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CONSUMERS TELL OFGEM THEY WANT GREATER CLARITY AND REWARDS FOR LOYALTY

- **Rising prices have spurred energy customers to demand more from their suppliers**
- **Customers say they want suppliers to communicate better and help them save money**

Ofgem's panel of domestic energy consumers have told the regulator they think energy suppliers should focus as strongly on keeping their existing customers as they do on attracting new ones. They suggested that suppliers could reward loyal customers with bonuses or help with energy saving measures.

Alistair Buchanan, Ofgem's Chief Executive, said: "The Consumer Panel is a unique and powerful resource for Ofgem and I welcome this first report. Many thanks to the panel's members for giving their time and views. Their contributions will continue to provide insight into the concerns of ordinary consumers and feed into our decisions."

The Consumer First Panel was established by Ofgem so that panel members' views could feed into the regulator's programme of consumer-based initiatives. Each of the panel's regional groups met for the first time in October 2008 when they discussed a range of issues including their own energy use, their attitudes towards suppliers and the information suppliers provide to their customers.

The panel members' views have been useful in supporting Ofgem's work on the Energy Supply Market Probe and we will be taking forward some of the issues with suppliers. Key issues raised included the need for clearer information from suppliers and the need for proactive advice about the best tariff for individual consumers.

Information from suppliers

- Consumers wanted clearer and easier to understand bills from their energy suppliers. They wanted a simple indicator that will help them to compare prices across all suppliers.
- Suppliers should help customers to save money by giving them feedback on their energy use and provide additional helpful information, such as the average energy used by household appliances. Panel members said they would like information on how much energy a typical single person, couple or family household could be expected to use and how much they might spend.
- Some panel members said that they were puzzled that suppliers did not proactively advise customers about which tariff is best for them. There is some concern that there are too many tariffs available and that the information about them is not easy to understand.

Ofgem will regularly use its Consumer First Panel to provide feedback to the regulator on key energy topics and regulatory issues. As the panel members' experience grows, they will become more expert on the issues as they learn more about the energy industry. However, a proportion of members will be periodically "retired" and replaced with new members.

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Notes to editors

1. Ofgem's **Consumer First Programme** was introduced to help improve the regulator's understanding of what really matters to consumers and to reinforce its commitment to helping vulnerable customers. In October 2008 the programme was expanded to include the **Consumer First Panel**, made up of 100 everyday energy customers from five areas across Great Britain (London, Leicester, Beverley, Caernarfon and West Glasgow). The report published today presents findings from the panel's first workshops that were structured to cover two main areas: a general update on consumers' views and experiences in the home energy sector and consumers' information needs in detail, specifically to compare prices and suppliers and assist in decisions about switching.
2. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's powers and duties are largely provided for in statute, principally the Gas Act 1986, the Electricity Act 1989, the Utilities Act 2000, the Competition Act 1998, the Enterprise Act 2002 and the Energy Act 2004, as well as arising from directly effective European Community legislation. References to the Gas Act and the Electricity Act in this Appendix are to Part 1 of each of those Acts.

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