

Supplier Performance Report (SPR)

Introduction

On 31/05/19 we published an updated data set showing incidents added to the Supplier Performance Report (SPR) in the period 01 January 2018 to 31 December 2018. This document provides an overview of the key differences between the 2018 SPR scores and the previous publication, which covered the period 01 January 2017 to 31 December 2017.

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-2018-further-data-and-briefing-note>.

Overview of Compliance 2018

The total non-compliance score increased significantly from 282 in 2017 to 543 in 2018. This is predominately a result of an unprecedented number of suppliers who failed to meet their obligations in respect of annual FIT levelisation and the Central FIT Register team having to process an increased number of bulk changes and corrections on the Central FIT Register.

Table 1 - Total non-compliance score by scheme in 2017 and 2018

Scheme	2017	2018	Change
FIT	250	528	278
RO	23	6	-17
ECO	1	2	1
WHD	8	7	-1
Total	282	543	261

Whilst the total non-compliance scores remained stable under the ECO and WHD schemes, there was a noticeable reduction in the score associated with the RO scheme. The FIT scheme however, saw the most significant increase in 2018, with the non-compliance score more than doubling. This is predominantly due to an increase in the number of incidents relating to incorrect information being recorded on the Central FIT Register (CFR) whilst the vast majority of the remaining incidents are Levelisation related (i.e. late and missed payments as well as inaccurate submissions being made by licensees during periodic or annual levelisation).

Changes from previous publication

Table 2 sets out the changes in scores between 2017 and 2018 for the 20 most non-compliant obligated suppliers in each year.

Table 2 - Total non-compliance score by supplier in 2017 and 2018

Supplier	2018	2017	Change in Score
Good Energy Ltd	38	37	1
SSE Energy Supply Ltd	34	10	24
Scottish Power	32	12	20
British Gas	32	8	24
E.ON Energy	30	4	26
EDF Energy	24	9	15
Npower	20	8	12
Power4All Limited*	20	3	17
Haven Power Ltd*	18	1	17
Ecotricity	17	3	14
Ovo Energy	14	20	-6
Green Energy Limited*	13	2	11
Foxglove Energy Supply Limited*	13	1	12
Electraphase LTD*	13	1	12
Total Gas & Power Ltd	12	4	8
Utility Warehouse	12	2	10
ENGIE**	12	0	12
First Utility Limited	11	2	9
I Supply Energy Ltd.	8	2	6
Flow Energy	6	5	1

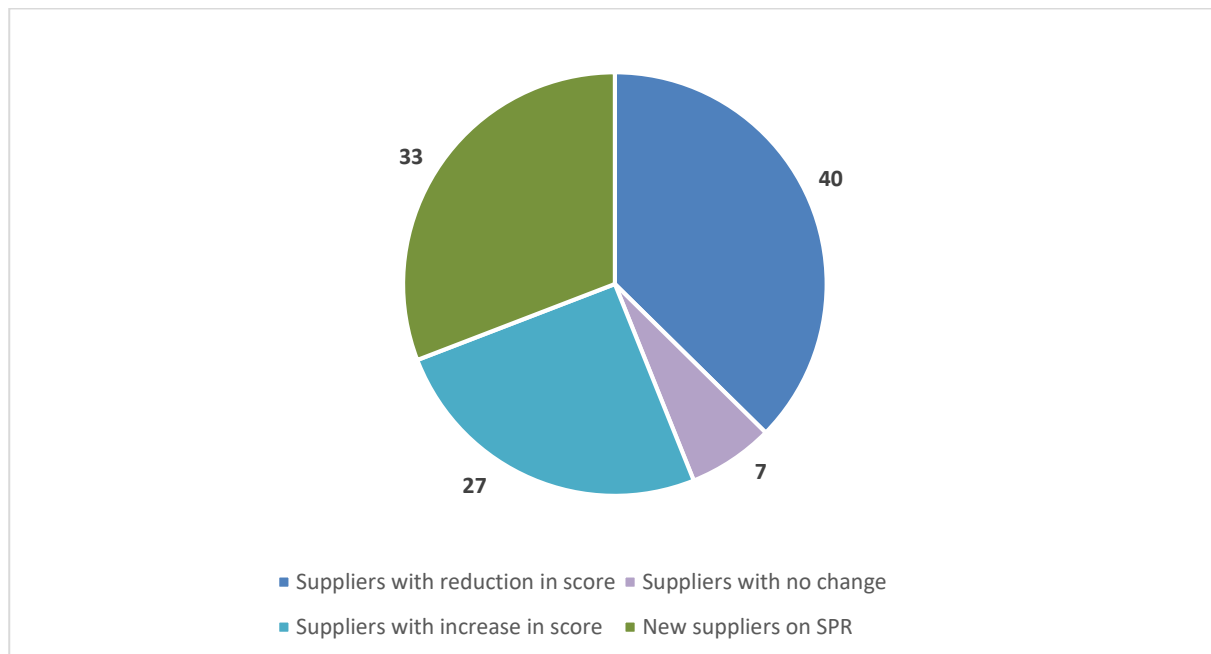
*Did not appear in the 2017 top 20

**No entries in 2017

The table shows that a number of suppliers (16 suppliers) increased their non-compliance score significantly (≥ 10 increase in score) in 2018. We continue to engage with these suppliers to monitor and help improve compliance.

However, the suppliers listed below, who appeared in the 2017 SPR top 20, have successfully reduced their total non-compliance scores and exited the list of the 20 most non-compliant suppliers in 2018:

- Utilita Energy
- Solarplicity
- Eversmart
- Extra Energy
- The Co-operative Energy
- UK Power Reserve
- Arto
- Planet 9 Energy
- Pozitive Energy
- Enstroga
- Gnergy
- F&S
- Symbio Energy
- Tempus Energy

Figure 1 – Breakdown of changes in supplier performance between 2017 and 2018

There were 33 licenced suppliers that appeared on the SPR for the first time in 2018, having never previously had an incident recorded, with one of those appearing in the 2018 list of the 20 most non-compliant obligated suppliers.

We remain very keen to engage with new scheme entrants and newly obligated parties to ensure they are fully cognisant of their obligations. We recognise that new participants on the schemes may find some of the requirements complex, however non-compliance is a serious matter which can ultimately impact other suppliers and/or scheme participants and potentially increase our scheme administration costs. As such, we are keen to reduce occurrences of non-compliance.

Across the schemes we run new supplier meetings and regular 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

- We are currently reviewing our approach to supplier licensing, to ensure that appropriate protections are in place against poor customer service and financial instability. We are proposing to strengthen the criteria we use to assess supply licence applications, and amend the process for applying for a licence. We also intend to increase ongoing scrutiny and oversight of those already operating in the energy retail markets. Once implemented, we are expecting these measures to reduce the number of instances of suppliers failing to discharge their obligations under the schemes, or doing so late.
- Given that the majority of the SPR incidents are related to the FIT scheme, we will continue to review 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 also seeking to revise guidance given to new suppliers when they are granted a licence.

- The total non-compliance scores remained broadly stable under the ECO and WHD schemes. This is predominately due to similar incidents as in previous year occurring, which relate to missed non-statutory deadlines and misreporting. We intend to increase the frequency of communications with suppliers to remind them of upcoming deadlines and continue to provide support on any questions they may have about the reporting requirements.
- We have made some changes to procedure in relation to the RO scheme in order to ensure suppliers are reminded of their obligations further in advance of deadlines and encouraged to consider how they plan to discharge their obligations.
- We are seeking to consider the format of the Supplier Performance Report document with a view to further enhancing its value to consumers and the supplier community. We will be in touch with suppliers separately with regards to this work.

