

Rebecca Langford
Ofgem
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Dear Rebecca,

Good Energy's response to Ofgem's review of the Priority Services Register

Thank you for the invitation to respond to the above document. Good Energy is a fast-growing 100% renewable electricity supply company, offering value for money and award-winning customer service. An AIM-listed PLC, our mission is to support change in the energy market, address climate change and boost energy security.

Executive Summary

Good Energy agrees that the current Priority Service Register provision is out dated and not delivering. Its focus on a customer's age or disability rather than their needs means that some customers are ill served. One of the problems is that it confuses two requirements. A need by DNOs to know about customers adversely affected by power outages, and a supplier's need to ensure a customer's extra need can be facilitated. Whilst this can be handled by a single service, it needs to be better managed and work with supplier competition.

We also welcome Ofgem's proposal to move away from a focus on delivering set services, and to move to a focus on the outcome for the customer. It is disappointing that having stated this principle it then goes on to list the services it wishes to retain. Ofgem must also understand that suppliers will adopt different approaches to delivering this outcome, and if one supplier delivers the outcome with a differentiating service to a category of customers then Ofgem should encourage switching by those customers who wish to have that service to the relevant service provider rather than mandating the same service across all suppliers to the standard of the that supplier.

We would welcome the setting up of a multi-industry, independent register which all parties, (subject to data privacy limitations) can access and add to so ensuring customers have their needs met. By including several utility services (and possibly the emergency services) a better service could be provided to consumers, whilst reducing the cost to serve on individual suppliers.

Q1. Do you agree that energy companies should be required to offer non-financial services with the aim of equalising outcomes for customers?

We are supportive of the principle to move away from a focus on specific services and a focus on outcome for customers. This is in line with good principles of regulation and builds upon the standard of conduct licence condition. We are also supportive of a move away from providing PSR services to defined sets of customers such as those of pensionable age and a more inclusive assessment of need to meet the requirement of equalising outcome.

However, it must be understood what equalisation of outcome means, and recognise that it may not be achievable at a reasonable cost. Equalisation of outcome is subjective. For example, a deaf

customer may understand this to mean he is entitled to access customer care by minicom, where as a supplier may interpret this by using e-mail or texting if the customer has the facility.

Q2. Do you agree that we should continue to prescribe a minimum set of services? Do you support the proposed list of services? What additional services, if any do you think energy companies should be required to provide?

We do not agree that there should be a minimum set of services, as most of the ones mentioned would be captured in the overarching principle of equalising outcome. In the provision of these services we believe there is opportunity for suppliers to differentiate themselves, and suppliers are not incentivised to do so if they believe Ofgem will take their initiative and mandate it on all (e.g. Knock and wait service). They may also deal with delivering the equalisation of outcome in a better way for the customer than a prescribed service.

Q3. If Applicable, what services do you currently provide and what are the current costs of providing services (please breakdown by service)? What financial impact do you think widening eligibility in the way we have proposed will have? Please provide evidence to support your answer.

Good Energy provides all the services it is required to do. Although our password scheme and bill redirection service is open to any Good Energy customer who wishes to participate. Most costly services are moving meters, and gas safety checks, where there is also the additional issue of validating a customer's entitlement.

Whilst changing the eligibility criteria may increase the overall customer eligibility, the freedom to address the need rather than provide fixed services may create a win/win for both customer and supplier in terms of better solution at a lower cost. If however, this new criteria is adopted whilst keeping minimum services, then there will be less scope for innovation and thus a cost increase with little benefit.

Q4. Do you agree that we should move away from requiring energy companies to provide services to disabled, chronically sick and pensionable age customers to an approach which requires energy companies to take reasonable steps to identify and provide appropriate services to any customer with safety, access or communication needs?

We agree with three caveats. Firstly, that the requirement is to take "reasonable" steps. Secondly that communication needs does not include providing all services in the language of the customer where they have a poor grasp of English. As a small supplier it would be difficult for us to provide a multitude of language translation services, especially when it is required for a single customer. Finally, we are concerned that this definition does not sufficiently capture mental health issues, especially customers who suffer from dementia. We would recommend that the criteria is tightened to "Customers with physical or mental conditions which could cause safety, access or communication problems"

Q5. Do you agree that energy companies should be required to maintain a wider register of consumers that they have identified as being in a vulnerable situation?

No. We believe that the focus should be on customers who require intervention to equalise the outcome. If there is no assistance required, then it should be a point of differentiation via competition (e.g. E-ON's staywarm) to support groups of customers in vulnerable situations, unless it means they do not receive an equalised outcome. Good Energy offers its password scheme to

any customer, and can be used by customers in vulnerable situations such as living in an undesirable area, but this should be an attraction to switch to us, not mandated on all suppliers.

Q6. Do you agree that suppliers, DNOs and GDNs should share information about customers' needs with a) each other b) other utilities?

Provided we have the customers consent, we believe that the industry should be better at sharing information about customers need, and that the current process is not really fit for purpose. We believe that the solution to this is to develop an independent organisation which acts as a store of information on individual customer needs. Customers could sign up direct or via their supplier (or network company), and on change of supplier they would only need to tick a box stating they were listed on the database. Suppliers would then retrieve the data. Industry parties could then add data and keep records up to date as information became available.

Such a service could then be used by other utilities, which would reduce the cost on the energy industry.

Q7. Should energy companies be required to share information about customers' needs with other fuel providers such as LPG and heating oil distributors? How could the transfer of this information work? What are the benefits and risks of sharing this information?

Whilst there would be benefits to consumers it is currently impractical as LPG & Oil distributors are unlicensed and there is no central database of customers suppliers. Indeed some LPG and Oil customers have no fixed supplier and contact several suppliers for the best price before buying. However, if there was a separate organisation as proposed above, then provided they agreed to adhere to the rules of membership, there is no reason why LPG, Oil, Coal providers could not sign up to participate in the scheme and share information. As could boiler engineers and other related services.

Q8. Do you agree that we should stipulate the minimum details that we expect energy companies to share, for example that names and phone numbers must be shared where they are available? Is there any other information that should be shared and for what purposes?

Rather than specifying prescribed data items, parties should be required to provide the information needed for the customer to be given an equalised outcome. If anything was prescribed it would be contact name, preferred contact means during an outage and details. For some customers this may mean contact friends or family to ensure they are aware of the situation rather than the customer themselves.

Q9. Do you agree that energy companies should agree common minimum 'need codes' to facilitate the sharing of information? Should we require energy companies to agree these codes? How might this work and what mechanisms are already in place to facilitate this? What role would Ofgem need to have in this process? What would be an appropriate date by which energy companies must have developed and be sharing information in codes?

We believe the use of 'need codes' is too restrictive and more beneficial for categorising people for reporting purposes than providing support. They are also focussed on the customer's limitations than the solution to provide an equalisation of outcome. For example a person categorised as having a mental handicap gives no clue as to what help they need. More use should be made of free text fields to give an accurate description of the help a customer needs. If codes are used, then they should be focused on the help required rather than the disability, but we feel a better

service would be given if energy companies were not given the easy option of “pigeonholing” customers and they were required to give a proper assessment of need. We believe Ofgem should work with other utility regulators to see if a independent organisation could be set up to facilitate this service with a view to implementing in time for the start of smart metering mass roll out. This is so that customer needs identified during the smart metering installation can be captured correctly.

Q10. Should information about a customer’s needs be shared with their new supplier when they switch? What is the best way to facilitate the sharing of this information?

Yes, we fully support sharing information between suppliers. The best way to facilitate this would be for the data to be stored with an independent organisation, and then the old supplier should only need to flag to the new supplier that the customer is on the database, and the new supplier could then request the data from the service provider.

Q11. Do you agree that a single cross-industry brand will raise awareness of priority services?

Yes, but it will also set the expectation of the customer that on switching supplier their needs will be automatically transferred to their new supplier so the two must go hand in hand.

Q12. Do you agree that a guidance document would help advice providers and raise awareness? Who should produce this document?

A guidance document may help, but it must be focussed on how consumers should get help and the benefits of registering. We would be concerned if the document stated that companies must provide particular solutions, when in practice they need to find solutions that work for the customer and supplier. Any guidance document should be a collaborative production by industry, Ofgem and consumer groups.

Q13. What more can be done to raise awareness of priority services?

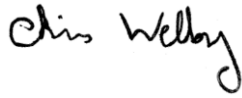
The approaching mandated smart meter roll out should be an excellent time to raise awareness of a new PSR service especially if combined with a single cross-industry brand. Smart Energy GB has an obligation to take special consideration for vulnerable customers and could be engaged to help in this process.

Q14. Do you agree that supplier independent audits are the best way of monitoring companies’ compliance with our proposed obligations? Do you have views on the approach the audit should take and what it should cover?

We are concerned about the cost of an independent audit as it will cost the same for all suppliers irrespective of size. However, if the audit was to replace the current social obligations reporting then it may be relatively cost neutral. It is difficult to say what the report should provide until the final decisions are made on the make-up of the service, but it should be focused on outcome rather than number of services provided. If an independent body is established, then this could provide an audit service that contacted a selection of customers to see if they are receiving an equalised outcome as a result of being on the register.

I hope you find this response useful. If you have any questions or require clarification, please do not hesitate to contact me.

Kind regards,



Chris Welby

Policy & Regulatory Affairs Director