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**The Renewable Energy Company Ltd (Ecotricity)**  
**Consultation on the Supplier Guaranteed and**  
**Overall Standards of Performance**

Dear Jonathan Blagrove,

Ecotricity is an independent renewable energy generator and supplier, with over 130,000 gas and electricity customers. We pride ourselves on the professional, transparent and personalised customer service that we offer, which is consistently recognised by our customers and third party surveys.

We support Ofgem's proposals to rationalise the Guaranteed (GS) and Overall Standards (OS) of Performance. For small suppliers metering services are usually delivered via contractual arrangements with external meter operators. This can affect both the delivery of the standard and the cost to customers; small suppliers do not have the economies of scale of the six largest suppliers and cannot absorb metering related costs in the same way. Reducing response time requirements and increasing compensation payments for failure to meet standards will result in higher charges for customers of small suppliers. We expand on this point in our answers to consultation questions.

Our responses to the consultation questions are as below.



**1: Do you agree that a GS should be created, replacing the existing OS, to cover the time taken for suppliers to reconnect customers disconnected for unpaid charges once the debt has been repaid or an agreement reached? Would the core requirements of the standard need to change from those set out in the existing OS?**

We agree that it is appropriate for a GS to apply regarding the time taken to reconnect customers disconnected for unpaid charges. We currently reconnect debt customers within the 24 hour period prescribed by the OS and, because we do not have an in-house metering operation, we contract regionally with external meter operators to provide this service. Charges for this service therefore vary from region to region and are passed on to the customer. Meter operators charge us to between £60 and £100 to reconnect a meter within 24 hours notice. If the notice period is reduced, as proposed, to say 4 hours, under current contractual arrangements meter operators would charge us up to £180 per reconnection, which cost would have to be passed onto the customer. Clearly we would look to renegotiate contract terms with our meter operators, but this will take time and without the commercial leverage of a Big 6 supplier, we cannot guarantee resultant terms. We understand that as the Big 6 suppliers mostly have in-house metering operations such costs can be absorbed and not passed onto customers.

Whilst we appreciate Ofgem's intention of improving the speed with which customers are brought back onto supply, the effect of doing so would be to disadvantage the customers of small suppliers.

**2: Do you agree that the existing GS and OS should be merged to create a revised GS on visiting to repair or replace a faulty prepayment meter? Would the core requirements of the existing standard need to change, for example aligning the timeframes for visit?**

We agree with the proposals to merge the existing OS and GS on visiting to repair or replace a faulty prepayment meter and that it also makes sense to align the timeframes to within 4 hours. We also agree that compensation is warranted where continuity of supply is threatened.

**3: Do you agree that the GS to cover the making and keeping of appointments by suppliers should be retained? Would the core requirements of the existing standard in this area need to change and if so, how?**

We agree that this GS should be retained, but that supplier flexibility is appropriate. We confirm appointments with customers by email or text and offer appointments between 8am and 1pm or between 12 noon and 8pm. We can offer appointments within a 2 hour window, but as referred earlier, we are charged extra by our regional meter operators for this service and these costs are passed on to customers. Out of hours appointments under our current contractual arrangements with meter operators cost between £60 and £120; naturally we always try to avoid having to make these appointments.



**4: Do you agree that the GS for faulty metering should be retained? Do any of the core requirements need to change, and if so, how?**

We agree that the GS for faulty metering should be retained. We suggest that attendance within 10 Working days is appropriate as, for the most part, any detriment/ loss caused in these circumstances is to the supplier. When a customer reports a faulty meter we firstly ascertain whether there are any safety issues which would put the customer at risk and if found we respond within 24 hours. If the meter is not unsafe and the customer is not off-supply, we place the customer's account on hold whilst we investigate the fault to ensure that the customer is not financially disadvantaged. Once the fault has been diagnosed, we will contact the customer to discuss the findings and agree the charges.

**5: Do you agree that the OS for resiting meters can be removed? How will suppliers manage requests from customers wishing to have their meters resited in the absence of a performance standard in this area?**

We agree with Ofgem that the OS regarding re-siting of meters can be removed as licence conditions already provide adequately for the circumstances where it is important to re-site a meter.

**6: Do you agree that the existing OS requirement for changing the basis of charging involving a change of meter should be removed? How will suppliers seek to manage requests from customers in the absence of a performance standard in this area?**

We agree that this requirement can be removed and that suppliers have strong incentives to arrange payment methods which allow for customers to pay for the power which they use.

**7: Do you agree that the GS applying solely to customers served by an ex-PES supplier operating in their ex-PES area should be removed?**

We agree that this GS should be removed as customers are unlikely to know whether they would qualify for them. Having this distinction between customers will likely only cause confusion.

**8: We would welcome views along with supporting evidence on whether the revised GS should apply to micro business customers as well as domestic. We would also be interested in views regarding whether coverage should be limited to a subset of micro-business customers and if so how any such subset might be defined, and whether only certain of the revised GS might apply to them.**

We consider that the revised GS should apply to domestic customers only. In our experience micro-business customers are more commercially-aware and able to negotiate prices and terms with us rather than accept standard tariffs & terms. We therefore consider that it is not appropriate that domestic customer GS should apply to them. In fact, we believe that the needs of micro-businesses, being different to the needs of domestic customers, should be considered independently; possibly the subject of a separate consultation or working party.



**9: Are there any areas of the regulations where you think the obligations could be clarified? Please explain why.**

We are satisfied that the obligations in respect of domestic customers are clear.

**10: Do you agree that the definition of working hours should be aligned? If so, what should those working hours be?**

We agree that the definition of working hours should be aligned and suggest that 8am until 8pm, Monday to Friday and 9am – 5pm on Saturdays are appropriate. We would strongly support Sundays and Bank holidays being considered outside of working hours and emergency contact only. This is what customers will expect and aligns with standard working practices.

**11: Do you agree that payment levels should be aligned and increased to £29 for all standards? What method should be used to decide revised payment levels going forwards and how frequently should this review take place? Do you think that it would be appropriate to set differing payment levels for differing GS accounting for the likely impacts when each GS is breached?**

We accept that since the GS payment levels have not been reviewed since 2002 it is timely that they are now adjusted. We would like to make it clear, however, that these charges can add to the costs of small suppliers. Charges are passed back to meter operators where the fault for failed appointments etc rests with them. However, we do absorb some of these costs.

**12: If the revised GS are applied to both domestic and micro-business customers, do you agree that the payment level should be the same?**

Further to our response to question 8, we consider that the payment levels for micro-businesses should be different to those of domestic customers as their potential for greater loss is higher. We believe that neither GS nor associated payments should apply to micro-businesses and a separate consultation entirely should consider performance standards and payments for this group of customers.

**13: Do you agree that suppliers should be given flexibility in how to inform customers' of their rights under the supplier GS? Are there other options for raising awareness more generally?**

We are strongly in favour of the flexibility offered under the consultation for informing customers of new GS and agree that it is not necessary to send the GS to customers annually. Our experience of sending mandated documents directly to customers is that this frequently results in information overload and complaints of "junk mail". Furthermore, there is a cost to sending information direct to all customers, especially those that do not have email, a cost that is ultimately passed on through our bills.



**14: Do you agree that suppliers should be required to provide information about their performance, with flexibility in how to do so, via the Regulations? How might suppliers increase transparency about their performance?**

We agree that it is important for customers to be able to assess supplier performance against the GS and we support the proposals for the supplier to have flexibility in how this is done.

**Conclusion**

We support Ofgem's proposals to rationalise the Guaranteed (GS) and Overall Standards of Performance. Reducing response time requirements and increasing compensation payments for failure to meet standards will result in higher charges for customers of small suppliers and we ask that Ofgem consider this aspect before implementing changes.

We consider that micro-businesses are distinct from domestic customers and GS should not apply to them. We suggest GS (and payments) for micro-businesses should be the subject of a separate consultation.

Ecotricity welcomes the opportunity to respond and hope you take our comments on board. We also welcome any further contact in response to this submission. Please contact Melanie Durston on 01453 769307 or [melanie.durston@ecotricity.co.uk](mailto:melanie.durston@ecotricity.co.uk).

Yours sincerely,



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**Emma Cook**  
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