



Ofgem RMR Report, October 2012

RWE npower recent domestic market product and service enhancements

Enhancements already implemented

Tariff simplification

npower has introduced changes to non-standard products by ensuring that all have a simple product structure that has a standing charge rather than a 2-tier unit price structure.

Comparison tool

npower is committed to providing consumer choice in a simple to compare and engaging way. Our website provides a simple comparison tool to allow customers to make appropriate choices.

Free phone 0800 and 0330 numbers

Following feedback from our customers we have replaced our 0845 telephone numbers with 0800 numbers. As many of our customers now only have a mobile phone rather than a landline, therefore we have also introduced 0330 numbers so that customers calling from a mobile will pay no more than they would if calling 01 or 02 numbers (the majority however, will have the cost included within their all inclusive minutes). We believe that we are the only energy supplier to offer this facility to our customers and estimate that this change will save our customers around £2 million each year.

Support customers who are struggling to pay

We have established a centralised Financial Solutions team to deal with referrals from other parts of our business. This specialist team can provide a full income and expenditure review to then offer a suite of enhanced services for customers struggling to pay, including Fuel Direct: npower Energy Trust, engagement with Macmillan, proactive tariff switch, referral for independent advice to Money Advice Trust (National Debtline), consumption only plans for genuine hardship cases and energy efficiency advice to reduce consumption/ bill value.

Meter moved at our cost to avoid disconnection

As a way to avoid disconnection, we will proactively relocate and fit a customer's prepayment meter at our own cost (which can sometimes be considerable), to enable the safe use of the prepayment meter.

Initiatives launched to improve communications with our PPM customers

We have significantly improved communications within the past 15 months, introducing a number of high profile initiatives to better inform our prepayment customers. These included:

- Energy Efficiency helpline contact details included on all debt follow-up letters and prepayment guides.
- Comprehensive new metering guides explaining how the meter works; how the tariff is collected by the meter, how the emergency credit facility works; how it collects debt; and what to do if they believe the meter is not working correctly.
- Enhancement of all non-vend customer communications to emphasise the benefits of vending regularly and the impact of not doing so.
- A campaign directed at low/ non-charging customers to encourage regular top-up and to contact us if they are struggling to manage financially.
- Electricity prepayment receipt messaging campaign advising gas prepayment customers of the importance of vending regularly to prevent debt or standing charge build-up over the summer months.
- Receipt messaging and poster campaigns were also used to inform customers of potential prepayment meter fraud issues.
- A campaign conducted in October 2011 informing all prepayment customers with winter 'Top Tips' and appropriate contact details.
- Improved prepayment information on our web-site, including meter information, winter 'Top Tips', links to various money advice agencies and links to payment outlet networks to enable the customer to identify the nearest/ most convenient outlet to buy credit.
- Interactive Voice Messaging (IVR) on all prepayment call routing to inform customers of the importance of vending regularly.

In addition, we have also:

- Increased our network of 'Super Outlets' to provide npower prepayment meter customers with improved choice and better access to vending outlets. As such, 98% of our prepayment meter customers are now within 5 miles of a 'Super Outlet'.
- Improved our prepayment meter installation process to ensure the vending key or card is with the customer on the same day.

Complaint Reductions

Despite our major system migration to SAP, we have made significant improvements in our complaint handling performance, particularly over the past 12 months. In Q4 2011 and Q1 2012, npower received a 3 star complaints rating from Consumer Focus following publication of their Energy Supplier Performance tables, a marked improvement over previous years which we expect to continue.

Virtual Hold

This is an automated call back system for customers calling our contact centres when we are either very busy or closed, and allows the customer to arrange a time and date up to seven days in advance for npower to return their call.

Speech Analytics

We have introduced Speech Analytics software to our Contact Centres to analyse calls from customers. This identifies the main drivers of calls and allows us to improve our processes and thereby the customer experience.

Best Utility Contact Centre – Times Top 50 October 2011

We were voted best Utility Contact Centre in a poll conducted by The Times in October 2011.

Energy Efficiency Online Survey

This is a new energy efficiency survey launched on npower.com providing customers with an energy rating for their property and offering help and advice on a number of different energy efficiency measures they can use to improve their rating.

Older Customers Charter

As part of npower's commitment of getting it right for our customers, a new online charter for our 'older people' customer base has been launched. The customer charter is a clear and simple statement of intent about what we will do for our older customers and a clear demonstration of our commitment to them. The charter can be found at:

<http://www.npower.com/Home/customerservices/supporting-older-customers/index.htm>

Macmillan Fuel Management Programme

We have teamed up with Macmillan to create and run a unique programme for our customers living with cancer who are fuel poor, called the npower Fuel Management Programme. npower customers diagnosed with cancer can call the Macmillan helpline to find out if they are eligible for the programme, which cuts bills, provides assistance with energy arrears, energy efficiency advice and a full benefits entitlement check.

Enhancements in train

SAP IT System

We are currently implementing our new system SAP which will deliver a number of significant improvements in relation to Customer Setup, Customer Contact Resolution, Consumption Data, Billing, Prepayment, Collections and Debt Management.

Tariff simplification

We are committed to improving our customers' experience and so have avoided significant changes to standard products at a time when customer accounts are gradually migrating from the old to the new systems and also at a time when the requirements of tariff simplification remain unclear, but are themselves potentially complex. We have therefore adopted an incremental approach to tariff simplification.

When customers are fully migrated onto the new systems and the requirements of tariff simplification are clearer then we will offer a revised standard product. Then, at the appropriate time, it is our intention to transfer customers from their existing standard product to the new simplified products.