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Dear David,

**Consultation paper: A strategy to define and prevent the disconnection of vulnerable customers.**

We welcome the opportunity to comment on the above paper. In relation to the areas highlighted in the paper we already have in place a number of procedures that deal with both regional and national customers who may be vulnerable. However, we would seriously consider any suggestions of additional measures, that could be put in place to further prevent inappropriate disconnection of vulnerable customers.

**Disconnection**

Disconnection is a last resort once all other possibilities have been exhausted and there is no further action that can be taken. In the majority of cases, payment of the debt will be made in the initial stages by agreeing a payment plan that reflects the particular circumstances of the customer. Where this is not the case, a pre-payment meter will be installed where it is practical and safe to do so. Only when these options have been exhausted would we consider disconnecting the supply. This applies to both electricity and gas customers. At all stages, customers are encouraged to contact their supplier to discuss their situation and possible ways in which disconnection can be avoided.

**Reconnection**

Where disconnection is the only option left available to us we will then work towards getting the customer reconnected as soon as possible. It is our experience that the majority of customers will be in touch within 48 hours. Where this is not the case, we have procedures in place to aid getting the customer reconnected promptly.

## **Priority Service register**

We have a Priority Service Register in place, which holds details of customers who have special needs. There is however, no obligation on the customer to be placed onto this register and we can only do our best to inform them and ask if they would be interested. If the customer agrees to go onto the register then, every time the customers account is accessed their particular special need will show.

## **Categories of possible vulnerable customers**

We broadly agree with the definition of vulnerable customers set out in the consultation document. However, we also agree that the list is not inclusive and may include customers who are in no way vulnerable. Where this is the case it would not be appropriate for them to be added to the register. It must also be recognised that suppliers do not have access to much of this information and therefore we agree that in most circumstances the categorisation of a customer as vulnerable will be a value judgement.

## **Data Protection Act 1998**

The guidance issued by the Information Commissioner states that where it is felt that it would be in the best interest of the customer, their details can be passed onto an organisation that would be able to intervene. Where possible this is with the customer's consent but referral can be made without prior consent. However, we believe that at present there seems to be limited involvement from Social Services. A list of all local Social Services addresses and contact names across the country would therefore be welcome. One way in which this could be facilitated would be if a list could be composed and updated by Ofgem and sent to appropriate parties who in turn would use the information and keep it secure.

## **Customer safety net**

We believe that we currently have in place procedures that are consistent with those that are detailed within the customer safety net.

## **Conclusion**

As discussed above, we agree and are committed to ensuring that those customers who are vulnerable are not disconnected inappropriately. To that end, we believe that the reviewed definition and broad safety net are helpful, although we would welcome a national contact list for Social Services. Overall we feel that we have in place a number of appropriate procedures in order to deal with vulnerable customers, consistent with the safety net. It is however, important to note that the threat of disconnection is important as a last resort to recover payments from customers who persistently refuse to pay energy bills and also to protect those customers who do regularly pay their energy bills from cross-subsidising such customers.

I hope that you will find the comments made helpful. If you would like to discuss any of the comments further please do not hesitate to call.

Yours sincerely,

Rob McDonald  
Director of Regulation

c.c. Russell Hamblin-Boone, Energy Retail Association