

REVIEW OF PRORITY SERVICES REGISTER

Question 7: Should energy companies be required to share information about customers' needs with other fuel providers such as LPG, heating oil distributors. How could the transfer of this information work? What are the benefits and risks of sharing this information?

The answers to this question depend very much on the purpose of the transfer of information.

Members of UKLPG supply domestic bulk LPG under contractual arrangements that stem from the accepted industry model of supplier ownership of the storage tank. This model was reviewed by the Competition Commission who, with HSE support, found this the best way to deliver LPG safely to households and ensure that all statutory requirements are met.

The supply contracts are subject to two Orders, regulated by the Competition and markets Authority, as well as needing to comply with relevant consumer protection regulations governed by the CMA and the Financial Conduct Authority. Over and above this UKLPG members have agreed to abide by an industry Vulnerable Persons Protocol.

The protocol (attached) outlines a number of the contractual protections, as well as how the industry aims to support vulnerable people. Whilst there is no obligation to maintain a vulnerable persons register nor, to the best of our knowledge, do any companies operate such a formal register voluntarily, the nature of the LPG order and delivery operation means that many companies are aware of customers with specific needs on an informal basis. The nature of order taking and in particular deliveries based on a local depot or local business mean that there is a degree of personal service missing from those of regulated utilities. Nevertheless the industry felt it wise to codify how it would deal with offering services to vulnerable customers with specific needs.

The issue that the LPG industry faces is knowing which deliveries to prioritise at times of extreme cold, in particular when roads may not be gritted or cleared, and demand is rising rapidly due to the cold. This group is probably most akin to those whom the DNO's must help in the event of electricity supply disruptions – ie the disabled and the chronically sick. Whilst the DNOs obligation extends to those of pensionable age this is not in LPG suppliers' experience a proxy for vulnerability. Indeed given the rise in life expectancy and the health of pensioners many are far from vulnerable and take exception at being thought so.

UKLPG therefore proposes that the definition of vulnerability really does address itself to those who really are at risk should their energy supply fail. This information is currently most likely held by local authorities and health agencies, who also have a role to play in ensuring that roads are cleared so that energy supplies can be delivered. It is however vital that this information is accurate and verified - whilst demand for additional non-financial support is very small, knowledge that being on the PSR might provide a degree of prioritisation in winter might encourage some to be on the PSR who should not be there, and the supply industry operating under winter constraints cannot be diverted by lesser needs.

There is no obligation on LPG companies to meet any additional need, but, as the industry protocol demonstrates, the industry recognises the role it has in ensuring vital energy supplies are delivered in winter to those to whom a lack of energy is critical. The LPG industry on this basis is internally discussing how it could use PSR data on the chronically sick and disabled to help address their energy needs in the approach to winter so that we use our best endeavours to ensure that all known customers in that category go into winter with an adequate supply of LPG, and that as winter progresses their supply can be programmed in before any emergency arises. Solutions can range from a simple contact plan before and during winter to putting telemetry systems in that allow automatic top up with no intervention from the customer. Being on the PSR is not a substitute for ordering in good time, and it is in processes and communication to address early ordering and timely top-ups that the LPG industry will focus its efforts.

We note the proposal to set up a working group to agree the information to be shared (3.20). Should there be a general view that off grid energy suppliers should know those who might be at risk from a lack of heat, it may be that UKLPG (& other off grid trade bodies) work with Ofgem to address what information should be shared, what safeguards are required and how sharing operates between LPG companies, utilities and each other in the event of a supplier switch.

UKLPG
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