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Dear Dave,

Our Reference:

Your Reference:

Report on the Quality of Energy Efficiency Advice from Electricity and Gas Suppliers

Thank you for the opportunity to comment on the above report. We are pleased to note that overall there have been real improvements over the last eighteen months in the standards of advice given by suppliers' energy efficiency advice lines.

In particular, we are pleased to note that the survey found our verbal advice to be high quality and thorough, including advice given on benefits, measures to install, grants and EEC schemes. The survey also found that almost a quarter of customers taking part in the mystery shopping exercise that contacted SSE were offered a home visit (the highest proportion of all the companies contacted). In addition, our staff were found to be polite, professional and well trained.

However, one area where Ofgem concluded that our performance was not up to the required standard was in providing customers with printed information, including information on grants / EEC, home energy reports, questionnaires and energy efficiency booklets. This issue was identified in the 2002 survey and as a consequence, we introduced a process to log all requests for printed information to be actioned by staff at times when call volumes were low. However, it is apparent that this process has not fully addressed the issue and we are currently investigating the reasons for this with a view to improving our performance in this area. In addition, we are reviewing the amount and scope of supplementary and printed information available to our energy efficiency advice line staff.

The report also concluded that we "seem to have fallen behind other companies" in the use of home energy audit questionnaires compared to 2002 when we were found to be one of the leading companies in the use of such questionnaires. However, our policy on the use of home energy audit questionnaires remains unchanged and this is reflected in a similar number of reports having been provided to customers in 2003 compared with 2002. In addition, while we recognise the value of home energy audits, we believe that in certain circumstances verbal advice can be of greater benefit to the customer as it can be more specific to a customer's needs.

Finally, Ofgem state in the foreward to the report that it supports the Energy Efficiency Partnership for Homes' Code of Practice on Energy Advice and is encouraging suppliers to sign up to this to demonstrate their commitment to providing quality advice. As you are aware, all suppliers are required to publish and comply with a Code of Practice on the Efficient Use of Electricity and Gas under their respective supply licences. In addition, the licence conditions require suppliers to maintain an energy efficiency telephone information service. Suppliers are also subject to the provisions of the Energy Efficiency Commitment.

In our view, therefore, we believe that this area is already adequately controlled (including minimum standards set) by the above regulatory provisions. As a consequence, while we are fully committed to providing quality advice to customers and we are always happy to consider measures to improve best practice, we do not intend to sign up to Energy Efficiency Partnership for Homes' Code of Practice at present.

If you have any queries on the above, please give me a call.

Yours sincerely

Rob McDonald **Director of Regulation**