



Meeting Notes

Consumer Bills and Communications Roundtable

Fifth meeting of the Consumer Bills and Communications Roundtable Group	Date and time of Meeting Location	27 th November 12:00 – 15:00 Ofgem, 9 Millbank
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The meeting note below lays out the main discussion points, agreements and action points for the fifth meeting of the Consumer Bills and Communications Roundtable Group (CBCRG).

Attendees

Gillian Cooper	- Consumer Focus
David Bendelman	- DECC
Patrick Whitehead	- DECC
Dave Newton	- DECC
Elizabeth Garber	- EDF
Alun Rees	- Energy UK
Mark Sommerfeld	- LoCo2
David Mitchem	- SSE
Louise van Rensburg	- Ofgem (Chair)
Colin Sausman	- Ofgem
Stew Horne	- Ofgem
Chris Smith	- Ofgem
Sarah Bradbury	- Ofgem
Jemma Baker	- Ofgem

Key discussion and action points

- Energy UK and DECC had a previous action to investigate the possibility of sharing suppliers' consumer research looking at Bills and other communications from each of the suppliers amongst the group. Given commercial sensitivities, it was decided it may not be possible to share the full research. However, Energy UK and DECC were looking at producing a summary document.

ACTION – Energy UK and DECC to investigate and feedback to the group.

- Previous action on participants to review and comment on the working paper. It was decided that for this document to be effective it needs to reflect the plurality of views within the group where these exist.

ACTION – Participants to review and comment on the working paper by 14th December 2012 for their views to be incorporated in the next iteration.

- Following the publication of Retail Market Review (RMR) consultation¹ the timeline of the group, and its remit was discussed. It was agreed that now the work on the RMR December consultation has been completed the group's focus would solely be on bills and consumer communications and that Ofgem would continue to chair the group.

ACTION – Date to be set for next meeting at the end of January

- Additionally, participants' gave views on Ofgem's RMR proposals for consumer communications. The notes from these discussions are attached at Annex A.

¹ REF

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Annex A

Summary box on bill

- It was felt that the bill needed to be seen in full, rather than the majority greyed out, in order for the full impact of the amount of information to be understood.
- The summary box was considered to be very text heavy and may be more likely to grab a consumer's attention if a more modern method were to be used to convey the information i.e. using info graphics.
- The prescribed format does not leave space for a full explanation of what the TCR is, as is provided on the Annual Statement, which could reduce its usability.
- A number of suppliers told the group of some of the findings they had from their own recent research and how it has informed the development of their latest formats.
 - For instance, consumers' preference for a single page bill meant they put all key information on the front and additional 'compliance' and relevant information on the back.
 - Information on personal projection was well received by consumers.
 - The TCR next to unit rate had the potential to cause confusion.
 - Having a nationalised TCR next to personalised tariff information was also considered to have the potential to be confusing due to the omission of the regional element.
 - Dual fuel raised as a potential issue on the bill in terms of the large amount of information that needs to be fit onto the template. In addition there are cost implications for the number of times the billing systems may need to be run in order to produce each of the pieces of personalised information i.e. in addition to the billing information: current personal projections on both fuels and two cheapest tariff messages for each fuel.

Cheapest Tariff messaging

- The logic and necessity of a two step message was questioned, with possible issues arising for recommendations on different meter types, different payment types etc. In addition, this may cause issues for small suppliers where they offer a limited number of tariffs.
- Clarification sought on what message should be used for those consumers already on the supplier's cheapest tariff and whether in certain instances repetition of messaging would be appropriate.
- Some views were that the messaging presented too much information to the consumer. There was some discussion over whether it be more appropriate to use the tool purely to grab the attention of the consumer and encourage them to explore their energy options, rather than attempting to provide them with the answer. However, it was suggested that it could function as a prompt to sticky customers who may not be inclined to search more widely.
- Interactions of the messaging with fixed term products were also discussed. Where these may change over time, they will need to make sure that the tariff will be available when the consumer goes to switch. In addition, it was felt that a focus on

price may miss the opportunity for consumers to take on fixed rate tariffs that may be more expensive at a snapshot in time but be of better value in the long term.

Regulatory approach

- Discussion over whether the current approach is necessarily the most ideal. It was suggested that prescription is just one way of addressing the issues identified with supplier communications and that other routes to finding a solution could be explored..
- The various implications of differing levels of prescription in terms of adaptability and cost were also discussed. There was a suggestion that using industry codes could be an alternative governance route to allow elements of the rules to evolve over time.

Annual Statement

- It was noted that this had by far the highest level of prescription and there was discussion as to whether this was warranted.
- Clarifications sought on the key contractual terms that need to feature. Green Deal was discussed in terms of how any additional requirements will be incorporated. Currently rules are focussed on information being provided on the bill but there is also a placeholder in place on the Annual Statement. Ofgem will be looking to consultation responses for any further views on this.
- Some concerns were raised over providing separate gas and electricity statements for dual fuel customers in terms of cost.

Price Increase Notice

- The group were supportive of these proposals.
- Some concerns were raised about the cost to suppliers of providing the required amount of pricing information.
- It was suggested that the limitation on providing any additional information would preclude useful contextual information for the price increase and how to manage increased bills e.g. through energy efficiency measures. An additional leaflet or similar could provide such information considered useful to the consumer.

Tariff Information Label

- The difference in requirements and use of the standalone tariff information label and the one embedded in the Annual Statement was discussed. Where the standalone version had regionalised standing charge and unit rate as well as a nationalised TCR, it would require a consumer's location to be accurate but still provide a nationalised TCR figure. This may reduce the usability of the information provided.
- Some clarifications were sought on where key information should sit such as a consumers' fuel mix and particular discounts and surcharges.

Standardisation of Terms

- The intention is for industry to lead on the standardisation of key terms across communications, though the appropriate scope and approach to this process is yet to be decided.



Meeting Notes

QR Codes

- DECC provided an update on their current work on the introduction of QR codes into supplier communications as a tool for consumers to use their data more effectively.
- This work is still very much in development stage and DECC are working with BIS to explore how this sort of technology could be introduced into the energy market.