

Supplier Performance Report (SPR)

Introduction

On 31/05/18 we published an updated data set showing incidents added to the Supplier performance report (SPR) in the period 01 January 2017 to 31 December 2017. This document provides an overview of the key differences between the 2017 SPR scores and the previous publication¹, which covered the period 01 January 2016 to 31 December 2016.

The SPR reports on incidences when energy suppliers have not complied with their obligations and responsibilities for the environmental and social programmes we administer on behalf of the government. The report highlights the 20 suppliers that have attracted the highest non-compliance scores and lists all the incidents for which they are responsible. The data for all suppliers is available here: <https://www.ofgem.gov.uk/publications-and-updates/supplier-performance-report-2017-further-data>.

Overview of Compliance 2017

The total non-compliance score fell significantly from 450 in 2016 to 281 in 2017, a 37% reduction. This is predominantly a result of the closure of the Government Energy Rebate (GER) which only ran in 2014 and 2015 with the compliance process being completed in 2016. This scheme was the second highest contributor to non-compliance scores in 2016 after the Feed-In Tariff (FIT) scheme.

Table 1 - Total non-compliance score by scheme in 2016 and 2017

Scheme	2017	2016	Change
FIT	250	231	19
GER	0	161	-161
RO	23	29	-6
ECO	1	24	-23
WHD	8	5	3
Total	282	450	-168

Without considering the GER, the total non-compliance score decreased by 7 from 289 in 2016 to 281 in 2017.

The Energy Company Obligation (ECO) scheme has seen a significant drop in total non-compliance scores, with no audit and assurance incidents being recorded at all in 2017, the main contributor to ECO scores in 2016. This is predominantly due to the fact that, as the scheme is in its final year, suppliers are now more familiar with the processes and timings of

¹ Published on 21 September 2017: <https://www.ofgem.gov.uk/publications-and-updates/supplier-performance-report-further-data-and-information>

activity required to ensure compliance. In total we carried out 12 ECO audits in 2017, all of which returned a result of good/satisfactory and were therefore not recorded on the SPR.

Both the FIT scheme and, to a lesser extent, the Warm Home Discount (WHD) scheme saw an increase in the total non-compliance score across all suppliers. For the FIT scheme this was driven by the total score recorded against data accuracy and misreporting incidents more than doubling. Just under two thirds of these incidents relate to incorrect information being recorded in the Central FIT Register (CFR) in respect of accredited FIT installations, identified mainly by a data cleansing process prior to the launch of the new CFR highlighting a number of issues. The remainder of the FIT data accuracy and misreporting incidents for 2017 relate to inaccurate submissions being made by licensees during periodic or annual levelisation.

Changes from previous publication

Table 2 sets out the changes in scores between 2016 and 2017 for the 20 most non-compliant obligated suppliers in each year.

Table 2 - Total non-compliance score by supplier in 2016 and 2017

Supplier	2017	2016	Change
Good Energy	37	19	18
OVO Energy	20	37	-17
Utilita Energy	13	11	2
Solarplicity Energy Limited**	13		13
Scottish Power	12	18	-6
SSE	10	30	-20
EDF Energy	9	15	-6
Npower	8	31	-23
British Gas	8	17	-9
Eversmart Energy*	8	1	7
Extra Energy Supply	6	16	-10
The Co-operative Energy	6	12	-6
Flow Energy	5	11	-6
UK Power Reserve*	5	2	3
Arto**	5		5
E.ON Energy	4	21	-17
Total Gas & Power Ltd*	4	4	0
Iresa Limited*	4	4	0
Planet 9 Energy**	4		4
Pozitive Energy**	4		4
Enstroga Ltd**	4		4
Ecotricity	3	13	-10
GnERGY	3	13	-10
Spark Energy	3	9	-6
First Utility	2	13	-11
F & S Energy	2	9	-7
Future Energy Utilities	2	7	-5
Symbio Energy***	1	11	-10
Tempus Energy	1	7	-6
Hudson Energy		10	-10

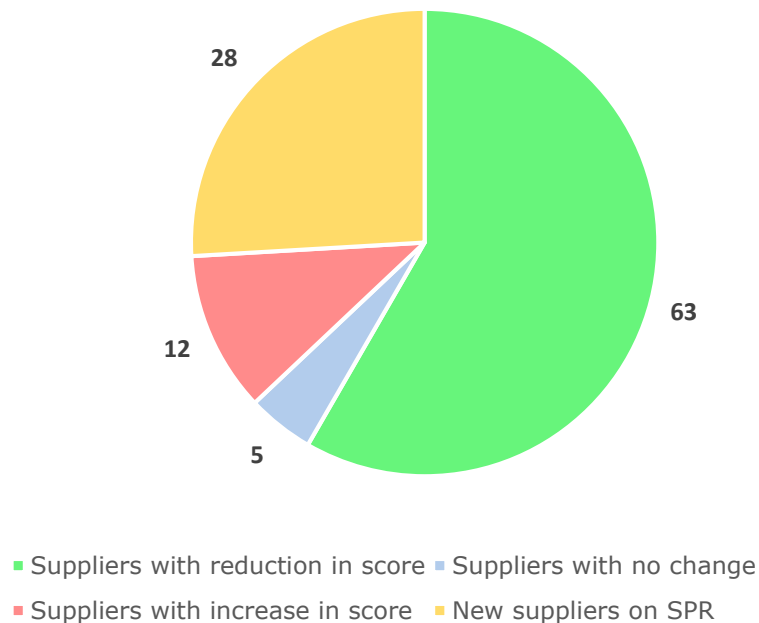
*Did not appear in the 2016 top 20

**No entries in 2016

*** Appeared in the 2016 top 20 but not in the 2017 top 20

The majority of suppliers who appeared in the 2016 SPR successfully reduced their total non-compliance scores in 2017, with 68 suppliers showing no change or a reduction in score. A small number of suppliers (12 suppliers) did however show an increase in score; we continue to engage with these suppliers to monitor and help improve compliance.

Figure 1 – Breakdown of changes in supplier performance between 2016 and 2017



There were 28 licenced suppliers that appeared on the SPR for the first time in 2017, having never previously had an incident recorded, with five of those appearing in the 2017 20 most non-compliant obligated suppliers list. Six of these suppliers appearing on the SPR for the first time were newly obligated suppliers in 2017 with no previous scheme experience.

We remain very keen to engage with new scheme entrants and newly obligated parties to ensure they are fully cognisant of the requirements upon them. We recognise that new participants on the schemes may find the requirements difficult and / or confusing, however as any resultant non-compliance incidents will impact across all suppliers and potentially increase our scheme administration costs we are keen to reduce occurrences where possible.

Across the schemes we run new supplier meetings and quarterly / annual scheme supplier workshops. We also encourage licensees to be proactive in contacting our compliance teams, particularly if they identify risks of non-compliance.

Forward Look

- Given that the majority of the SPR incidents are related to the FIT scheme we will be reviewing how we engage with suppliers here, particularly regarding whether our guidance documents are clear and fit for purpose and whether suppliers fully understand their obligations.
- We are currently considering appropriate ways to score suppliers performance on the FIT biennial meter read verification (BMRV) process such that it might feature in future SPR reports. The BMRV process requires suppliers to ensure that all of their registered

FIT installations have their meters read at least once every two years, and helps to ensure FIT payments are being correctly claimed. We will provide more information on this at a future supplier workshop.

- We are looking to learn lessons from the incidents that we have recorded for FIT levelisation and apply them to the WHD scheme.
 - We will be holding an RO Supplier Workshop ahead of the compliance round this year to ensure that suppliers are fully aware of their obligations under the scheme, in order to attempt to maximise compliance on the scheme.
-