

ENERGY BEST DEAL

Facilitator background notes 2013-14

ofgem



Table of contents	
Introduction	5
Ofgem reforms	5
Questions consumers should ask themselves annually	6
Information required in making an informed choice	6
A new energy deal	7
Are there any reasons why a consumer might not be able to switch?	7
Can a supplier insist on suitable financial security before it agrees to supply a consumer?	8
If a consumer wants to pay by direct debit, can a supplier ask them to go through a credit check?	8
How to choose the best deal	8
What is a switching site?	9
What if a consumer doesn't have internet access?	10
What if a consumer has not heard of a supplier before?	10
Switching	10
What happens next?	10
Is there anything the consumer needs to do during the switching process?	11
Will the energy supply be interrupted?	11
What happens if the consumer switches and their new supplier changes their prices?	11
What is the 30day rule?	11
A consumer's tenancy agreement says that they cannot switch supplier	11
Group buying – another saving option	12
Collective purchasing and switching	12

Oil clubs	12
Suppliers' annual energy statements	12
What information will a consumer receive about their consumption level in an annual statement if they haven't been with their supplier for a year?	12
Does the consumer have a faulty meter?	13
How to check a meter	13
Reporting a problem with a meter	13
Getting an official meter test	13
Debt	14
Key Principles suppliers take into account	14
If a consumer is on a prepayment meter (PPM) and owes their energy supplier £500 are they able to switch?	15
If a consumer is in debt to their energy supplier and is paying it off by instalments and then their supplier puts up their prices and because of this the consumer wishes to switch – what can they do?	15
If a consumer has outstanding debt as a result of an error made by their supplier, can the supplier stop them from switching?	15
Can a consumer switch supplier if they are owed money by the supplier?	16
Can suppliers disconnect their customer if they have a debt?	16
How is it possible for a consumer to owe money due to a price increase when they have a prepayment meter?	16
How else can debt build up on a prepayment meter?	17
Being approached by salespeople	17
What can a consumer do if they have verbally agreed to switch supplier as a result of being approached by a salesperson but aren't sure if it is a better deal?	17
What can a consumer do if a supplier has phoned them to see if they would like to switch, the consumer says yes to the switch but then becomes unsure as to whether the overall price is cheaper?	18
What should a consumer do if they think their supplier has been dishonest in selling them a product, or has failed to meet the requirements outlined above?	18
Moving into a new home	19

How to find the electricity (MPAN) number	19
How to find the gas (MPRN) number	20
How to read a meter	20
Struggling to pay energy bills	20
What can consumers do when they are unable to pay their energy bills?	20
What is the Warm Home Discount Scheme?	21
How can a consumer improve the energy efficiency of their home	22
The Green Deal	22
Ten tips to stop wasting energy and money	23
Help for older, low-income or disabled customers	24
If a consumer struggles to view their meter - can it be moved?	24
What is a Priority Service Register (PSR)?	24
Free gas appliance safety check	25
What government and supplier initiatives are available for low income, older and disabled customers to make energy more affordable?	25
The Winter Fuel Payment	25
The Energy Companies Obligation (ECO)	26
Home Energy Efficiency Programmes for Scotland (HEEPS)	27
NEST (Wales)	27
What are cold weather payments?	27
Services available to help with communicating in English	28
Problems and complaints – who to contact	28

Introduction to Energy Best Deal campaign

Citizens Advice and energy regulator Ofgem have been involved in this campaign since 2008, with funding coming initially from the Department of Energy and Climate Change (DECC) and then various energy suppliers. The campaign provides advice on how to ensure consumers are not paying more than they need to for their energy, and where they are struggling to pay their energy bills, highlighting where help is available. Consumers should be given the confidence to choose the best energy deal. Suppliers are trying to make it easier by:

- providing clearer information on bills;
- providing an annual statement (detailing consumer's tariff, consumption for the past 12 months with that supplier, estimated cost in £s for the next 12 months supply – if using the same amount of energy on the same tariff);
- allowing card, key or token meter customers to switch even if they have debts of up to £500 per fuel;
- not charging consumers more for one payment type than another, unless the charges can be justified by cost; and
- having their salespeople provide consumers with written estimates and sales literature that is clear, accurate and easy to understand.

The best advice to give your clients is for them to talk to their supplier about their circumstances and ask what the supplier can offer them to reduce their energy bills. Then for them to speak to other suppliers to compare deals offered and choose the best based on their circumstances. They should also take advantage of the help available from suppliers and Government initiatives. You can help facilitate this discussion using the information found in here.

Ofgem reforms

Changes are being introduced by Ofgem to make the energy market simpler, clearer and fairer for consumers. There will be a limit on the number of tariffs being offered and they will be simplified to make it easier for consumers to compare and get a better deal. New rules on supplier conduct will mean consumers get fairer treatment. And the information they send will be easier to understand and more useful – including personalised information on their bill about the cheapest tariff from their supplier and how much they could save.

Ofgem proposes that the main tariff reforms will all be in place by 2014. Other aspects, like the standards of conduct to ensure fair play for consumers, are already in force as they came into effect in summer 2013. This places an overarching condition on suppliers to consider consumers' needs

and treat them fairly. For the latest information on the Ofgem reforms, see Ofgem's website at <http://www.ofgem.gov.uk/retail-market-review>

Questions consumers should ask themselves annually

As with insurance for products or mobile phone packages, consumers should at least once a year check that they are on the best energy deal for their circumstances. They should ask themselves these questions:

- am I on the best energy tariff¹ for my needs?
- am I on the best payment option² for my needs?
- would switching supplier(s) save me money?
- am I eligible for welfare benefits?
- am I eligible for a grant to improve the insulation and energy efficiency of my home?

Information required in making an informed choice

Before a consumer decides to change their energy deal (i.e. switch payment method, tariff or supplier) they should make sure that they have one of the following to hand: their annual statement; copy of their last few bills; or if they use a card, token or key meter have an idea of how much they spend a week/month on energy (consumers who use the prepayment method should receive an annual statement each year). Key information to know:

- the name of the tariff they are currently on (if they don't know they can contact their supplier);
- how much was spent on energy in the last year;
- how they currently pay for their energy;
- any benefits they may be getting; and
- their postcode.

There are different ways to find out about potentially better energy deals:

- talk to their own supplier or view their website;
- use one of the approved online price comparison services listed on Ofgem's website <http://www.ofgem.gov.uk/information-consumers/domestic-consumers/switching-your-energy-supplier/confidence-code> and listed on page 9;

¹ There are a number of different tariffs, an example of some are: prepayment; online; single fuel; dual fuel; capped prices; green energy; economy 7; market tracker etc.

² There are a number of different payment options, an example of some are: direct debit, pre-payment, quarterly billing etc.

- if a consumer cannot access the internet they can call Citizens Advice consumer service on 08454 040506 for a pricing factsheet for their area or general advice; or
- contact other energy suppliers to compare deals.

To provide consumers with confidence in the switching process, suppliers are committed to abide by certain standards set by Ofgem, which say:

- customers must not be sold inappropriate products and services or anything they do not fully understand;
- energy firms must not change the product or service a customer receives without explaining why;
- suppliers must not prevent customers from switching without good reason;
- products should not be unnecessarily complex or confusing; and
- it should be easy for customers to contact energy firms, and suppliers must act promptly and courteously where they have made mistakes.

If a consumer feels that a supplier is not abiding by these standards they can lodge a complaint with the supplier by following their complaints procedure. The supplier is obliged to provide details of this on their website and/or post a copy to the consumer when asked.

Frequently Asked Questions

A new energy deal

Are there any reasons why a consumer might not be able to switch?

Most people will be able to change their supplier. But there are times when changing may not be possible, for example if:

- the consumer has unpaid debts with their supplier – this does not necessarily mean they can't switch but they may have to clear the debt before switching. For customers with a prepayment meter (PPM) the unpaid debt can be transferred to a new supplier (up to £500 per fuel). If the debt is caused by an error the supplier made, they can't stop the consumer switching;
- the consumer has a fixed-term contract, they could be charged an exit fee if they try to switch during the contract;
- the consumer pays a landlord for gas and electricity either as part of their rent or separately. Where the customer is responsible for paying their energy bill directly to the supplier, they have the right to choose their own energy supplier and their landlord or letting agent should not unreasonably prevent this. The consumer may need to tell the landlord or letting agent if they switch supplier and to return the account to the original supplier at the end of the tenancy, if this is part of the tenancy agreement.

Can a supplier insist on suitable financial security before it agrees to supply a consumer?

In some situations before they'll agree to supply gas or electricity the energy supplier might insist a consumer do one of the following:.

- join a regular payment plan
- agree to have a prepayment meter
- provide a guarantor
- put down a cash deposit.

This might apply if they are a new customer and cannot provide proof of their identity, or if they have a poor payment record.

If a consumer wants to pay by direct debit, can a supplier ask them to go through a credit check?

Yes. However, the consumer will need to give permission for the check. Failing the credit check may have a negative impact on their credit score.

How to choose the best deal

Before switching, it is important to decide what sort of deal is best suited to the consumer's circumstances – for instance an internet deal is unlikely to suit someone who does not own, or has infrequent use of, a computer. There are many different types of deals available, the most common are:

- dual fuel³ – getting gas and electricity from the same supplier. Though dual fuel isn't always the cheapest. Sometimes it can be cheaper to get gas and electricity from different suppliers;
- fixed rate – this means the price of the energy unit will not change for the duration of the deal, but bills could still increase if more energy is used; and
- internet deals – suppliers offer discounts for customers who receive their bills over the internet.

Both fixed rate deals and internet deals may state that the customer can only switch to another deal or supplier after a fixed period. If the consumer wishes to switch before the set period they will have to pay a fee (similar to mobile phone contracts).

³ Suppliers should offer a reflective cost discount to customers who are only supplied with electricity (if they are off the gas grid and therefore do not receive a gas supply at all).

What is a 'switching site'?

With energy companies now offering a wide range of deals it can be confusing as to what's on offer. To help consumers decide which tariff is the best for them there are Internet price comparison services (switching sites) where comparisons can be made between the different offerings from domestic gas and electricity suppliers. Most of the switching sites search for the best deal based on price. However some will find the best deal based on other preferences or priorities such as capped price deals or green tariffs⁴. Some sites also show how different suppliers compare on customer service. The following switching sites are approved by Ofgem⁵:

Website	Telephone⁶
www.theenergyshop.com	0845 330 7247
www.moneysupermarket.com	0845 345 5708
www.myutilitygenius.co.uk	0203 468 0461
www.uswitch.com	0800 051 5493
www.ukpower.co.uk	0800 320 2000
www.unravelit.com	0800 862 0021
www.energyhelpline.com	0800 074 0745
www.energylinx.co.uk	0800 849 7077
www.which.co.uk/switch	01992 822 867
www.simplyswitch.com	0800 011 1395
www.switchgasandelectric.com	0871 711 7771

⁴ Please note that suppliers who are signed up to the green accreditation scheme i.e. those whose green tariffs are truly 'green' display the accreditation logo on their website. For details of the accreditation scheme go to www.greenenergyscheme.org.

⁵ The Ofgem Consumer Confidence Code is designed to help make the switching process easier, more reliable and provide reassurance for consumers.

⁶ Note that some of these numbers are not free from either a landline or mobile phone.

What to do if a consumer doesn't have internet access

They can phone Citizens Advice consumer service on 08454 040506, who will send them a factsheet with the deals available in their area.

Consumers may get approached by sales people from energy suppliers (e.g. in shopping centres) offering them new deals. It is important to remember that these salespeople, like most doorstep salespeople, may only work for one energy supplier so they will only be able to show deals from that particular supplier. If the consumer wishes to consider an offer from a salesperson, they should be armed with information from their annual statement or latest bill when considering any deal offered.

What to do if a consumer has not heard of a supplier before

While most people will have heard of the 'big six' energy suppliers (British Gas Centrica, EDF Energy, E.ON, RWE Npower, Scottish Power and SSE) not everybody will have heard about other smaller energy suppliers. While they may not be household names, smaller energy suppliers are subject to the same rules and regulations as the 'big six' and customers may miss out on a good deal if they do not consider them in their switching decision.⁷

Switching

What happens next?

Once a new deal is chosen a consumer can either switch using an internet price comparison service or by contacting the supplier they would like to switch to, and providing the supplier with some basic billing information so a new account can be opened as smoothly as possible. The new supplier will be responsible for organising the switch. The whole process can take up to 6-8 weeks. During that time the consumer's gas and / or electricity will continue to be supplied by their old supplier.

If after signing the contract the consumer is unhappy about their decision to change supplier or change their mind for any reason, they have **14 days to cancel** the contract. In these circumstances they will not have to pay anything to cancel the contract.

If the consumer encounters any problems during the switch or is unhappy about the process they can contact the old or new supplier or Citizens Advice consumer service (08454 040506, or for the Welsh language service 08454 040505) for help and advice or visit www.adviceguide.org.uk.

⁷ If a customer receives Warm Home Discount they should check that they will continue to receive this if they switch supplier. Outside of a 'core group' suppliers have different eligibility requirements and some small suppliers are not be required to offer the discount. See page 21 for information on the Warm Home Discount.

Is there anything the consumer needs to do during the switching process?

The new energy supplier will take responsibility for the switch and keep the consumer informed of progress. If the consumer pays by Direct Debit they should contact their bank to cancel the Direct Debit to their old supplier after their final bill has been paid.

Will the energy supply be interrupted?

No, the new supplier will use the same meters, wires and supply lines as the previous supplier. The suppliers will sort out the change over between them and there will be no break in supply to the consumer.

What happens if a consumer switches and their new supplier changes their prices?

There is a chance that the new supplier may make changes to their prices before the consumer has completed the switching process as it can take on average 6-8 weeks for a switch to take place. The new prices will apply to the consumer's new tariff unless they chose a product that guaranteed the price they will pay for a certain period. These are known as capped tariffs and they usually have a fixed term. Energy suppliers have to inform their customers if they change their prices. Even if the consumer is paying a fixed price per unit of energy, the amount they will pay will go up if their energy usage increases.

What is the '30 day rule'?

Energy suppliers are required to notify their customers of a unilateral variation to their contractual terms (i.e. price changes) which increase prices or which are to their 'significant disadvantage' at least 30 days in advance. No termination fees will be charged if the customer switches supplier within 30 days after notification of price rises.

A consumer's tenancy agreement says that they cannot switch supplier

Under Ofgem rules if a tenant is directly responsible for paying the gas and/or electricity bills, they have the right to change energy supplier at any time. They also have the right to change the way they pay for energy. The only circumstance where a landlord has the right to choose the energy supplier is when they are directly responsible for paying for the gas or electricity.

The consumer may need to tell the landlord or letting agent if they switch supplier or change the way of paying. They may also need to return the account to the original supplier or way of paying at the end of the tenancy, if this is part of the tenancy agreement.

If a tenant pays their landlord for energy and is concerned about the cost of their bills, it is worth them talking to their landlord. There is a maximum price that landlords can charge tenants for energy, called the Maximum Resale Price. Tenants may need to check they are not being charged

too much. The maximum amount landlords or “resellers” are permitted to charge for gas or electricity is the amount they have paid for it, plus VAT at the appropriate rate. Find more information visit the Ofgem website: <http://www.ofgem.gov.uk/domestic-consumers/Documents1/1837-mrpdecision07.pdf>

If a tenant believes their supplier is unreasonably preventing them from switching or changing the way they pay, they should contact their supplier to complain. Energy companies have a maximum of 8 weeks in which to resolve complaints and if they cannot resolve them customers can ask the Energy Ombudsman to investigate. See page 18 for more information about the Energy Ombudsman.

Group buying – another saving option

Collective purchasing and switching – there are benefits to joining together with your neighbours and combining your buying power to get better electricity and gas deals. For more information visit the Department for Business Innovation & Skills (BIS) website: www.bis.gov.uk/assets/biscore/consumer-issues/docs/g/12-593-guide-for-community-buying-groups.pdf and the GOV.UK website: www.gov.uk/collective-switching-and-purchasing.

Oil clubs - by joining a club. The club will negotiate with suppliers the best bulk purchase price for heating oil. The club can help your cash flow by allowing you to order smaller amounts 4 times a year but still benefit from the bulk pricing. For more information visit the Citizens Advice website: www.citizensadvice.org.uk/index/campaigns/oilclubs.htm.

Suppliers’ annual energy statements

Consumers started to receive an annual energy statement from their supplier for the first time in 2010. The statement is not from January to December but for any 12 month period. The statement gives consumers information about how much gas and/or electricity they've used that year and how much it has cost. The statements should make it easier for consumers to compare tariffs and make sure that they are getting the best deal on their gas and electricity. It should also make it easier to switch, because it will provide the consumer with all the information they need to compare prices on one piece of paper, so there's need to hunt around for bills or do complicated calculations to work out annual usage.

What information will a consumer receive about their consumption level in an annual statement if they haven't been with their supplier for a year?

The consumer will only receive a consumption level for the last year if they have been with the supplier for 12 months or more. If they have been with the supplier less than 12 months then the

statement will include an illustrative projected cost for the following 12 months based on current tariff and consumption levels.

Does the consumer have a faulty meter?

If a consumer has a much higher bill than usual, this could be due to a price increase, a mistake with the bill or getting an actual meter reading after estimated readings, leading to a large catch-up bill. It could also be because more energy has been used, for example if someone has just had a baby or if the weather has been exceptionally cold. If it's not for one of these reasons, it is worth checking out if there is a faulty meter, although this is rare.

How to check a meter

A consumer can check their meter after turning off appliances or the gas pilot light and seeing if there is a change. If the meter stops, it's worth turning appliances on one by one to check there isn't a problem with a particular appliance.

Reporting a problem with a meter

If the consumer thinks there is a problem with the meter they should report it to their supplier. The supplier may suggest a meter reading which can be taken daily over a week to check patterns of energy use. They may also suggest installing a check meter alongside your current meter to see if it records the same energy usage. They may charge for these tests.

If there is a fault the supplier will repair or replace it. If the consumer was paying too much, their supplier has to give them a refund. If they were being undercharged, they will have to pay extra. The amount will be based on how long the meter has been wrong and by how much. If paying it off will cause the consumer financial hardship, ask the supplier to spread the payments over a longer period.

Getting an official meter test

If these tests don't solve the problem the consumer can get an official meter test. The consumer will have to pay for the test, but they will get the money back if their meter turns out to be faulty. If the tester wants to take the meter away, the consumer should make a note of its serial number and the reading beforehand. This may help avoid disputes over billing later.

Debt

If a consumer is in debt to their supplier then the supplier *must* offer a payment arrangement that takes into consideration the customer's financial circumstances and ability to pay. For example, if the customer is on certain benefits, they may be able to repay the debt through the **Fuel Direct** scheme. Under Fuel Direct, a fixed sum is removed weekly from the customer's benefits by the Department of Work and Pensions and passed on directly to the customer's energy supplier.

Debts can be repaid over a period of months along with customers' ongoing supply. If the consumer is worried about debt they should contact their supplier, local CAB or other advice agency – their supply is at risk if they do not deal with the debts. They can find details of their local Citizens Advice Bureaux by visiting www.adviceguide.org.uk.

Ofgem has identified a number of **Key Principles** suppliers should take into account to ensure that they are properly and proactively taking account of a customer's ability to pay:

Having appropriate credit management policies and guidelines

- Allowing for customers to be dealt with on a case-by-case basis
- Linking staff incentives to successful outcomes not repayment rates

Making proactive contact with customers

- Making early contact to identify whether a customer is in payment difficulty
- Regularly reviewing methods of proactive contact to ensure they meet the needs of customers
- Using every contact as an opportunity to gather more information about the customer's situation

Understanding individual customer's ability to pay

- Providing clear guidance and training for staff on how to elicit information on ability to pay and monitoring the effectiveness of this
- Making it easier for customers to raise concerns
- Making full use of all available information
- Proactively exploring not only payment amount but appropriate payment methods

Setting repayment rates based on ability to pay

- Where default amounts are set it should be made clear that these are guidelines only and in any event the levels should be reasonable
- Ensuring all available information is obtained and taken into account including the customer's circumstances identified on the warrant visit or when installing a prepayment meter on a warrant
- Not insisting on substantial up front payment before reconnection

Ensuring the customer understands the arrangement. There must be clear communication with the customer which allows them to understand:

- How much they are repaying each week
- When the debt will be repaid
- What to do if they experience difficulties
- For prepayment meter customers this includes explaining that debt will be recovered regardless of usage (e.g. over the summer).

Monitoring of arrangements after they have been set up

- Individual arrangements must be monitored:
 - for credit customers' broken arrangements;
 - and for prepayment meter to check whether it is being used initially and on an ongoing basis.
- There should be monitoring of agreed repayment rates across staff using call listening and other techniques to encourage a consistent approach
- Monitoring of failed arrangements to understand whether inappropriate rates are being set
- Monitoring of overall repayment rates and recovery periods to understand trends.

If a consumer is on a prepayment meter (PPM) and owes their energy supplier £500 are they able to switch?

Yes - the level of debt you can have and still switch (threshold for debt assignment) on a PPM is £500 per fuel.

If a consumer is in debt to their energy supplier and is paying it off by instalments and then their supplier puts up their prices and because of this the consumer wishes to switch – what can they do?

Customers have 30 working days from the time they receive notice of the price rise in which they can avoid any retrospective application of this price rise by clearing their debts and switching supplier. If they do not clear their debts then their energy usage will be charged at the new price. If this impacts the amount that the customer is able to pay in instalments towards paying off their debt they should discuss this with their energy supplier.

If a consumer has outstanding debt as a result of an error made by their supplier, can the supplier stop them from switching?

No – blocking a switch to another supplier on this basis has been banned.

Can a consumer switch supplier if they are owed money by the supplier?

Yes - a supplier would be required to pay back any money owed to the customer on switching. The customer can request the money owed to be paid back to them at any time.

Can suppliers disconnect their customer if they have a debt?

- Not from 1st October to 31st March for households that *only* include people of pensionable age or people of pensionable age and children. For households that have someone of pensionable age in them, but also other younger adults, suppliers should *take all reasonable steps to avoid* disconnection;
- Suppliers should *take all reasonable steps to avoid* disconnection from 1st October to 31st March if someone in the home is chronically sick or has a disability;
- Under a voluntary agreement, the 'big six' energy suppliers have also committed to not disconnect any vulnerable customer at any time of the year. Vulnerable customers include those struggling to afford bills, living in a cold home, facing pressure sales tactics, struggling to understand how to get the best deal or lacking confidence or unable to pursue a complaint;
- Not if the debt is to a previous supplier;
- Not if the debt is not for the gas or electricity the consumer has used. For example, if the consumer bought a new boiler from their supplier but then could not afford all the payments, the supplier is not allowed to disconnect the supply to their home; and
- Not if the consumer has a debt relief order or has been made bankrupt (a supplier cannot disconnect for a debt that was built up before the date of the bankruptcy order or for a debt that was included in a debt relief order). However, any debts built up after the date of the bankruptcy order or debt relief order would be pursued as a new debt and the customer could be threatened with disconnection or disconnected on the basis of the new debts.

If a consumer has been threatened with disconnection it is important they act quickly, for advice on what they should do contact Citizens Advice consumer service on 08454 040506 (or for the Welsh language service 08454 040505). It is worth noting that suppliers can only disconnect if they have taken reasonable steps to reach another solution beforehand. *However a consumer could still be disconnected if there is a safety problem with the supply or there is evidence of fraud/meter tampering.*

How is it possible for a consumer to owe money due to a price increase when they have a prepayment meter?

In general, this should not happen. However, there is one exception to this – token prepayment meters. Token meters are the only type of prepayment device that must be manually adjusted after every price rise. Delays in recalibrating token prepayment meters can result in customers building up significant levels of debt and Ofgem has consistently encouraged suppliers to consider debt write

off in cases of genuine hardship and to be sensitive in setting debt repayment levels. Suppliers should already be complying with the back billing rules and write off all debts which have been accruing for more than 12 months and some suppliers have arrangements in place to limit the overall level of debt that any customer will pay. If a consumer has a token meter and their supplier is asking for payment against a debt they did not expect, ask them:

- did your supplier warn you that your prices were increasing?
- did your supplier warn you that your meter needed to be adjusted and, if it didn't happen, you would be at risk of arrears?
- were you advised to contact your supplier as soon as possible to arrange an appointment to replace your token meter with a key meter?
- prior to the visit to recalibrate your meter, when was the last time you had a visit to reset your meter?
- has your supplier offered any assistance?

Once the above points have been considered, the consumer should first contact their supplier and explain why they feel this is unfair and highlight the answers to the above questions. If they are not satisfied with their supplier's response they should contact Citizens Advice consumer service on 08454 040506 (or for the Welsh language service 08454 040505) for more advice.

Energy companies have programmes to replace token prepayment meters with key meters that do not require visits to customers' homes to recalibrate their meters. As suppliers' programmes of token meter replacement is almost complete, Ofgem has set out steps for suppliers to enable them to remain proactive with customers to ensure that no customer is left without supply if the token meter facility is withdrawn in an area.

How else can debt build up on a prepayment meter?

The other way debt can be built up on a prepayment meter (PPM) is through a standing charge (note not all tariffs have a standing charge) if no top up is made for a period of time then the standing charge is still taken every day leaving a debt when the next top up is made.

Being approached by salespeople

What can a consumer do if they have verbally agreed to switch supplier as a result of being approached by a salesperson but aren't sure if it is a better deal?

The salesperson is required to give a written estimate before a sale can be concluded. If the consumer doesn't want to accept the contract on the basis of the estimate they do not have to conclude the sale. They can compare the price quoted with the current price they pay for energy

from their annual energy statement and also their estimated usage and cost for the following year. The following information should be left at the point of sale or provided shortly afterwards for the consumer:

- a copy of the contract;
- an explanation of what happens next;
- a reminder to the consumer to check the product is right for them (including where to find impartial advice and information, such as from the Citizens Advice website www.adviceguide.org.uk or the Citizens Advice consumer service);
- an explanation of their cancellation rights; and
- what to do if they have any concerns (including the Citizens Advice consumer service phone number).

What can a consumer do if a supplier has phoned them to see if they would like to switch, the consumer says yes to the switch but then becomes unsure as to whether the overall price is cheaper?

In this situation, the consumer won't receive a written estimate. However, before a supplier enters into a contract with the consumer they are required to take all reasonable steps to inform the consumer of the principal terms of the contract. This would include details of the charges for the supply of gas/electricity, the duration of the contract and details of any cancellation rights. If this information wasn't brought to the consumer's attention during the telephone conversation they should consider contacting the supplier immediately to make a complaint and to ask for details of any right to cancel and a copy of the terms and conditions of the contract.

If after signing the contract the consumer is unhappy about their decision to change supplier or changes their mind for any reason, they have **14 days to cancel** the contract. This is known as a cooling-off period.

Further advice on this issue may be obtained from Citizens Advice consumer service on 08454 0405 06 (or for the Welsh language service 08454 040505) or visit www.adviceguide.org.uk. Consumers should take action as soon as possible in order to have the best chance of being able to cancel within the relevant time frame.

What should a consumer do if they think their supplier has been dishonest in selling them a product, or has failed to meet the requirements outlined above?

In the first instance the consumer should contact their supplier to query the circumstances or complain. If the supplier is unable to resolve the issue then the consumer can contact the Energy Ombudsman (either 8 weeks after the complaint is made or when the supplier issues a deadlock letter stating that it is unable to resolve the matter – whichever comes first). The Energy

Ombudsman is a service set up to sort out disagreements between gas and electricity companies and their domestic and micro business customers. All suppliers are members of the Energy Ombudsman. The Energy Ombudsman:

- provides the consumer with a free and independent service that has been approved by Ofgem as a statutory redress scheme;
- investigates the complaint fairly by listening to both sides of the story and looking at the facts;
- provides the consumer with a resolution to their complaint. If the consumer accepts the Ombudsman’s resolution then the Energy Ombudsman makes sure that the company does what’s asked of them.

Like any service, there are rules about when the Energy Ombudsman can and cannot accept a complaint, and rules about the types of complaints that they can look at. Their website provides further information www.ombudsman-services.org/energy.html.

Moving into a new home

Consumers can change the energy supplier when they move into a new home, but will need to know which energy companies are supplying the property. To do this they may need to find out the gas and electricity meter numbers known as MPRN (gas) and MPAN (electricity) numbers.

How to find the electricity (MPAN) number

The MPAN is the unique identifying number for the electricity meter at the property, commonly referred to as a "Supply Number" or "S" number and is 21 digits in length. The number can be found on the electricity bill or by contacting the local distribution company’s MPAN service. Contact details below:

Region and distribution company	Contact number ⁸
Eastern England (UK Power Networks)	0845 601 5467
Midlands (Western Power Distribution)	0845 603 0618
London (UK Power Networks)	0845 601 5467
North Wales, Merseyside, Cheshire & North Shropshire (SP Energy Networks)	0845 270 9101
North East England (Northern Powergrid)	0845 601 3268
Yorkshire (Northern Powergrid)	0845 330 0889

⁸ Note that some of these numbers are not free from either a landline or mobile phone.

North West (Electricity North West)	0800 751 0093
North Scotland (Scottish and Southern Energy Power Distribution)	0845 026 2554
Central and Southern Scotland (SP Energy Networks)	0845 270 9101
South East England (UK Power Networks)	0845 601 5467
Southern England (Scottish and Southern Energy Power Distribution)	0845 026 2554
South Wales (Western Power Distribution)	0845 601 5972
South West England (Western Power Distribution)	0845 601 5972

How to find the gas (MPRN) number

The MPRN is the unique identifying number for the gas meter at the property, commonly referred to as an "M" number. If the MPRN is not printed on the gas bill, call the National Grid MPRN Helpline on 0870 608 1524 to get it. If a customer cannot find any details it may be that the supply is via an Independent Gas Transporter (IGT). If a customer rings the main network operator in their area and they're not on that network, the network operator should be able to tell them who their independent gas transporter is. For details of the main network operator visit www.energynetworks.org/info/faqs/who-is-my-network-operator.html.

How to read a meter

If someone is unable to read their meter you may wish to visit this website with them: www.moneymatterstome.co.uk/interactive-workshops/ReadingYourMeters.htm or print out the diagrams to talk them through the process. You can also visit the Citizens Advice website to find out how to read your gas meter and how to read your electricity meter: www.adviceguide.org.uk.

Struggling to pay energy bills

What can consumers do when they are unable to pay their energy bills?

- **Contact their energy supplier:** most energy suppliers offer help for customers on low incomes who are struggling to pay their bills.
- For information on the Warm Home Discount scheme see the next section.
- **Call the Home Heat Helpline 0800 33 66 99:** this is a free national helpline run by energy suppliers for customers having difficulties paying their fuel bills. It offers advice on cheaper payment schemes, grants for insulating homes, how to get on to the Priority Service Register

(PSR) for extra services and information on extra government benefits that consumers may be entitled to. For more information visit: www.homeheathelpline.org.uk.

- **Seek help with energy efficiency:** energy suppliers are obliged by the government to offer help and advice in using energy efficiently. So it is always worth contacting them to see what help is available. (Suppliers' numbers are in the Energy Best Deal booklet).
- **Energy Saving Trust:** has a network of local offices across the country which can help with energy efficiency advice call in England or Wales 0300 123 1234, for more information. In Scotland contact Home Energy Scotland 0808 808 2282.
- **Help with debt:** is available from the Citizens Advice website www.adviceguide.org.uk. You can also find details of your local Citizens Advice Bureaux by visiting www.adviceguide.org.uk.
- **Financial help is available which could make it easier to afford your bills** – check you are receiving all of the benefits and tax credits you are entitled to and find out about extra help you can get with bills in the winter if you are on a low income, a pensioner, disabled, chronically ill or looking after someone else who is unable to look after their own welfare. You can do this by getting in touch with your local Citizens Advice Bureau or visiting the Citizens Advice website www.adviceguide.org.uk. You can find details of your local Citizens Advice Bureaux by visiting www.adviceguide.org.uk.

What is the Warm Home Discount scheme?

The scheme came into operation on 1 April 2011 and mandates domestic energy suppliers to provide £1.13 billion of direct and indirect support arrangements (in the form of rebates and discounted tariffs) to fuel poor customers over four years. Not all small suppliers offer it. Visit www.gov.uk/the-warm-home-discount-scheme/eligibility for a list of those that do.

The scheme is divided into four elements:

Core Group: consumers in receipt of a subset of Pension Credit will automatically (following a data matching exercise between the Department for Work and Pensions and suppliers) receive a fixed annual rebate of £135 in 2013/14, rising to £140 by 2014/15.

Broader Group: in addition to the core group, suppliers will be required to provide an annual rebate to a group or groups of customers based on eligibility decided by suppliers. Government has provided eligibility criteria based on receipt of state benefits that suppliers can choose to use to target Broader Group support but suppliers are also free to propose additional eligibility criteria to identify customers who are vulnerable and on low incomes and therefore likely to be in or at risk of

fuel poverty. Eligible consumers will not automatically receive the discount. Only those who apply will receive it. To find out whether they might be eligible under the Warm Home Discount scheme, consumers should contact their supplier or call the Home Heat Helpline or visit: www.gov.uk/the-warm-home-discount-scheme.

Industry Initiatives: suppliers have the option to spend up to a maximum of £30 million per year on initiatives aimed at providing and targeting support at those in or at risk of fuel poverty. The types of initiatives that suppliers could undertake include:

- working in partnership with organisations which support referrals to suppliers of customers potentially eligible for support under the scheme
- funding benefit entitlement checks for consumers
- funding services which deliver energy advice or energy efficiency measures to consumers (for example the suppliers' 'Home Heat Helpline')
- measures to reduce or cancel debts targeted at customers that are in or at risk of fuel poverty.

How can a consumer improve the energy efficiency of their home?

Improving the energy efficiency of a consumer's home is one of the simplest ways they can save energy and money. There are a number of schemes that may be able to help from the government, energy suppliers, local councils and others. Consumers can find out what schemes are available by visiting the Citizens Advice website or visiting the Energy Saving Trust website at: www.energysavingtrust.org.uk or by calling the Energy Saving Trust in England or Wales on 0300 123 1234. In Scotland contact Home Energy Scotland 0808 808 2282.

In England

Support will be available under the Green Deal and Energy Companies Obligation (ECO) (page 25).

In Wales

Support is available through the Green Deal, Nest Programme (page 27) and Energy Companies Obligation (ECO) (page 25).

In Scotland

In Scotland, help is available through the Green Deal and Home Energy Efficiency Programmes for Scotland (HEEPS) (page 26).

The Green Deal (England, Wales and Scotland):

The Green Deal allows consumers to get energy efficiency improvements to their property without having to pay up front. Payment is by instalments on the electricity bill, for a period of up to 25 years. Paying through the bill is like a loan – but for the property, not the person. The payments are agreed at the start, and the loan stays with the property after the bill payer moves on.

The Green Deal is designed to ensure that consumers won't pay back more than they are saving on their energy bill. This is called the **Golden Rule**. However, this is not a guarantee. The actual level of savings will depend on how much energy is used to heat the property and the future cost of energy.

If the consumer is in a low income household and finds that they may not be able to save money through the Green Deal, they may be eligible for extra help under the Energy Companies Obligation (ECO) (page 25).

Information about the Green Deal is on the Citizens Advice website: www.adviceguide.org.uk.

Ten tips to stop wasting energy and money:

- 1) Turn the thermostat down. Reducing the room temperature by 1°C could cut heating bills by up to 10% and typically saves around £65 per year. For a programmer, set the heating and hot water to come on only when required rather than all the time.
- 2) Set the cylinder thermostat (for hot water) to 60°C/140°F. Cylinder thermostats are usually fitted between one quarter and one third of the way up the hot water cylinder.
- 3) Close curtains at dusk to stop heat escaping through the windows and check for draughts around windows and doors.
- 4) Always turn off the lights when leaving a room.
- 5) Don't leave appliances on standby and remember not to leave laptops and mobile phones on charge unnecessarily.
- 6) If possible, fill up the washing machine, tumble dryer or dishwasher: one full load uses less energy than two half loads.
- 7) Only boil as much water as needed.
- 8) A dripping hot water tap wastes energy and in one week wastes enough hot water to fill half a bath, so fix leaking taps and make sure they're fully turned off.

- 9) Do a home energy check to find out about savings of up to £250 a year on household energy bills. Visit the Energy Savings Trust home energy check at: hec.est.org.uk.
- 10) Get a smart meter installed when you are offered one by your energy supplier. Smart meters show you how much energy you are using so you can work out where there may be opportunities to use less energy and save money. The government wants all households to have a smart meter by 2020. Visit the Citizens Advice website www.adviceguide.org.uk for information on smart meters.

Help for older, low-income or disabled customers

If a consumer struggles to view their meter - can it be moved?

If the customer is on their supplier's Priority Services Register (PSR), and cannot use the meter because it is in a place that is difficult to access, they may be able to get the supplier to move it free of charge, by up to 2 metres. If it turns out the meter cannot be moved, the supplier will arrange for it to be read at least once every quarter. If a consumer is not on the PSR there is a charge involved in moving the meter.

What is the Priority Service Register (PSR)?

If you are of pensionable age, disabled, chronically sick or have sight/hearing difficulties you can qualify for your supplier's Priority Service Register (PSR). Talk to your supplier to see if you qualify. The PSR entitles you to additional services, such as:

If your gas supply is interrupted

If the gas supply must be turned off for safety reasons, and all adults in the home are eligible for the Priority Services Register, alternative cooking and heating facilities will be provided. If the customer is not the owner of the property their landlord is responsible for providing a free safety check.

Relocation of meter for improved access

If the customer cannot use their prepayment meter because it is in a place that is difficult to access, they may be able to get the supplier to move it free of charge. If a consumer is not on the PSR there is a charge involved in moving the meter.

Password protection scheme

Energy companies and customers can agree a personal password for use by company staff when they visit the home. In this way, customers will be protected from bogus callers pretending to be representatives of the gas/electricity company.

Bill nominee scheme

On request, bills can be sent to the address of a friend, relative or carer so that they can help to arrange payment.

Advance notice if electricity supply is to be interrupted

Companies should recognise the possible increased dependence on energy services by vulnerable consumers e.g. those reliant on electricity to operate medical equipment, and make special efforts to provide these consumers with advance warning of supply interruptions.

Services for customers with impaired hearing or vision

Companies can provide Braille and talking bills and must also have available suitable facilities to handle complaints and enquiries from customers who are visually or hearing impaired.

In addition, suppliers are also prohibited from disconnecting any premises occupied by a customer eligible for the PSR during the winter months (1 October - 31 March).

Free gas appliance safety check

This check will ensure that gas appliances are safe and that they are not giving out a harmful level of carbon monoxide. There is a free annual check for owner occupiers on a means-tested benefit who live with others, at least one of whom is aged under 5. There is also a free annual check for owner occupiers on a means-tested benefit who are of pensionable age, disabled or chronically sick and live alone or with others, all of whom are also of pensionable age, disabled or chronically sick, or under 18.

What government and supplier initiatives are available for low income, older and disabled consumers to make energy more affordable?

The Winter Fuel Payment

This is an annual payment to help with the costs of keeping warm in winter. The payment is available to older people living in Great Britain or Northern Ireland. In 2013, the payment is made to anyone who was born on or before 5 January 1952 (for winter 2013 to 2014 - this date changes every year) and who normally live in the UK, throughout the week of 16 to 22 September 2013.

The amount someone can get depends on their personal situation – find out how much by calling the Winter Fuel Payment Helpline on 08459 151515 or visit www.gov.uk/winter-fuel-payment.

The Energy Companies Obligation (ECO)

The Energy Companies Obligation (ECO) has been introduced alongside the Green Deal. It aims to save carbon and get efficient boilers and insulation into the homes of vulnerable people across Great Britain. If a customer is eligible, they can get these measures from any energy supplier, whether or not they actually supply energy to that person.

ECO can help in three ways:

Under the **Carbon Emissions Reduction Obligation (CERO)** - it provides help with solid wall and cavity wall insulation for households in hard to treat homes.

Under the **Home Heating Cost Reduction Obligation (HHCRO)** – the **Affordable Warmth Scheme** - it provides help with all or part of the cost of loft or cavity wall insulation or boiler repairs or replacements if the consumer:

- own's their home outright or has a mortgage or is a tenant in a privately owned property - and the landlord has agreed and
- gets, or someone who lives with them gets, certain benefits under the Affordable Warmth Scheme.

If they are a social housing tenant they can't get this help but they may be able to get help under the **Carbon Saving Communities Obligation (CSCO)** – it provides help with insulation and glazing if they:

- live in a specified postcode area or
 - live in a low-income household in a rural area. This means they live in private or social housing, in a population of under 10,000 homes and get or someone who lives with them gets the same benefits as they need for the Affordable Warmth Scheme.
- DECC guide to the ECO is available at: www.decc.gov.uk
- Information about ECO including benefits someone must get to be eligible under the Affordable Warmth Scheme is available on the Citizens Advice website at: www.adviceguide.org.uk.

Consumers who think they may be eligible can:

- go to their local Citizens Advice Bureau [or](#)
- call the Energy Saving Advice Service (ESAS) - on 0300 123 1234 [or in Scotland, call the Home Energy Scotland on 0808 808 2282..](#)

Home Energy Efficiency Programmes for Scotland (HEEPS)

HEEPS is the Scottish Government initiative launched in 2013 to help households reduce bills and make their homes more energy efficient. It includes these schemes:

- Affordable Warmth
- Area Based Schemes (ABS)
- Energy Assistance Scheme
- Gas Infill to help with connection to the Gas grid.

Depending on the scheme if customers are eligible they can get help with things like the cost of loft and cavity wall insulation, boiler repairs, a new boiler, draught proofing and getting room thermostats and heating controls.

Customers can get more details on these schemes, energy efficiency advice, information on low cost energy tariffs and advice on how to make the most of their income by contacting the Home Energy Scotland on **0808 808 2282** or visit www.energysavingtrust.org.uk/scotland. Also see Energy Action Scotland at www.eas.org.uk for information on HEEPS.

NEST (Wales)

Nest provides energy improvement work to consumers in Wales who receive a means tested benefit, live in a property that has an energy efficiency rating of F or G which is privately owned or privately rented. For more information the consumer should contact NEST via their website www.nestwales.org.uk.

What are cold weather payments?

They are for consumers who are in receipt of certain benefits to help with additional heating costs during winter. A payment of £25 will be made automatically when the local temperature is recorded as, or forecast to be, zero degrees Celsius or below over seven consecutive days between 1 November and 31 March. Cold Weather Payments are different from Winter Fuel Payments which are made every winter to older people, regardless of the temperature. Cold Weather Payments are usually paid into the same bank or building society account as the consumers' benefit payments. After each period of very cold weather in the consumers' area, they should receive a payment to their account within 14 working days. If the consumer has not received a payment and feels they should have done then they should contact their pension centre or Jobcentre Plus.

Services available for help with communicating in English

The 'big six' energy suppliers (British Gas Centrica; EDF Energy; E.ON; RWE Npower; Scottish Power and SSE) can provide a professional translation/interpreter service if English is not the consumer's first language. They or a family member or friend should call the supplier and let them know that they'd like to use the service.

The external translations services operate as follows:

- A customer calls the supplier and is connected to an agent
- The agent works out that the customer struggles with English and finds out what language they are most comfortable with
- The agent then puts the customer on hold and calls a third party language service or colleague who speaks the language requested
- The agent conferences the customer back in to the call
- A three way conversation then takes place with the interpreter translating what the agent asks and the customer's reply.

Problems and complaints – who to contact?

Citizens Advice consumer service: the consumer should contact their supplier and give them the chance to put things right first. If the consumer is still unhappy they can contact the consumer body – Citizens Advice consumer service on 08454 040506 (or for the Welsh language service 08454 040505).

Energy Ombudsman: if a consumer is in a dispute with an energy company there is an independent Energy Ombudsman they can call once all other resolution avenues have failed. Unlike Citizens Advice consumer service this organisation can offer customers up to £5,000 compensation. Contact the Ombudsman on: 0330 440 1624, textphone 0330 440 1600 or visit their website: www.ombudsman-services.org/energy.html.

Energy Best Deal materials (booklet and PowerPoint presentation) can be found on the Financial Skills for Life website

[www.financialskillsforlife.org.uk/index/partnerships/financialskillsforlife/
fsfl_projects/fsfl_projects_energybestdeal.htm](http://www.financialskillsforlife.org.uk/index/partnerships/financialskillsforlife/fsfl_projects/fsfl_projects_energybestdeal.htm)