

# Consultation Response

## Smart Metering Implementation Programme: Consumer Protection (Ofgem) 28 October 2010

### About us

We're RNID, the charity working to create a world where deafness or hearing loss do not limit or determine opportunity and where people value their hearing. We work to ensure that people who are deaf or hard of hearing have the same rights and opportunities to lead a full and enriching life. We strive to break down stigma and create acceptance of deafness and hearing loss. We aim to promote hearing health, prevent hearing loss and cure deafness.

Our response will focus on key issues that relate to people with hearing loss. Throughout this response we use the term 'people with hearing loss' to refer to people who are deaf, deafened and hard of hearing. RNID is happy for the details of this response to be made public.

### Comments

RNID welcomes the opportunity to comment on the smart metering implementation programme. We also welcome Ofgem's continued efforts to involve RNID and other disability charities in the discussions around smart metering.

### CHAPTER 2

1. Do you have any views on our proposed approach for addressing potential tariff confusion? What specific steps can be taken to safeguard the consumer from tariff confusion while maintaining the benefit of tariff choices?

RNID agrees that Ofgem needs to monitor the changing situation with regards to new tariff choices and to develop new obligations when required.

Suppliers need to be aware that not all their customers will have a good standard of English. For example, customers with British Sign Language (BSL) as their first language may not have a good enough knowledge of English to understand information and options regarding tariffs. It is therefore important that suppliers are able to offer information in a variety of formats, including information on their websites in BSL. Staff must also be trained to provide information in plain English.

We would recommend Ofgem monitors information about tariffs to ensure that clarity and ease of understanding is inherent in all the information from the energy suppliers.

2. Do you agree with our proposed approach for addressing unwelcome sales activities during visits for meter installation?

It is not clear what approach Ofgem are proposing for dealing with unwelcome sales activities during visits for meter installation. We agree that the visit should not be used for unwelcome sales activities and we believe that this must be strongly stated to suppliers.

3. What do you consider as acceptable and unacceptable uses of the installation visit and why?

We disagree that customers should be able to give explicit advance consent to the visit being used as a sales and marketing visit. Not all consumers will understand the implications of giving their consent and it is the most vulnerable consumers who are least likely to feel they can say no. We therefore believe that no sales activity should take place during the installation visit.

We do however believe that information provision would be useful. Many people with hearing loss prefer face to face contact. They can lipread the other person and ask for clarification more easily than for example on the telephone.

Referral to other organisations would also be useful, as long as clear information was provided on what this would entail. Information must be provided on a variety of suppliers, including government run schemes. This could also have the advantage of encouraging suppliers to be more competitive in their rates.

The visit would also provide the opportunity to encourage people to sign up to the priority services register, and to record on their accounts things such as if they have a hearing loss and are unable to use the phone, or if they are profoundly deaf and use BSL, and would therefore possibly need an interpreter for further discussions.

4. Do you agree with our proposed approach to ensuring that the IHD is not used to transmit unwelcome marketing messages?

We do not believe the IHD should be used to transmit marketing messages of any kind. The IHD should only be used to provide information regarding energy use within the home. We believe that marketing messages could be confusing and would discourage consumers from using the IHD screens to their full benefit.

Energy efficiency messages could be an option, but again this could confuse people. It would be useful if the individual could opt in to these messages.

5. Do you agree that consumers should be able to obtain consumption information free of charge at a useful level of detail and format? How could this be achieved in practice?

We agree that consumers should be able to obtain consumption information free of charge at a useful level of detail and format. We also agree with Ofgem that further work should be undertaken with consumers on what would be a useful format and level of detail. We believe this research must also include vulnerable consumers and disabled consumers to ensure that a wide variety of people are able to understand the information provided.

We have concerns that the alternative for people without access to the internet is to ask a third party organisation to collect the information. We believe the individual supplier should be obliged to provide the information, for example as part of their monthly bill.

## CHAPTER 3

6. Do you consider that existing protections in the licence are sufficient to ensure that consumers are not remotely switched to prepayment mode inappropriately?

In an ideal world, the existing protections should be sufficient. We would however urge Ofgem to monitor the suppliers to ensure that these protections are adhered to.

Presumably suppliers generally send a letter to let a consumer know they are switching payment methods. However, not all individuals will read letters from the supplier, particularly if they have debt problems.

People who do not have English as their first language, such as some BSL users, may also struggle to understand the content of the letter. It is therefore important that suppliers contact the consumer in a variety of ways and ensure that the consumer is aware of what is happening before the switch is made.

We would also recommend a site visit to ensure that the consumer is not switched inappropriately.

7. Could provision of an appropriate IHD help overcome meter accessibility issues to facilitate prepayment usage?

It is an excellent idea for the IHD to help overcome meter accessibility issues. However, suppliers would then need to ensure that the IHD is in an accessible location, if fixed. Suppliers would also have to be able to replace lost or broken IHDs quickly.

Consumers will need to receive training and information on how to operate the new pre payment meter. With such a new technology there are unlikely to be many people who they can turn to for help. A helpline is therefore vital, and consumers must be able to contact this in a variety of ways including by telephone, textphone, email, letter and in person.

8. What notification should suppliers be required to provide before switching a customer to prepayment mode?

We would suggest that 7 days notice may not be enough time for some consumers. For example, if the supplier sends a letter notifying the consumer of the switch, the consumer may need help in understanding the contents of the letter. For example, a profoundly deaf BSL user may not have a good level of English and therefore may not be able to understand the letter.

We believe that suppliers must therefore ensure that the customer is aware and understands the switch before this happens. They should contact the consumer in a variety of ways to ensure this is the case. If they phone a consumer to confirm they understand the switch and discover that the consumer is unable to hear on the phone, then the supplier should arrange a visit to their home.

We suggest that the supplier notifies in the way most appropriate to the individual. For example, we would hope that it is recorded on the consumers file if they have problems hearing on the telephone, or if they prefer to be contacted by textphone.

The IHD should definitely not be the only means to notify a customer of a change in payment methods.

9. Do you believe that suppliers should be required to provide emergency credit and friendly credit periods to prepayment customers or whether, as now, this can be left to suppliers?

We believe that suppliers should be required to provide emergency credit and friendly credit periods. This would mean that someone for example, who is ill, would still be able to access gas and electricity, despite their inability to go out and buy credit.

However, we are concerned about how consumers will be aware of this and whether they will be aware that they will have to pay for this extra credit. Information is extremely important in this situation, to ensure that consumers are made aware of the suppliers' policies in relation to emergency credit.

Suppliers should monitor use of emergency credit so that they are aware of who is struggling to pay, or possibly struggling to use their meter. These people can then be given further help and support.

10. Do you consider that an obligation similar to Prepayment Meter Infrastructure Provision (PPMIP) may be required?

We agree that a variety of payment methods need to be offered. This should be a requirement of all suppliers. Some people will not be able to get to go out to a local shop to buy credit, or may not have access to the internet, and/or may not be able to hear well enough on the phone.

We also believe that consumers need to be given clear written and oral instructions for how to operate and top up their pre payment meter. Support mechanisms need to be in place.

11. Is the obligation which Ofgem is proposing to introduce on suppliers to take all reasonable steps to check whether the customer is vulnerable ahead of disconnection sufficient? If not, what else is needed?

We are concerned as to what suppliers will judge to be reasonable. We would therefore like to see the obligation strengthened and would support the requirement that a site visit is necessary. This is particularly important in cases where no contact has been received from the consumer, and therefore the supplier does not know if the consumer is aware of the decision to disconnect.

We would therefore like to see a requirement that if no contact has been received from the consumer in advance of the disconnection, there should be a home visit.

12. What notification should suppliers be required to provide before disconnecting a customer?

We believe that suppliers must notify the consumer of disconnection in a variety of ways. Using the meter or IHD to display messages would not be adequate enough as these could be missed. Suppliers must therefore contact the individual in the way that the consumer prefers. For example, people with hearing loss may not find it appropriate to receive a phone call, they may prefer to receive a letter or email, or contact through a text phone.

Suppliers must have a procedure in place to confirm that the consumer is aware of the impending disconnection and have had sufficient time to take action.

We would also urge suppliers to take advantage of the opportunity to update their records and to encourage people to join the priority services register. This information must be updated on a regular basis to ensure that vulnerable and disabled people are not disadvantaged.

13. Do you have any views on the acceptability of new approaches to partial disconnection and how they might be used as an incentive to pay bills?

We agree that load limiting is a useful method to allow consumers access to minimum levels of energy. However, consumers must be made aware that this is happening, otherwise they may think there is a fault with their system. Clear information must therefore be provided by the suppliers to ensure awareness.

14. Do you agree with our approach for addressing issues related to remote disconnection and switching to prepayment?

We generally agree with your approach for addressing issues related to remote reconnection. Safety must be the key requirement.

15. Have we identified the full range of consumer protection issues associated with the capability to conduct remote disconnection or switching from credit to prepayment terms? If not, please identify any additional such issues.

The main issue for people with hearing loss is around the provision of information in an accessible format. We therefore urge Ofgem and the suppliers to ensure that they provide information in various ways, and ensure that they check with consumers to ensure that they understand the new smart metering installation.

## CHAPTER 4

16. What information, advice and support might be provided for vulnerable consumers (e.g. a dedicated help scheme)? Who should it be provided to?

We would suggest that a scheme similar to that of the Digital Switchover help scheme would be useful. Digital switchover has a coherent marketing strategy that is recognisable and trusted. This has helped to raise awareness throughout the UK in a way that is familiar to everyone. If individual suppliers run separate help schemes, this could cause confusion and worry for vulnerable and disabled consumers.

## CHAPTER 5

17. Do you have any comments on our proposals to prevent upfront charging for the basic model of smart meters and IHDs?

Upfront charging will deter consumers from having a smart meter installed in their home. A charge would also disproportionately impact on those on lower incomes. We would therefore support Ofgem's proposals to prevent up front charging of the smart meter and IHD.

### **Conclusion**

We welcome many of Ofgem's proposals with regards to consumer protection in the smart metering programme. We would however like to see a few areas strengthened, including the requirement to make a home visit prior to any disconnection or switching of payment methods. We would also like to see a clear requirement on suppliers to provide information in a variety of formats, and to ensure that people with hearing loss are supported throughout the smart metering roll out.

### **Contact details**

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