

28th November 2014

Rob Church Partner, Retail Markets

By e-mail

Dear Rob,

Gas prepayment meter overcharging announcement

Thank you for your letter dated 27 November 2014 in relation to the above.

I confirm that E.ON is looking to ensure our customers affected by this issue do not lose out and are protected from over-payments while we address the problem. We have around 230,000 current customers with affected meters and as you are aware the issue is complex and made more challenging still by the current level of system change. We do not have a full solution yet therefore, but can confirm that we intend to meet the principles proposed at the meeting with Rachel Fletcher on 14th November:

- we will not wait for the meter to be fixed before providing refunds to live accounts;
- refunds to our live accounts will include a payment for the historic overcharging as well as a forecasted amount the customer will overpay until their meter is fixed; and
- the refund will be independent of the current position on the customer account i.e. it will not be net of debt.

We propose to issue refunds via cheque and expect to be able to complete for current customers by the end of January. We are looking at whether we can start this programme before Christmas for more vulnerable customers. Cheques can be cashed at any NatWest bank should our customer not have access to banking facilities.

I look forward to your request sharing our more detailed plans for managing this issue in the very near future.

Yours sincerely

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