else entirely: a market distorted by perverse incentives, suppliers chasing the metric not the outcome, and customers paying more for a system that feels more punitive but not meaningfully better.

A coherent outcomes-based model starts from the premise that competition and reputation matter. In today's market, consumers are more informed, switching is more normalised, and service failures travel quickly. That reputational discipline is a powerful lever, often far stronger than fixed compensation one, because it affects growth, retention and brand trust. It is also more aligned to the kind of continuous improvement Ofgem is seeking. If the regulator wants to drive better service, the most impactful intervention is not necessarily a bigger menu of automatic payments; it is enabling consumers to see, compare and act. A transparency-led approach, backed by effective supervision and targeted enforcement for serious failings, is how an outcomes-based regime will work.

Designing standards: avoiding perverse incentives

This leads to a practical point that sits behind much of our concerns regarding the potential expansion of GSOP. Service performance is rarely “*one thing*”, but rather it is a distribution. It varies by time of day, by issue type, by customer cohort, and by operational constraints. When regulation converts that complexity into a single KPI and then attaches a payment to it, it creates a predictable behavioural response. The KPI becomes the target; the target becomes the objective; and the objective becomes something that can be optimised in ways that do not necessarily improve the lived customer experience. This is the “*law of unintended consequences*” that we have discussed repeatedly with stakeholders and that Ofgem itself recognises in different contexts. It is also why we strongly caution against any move to treat GSOPs as a route to enforce broad service KPIs. If Ofgem wants to understand supplier performance, it should focus on the right measures in

the right form: not a single averaged number that can be gamed, but a picture that shows what customers actually experience across the peaks and troughs. That can only be done through transparent reporting and comparative performance, not through binary compensation triggers.

Equally important is the question of what GSOP payments represent. A fixed monetary amount does not reliably map to harm or inconvenience. A customer who has taken a day off work and waited in for an appointment that is missed may feel that £40 does not reflect the disruption. Conversely, a flat payment for a late final bill or process failure, particularly where responsibility is contested across the industry chain and can feel poorly calibrated and can undermine confidence in the fairness of the mechanism. This is not an argument for ever more complex bands and multipliers - in practice, existing payment levels are already generous relative to detriment in most cases - It is an argument for restraint: GSOPs should be reserved for the very limited set of situations where a simple automatic payment genuinely makes sense, where liability is clear, and where the mechanism is administratively workable without creating dispute or duplication with other redress routes.

We are concerned about a direction of travel where GSOPs expand into areas that should properly sit within an outcomes-based framework. If the Consumer Outcomes ambition is to move away from minimum standards as the organising principle and towards clearly defined outcomes, then the regime should not, at the same time, build an ever-growing parallel set of prescriptive minimum standards each time there is pressure to be seen to act. That approach is inherently unstable. It tends to shift management attention and investment towards designing around triggers and payment mechanics, rather than fixing root causes and improving the end-to-end customer journey. It also drives unnecessary homogeneity: suppliers converge on the same “*compliance artefacts*” and operating model simply to avoid penalties, rather than competing in a healthy way on different propositions, channels and service innovations. The result can be a market that is more constrained and more costly to run, without a commensurate improvement in what consumers actually experience.

Delivering better regulation and sustainable growth

This matters directly in the context of the Growth Duty and the wider better-regulation agenda^{1 2}. There is now a clear expectation that regulation should encourage growth, support innovation and remove unnecessary administrative burden. Outcomes-based regulation is a credible way to achieve that in retail energy because it can simplify the rule set, reduce duplication, and concentrate regulatory effort on the outcomes that matter most, particularly for vulnerable consumers, without prescribing a single operational model for the entire market. A more expansive GSOP regime cuts against those objectives: it adds layers of prescription, increases operational friction and redirects scarce resources into compliance activity, which may reduce (rather than increase) suppliers’ ability to invest in service improvement.

¹ <https://www.gov.uk/government/publications/growth-duty>

² www.gov.uk/government/publications/better-regulation-framework

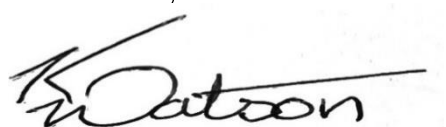
This is particularly important given the current economics of the market. In 2024, Ofgem data indicates domestic suppliers achieved an EBIT margin of around 1.47%, below the level Ofgem typically assumes in the price cap for a reasonable return. In that context, it is important to be clear about funding³. GSOP payments are not “funded” through the price cap as a service; they are a cost of failure, borne by suppliers and absorbed through margins. If Ofgem raises expectations by adding standards or tightening thresholds, the question is not simply “*how big should the penalty be?*” but “*what level of service does Ofgem want the efficient supplier to deliver, and what is the efficient cost of delivering it?*”. Where standards implicitly require more call-centre capacity or greater field resource, the cost drivers are straightforward: more people, more training, greater resilience and stronger system capability. A framework that seeks to force those outputs through penalties alone risks becoming self-defeating prophecy by reducing the very investment needed to prevent failures at scale. Simply put, without uplifts to the price cap, in most instances suppliers have limited financial ability to improve service beyond the historical average.

If the shift to outcomes-based regulation is to endure, it will also need explicit, sustained buy-in beyond Ofgem alone. A recurring concern raised in the Consumer Outcomes discussion is that momentum can dissipate once the consultation closes. To avoid that, the move towards outcomes-based regulation should be anchored through clear cross-government support and policy alignment, particularly across Ofgem, DESNZ and DBT, so that it becomes a stable long-term direction rather than a short-lived programme. That includes embedding the approach in the frameworks that shape regulatory expectations over time and making clear that GSOPs have a deliberately limited role: a targeted backstop for clear, binary failings, not a substitute for an outcomes-based regime.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact Richard Jelliss, or myself.

I confirm that this letter and its attachment may be published on Ofgem’s website.

Yours sincerely

A handwritten signature in black ink, appearing to read "Keith Watson", with a stylized flourish at the end.

Keith Watson
Senior Manager Customers Policy and Regulation

³ www.ofgem.gov.uk/sites/default/files/2025-08/Energy-price-cap-benchmark-review-consultation.pdf

Attachment

Ofgem Call for Input – Review of Supplier Guaranteed Standards of Performance (GSOP)

Q1. 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 should be used as a precision instrument, not a universal lever. They are at their most effective in a very narrow set of circumstances when they address discrete, objective failures that are fully within the supplier's control. In those cases, a simple binary trigger and automatic payment provide clarity for consumers and a clear incentive for suppliers to get it right first time.

This call for input is running in parallel with Ofgem's Consumer Outcomes consultation. Those two approaches sit at opposite ends of the same scale: GSOPs are a narrow, binary backstop for clear supplier-controlled failures, whereas Consumer Outcomes, licence conditions and Standards of Conduct govern the broader customer journey. Ensuring coherence between these tools is critical.

By contrast, many aspects of customer service depend on shared responsibilities, finite resources and judgement. Call handling, complaint journeys and vulnerability support require suppliers to balance staffing and investment across the whole customer base and to respond to events beyond their control. Ofgem's consultation notes that some stakeholders have suggested extending GSOPs to "call waiting times". If that is interpreted as a hard GSOP based on an average speed of answer, it raises real concerns about fairness and practicality.

As an example, contact centres are resourced on the basis of demand forecasts, not on the assumption that every conceivable spike will be covered in real time. Those forecasts are built on historic patterns, but every year is different and there are always new drivers of contact. A clear example was the first "meter reading day" during the energy crisis, when advice from third parties led to millions of customers trying to contact their suppliers at once⁴. Even with prudent planning and forecasting it is not credible or financially viable for suppliers to over-staff their contact centres to account for unexpected peaks in demand caused by external factors, nor is this reflected in the notional supplier model within the price cap. A GSOP for average speed of answer is disproportionate and will result in suppliers prioritising speed over customer experience, this is not the outcome Ofgem is aiming to drive. Rather than a single headline average, supplier performance should be assessed across peaks and customer cohorts, focusing on one metric risks optimising for that number rather than improving the customer experience.

In areas such as call waiting times Ofgem's Consumer Outcomes framework is a much better tool to drive the right outcomes for consumers. They allow context to be taken into account, recognise that service quality is about how well issues are resolved and explained as well as how quickly a call is answered, account for differences in the needs of different customer cohorts across different

⁴ www.moneysavingexpert.com/utilities/meter-reading-day---what-you-need-to-know/

suppliers and support continuous improvement rather than a simple pass or fail based on a single metric.

GSOPs also need to be used in a way that reflects the level of service the regime actually funds. Under the price cap, suppliers are funded to provide an average level of service, based on historic supplier cost data, across billing, digital and telephony, not unlimited capacity to deliver “premium” response times and compensation on demand.. Simply put, without uplifts to the price cap, in most instances suppliers have limited financial ability to improve service beyond the historical average. Used judiciously, GSOPs can preserve a sensible balance between expectations and what can realistically be delivered within very tight margins. If they are extended beyond this narrow remit, there is a real risk that they simply add structural costs for all consumers without a clear link to better outcomes.

Q2. Do you have any comments on our proposed objectives for the GSOP mechanism?

Yes. To be credible and sustainable, Ofgem’s proposed objectives also need to be more explicit about the intended role of GSOPs, the need for proportionality and funding, and how the mechanism sits alongside other parts of the regime.

First, the objectives should state clearly that GSOPs are intended to be a targeted backstop for a narrow set of clear, objective, supplier controllable failures, not a general tool for managing all aspects of customer service. GSOPs only work where there is a single, well-defined outcome at the end of a process that is easily measurable, and where responsibility clearly sits with the supplier. In those circumstances a binary trigger and automatic payment can be simple, transparent and effective.

By contrast, many of the areas mentioned in the consultation, such as call handling performance, complaint journeys and vulnerability support, depend on shared responsibilities, finite resources and judgement. They are also heavily influenced by external events, for example changes to the price cap or high-profile media campaigns that can drive extraordinary volumes of contact and stretch even well-resourced operations. Ofgem already has tools that are better suited to these issues, including the Standards of Conduct, specific customer service licence conditions, and the emerging Consumer Outcomes framework. The objectives should make clear that GSOPs are not intended to duplicate and are ill-suited to replace those tools, particularly in areas where context and professional judgment are important.

We are also concerned about vague formulations such as requiring “reasonable performance”. It is not enough to say that suppliers must act reasonably without defining the point at which performance becomes unreasonable in a way that can be applied consistently. For GSOPs to function as a predictable backstop, suppliers and customers need clarity on exactly when a standard is breached and when an automatic payment is due. Without that clarity, standards risk becoming ambiguous and contested, rather than simple and enforceable.

Second, the objectives should embed an explicit principle of proportionality, including recognition of the funding context. Under the price cap, domestic suppliers operate on wafer thin margins (just 1.47% in 2024). The price cap funds suppliers to provide an average level of service, based on historic supplier operational cost data, which in itself reflects their historical level of performance and compliance. If Ofgem wish to use GSOPs to drive improved performance, it is essential they also provide suppliers with the funding required to meet desired standards and actually avoid penalties. Simply put, without uplifts to the price cap, in most instances suppliers will not have the financial ability to improve service beyond the historical average. Further, GSOP payments themselves are also not drawn from a separate fund. In practice they come out of the same limited margin permitted under the price cap.

If payment levels are increased, or standards are expanded to cover large volumes of activity, especially without commensurate increases to the level of the price cap, GSOPs will quickly move from fair redress into a de facto penalty regime. That would erode the headroom suppliers need to invest in systems, staff and training, and ultimately could weaken the resilience and investability of the sector more than it already has. The objectives should, therefore, commit to setting payment levels that reflect the actual detriment experienced by consumers and to assessing the costs of any material change to the regime against the financial framework suppliers operate within and adjusting price cap allowances as require in advance of any changes being introduced.

Third, the objectives should stress complementarity and non-duplication with other compliance, redress and enforcement tools. GSOPs sit alongside licence conditions, Ofgem's Consumer Outcomes work and a proposed strengthened statutory role for the Energy Ombudsman. The same failure should not routinely trigger a GSOP payment to the customer, a separate Ombudsman award for the same underlying issue, and enforcement action with further redress for the related licence breach. That kind of double or triple counting would add cost and complexity without clearly improving outcomes. We would welcome an explicit objective that GSOPs will be designed and applied in a way to a very narrow set of circumstances that avoids overlap with Ombudsman redress and licence-based remedies, with clear delineation of roles and routes for consumers.

Q3. 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?

The criteria you have set out in paragraph 1.11 broadly captures many of the right ingredients for a workable GSOP framework: a clear customer rationale, standards that are easy to understand and administer, a focus on measurable and enforceable outcomes, and the need for an identifiable customer and supplier ability to improve. We, however, think they could be strengthened in three ways:

- by using them as a gateway test for whether a GSOP is appropriate at all,
- by clarifying how they should be interpreted in practice, and
- by clarifying the link to detriment and existing redress tools.

First, we suggest using the criteria as an explicit gateway before deciding to design a GSOP. A standard should only proceed where there is:

- a clear, customer-centric rationale and a material detriment prevented by the standard, not just inconvenience that can be dealt with through normal complaint handling
- an objective, binary failure that can be expressed in clear, measurable terms, rather than subjective notions of “reasonable performance”
- a specific, identifiable customer who is affected by that failure, which aligns with your “identifiable customer” test
- a clear line of responsibility to the supplier, with no dependency on third parties.

If a candidate area fails any of these points, the criteria should steer Ofgem towards other tools, such as licence conditions, compliance and enforcement rather than trying to create a GSOP for it.

Second, we think some of the criteria would benefit from clearer interpretation.

On “ease of understanding and administration”, we would welcome an explicit expectation that a GSOP should attach to a single, clearly defined outcome at the end of a process, with one failure and one payment. For example, a complex journey such as correcting an erroneous transfer or completing a meter exchange can involve multiple steps where a standard might theoretically be attached: acknowledgement, arranging an appointment, attending it, and issuing any final bill or refund. If each step carries its own GSOP, a single underlying problem can trigger several overlapping payments. That is confusing for consumers, administratively heavy, and risks total compensation bearing little relationship to the actual detriment. Framing standards around the end result of the process, rather than multiple checkpoints, would better reflect your aim of simple, administrable standards.

On “evidence-based and achievable” and “measurable and enforceable”, we think the direction should also cover more than just setting a numeric target. In practice, it should include:

- robust evidence on expected breach volumes and the scale of detriment avoided
- an assessment of the operational feasibility of meeting the target, taking account of genuine demand volatility and the need to forecast and staff efficiently, rather than staff permanently for “worst day” conditions
- thresholds that are objectively defined, so that suppliers know precisely when a GSOP is breached and a payment is due, and so that standards can be enforced consistently.

We are cautious about introducing open-ended tests such as “reasonable performance” into a GSOP framework. Without clear thresholds, suppliers and customers will struggle to know when compensation is owed and standards may become contested rather than predictable.

On “ability to improve”, suppliers should not be held to standards where they have no meaningful control. In practice this means that, for each potential GSOP, Ofgem should map the end-to-end journey, identify where the DCC, networks, meter operators or other third parties play a critical role, and then either:

- decide that the service is not suitable for a GSOP, or
- build in clear, consistent exemptions where those third-party failures or customer behaviour (for example, failure to provide access) are the root cause.

Without that, suppliers’ risk being financially accountable for outcomes that they cannot realistically control or improve, which is neither fair nor likely to drive the right behaviours.

This test must also consider the funding context suppliers are operating in. Under the price cap, domestic suppliers operate on wafer thin margins (just 1.47% in 2024). The price cap funds suppliers to provide an average level of service, based on historic supplier operational cost data, which in itself reflects their historical level of performance and compliance. If Ofgem wish to use a GSOP to drive improved performance, it is essential they also provide suppliers with the funding required to meet desired standards and avoid penalties. Simply put, without uplifts to the price cap, in most instances suppliers have limited financial ability to improve service beyond the historical average. Using unfunded GSOP targets to chase ever higher service levels risks becoming a self-fulfilling prophecy: by demanding premium performance on a budget service envelope, the regime makes it harder, not easier, for suppliers to deliver consistently good outcomes over time.

Third, we support the criteria that “compensation [is] not already provided” but believe it should be interpreted more broadly. The test should cover not only overlap with other GSOPs, but also potential duplication with licence-based redress and Ombudsman awards. The same underlying failure should not routinely result in a GSOP payment, a separate Ombudsman award for the same issue, and further redress via licence enforcement. That kind of double or triple counting would add cost and complexity without clearly improving outcomes. Building that into the “compensation not already provided” criteria would help to keep GSOPs as a targeted backstop, rather than a parallel redress system.

Taken together, we think your existing criteria form a good starting point. However, they should be applied alongside a systematic review of the current suite of GSOPs to ensure that each standard remains necessary, proportionate and workable within an outcomes-based regime. In our view, this means focusing GSOPs on a smaller set of clearly defined, binary failures and retiring or consolidating any standards that no longer add clear value.

Q4. How effective is the current GSOP framework and individual standards in delivering good consumer outcomes? Please provide evidence where possible.

The current GSOP framework has been effective in some important, but quite narrow, respects, however much more impactful improvements in customer outcomes and satisfaction is driven by different levers.

Where GSOP has focused on simple, binary failures that are clearly within the supplier's control, it has helped to embed minimum service standards and drive better process discipline (for example, keeping appointments and issuing final bills within agreed timescales). Ofgem's own GSOP review shows that suppliers paid around £31 million in automatic compensation across 1,020,636 breaches in 2022, around £26 million for 864,973 breaches in 2023, and around £28 million for 936,384 breaches in 2024. Ofgem also notes that, if a similar number of breaches occurs in 2025, the total value of payments will be higher solely because the payment level has been uplifted from £30 to £40 from January 2025 to account for inflation. Taken together, this indicates that the framework is now well embedded operationally, with automatic payments being made at scale directly to affected customers, and that GSOPs provide a clear financial incentive for suppliers to minimise these types of clear-cut failure.

At the same time, the absence of a clear downward trend in breaches over these three years suggests that the current standards may have reached the limit of what they can achieve as a behavioural tool. Ofgem itself notes that this pattern may indicate that GSOPs are effective at keeping performance at a certain level but do not continue to deliver incremental improvements beyond that. In parallel, Ofgem's State of the Market evidence shows domestic complaint volumes falling and overall customer satisfaction and service satisfaction at their highest levels since tracking began (82%). This points to improvements in service being driven primarily through licence conditions, wider regulation and supplier investment, rather than GSOPs driving this improvement.

There are also some important limitations and unintended consequences to note that reduce the effectiveness of the current GSOP framework:

- In several areas GSOPs duplicate existing licence obligations. For example, suppliers are already required under their supply licence and associated rules to issue accurate, timely bills and to refund credit balances within specified timescales. Adding a GSOP on top of these duties creates a second enforcement route and a second cost trigger for the same underlying process, without a clear improvement in consumer outcomes. This increases complexity and administrative burden rather than sharpening accountability.
- System and definitional interpretation can materially affect GSOP outcomes. We have seen instances where performance and breach volumes can be driven by how the standard is operationalised in systems. This underlines the importance of clear, standardised definitions and reinforces our view that GSOPs should remain narrowly targeted, rather than being expanded as a general service-performance tool.

- Some standards risk becoming misaligned with the way the market now operates. The original meter reading related GSOPs were designed for a world of manual reads. In the smart meter context, many issues arise because of Data Communications Company (DCC) communications problems or gaps in WAN coverage, which sit outside the supplier's direct control. In our response to Ofgem's Smart Meter GSOP consultation we highlighted proposals that would have required repeat £40 payments where a smart meter was not operating in smart mode over time, even where the root cause was a DCC communications issue. That sort of flawed design risks requiring suppliers to pay substantial compensation for technical faults they cannot fix themselves, while the actual detriment to the customer may be limited or intermittent. It is hard to see how that delivers better outcomes than a more tailored licence-based approach that targets the party best placed to remedy the problem.
- Under the price cap, domestic suppliers operate on wafer thin margins (just 1.47% in 2024). Further, the price cap funds suppliers to provide an average level of service, based on historic supplier operational cost data, which in itself reflects their historical level of performance and compliance, including with GSOP. Simply put, suppliers are not funded to reduce levels of GSOP breaches beyond the historical average.

Overall, we would characterise the effectiveness of the current framework as follows:

- It works in a very narrow set of circumstances as a targeted safety net for discrete, high-visibility failures that are simple to evidence and clearly within a supplier's control.
- It is less effective, and sometimes counter-productive, where it overlaps with existing licence obligations, relies on infrastructure or third parties outside the supplier's control (for example, DCC communications issues, network faults or meter operator delays), or where the detriment to the consumer is small but the payment level is high relative to that harm.

We, therefore, think the GSOP framework should now be refined rather than simply expanded. In our view, an effective next phase would:

- Prune overlapping standards where the same process is already governed, and enforceable, under the supply licence.
- Revisit standards whose design has not kept pace with smart metering and DCC dependencies, to ensure suppliers are not made the backstop funder of issues they cannot directly resolve.
- Retain and, where necessary, clarify those standards that deal with simple, binary failures, so that consumers continue to benefit from quick, predictable compensation when something clearly goes wrong.

Handled in this way, GSOPs can continue to make a positive but narrow contribution to consumer outcomes, while avoiding unnecessary duplication, disproportionate cost and blurred accountability.

Q5. 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 should remain targeted and carefully aligned with their intended role as a simple, automatic backstop for clear failures, not a broad mechanism for managing all aspects of supplier performance.

In our view, the starting point should be a more deliberate use of the criteria in paragraph 1.11 as a gateway test. A service is only suitable for GSOP where:

- there is a clear, customer-centric rationale and a material detriment for an identifiable consumer when things go wrong
- the failure is objective and binary, so it can be measured and enforced without subjective judgement
- responsibility sits squarely with the supplier, not with the DCC, networks, meter operators or other third parties
- compensation is not already available through another route, for example another GSOP, the licence, or the Energy Ombudsman.

If a candidate service area does not meet those tests, it is likely to be better addressed through licence conditions, the Consumer Outcomes framework, complaints handling and Ombudsman redress, rather than a GSOP.

Against that lens, we have set out some specific views on scope below:

Keep and modernise core metering and switching standards

Some of existing metering standards need updating to reflect the smart environment. The existing framework was designed for manual meter reads. In practice, many modern metering issues relate to smart communication problems, DCC coverage and technical constraints that sit outside the supplier's direct control. As we set out in our response to the Smart GSOP consultation, it would not be appropriate to create or retain standards that require repeat £40 payments simply because a meter is not operating in "smart mode", where the root cause lies with industry infrastructure and the customer continues to receive accurate bills using alternative data. In these cases, the underlying issue should be managed through industry change and targeted licence obligations on the party best placed to fix it, not via supplier GSOPs.

Be cautious about importing complaints and billing rules into GSOP

We recognise that complaints and billing are major drivers of dissatisfaction and that there are already detailed requirements in the Complaints Handling Standards and the supply licence. However, we are extremely worried about moving these into the GSOP regime.

Complaints are often complex, multi-issue and require appropriate judgement. A GSOP aligned directly with complaint timescales risks converting nuanced cases into a simple “timeout equals payment” triggers, regardless of whether the delay was reasonable in context or whether the customer was in fact better served by taking more time to reach a fair resolution. The Complaints Handling Standards, Consumer Outcomes framework and the Ombudsman are better suited to this type of work, because they can consider the whole case and tailor remedies.

Similarly, there is already a comprehensive set of prescriptive billing rules covering accuracy, back-billing and frequency of billing. Adding GSOPs to these areas would frequently mean a second enforcement route and a second cost trigger for the same underlying process. If Ofgem does wish to consider any billing-related GSOPs, we think they should be tightly focused on clear end-states (for example, failure to issue any bill for a prolonged period) and carefully tested against the criteria, particularly proportionality and supplier control.

Avoid duplicating Ombudsman remedies

We agree that timely implementation of Ombudsman decisions is important. However, DESNZ is consulting on strengthening the Ombudsman’s status and powers, including the possibility of levying penalties where remedies are not implemented. If that route is taken, introducing a separate GSOP for non-implementation would be duplicative and confusing. In our view, this is an area where there should be a single, clear regime, either through enhanced Ombudsman powers or a narrowly defined GSOP, but not both.

Do not extend GSOPs to call waiting times

It has been suggested that Ofgem could extend GSOP coverage to call waiting times. We strongly object to this. Call demand is inherently volatile and can be driven sharply by external events outside suppliers’ control—such as price cap changes or high-profile media campaigns encouraging customers to contact suppliers on a particular day. Suppliers resource contact centres using forecast models based on historic patterns and expected demand, but there will always be exceptional spikes where volumes temporarily exceed any reasonable level of resourcing.

Introducing a GSOP based on call answering performance (for example, an Average Speed of Answer threshold) would therefore create an unworkable and inefficient regime. It would force suppliers either to over-staff permanently to insure against rare peak events, or to pay automatic compensation in circumstances that no efficient operating model could reliably avoid. Either outcome would increase costs across the market, ultimately borne by consumers, without a clear link to materially better service.

Critically, a call waiting time GSOP would also create a significant verification and dispute burden. To determine entitlement, suppliers would need to evidence individual customers’ “*time to answer*” across specific contact attempts and reconcile that with customers’ perceptions of how long they waited. That would pull resource away from resolving issues and would be highly vulnerable to challenge and gaming once compensation becomes linked to perceived queue time.

Expectations in this area are better managed through licence conditions, Consumer Outcomes and monitoring, which can take context into account and focus on the quality of resolution and support, rather than converting a complex, demand-driven service into a binary compensation trigger.

Q6. 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, we do not see compelling candidates for new GSOPs or for moving existing licence conditions into the GSOP framework, nor are we aware of any compelling evidence to support the expansion of GSOP.

Our repeated point is that GSOPs should remain a narrow, objective backstop for a small number of clear failures that are wholly within the supplier's control and cause obvious detriment to an identifiable customer. As we set out in our covering letter and answers to Q1-Q5, that points towards retaining and modernising a limited set of metering and switching standards, rather than expanding into new service areas.

The one area where some refinement may, however, be appropriate is updating existing metering standards for the smart environment. As we noted in our response to the Smart Meter GSOP consultation, standards that were written for manual reads do not map neatly onto smart metering, particularly where failures stem from DCC communications issues or wider industry constraints outside the supplier's control. Any changes here should focus on clarifying and modernising existing GSOPs, not expanding the scope into new types of failure or new licence obligations.

Q7. Should any of the current GSOPs be removed, or replaced with a licence condition to better achieve its policy aim?

Yes. There are a number of existing GSOPs that should be removed, consolidated, or replaced with licence conditions so that the overall framework is simpler, more coherent and better aligned with an outcomes-based regime.

At their best, GSOPs operate as a narrow "*backstop*": they work where there is a clear, binary failure, affecting an identifiable customer, that sits wholly within the supplier's control, and where an automatic payment is straightforward to administer and easy for consumers to understand. Outside that narrow space, GSOPs can become duplicative and blunt, and risk turning the regime into a parallel rulebook of minimum standards rather than a targeted mechanism for clear service failings.

A key issue we see in the current framework is overlap with prescriptive licence requirements, creating a real risk of "*double jeopardy*" for the same underlying issue. Two specific examples illustrate the point:

- **Switching:** the supply licence includes an obligation to complete a switch within five working days, and the GSOP separately requires automatic compensation where a switch is not completed within the same five working days.
- **Final bills:** the licence requires a final bill to be issued within six weeks, and the GSOP again requires automatic compensation where that same six-week requirement is not met.

Where the licence already sets a clear, enforceable requirement with established monitoring and enforcement tools, adding a GSOP with an identical trigger can result in duplicate consequences for the same failure, without a clear increase in consumer protection. In these circumstances, we consider a single, well-designed licence obligation, supported by outcomes-based monitoring and proportionate enforcement, is likely to be the more effective and sustainable approach.

To support a coherent approach going forward, we suggest Ofgem applies a clear gateway test to determine whether a service area should sit in GSOP or in the licence. In our view, a GSOP should only be used where all of the following apply:

- **Binary, objective failure:** the breach can be defined in a simple, measurable way, without reliance on judgement or “*reasonableness*” tests.
- **Identifiable customer detriment:** the harm is clearly linked to an identifiable consumer, rather than a diffuse service issue best managed through supervision.
- **Supplier control:** responsibility sits squarely with the supplier, with minimal dependency on third parties (DCC, networks, metering agents) or customer behaviour (access).
- **Non-duplication:** the requirement is not already imposed through the licence, Ombudsman remedies or other redress routes in a way that would create overlapping obligations or payments.
- **Administrable automaticity:** the payment can be triggered and processed automatically at scale without creating excessive verification, dispute or gaming risk.

If any of these tests are not met, the default should be a licence condition / Consumer Outcomes tool rather than a GSOP. That is particularly true where standards were designed for a predominantly manual, non-smart environment, or where the end-to-end journey relies heavily on industry infrastructure and third-party delivery.

Handled in this way, the GSOP framework can be simplified and better aligned with the emerging Outcomes regime, (avoiding duplication and multiple cost triggers for the same underlying failure) while keeping automatic compensation focused on the limited set of situations where it genuinely adds value.

Q8. 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?

We do not support expanding the GSOP mechanism to the non-domestic market. The sector is highly diverse, spanning sole traders and small shops through to complex multi-site organisations, public sector bodies and large industrial users with bespoke contractual arrangements and metering. A one-size-fits-all GSOP regime would cut across those differences, create duplication with existing protections, and introduce avoidable cost and complexity without a clear link to better outcomes.

Our view is that GSOPs should not be extended to:

- medium and large non-domestic customers, and
- microbusiness customers beyond the existing appointment standard.

Medium and large non-domestic customers

For medium and large non-domestic customers, GSOPs are not an appropriate mechanism. These customers typically purchase energy through bespoke contracts, often supported by brokers or procurement frameworks, and commonly have explicit service levels, remedies and escalation routes written into their commercial arrangements (for example service KPIs, dedicated account management, termination rights and tailored dispute provisions). Introducing statutory, automatic compensation on top of these protections would be unlikely to be meaningful relative to the scale and nature of the contracts, while creating a risk of duplicate or overlapping remedies for the same underlying issue.

This is particularly relevant for framework agreements and aggregated contract structures, which are prevalent across both the public and private sectors and are expected to grow. In those cases, an umbrella framework can provide significant consumer protections and contractual remediation that may be more stringent than, or simply different to, the remedies available through a statutory GSOP regime. Creating parallel redress tracks risks confusion, inconsistency and waste, and could lead to outcomes that are contractually misaligned, or inferior compared to the protections already secured under a framework.

In short, for these customers, the right approach is to rely on contract law, bespoke service arrangements and existing dispute routes, rather than overlaying a domestic-style automatic compensation mechanism.

Microbusiness customers

We recognise that microbusiness customers can, in some respects, mirror domestic customers in how they interact with suppliers and experience detriment. However, we do not support expanding GSOPs further into microbusiness beyond the existing appointment standard.

While we can see the rationale for retaining the current appointment GSOP for microbusinesses, given the clear, binary nature of missed appointments and the direct inconvenience caused, extending GSOPs to areas such as erroneous transfers, switching performance or broader customer service metrics would risk importing the same issues we have highlighted for the domestic regime: duplication with licence obligations, contested responsibility across the industry chain, and a move towards a more prescriptive, trigger-driven framework.

Any future consideration of microbusiness protections should therefore be taken forward through licence conditions and outcomes-based supervision, where context can be considered and where remedies can be tailored, rather than through the expansion of automatic GSOP payments.

If Ofgem nevertheless considers further extensions for microbusinesses in future, it should only do so where the Chapter 1 criteria are clearly met, including that the failure is objective and binary, responsibility sits squarely with the supplier, detriment is material and identifiable, and there is no duplication with contractual remedies, licence-based obligations or Ombudsman redress.

Q9. Do you have any views on what the underlying rationale for the payment level and mechanism should be to best achieve the GSOP objectives?

We think any rationale for GSOP payments should rest on three linked principles: fairness and proportionality, funding and viability, and simplicity.

Fairness and proportionality

GSOP payments should be fair and proportionate to the detriment typically caused by the breach – we note this is also in line with Ofgem’s new compliance approach. GSOPs were never intended to mirror exact financial loss, but they should still bear a sensible relationship to the inconvenience or harm suffered, rather than functioning as a de facto fine.

In practice, existing payment levels are already generous relative to detriment in most cases. For example, in the faster switching context Ofgem’s own analysis indicated that the direct financial detriment from short delays was extremely small, yet the GSOP payment was set at £30–£40 to sharpen incentives

Where a breach causes serious, individual harm that goes beyond inconvenience, the right route is often tailored redress via the supplier’s complaints process and the Energy Ombudsman, not ever-higher GSOP payments on top. GSOPs should remain a simple backstop, with more nuanced cases dealt with by mechanisms that can consider the full context.

Funding and viability

GSOP payments are not funded from a separate pot. They ultimately come out of the already limited margin available to suppliers under the price cap and the resources used to run billing, metering and customer contact operations. If payment levels are increased significantly, or if repeat payments are introduced for ongoing breaches, the cumulative effect will be to increase the regulatory and cost burden on suppliers and reduce the headroom available to invest in

people, systems and service improvements. This is counter to Ofgem's Growth Duty and would further diminish the investability of the GB retail energy market.

Given the recent history of market exits and the very small level of allowed margin, it is essential that any change to payment levels or mechanisms is subject to a clear cost benefit assessment. That assessment should look not only at the marginal benefit to individual consumers, but also at the impact on suppliers' ability to remain financially sustainable and continue delivering good service to all customers over time.

Simplicity and automaticity

The current mechanism: a single flat payment per breach, with an additional payment if the GSOP compensation itself is paid late is easy for consumers to understand, straightforward for suppliers to administer at scale, and supports automatic payments without requiring subjective assessments.

We strongly oppose a shift to variable payment levels by standard, by perceived "severity" of harm, or by consumer group. In practice, such an approach would not lead to better outcomes for consumers and instead would:

- add complexity for consumers, who would have to understand different payment scales and categories
- increase systems and administrative costs and complexity for suppliers, particularly if payments diverge by customer type or breach category
- risk blurring the line between GSOPs (quick, simple, inconvenience-based payments) and Ombudsman or licence-based redress (which is already designed to deal with more serious, individualised harm)

Similarly, we oppose routine "*repeat payments*" for ongoing breaches on top of the existing late-payment provision. These would be difficult to design in a way that is fair, would invite gaming in some scenarios, and could cause total compensation to far exceed the typical detriment for many customers.

In summary, we consider that GSOP payment levels and mechanisms should:

- remain grounded in compensating for inconvenience in a fair and proportionate way
- reflect the tight funding and viability constraints suppliers operate under
- keep the regime as simple as possible, with a flat payment and minimal scope for variation.

On that basis, we support retaining the current £40 flat payment and do not support further increases, new variable bands or repeat-payment mechanisms unless there is clear evidence of material additional detriment and a positive cost benefit case.

Q10. Do you have any views on specific changes to the payment mechanism we should consider, including the examples included in this paper?

As set out in our answer to Q9, we support a simple payment mechanism based on a single flat amount per breach in a narrow set of circumstances. That approach best supports automaticity, proportionality and funding realism in a price cap world.

Against that backdrop, our views on the specific examples are:

- **Singular increase**
We do not support a further step change in the flat payment level at this stage. The recent uplift from £30 to £40 already restored the real value of payments. Any further increase should be evidence led and tested against the principles in Q9, rather than assumed as a default increase.
- **Variable level based on potential harm**
We do not favour variable bands by perceived severity of harm. As we note in Q9, GSOPs are not designed to assess individual loss. Trying to differentiate payment levels by harm would introduce subjectivity, add complexity and blur the line between GSOPs and Ombudsman style redress. Existing payment levels are also already generous relative to detriment in most cases.
- **Variable level based on consumer type**
We also do not support varying GSOP payments by customer type where the underlying failure is the same. As set out in our answer to Q8, any microbusiness coverage should remain tightly targeted and confined to cases where microbusinesses are in a very similar position to domestic customers. Where the same GSOP applies to both, the same breach (for example, a missed appointment) should not automatically attract a different amount simply because the account is domestic or microbusiness. Existing payment levels are already generous relative to detriment in most cases.
- **Repeat payments for ongoing breaches**
We are not in favour of repeat payments. The framework already includes an additional payment if the original GSOP is not paid within ten working days, which is a strong incentive to pay promptly. Layering repeat payments on top risks compensation escalating well beyond the typical inconvenience in many cases, creates scope for gaming in access constrained situations and is better handled through licence enforcement where there is persistent non-compliance. Existing payment levels are also already generous relative to detriment in most cases.
- **Inflation linked automatic changes**
Of the options presented, the only one we would be open to in principle is a simple inflation link applied to the single flat payment, to avoid large, ad hoc step changes. Any mechanism would need clear parameters and the ability for Ofgem to pause or review if wider market conditions made an automatic uplift clearly disproportionate.

In summary, we think the payment mechanism should remain a single, flat, automatically applied amount per breach, with limited, transparent inflation-based adjustments over time. More complex mechanisms, whether variable bands or repeat payments, would cut across the simplicity and predictability that make GSOPs work and add cost and confusion without a clear link to better outcomes.

Q11. Are there any issues we should consider with introducing repeat payments for ongoing breaches?

Yes. As we set out in our answers to Q9 and Q10, we do not support repeat payments. They would fundamentally change the character of GSOPs and create several problems.

Risk of gaming and perverse incentives

Repeat payments would create a strong incentive for some customers, or intermediaries acting on their behalf, to maximise the number of “breaches” rather than resolve the underlying issue. For example:

- a customer who needs a meter exchange could repeatedly decline or miss appointments but still expect multiple payments
- in complex cases involving access, landlords or third-party contractors, it may be hard to distinguish between genuine barriers and strategic behaviour

This would make it harder for suppliers to fix problems quickly and would direct time and resource into managing the compensation process instead of resolving the fault.

Disconnection from actual detriment

The inconvenience or harm from a delay does not increase in neat £40 increments. In many cases the impact on the customer is front loaded; for example, the original missed appointment or initial delay in resolving a problem. Repeating the same payment every few weeks or months would quickly push total compensation far beyond the typical detriment for most customers, especially where supply has been maintained and bills are accurate. That would blur the line between GSOPs as a simple backstop for inconvenience and a penalty regime. This would clearly also not be consistent with Ofgem’s new approach to Compliance.

Cost and operational impacts

Because GSOP payments are funded from the same very limited margin that supports contact centres, billing and metering operations, repeat payments would force suppliers to provision for much higher worst-case costs on each case. That in turn would:

- reduce headroom to invest in service, systems and training
- increase the volatility and uncertainty of costs associated with GSOPs.

This is especially the case if Ofgem do not reopen and uplift the price cap’s operational allowance in advance of making changes to GSOP. As set out above, under the price cap, domestic suppliers operate on wafer thin margins (just 1.47% in 2024). Further, the price cap funds suppliers to

provide an average level of service, based on historic supplier operational cost data, which in itself reflects their historical level of performance and compliance, including with GSOP.

In a market that has only recently stabilised after multiple supplier exits, adding open ended compensation obligations carries real risks for resilience and investability.

Overlap with existing tools

The current framework already includes an additional payment if the original GSOP compensation is not paid within ten working days. On top of that, persistent or systemic failure to resolve issues can already be tackled through:

- licence enforcement, where Ofgem can take account of context, require improvement plans and impose penalties, and
- the Energy Ombudsman, which can direct tailored remedies in individual cases.

These tools are better suited than automatic repeat GSOPs to dealing with ongoing breaches and persistent underperformance.

Fit with outcomes-based regulation

Looking ahead, Ofgem's Consumer Outcomes work is intended to shift the emphasis towards outcomes-based standards and licence obligations as the primary way of regulating overall service quality. In that context, we would expect the GSOP regime to become more focused over time, with a smaller number of tightly defined, binary failures covered by automatic payments and more of the wider performance landscape managed through the Outcomes framework. Introducing repeat GSOP payments would move in the opposite direction, expanding the role of GSOPs into areas that are better governed by outcomes-based regulation and increasing the risk of duplication and "double jeopardy" for the same underlying issues.

Alternative approach

Rather than repeat payments, we would support:

- a single GSOP payment when the clear, objective failure first occurs, plus the existing late payment top up if that GSOP is not paid on time, and
- a clear expectation that suppliers must remedy the underlying issue within a reasonable timeframe, with Ofgem using licence-based enforcement where they do not.

This would maintain a strong incentive to fix problems, while keeping GSOPs as a simple, predictable backstop rather than an open-ended penalty mechanism.

Q12. Are there any issues we should consider with introducing variable payment levels for different consumer groups or severity?

As set out in our answers to Q9 and Q10, we do not support introducing variable payment levels, whether by consumer group or perceived severity of harm. This would cut across the core strengths of the GSOP framework: simplicity, automaticity and predictability.

Simplicity and automaticity

GSOPs work because they are simple: a clear breach triggers a clear, fixed payment. Introducing different levels would require suppliers to:

- categorise customers (for example, by vulnerability or segment), and
- assess how “serious” the harm is in each case.

That inevitably brings judgement into a regime that is supposed to be automatic. It would slow payments, increase the risk of inconsistency and disputes, and add system and administrative complexity.

Fairness and transparency

If two customers experience the same failure (for example, a missed appointment) but receive different amounts because they fall into different categories or are judged to have suffered different “levels” of harm, this will be hard to explain and may appear unfair. The more bands that are created, the harder it becomes for consumers to understand what protection they have and for suppliers to apply the rules consistently.

Where harm is genuinely severe or unusual, this is better addressed through existing routes such as the complaints process and the Energy Ombudsman, which are designed to consider individual circumstances and tailor redress, rather than through a more complicated GSOP payment structure.

For these reasons, we recommend retaining a single payment level for all consumers for a given standard, and keeping GSOPs as a simple, predictable backstop rather than a mechanism that tries to differentiate between consumer groups or degrees of harm.

Q13. Are there any specific changes to the current set of exemptions that we should consider?

As set out in our answers to Q3 and Q5, GSOPs only work fairly where the failure is genuinely within the supplier’s control. The exemption framework is, therefore, critical. Currently this is fragmented and, in places, out of step with how the market operates, particularly in the smart environment.

We would support three main changes.

1. A single, cross-cutting exemption framework

Exemptions should be defined once and applied consistently across all GSOPs, rather than being re-written standard by standard. A single schedule or annex, with common wording and definitions, would:

- make it easier for consumers, the Ombudsman and suppliers to understand when GSOPs apply
- reduce the risk of similar scenarios being treated differently under different standards
- support consistent enforcement

Guidance should set out what evidence suppliers are expected to retain to rely on an exemption (for example, DCC incident references, engineer notes or access logs), without creating de facto new obligations or disproportionate record-keeping.

2. Clearer treatment of third-party, customer and system factors

Building on the principle in Q3 that GSOPs should only apply where suppliers can actually improve the outcome, we think exemptions need to be strengthened and standardised in three areas in particular:

- **Third-party and industry-system failures**
Suppliers should be exempt where the root cause lies with another part of the energy system; for example, network operators, meter operators, data collectors/aggregators or the DCC. In the smart context, this should explicitly cover WAN outages, DCC communications issues and other agreed industry incidents that prevent a job being completed or data being obtained, even though the supplier has taken reasonable steps. A smart meter installation missed solely because of a DCC outage should not trigger a GSOP payment.
- **Customer access and co-operation**
Exemptions should apply where the customer (or a landlord/representative) refuses access, repeatedly misses appointments, does not provide necessary information or otherwise prevents resolution. Customers have a role in enabling work to be done. GSOPs should not reward non-cooperation or make it harder to have honest conversations about access and scheduling.
- **Force majeure and unforeseen events**
There should be a clear, consistent force-majeure style exemption for events beyond reasonable control such as severe weather, widespread industrial action, major cyber incidents or other system-wide shocks. These concepts are familiar from other parts of the energy framework and should be mirrored here.

3. Safety and legal obligations

Finally, exemptions should explicitly recognise that safety and legal duties override timing requirements. If an engineer cannot safely enter a property, or additional checks are needed to comply with health and safety or legal obligations, a GSOP breach should not arise simply because a deadline has passed. That is consistent with Ofgem's own priorities around safety and with how other parts of the regime treat safety critical work.

In summary, we are seeking a clearer, consolidated and consistently applied set of exemptions that focuses GSOPs on genuine failings. This would ensure customers are compensated where suppliers fall short, while avoiding payments in cases driven by third-party failure, lack of access, systemic events or necessary safety and legal requirements.

Q14. Are there any specific changes to the target levels of existing standards that we should consider?

Overall, we do not see a strong case for tightening the existing target levels. For a backstop regime, they are broadly in the right place. The priority should be to rationalise and modernise the framework so that targets remain clear, evidence based and compatible with other parts of the rulebook, rather than to ratchet them up.

In particular:

- **Switching standards**

The recent change to require switches to complete within five working days is a significant tightening of the regime. We do not support further shortening of this timescale. Any future change should be based on clear evidence of systematic detriment under the current target and a full assessment of system and process costs.

- **Final bills and credit refunds**

The consultation highlights that there is both:

- a GSOP that requires a final bill within six months after supply ends, and
- switching standards and licence obligations that expect a final bill and associated credit refund within a much shorter period.

Having both a six week and a six month long stop for issuing final bills risks confusing customers and complicating compliance. We would support simplifying this area so that there is a single, clear expectation on timing in the licence, with GSOP used only where there is a persistent or clearly egregious delay that meets an objective threshold. This would keep the GSOP role focused on clear failures rather than duplicating routine billing rules.

- **Faulty meters, prepayment faults and reconnection**

Targets for investigating and resolving faulty meters, including prepayment issues that leave customers off supply, are already tight and have to be delivered within the constraints of field force availability, overall cost to other customers, safety procedures and access to premises. We recognise that Ofgem has now activated a 24/7 contact requirement for off supply due to a meter fault. That does not automatically mean that engineering attendance is, however, needed 24/7 as a back stop obligation. Any change to the underlying GSOP timescales should only follow robust evidence that current targets are failing significant numbers of customers and must balance speed of response with safe working practices, cost to wider consumers and realistic staffing levels.

- **Appointment making and keeping**

The existing appointment standards, which focus on giving a clear time slot and honouring it, are well understood and drive good behaviour. We do not see a need to tighten the target levels here. The key improvement is to ensure alignment between any new smart

meter GSOPs and the existing appointment standard so that customers see one consistent expectation, rather than multiple overlapping clocks for the same visit.

For the avoidance of doubt, as set out in our answers to earlier questions, we do not support introducing new GSOP target levels in other areas such as call handling metrics like speed of answer. These areas are better governed through licence conditions and the emerging consumer outcomes framework, not through automatic compensation triggers.

In summary, to ensure GSOPs remain focused on providing a backstop to a narrow set of clearly defined objective failures, we would prioritise:

- removing or consolidating overlapping long stop dates in billing standards
- aligning existing targets with new licence requirements only where there is clear evidence of harm
- resisting general tightening of targets in the absence of robust evidence and funding

Crucially, any discussion of target levels has to be grounded in what suppliers are actually funded to deliver. Under the price cap, domestic suppliers operate on wafer thin margins (just 1.47% in 2024). Further, the price cap funds suppliers to provide an average level of service, based on historic supplier operational cost data, which in itself reflects their historical level of performance and compliance, including with GSOP. Simply put, suppliers are resourced to provide a solid, “*budget-airline*” level of service across billing, metering and contact; not a premium, “*flagship-carrier*” experience on every metric, every day.

If target levels are tightened repeatedly without recognising those funding constraints, the result will not be sustainably better service. It will be more breaches, higher GSOP payouts, less headroom to invest in people and systems, and ultimately a weaker, less resilient market. In other words, using unfunded GSOP targets to chase ever higher service levels risks becoming a self-fulfilling prophecy: by demanding premium performance on a budget service envelope, the regime makes it harder, not easier, for suppliers to deliver consistently good outcomes over time.

Q15. Are there any improvements we can make to the way we collect data from suppliers specifically on their compliance with the GSOP?

We welcome the fact that GSOP performance data is already collected on a structured quarterly basis, but there is scope to make the process lighter, clearer and more useful for both Ofgem and suppliers.

In line with our comments on scope and design, we think GSOP data collection should be:

- proportionate to the role of GSOPs as a narrow backstop tool
- aligned with other regulatory returns, and
- designed with automation in mind from the outset.

We suggest three main improvements.

Standardise and rationalise the dataset

The current RFIs could be simplified and better aligned with other returns. We recommend:

- agreeing a single, common set of GSOP metrics and definitions across all suppliers
- removing any data items that duplicate information provided elsewhere (for example, in complaints, switching or smart-meter reporting)
- focusing on the minimum needed to monitor compliance and spot systemic issues, rather than collecting every possible breakdown.

Move towards automated, structured submissions

Over time, GSOP monitoring should move from spreadsheet-style RFIs to structured digital submissions. For example:

- a standardised template or portal that all suppliers use, with built-in validation of formats and totals
- longer term, an API-style interface allowing suppliers to upload GSOP data securely from their internal systems.

This would reduce manual effort and error on both sides, allow Ofgem to analyse trends more quickly, and support a more risk-based approach (for example, focusing follow-up on outliers rather than issuing broad RFIs to all suppliers).

Close the feedback loop

Finally, we would welcome more visible feedback on how GSOP data is used. For example:

- periodic publication of aggregated, anonymised GSOP statistics, trends and case studies of good practice
- clearer signposting where GSOP data has informed decisions on standards, exemptions or enforcement priorities.

This would help suppliers understand what matters most, encourage continuous improvement without “naming and shaming” for minor variances, and reinforce GSOPs’ role as a targeted consumer-protection tool rather than a purely compliance-driven reporting exercise.

Q16. Are there any additional risks that we should consider when exploring our approach to monitoring and ensuring supplier compliance with the GSOP?

The main additional risk is that in trying to address misinterpretation, manual claims and non-compliance, the monitoring regime itself becomes heavier, more rigid and less focused on actual outcomes for customers.

First, there is a risk that any new guidance issued to clarify GSOPs and exemptions, as we suggest in Q13, is treated in practice as a de facto new obligation rather than as interpretive support. If guidance is not clearly distinguished from changes to the regulations, suppliers can end up being judged against expectations that have not been formally consulted on or costed. We would therefore welcome clearer separation between guidance and rule changes, and an explicit

recognition that guidance is there to support consistent interpretation, not to introduce new duties.

Second, we are concerned about over reliance on headline GSOP metrics without enough room for context. As we note in Q15, better quality, more structured reporting (for example via a common template or portal) can help consistency, but only if the data is treated as a starting point for risk-based engagement. We would welcome a clear commitment that GSOP data will be used to identify patterns and prompt conversations with suppliers, not as an automatic trigger for enforcement action in its own right.

Third, any move towards publishing more comparative information or league table style outputs needs to be handled carefully. There is a clear parallel with some historic “advice ratings” that focused heavily on call wait times. In that context, suppliers who answered quickly but did not actually resolve problems could appear to perform better than those who took slightly longer but fixed issues properly. A similar dynamic with GSOP metrics could encourage surface level performance at the expense of genuine problem solving. We would therefore encourage Ofgem to focus on rounded insight (trends, outliers, case studies) rather than narrow rankings that risk creating a false narrative about who is “good” or “bad”.

Finally, the overall reporting and monitoring approach needs to be proportionate. If the volume and complexity of GSOP reporting grows too far, operational and analytical resource will be pulled into feeding the reporting process rather than using data to improve service. Linking any enhancements in monitoring to the simplified, more automated data collection approach we describe in Q15 would help manage this risk and keep the emphasis on improving outcomes rather than simply increasing compliance activity.

Q17. Is there a need for any supporting guidance, either aimed at suppliers or consumers, to improve the effectiveness of the GSOP?

Yes. We see a clear role for guidance, provided it helps interpretation rather than establishes new or extends existing rules.

GSOPs are, by design, quite terse in the legislation. In practice, that means there is room for different suppliers to interpret the same words in different ways; for example, how an exemption applies in a smart-meter context, or what evidence is needed to show a customer has refused access. Guidance can narrow these gaps so that customers receive a more consistent experience regardless of who supplies them.

We would support guidance that:

- explains, in plain language, what each GSOP covers, what triggers a payment and how the common exemptions (as discussed in Q13) should normally be applied
- provides a small number of illustrative scenarios, especially in areas where industry systems and shared responsibilities (for example DCC issues, network outages or access constraints) are in play

- is framed explicitly as interpretive support, helping suppliers and consumers understand how the existing rules work, and not as a vehicle for introducing new obligations or expanding the scope of standards.

If the regulatory regime is moving towards a more outcome-based approach, it is important that GSOP guidance complements that direction rather than cutting across it. Guidance should help translate the existing GSOP rules into clear, workable expectations, while leaving space for suppliers to innovate in how they deliver good outcomes and not turn GSOPs into a parallel, prescriptive checklist that competes with the outcomes-based framework.

Q18. Is it important that consumers are aware of GSOPs? Why?

Consumers should be aware of their rights, but we would caution against positioning GSOPs as a headline “*consumer offer*”. There is a balance to strike between meaningful awareness and creating unnecessary confusion or a compensation-led mindset.

A reasonable level of awareness is beneficial. Customers should have a clear understanding that where a supplier fails against certain defined, objective standards (for example, missing a booked appointment without notice or materially delaying a final bill), automatic compensation may be due. That reassurance can build confidence without requiring consumers to navigate technical detail.

However, over-promotion risks distorting behaviour and expectations. If GSOPs are ‘marketed’ aggressively (for example, framed as “*know your £40 rights*”), some customers may be incentivised to focus on compensation outcomes rather than resolution of the underlying issue. It can also give the impression that GSOPs are the primary route to redress, when for many service failures the most effective route remains prompt engagement with the supplier and, where needed, escalation through the complaints process and the Ombudsman.

In practice, we support clear signposting rather than heavy promotion, and it is important to note that suppliers already have obligations to do this. We currently signpost customers to our Terms and Conditions and related online information, which in turn reference the standards of performance materials available on our website. Ofgem also provides central information for consumers. We consider this approach broadly proportionate: it makes information available and accessible when needed, without elevating GSOPs beyond their intended role as a targeted backstop.

Q19. Are there any actions that Ofgem or suppliers should take to improve consumer awareness of the Guaranteed Standards?

Yes, but any action should aim to improve awareness in a way that supports resolution and good outcomes, rather than encouraging a compensation-first mindset.

In our view, the most effective approach is clear signposting to authoritative information, provided at the point customers are most likely to need it.

- **Maintain proportionate supplier signposting.** Suppliers should continue to signpost customers to relevant information through existing channels (for example, Terms and Conditions and web-based customer information), rather than heavily promoting GSOPs as a standalone feature. This ensures information is accessible without elevating GSOPs beyond their role as a targeted backstop.
- **Strengthen and simplify central information.** Ofgem should maintain a clear, consumer-friendly central webpage setting out: (i) what each GSOP covers, (ii) what triggers an automatic payment, and (iii) the common exemptions/high-level limits. A single authoritative source reduces inconsistency and avoids a “*patchwork*” of different explanations across suppliers.
- **Emphasise routes to resolution and escalation.** Awareness initiatives should focus primarily on what customers should do when something goes wrong (contacting the supplier, what to expect next, and when/how to escalate to the Ombudsman). GSOPs should be positioned as part of that wider journey, not as the primary objective.

Handled in this way, awareness can be improved while reducing the risk of confusion, gaming, or unintended incentives that detract from timely resolution.

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