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Dear Jonathan,

## **PRIORITY SERVICES REGISTER REVIEW: STATUTORY CONSULTATION**

Thank you for the opportunity to comment on the revised proposals for the Priority Services Register (PSR) and the draft licence conditions. This response is focused on the matters that affect supply licensees. Our networks business, ScottishPower Energy Networks, is responding separately on those issues that are specific to DNO interests.

We are supportive of the work undertaken by Ofgem in reviewing its Consumer Vulnerability Strategy and agree that it is appropriate for energy companies to provide additional support to consumers with specific needs, where it is cost effective and practicable to do so. We welcome the collaborative approach Ofgem have taken in relation to the review of the PSR and believe the final proposals reflect this through the addressing of points raised by industry in previous consultation stages and through stakeholder engagement.

We would make the following broad points in relation to the revised PSR and the draft licence conditions.

### Interaction with Ofgem's Future of Retail Regulation Work Programme

We are supportive of the proposed more principles based approach to the provision of additional services, and believe the revised approach will ensure that services are delivered to those customers in most need of additional support. We also note Ofgem's intention to introduce a broad principle around vulnerability as part of the Future of Retail Regulation (FRR) work programme. We are engaging with Ofgem's FRR team on this; however, at present it is unclear to us how a broad principle on vulnerability within a streamlined set of licence conditions would interact with the revised SLC 26. In particular, it would be helpful for consideration to be given to how any potential overlap in obligations between a broad principle and the revised SLC 26 obligations would be managed, including whether some or all of the revised SLC 26 could be removed where a broad principle on vulnerability is introduced.

### Core Services

As we have highlighted in our previous responses, the costs of additional services provided free of charge by suppliers must be borne by other customers and therefore must be proportionate. We welcome Ofgem's recognition of this through changes made to the revised licence conditions from the previous version consulted on earlier this year. In respect of SLC 26.5 (e), we agree with Ofgem's view that provision of

communications within an “accessible format” does not imply a general obligation to provide communications in a language other than English.

Finally as set out in our previous response in February 2016, we believe the obligations set out in SLC 26.5 (d) are already covered within SLC 28.1A which requires suppliers to take action where it is not safe and reasonably practicable for the customer to use a prepayment meter. The reference to SLC 28.1B within the revised drafting of the definitions for SLC 26 suggests that Ofgem is not proposing removing SLC 28.1A and this duplication within two separate parts of the licence appears to conflict with Ofgem’s plans to streamline the current licence conditions. We believe that the drafting of SLC 28.1A is clearer than that of SLC 26.5 (d) and that the most efficient way to remove the duplication would be to remove SLC 26.5 (d).

#### Data Sharing Obligations

We welcome the progress that has been made on sharing of information between industry participants, and welcome Ofgem’s revised proposal for implementation of data sharing for gas and electricity from the same date. We would note however that while progress has been made, the consistent ‘needs codes’ for sharing information have yet to be agreed, and this is critical to the delivery of the data sharing obligations.

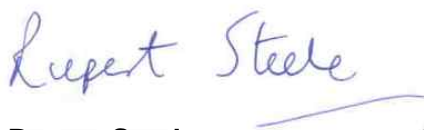
We recognise Ofgem’s focus on the benefits that better data sharing can provide to customers with additional needs, and understand Ofgem’s position that any further delay to industry programmes should not impact on the delivery of data sharing with the PSR. Whilst we are supportive of the logic behind this position and the importance of data sharing in a timely fashion, should Nexus be delayed, the feasibility of achieving sharing for gas customers would be dependent on identifying a cost effective alternative to working through Nexus. In the meantime we are planning for the successful and timely implementation of Nexus in early 2017 and continue to support the work to assess options for data sharing prior to industry changes being implemented.

#### Implementation timescales

We have commenced our work programme to make the required changes to our systems and processes to meet the revised licence conditions. We have not at this stage identified any requirements to make significant system changes. However, we would highlight that if we identify additional services that we should be offering based on the broader definition of eligible customers, the necessary system changes could take up to 6 months<sup>1</sup>, potentially requiring some services to be phased in as the necessary support becomes available. We therefore ask Ofgem to take this into account in its monitoring of the revised PSR.

Should you wish to discuss any of the above points, please contact me via the details provided or contact Rhona Peat ([rhona.peat@scottishpower.com](mailto:rhona.peat@scottishpower.com)) on 0141 568 3207.

Yours sincerely,



**Rupert Steele**  
Director of Regulation

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<sup>1</sup> This timetable is in part due to the extent of other concurrent industry changes eg around project Nexus and smart metering.