

Report

Supplier Performance Report

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The Supplier Performance Report (SPR) reports on incidents where energy suppliers have not complied with their obligations under the environmental, energy efficiency and social programmes we administer on behalf of the government.

This report covers incidents of non-compliance over the period 1 January 2020 to 30 June 2020.

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1. Introduction

What does the Supplier Performance Report show?

1.1. The Supplier Performance Report (SPR) shows supplier performance against their obligations on the environmental, energy efficiency and social schemes we administer:

- Feed-in Tariffs (FIT)
- Energy Company Obligation (ECO)
- Warm Home Discount (WHD)
- Renewables Obligation (RO)
- Smart Export Guarantee (SEG)
- Offtaker of Last Resort (OLR)
- Fuel Mix Disclosure (FMD)

1.2. The report does not reflect a supplier's customer service, wider environmental performance or its energy mix. It records the volume of supplier non-compliance incidents on the schemes listed above.

1.3. Scheme non-compliance might include things like not meeting a deadline set out in the relevant legislation, or submitting inaccurate data to us.

Why are we publishing this data?

1.4. We publish this data for transparency of the delivery and administration of government schemes, to ensure they promote consumer interests. It also helps to hold suppliers to account for non-compliance on schemes collectively worth more than £8.7 billion a year.

1.5. Incidents of non-compliance can increase the costs of delivering and administering the schemes, which can be passed on to consumers through energy bills.

1.6. As the administrator, we are committed to ensuring the schemes work as effectively as possible and deliver the intended benefits to consumers, without unnecessary cost.

What happens to suppliers featured in the report?

- 1.7. We will use the scores to work with suppliers to help them to improve their performance. Similarly, if there is a commonality that can be traced back to us, we will work with suppliers to improve our guidance to them. Serious non-compliances such as failure to make a scheme obligation payment are referred to our Enforcement team for consideration.
- 1.8. Over time, we will expect suppliers to improve and deliver the schemes more efficiently.
- 1.9. We would prefer to help suppliers resolve problems early, rather than let them become bigger problems that might be more expensive and time consuming to fix later. However, if there are repeat occurrences and suppliers do not improve, then we may consider taking stronger action.

Which suppliers are included?

- 1.10. Suppliers who have had a non-compliance incident recorded between 1 January 2020 and 30 June 2020 are shown in chapter three (Performance Data). Additionally after this first edition of the new format SPR, we may mention other suppliers in chapter two where they have shown improved levels of compliance compared with previous publications or good levels of compliance have been maintained.
- 1.11. Please note that larger suppliers in terms of customer numbers are obligated to participate under all the schemes listed above. Some smaller suppliers volunteer to participate in some of the schemes.
- 1.12. More information about the schemes, and suppliers' obligations can be found on our website¹.

¹ [Link to Environmental Programmes pages](https://www.ofgem.gov.uk/environmental-programmes): <<https://www.ofgem.gov.uk/environmental-programmes>>

Changes to the SPR

1.13. In June 2019 we conducted a review of the SPR with a view to enhance its value for stakeholders. Following consultation with suppliers, we have changed the frequency of the report from annually to every six months and we have also changed the way in which the information is presented. The aim of which is to give the reader more information on the specific areas where non-compliances have occurred, in addition to the volume of incidents.

1.14. It should be noted that the way in which we manage non-compliances, and the way they are scored² remains unchanged.

² Non-compliances are given a score based on the severity of impact, ranging from 1 (lowest impact) to 4 (highest impact).

2. Summary

Section summary

This section gives a summary of the report findings.

- 2.1. The data shows that energy suppliers generally meet their overriding obligations across the schemes. As shown in **Table 1** there were a total of 537 administrative incidents (92.1%) and 46 legislative incidents (7.9%) within the period 1 January to 30 June 2020. Most incidents of non-compliance are administrative issues on the CFR which account for almost 80% of all non-compliance incidents recorded.

Table 1: Total non-compliance incidents by type

Type of incident	Incidents Jan to Jun 2020
Administrative	537
Legislative	46

- 2.2. **Table 2** shows the breakdown of incidents recorded by scheme. This clearly shows that FIT incidents dominate the overall numbers. As mentioned above, the majority of these incidents are in relation to administrative issues on the Central FIT Register (CFR).

Table 2: Total non-compliance incidents by scheme

Scheme	Incidents Jan to Jun 2020
ECO	1
FIT	576
RO	4
WHD	2

- 2.3. It should be noted that the frequency of the report has changed from annually to every six months. Incidents are not uniformly spread across the year as they are in many cases dependent on when certain compliance activities occur or indeed, when the entries are made on to the SPR records.

- 2.4. As this is the first version of the SPR in the new format it is not possible to draw comparisons with previous periods at this time.

3. Performance Data

Section summary

In this chapter we present the supplier non-compliances recorded by us over the period 1 January 2020 to 30 June 2020.

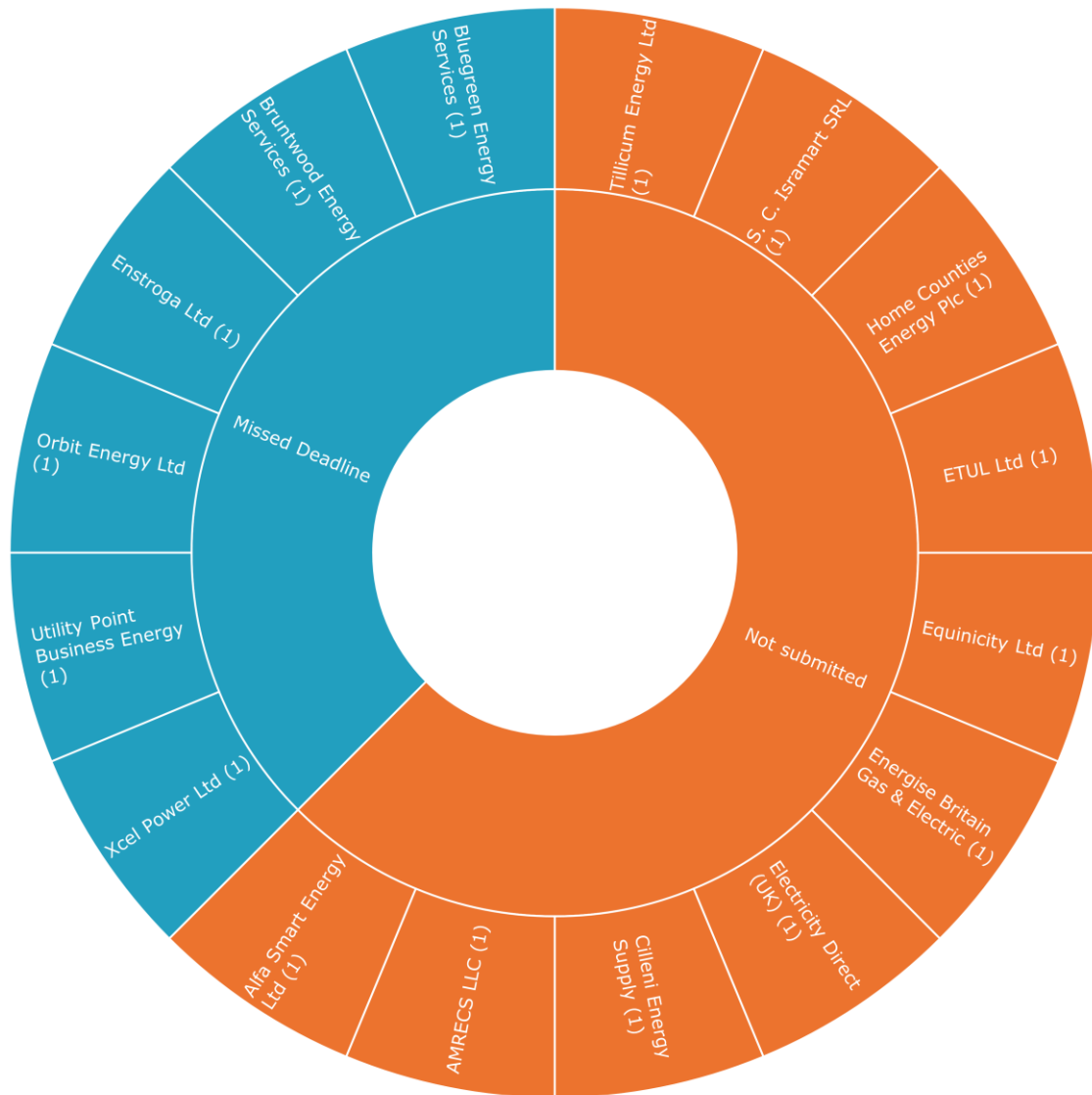
- 3.1. The non-compliances in this chapter are broken down into different categories of non-compliance. The visualisations present information on the spread and proportion of incidents for each area as well as the specific type of issue that has occurred.
- 3.2. It should be noted that the number of incidents are shown on each chart in the relevant segment, after the name, in brackets.
- 3.3. For further information you can refer to the dataset published alongside this report which is the source for all of the data presented.

FIT Annual Notifications

- 3.4. Licensed Electricity Suppliers are required to notify Ofgem each year if they will be a Mandatory FIT licensee, a Voluntary FIT licensee or a non-FIT licensee. Where the deadline for this was missed or if a notification was not made the incident is shown in **Figure 1** below. For further information on FIT annual notifications please refer to the Feed-in Tariffs: Guidance for Licensed Electricity Suppliers³.
- 3.5. As notifications are received annually, these non-compliances only feature in the SPR covering the January to June period each year.

³ [Link to Feed-in Tariffs: Guidance for Licensed Electricity Suppliers:](https://www.ofgem.gov.uk/publications-and-updates/feed-tariffs-guidance-licensed-electricity-suppliers-version-13)
<<https://www.ofgem.gov.uk/publications-and-updates/feed-tariffs-guidance-licensed-electricity-suppliers-version-13>>

Figure 1: Notifications - Scheme Participance



N.B. the number of incidents are shown in brackets.

3.6. The suppliers featured in Figure 1 were advised of the non-compliance and that the incident would be added to the SPR. We communicate with suppliers prior to the deadline each year, providing reminders to help ensure that their obligations are met.

Audit

3.7. Ofgem conducts audits of obligated suppliers each year to monitor compliance with the relevant scheme rules. The incidents identified below are the risks and issues identified as a result of the audit programme.

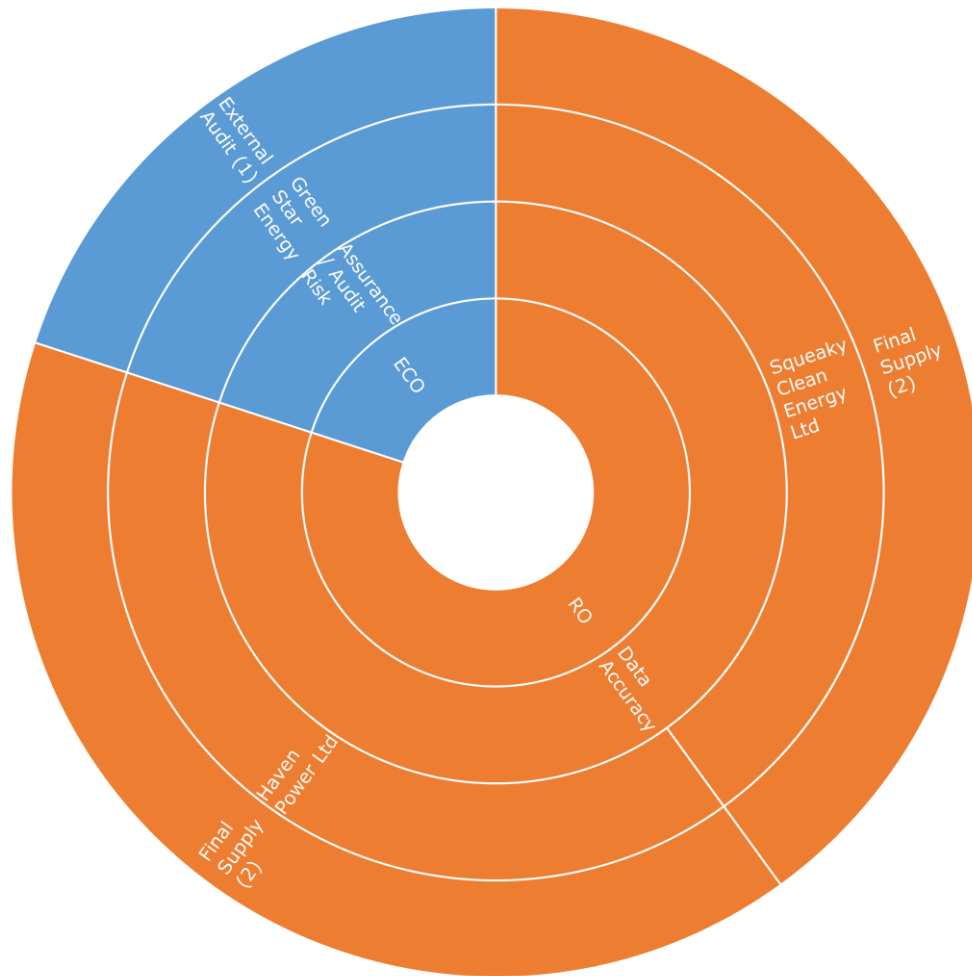
3.8. Please note that only a certain number of suppliers are selected for audit each year. As such incidents are only reported from this sample of suppliers and not all suppliers participating on the relevant schemes.

Figure 2: Audit Non Compliance - FIT Scheme



N.B. the number of incidents are shown in brackets.

Figure 3: Audit Non Compliance - ECO and RO Schemes



N.B. the number of incidents are shown in brackets.

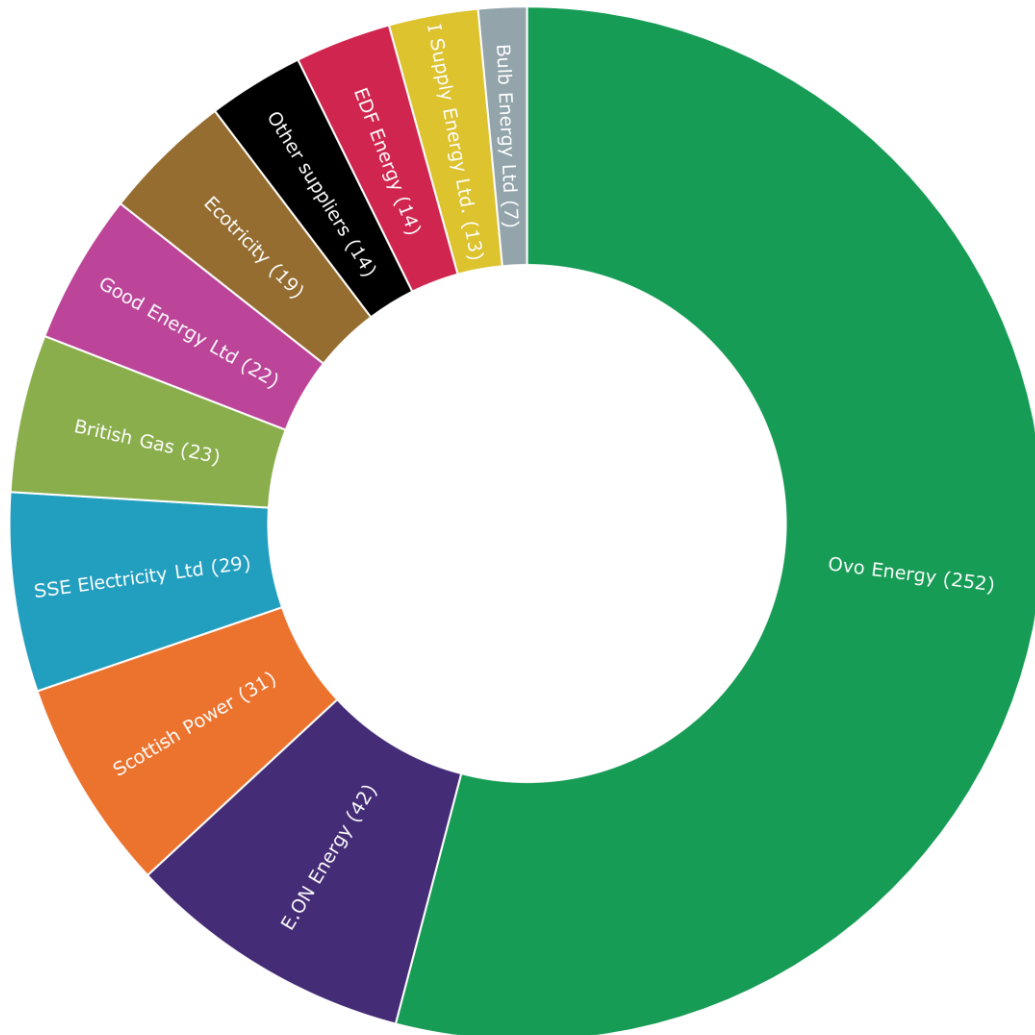
- 3.9. When non-compliances have been identified following an audit, where appropriate we work with suppliers to help put in place mitigation measures. Where mitigation measures are agreed, we setup a monitoring programme to ensure that they are correctly implemented and through this we expect the risk of further non-compliance to be reduced.

Central FIT Register Submissions

- 3.10. FIT licensees are responsible for registering installations on the Central FIT Register (CFR). Where the information entered on the CFR is incorrect and subsequently needs to be corrected by the licensee or by Ofgem, the incident is recorded by us as a non-compliance. There are two types of non-compliance. Firstly, where the change does not affect an installation’s eligibility it is recorded as an administrative change.

Secondly, where the change effects eligibility and therefore the tariff an installation is eligible to receive, it is recorded as a legislative change.

Figure 4: Administrative CFR Submission Change Volumes

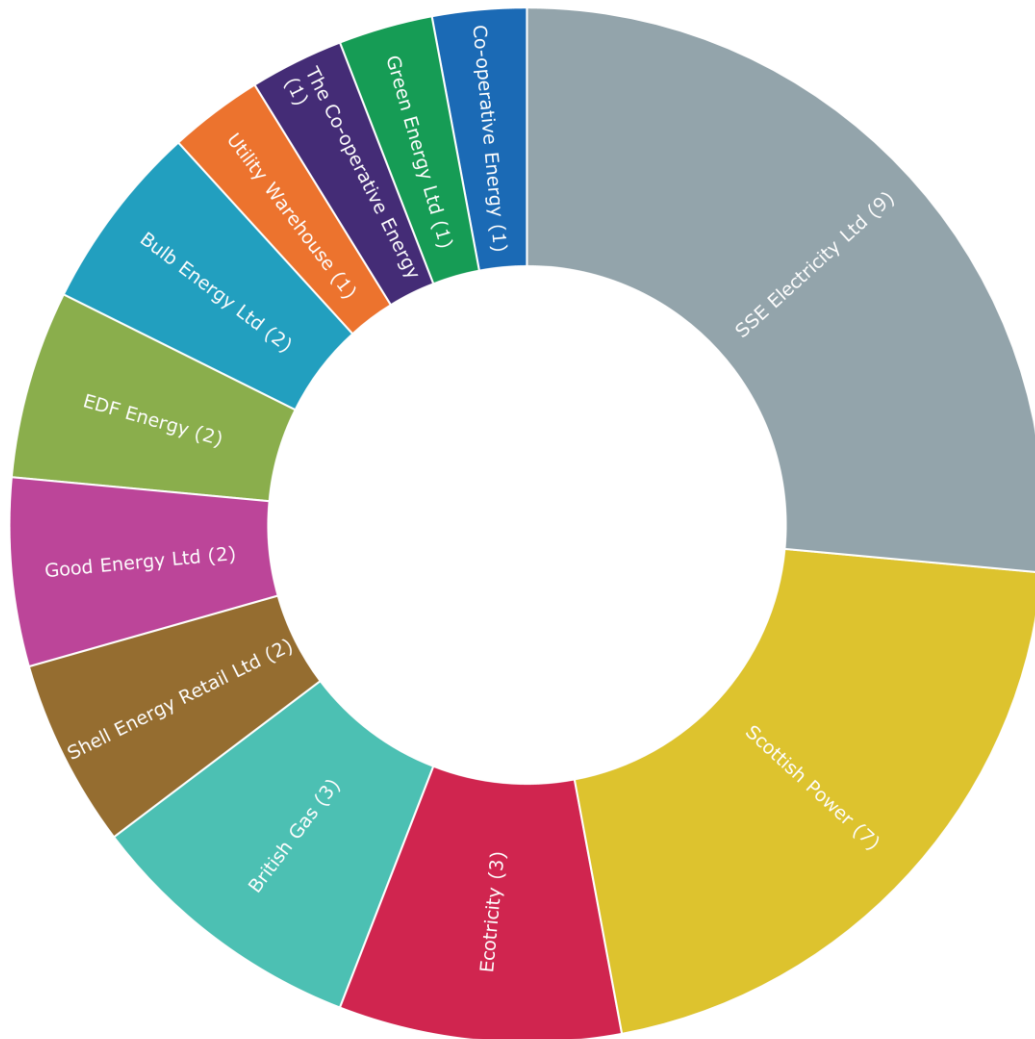


N.B. the number of incidents are shown in brackets.

Table 3: Administrative CFR Submission Change Volumes (Other suppliers)

Supplier	Incidents
Npower	4
Foxglove Energy Supply Ltd	3
Robin Hood Energy	3
Green Energy Ltd	1
Haven Energy Ltd	1
Octopus Energy Ltd	1
Tonik Energy Ltd	1

Figure 5: Legislative CFR Submission Change Volumes



N.B. the number of incidents are shown in brackets.

3.11. Where non-compliances occur the supplier is informed that the incident will be added to the SPR following resolution.

Biennial Meter Verifications

3.12. FIT licensees are required to verify generation and/or export meter readings, at least once every two years. This is monitored by Ofgem. Where we have identified issues with this process the incident is added to the SPR. For more information on Biennial meter verification please refer to our Feed-in Tariffs: Guidance for Licensed Electricity Suppliers.

Table 4: Biennial meter verification non-compliances

Supplier	Issue	Detail	Incidents
Good Energy	Data accuracy	Address accuracy	1
Scottish Power Energy Retail Ltd	Meter readings	Within 2 years	1
Utilita Electricity Ltd	Meter readings	Within 2 years	1

3.13. Three suppliers were added to the SPR in relation to Biennial meter verification issues. At times there can be a time lag between incidents occurring and them being added to the SPR. As such, we expect more BMV incidents to be reported in the next iteration of the report. Due to the small number of incidents the information has been presented in a table format.

3.14. It should be noted that although one incident was recorded against Good Energy, this incident with addresses involved 593 installations.

Payments

3.15. Suppliers are required to make payments to us in relation to a number of the schemes we administer. Where a required payment is late, missed or there is some other type of issue these non-compliances are added to the SPR.

Table 5: Payment non-compliances

Scheme	Supplier	Issue	Detail	Incidents
WHD	Co-operative Energy	Late Payment	Deadline Missed	1
WHD	Flow Energy	Late Payment	Deadline Missed	1

3.16. There were two incidents of late payment on the Warm Home Discount (WHD) scheme between January and June 2020. Where payment deadlines are missed on the WHD scheme, in addition to being added to the SPR, suppliers are subject to

interest charges until payment is received. For more information please refer to our Warm Home Discount (WHD) guidance for suppliers⁴.

3.17. Please note that any FIT and RO payment non-compliances will be included in the next iteration of the SPR.

⁴ [Link to Warm Home Discount \(WHD\) guidance for suppliers:](https://www.ofgem.gov.uk/publications-and-updates/warm-home-discount-whd-guidance-suppliers-version-61)
<<https://www.ofgem.gov.uk/publications-and-updates/warm-home-discount-whd-guidance-suppliers-version-61>>
