

E-Serve Supplier Performance Report (SPR)

Consultation

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Overview:

Ofgem E-Serve delivers green energy and social schemes on behalf of the government. Some of these schemes place obligations on energy suppliers, which they have to comply with. This document describes our proposals for publishing a supplier performance report (SPR) which records and assesses incidents of non-compliance by suppliers with these schemes.

We welcome your views on these proposals. Please respond to spr@ofgem.gov.uk by the end of **25 August 2016**.

Associated documents

Electricity Act 1989

<http://www.legislation.gov.uk/ukpga/1989/29/contents>

Gas Act 1986

<http://www.legislation.gov.uk/ukpga/1986/44/contents>

Standard conditions of electricity supply licence

<https://epr.ofgem.gov.uk/Content/Documents/Electricity%20Supply%20Standard%20Licence%20Conditions%20Consolidated%20-%20Current%20Version.pdf>

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Executive summary

Ofgem E-Serve ('E-Serve') administers six environmental and social schemes, on behalf of the government, which place obligations on energy suppliers. The schemes promote the use of sustainable sources of energy, reduce carbon emissions, and provide consumers with rebates. With a collective value of over £6 billion, the cost of these schemes represents a significant part of consumers' bills. It is important that these schemes operate efficiently to ensure consumers' money is not wasted and to ensure the schemes to deliver their intended benefits.

We are keen to embed a culture of compliance in the suppliers. Suppliers generally comply with their overall obligations, but during our administration of the schemes we continue to see non-compliance with specific requirements like meeting deadlines and submitting accurate data. This is inefficient and means we have to devote more resources to scheme monitoring and compliance activities. In some cases it can also have a knock-on impact on other suppliers or the supply chain.

We have developed a supplier performance report (SPR) which records all these incidents of non-compliance and assesses their severity. This has allowed us to identify trends in compliance over the last few years. Despite our supplier engagement and guidance, we have not seen a significant improvement in the level of compliance.

To ensure consistency we have put in place an objective scoring methodology for the SPR which makes sure that we record incidents in the same way across the schemes. We have supported this with a robust governance framework to ensure we follow this methodology consistently.

Given the scale of the schemes and the non-compliance, it is important to provide transparency for consumers. As suppliers pass on the costs of the schemes to their customers, we believe it is right that consumers are fully aware of how well different suppliers meet the scheme requirements.

Our proposal here is to publish the SPR on our website. Consumers, consumer groups and industry will benefit from the transparency of publishing the SPR, and it can also inform the decisions of consumers when switching supplier. Suppliers will be able to see how they are performing relative to others, which will help identify inefficiencies and improve compliance overall.

Responding to this consultation

We welcome views from stakeholders on our proposal to publish the SPR. The consultation will be open from **30 June to 25 August 2016**. You should send your responses to spr@ofgem.gov.uk or to:

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We aim to publish our decision, including a summary of responses, in October 2016. We will publish all responses on our website unless they are marked confidential.

1 Background and context

The schemes

1.1. Ofgem E-Serve administers environmental and social support schemes, in the energy sector, on behalf of the government. These schemes place obligations on energy suppliers. To comply with these obligations, they must submit information and (for some schemes) make payments to us.

1.2. These schemes are:

- Renewables Obligation¹ (RO) - for large scale renewable electricity
- Feed-in Tariff² (FIT) - for small scale renewable electricity
- Offtaker of Last Resort³ (OLR) - an auction process to award power purchase agreements if a generator cannot arrange its own, under the Contracts for Difference scheme
- Energy Company Obligation⁴ (ECO) - for energy efficiency and heating measures
- Warm Home Discount⁵ (WHD) - which provides support to vulnerable and fuel poor consumers
- Government Electricity Rebate⁶ (GER) - a payment of £12 per domestic bill payer in 2014 and 2015

1.3. The schemes benefit consumers by providing their homes with energy efficiency measures, helping to reduce the UK's carbon emissions, changing our energy mix to use more sustainable sources of electricity and, in the case of WHD and GER, providing direct financial support to help consumers meet their energy costs. Collectively, the schemes were worth over £6 billion in 2014-15. Suppliers pass on their costs for meeting their scheme obligations to their customers. The more efficiently the schemes operate, both for the suppliers and for us as administrator, the better value they will be for consumers.

1.4. The schemes are very different in the way they work but there are administrative similarities, and this can lead to similarities in the problems suppliers have in meeting their obligations.

Our objectives in ensuring compliance

1.5. Suppliers must meet either statutory requirements or conditions attached to their supply licences to comply with these schemes. Overall, suppliers do comply with their overarching obligations under each of the schemes.

1.6. We have taken enforcement action in the past for significant contraventions suppliers have made on the schemes. When making our decision on whether to open an enforcement

¹ <https://www.ofgem.gov.uk/environmental-programmes/renewables-obligation-ro>

² <https://www.ofgem.gov.uk/environmental-programmes/feed-tariff-fit-scheme>

³ <https://www.ofgem.gov.uk/electricity/wholesale-market/market-efficiency-review-and-reform/electricity-market-reform/offtaker-last-resort-olr>

⁴ <https://www.ofgem.gov.uk/environmental-programmes/energy-company-obligation-eco>

⁵ <https://www.ofgem.gov.uk/environmental-programmes/social-programmes/warm-home-discount-whd>

⁶ <https://www.ofgem.gov.uk/environmental-programmes/social-programmes/government-electricity-rebate-ger>

investigation, we consider our enforcement guidelines,⁷ including an assessment against our annual priorities.

1.7. However, a far more common problem is suppliers' failure to comply with many of the individual sub-obligations, like meeting deadlines or providing us with accurate information. We assess these incidents case-by-case and take action within the schemes where possible. We also publish details in the respective scheme annual reports. We do not pursue enforcement action for all of these incidents because doing so would not be an efficient use of our resources.

1.8. Over time and across the schemes these incidents can, however, indicate a supplier has a wider problem with non-compliance. Non-compliance means that suppliers have to spend additional time and cost rectifying their errors, which is inefficient. Addressing these incidents can also take up a significant amount of our administrative time and effort. The cost of this extra work for both the suppliers and us is borne by energy consumers, or tax payers. Non-compliance can also undermine confidence in the schemes and the aims the government set out for them to achieve, as well as creating problems for the supply chains that are needed for the delivery of the obligations.

1.9. As we administer a number of different schemes, we may be able to do our job better by coordinating certain administrative obligations across the schemes. For example, suppliers are required to submit customer numbers to us under the FIT, ECO and WHD schemes and we coordinate our administration of this task across the three schemes. This has improved our efficiency and made it easier to identify non-compliance, compared with doing this scheme-by-scheme. Using the SPR will help us to further improve our scheme administration in this way.

1.10. We want to work with suppliers to help them meet their obligations as efficiently as possible, and therefore keep costs to consumers as low as possible. Our general statutory duties as energy regulator and as administrator of the schemes require us to be transparent and to act in the best interests of energy consumers.

1.11. We need a tool to improve the current level of compliance, which:

- Is inexpensive (ie it will not require any extra resources for us to carry out)
- Applies across all of the schemes
- Helps build a culture of compliance among the suppliers
- Helps us to improve our administration of the schemes, eg identifying areas we might be able to provide or refine our guidance
- Is transparent for consumers, to show them where their money is going

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https://www.ofgem.gov.uk/sites/default/files/docs/2014/09/enforcement_guidelines_12_september_2014_published_version_1.pdf

Options

1.12. We already do a number of things to help suppliers successfully meet their scheme obligations. This includes producing scheme guidance and other resources on our website, holding regular stakeholder workshops and one-to-one meetings with suppliers. We do this proactively. For example when a supplier is approaching the threshold for the number of customers that will make it obligated under the ECO scheme, we provide them with information and offer them a meeting with us to discuss the scheme requirements.

1.13. We have options within our existing powers to help us achieve our aim of improving compliance across the schemes. These include improving our communications internally and with suppliers and giving suppliers performance targets (including KPIs) when they fail to comply.

1.14. Since 2014 we have kept a log of supplier non-compliance incidents internally, which we call the Supplier Performance Report (SPR). In this we record the incidents that occur across all of the schemes and assess their severity. Another option, alongside maintaining the SPR internally, is to publish it on our website.

1.15. To find the best option to improve compliance across the schemes we have assessed each of them against the criteria in 1.11. A summary of our views on how each of these options can help to achieve this is in **Table 1**:

Table 1

	Inexpensive?	Cross-scheme?	Builds compliance culture?	Helps improve our administration?	Transparent for consumers?
Improve internal communication	✓	✓	✗	✓	✗
Improve communication with suppliers	✓	✓	✓	✓	✗
Give suppliers performance targets	✓	✓	✓	✗	✗

	Inexpensive?	Cross-scheme?	Builds compliance culture?	Helps improve our administration?	Transparent for consumers?
Keep internal SPR, assessing non-compliance incidents	✓	✓	✗	✓	✗
Publish SPR	✓	✓	✓	✓	✓

1.16. From Table 1, we believe that publishing the SPR is the option that best meets all of the criteria towards our objective of improving compliance with the schemes. We will still strive to improve our communications as well, but this is the option we think will have the most benefit. As suppliers pass on the costs of the schemes to their customers, we believe it is right to inform consumers and consumer groups on how well different suppliers meet the scheme requirements. We propose publishing the SPR, and this is what we seek your views on in this consultation.

Framework for publishing

1.17. Section 35 of the Gas Act 1986 and section 48 of the Electricity Act 1989 state that Ofgem can publish any advice and information in such a manner as it thinks fit, if it considers that the information would promote the interests of consumers. In publishing this advice or information we must have regard to the need for excluding, so far as practicable, matters that would or might seriously and prejudicially affect the interests of an individual or body. Before deciding to publish any advice or information under this part of the Acts, we must consult the individual or body concerned.

1.18. When there is an incident of a supplier not complying, we will tell them that we are going to record the incident on the SPR, along with the score we plan to give the incident (see Chapter 2 for our scoring methodology). We will also consult suppliers on all the information we plan to publish about them before we update the SPR every quarter. We will share the updated scores with the suppliers, two weeks before publication, to give them a final chance to comment on our scores. We describe this in more detail in 3.1 to 3.5.

1.19. Poor compliance performance, as shown on the SPR, will not necessarily lead to enforcement action. In making an assessment on whether or not to open an enforcement investigation, we consider a range of information against our case opening prioritisation criteria. This includes whether the party has a demonstrated record of poor compliance and whether there have been a series of concerns raised over time, none of which in isolation might be considered

serious enough to warrant opening a case.⁸ As such, the SPR may provide supporting information to help us consider whether to open an enforcement investigation against a supplier.

1.20. In our 2016-17 Forward Work Programme⁹ there was a commitment to become more open and transparent, particularly through the publication of more information and statistics about the schemes. The SPR is part of this work, and we will publish the outputs of further initiatives later this year.

Question 1: Do you agree with our analysis that shows that publishing the SPR will promote the interests of consumers? Please support your answer.

⁸ Paragraphs 3.37(7) and (8) of the Enforcement Guidelines.

⁹ https://www.ofgem.gov.uk/system/files/docs/2016/03/forward_work_programme_2016-17.pdf

2 How we reach the scores

Rating criteria

2.1. We have developed a matrix to score the supplier incidents according to their severity. We welcome your views on our proposed methodology.

Categories

2.2. We propose six scoring categories, covering the full range of supplier incidents we have seen and that we think are possible. These were the types of incident that came up most often when we started developing the SPR and recording the incidents informally. To ensure consistency and enable comparison, we will score every incident against each of the six categories.

2.3. The categories we propose are:

- Compliance with overall scheme obligation (different for each scheme)
- Deadlines
- Governance
- Accuracy of data
- Financial loss
- Effect on industry/government/public confidence

2.4. For internal reporting, we will also record the time taken to resolve the issue and the highest level of E-Serve staff involved. This will help us streamline our processes and improve how we administer the schemes.

2.5. As well as these scoring categories, we will divide the incidents into types. Doing this will let us group the incidents together when we present the data. Similarly we will record whether the incident is legislative (eg missing a deadline in scheme legislation) or administrative (eg not following our guidance) as well as the actions we and the supplier have taken to rectify it.

2.6. The issue types we propose are:

- Audit and assurance
- Communication
- Data accuracy/misreporting
- Failure to meet licence condition
- Failure to submit information
- Late data/payments

Severity ratings

2.7. We propose rating every incident against each of the categories listed in 2.3. Where possible we have defined what each severity rating means quantitatively to make our scoring as objective as possible.

2.8. What we are scoring is *non-compliance*. We will rate every incident against each category by giving a score of between 0 and 4 (where 0 is the best and 4 the worst). If a category is not relevant for a particular incident, we simply score it as 0.

2.9. The exception to this scoring methodology is the 'Compliance with overriding scheme obligation' category. We will only score this as 0 (supplier met its obligation) or 4 (did not meet its obligation).

2.10. The categories and severity ratings together form our proposed scoring matrix, which is in **Appendix 1**.

Treatment of scores

2.11. When we assess each incident against the six categories, we propose to then take the maximum score across the categories to present the SPR data.

2.12. We are proposing to use the maximum score rather the cumulative total of the scores because it assesses the issues in a fairer way. For example: supplier A commits three minor infractions scoring 1 in both the Governance and Deadlines categories. Supplier B does not comply with its overall obligation and receives a score of 4 for this. Using the cumulative total, supplier A would receive a score of 6 and supplier B a score of 4. Using the maximum score, supplier A would score 3 but supplier B would still score 4. This is a simple example, but the less serious incidents are both more numerous and get a score in more categories than the more serious incidents. Across hundreds of incidents for each scheme, using the cumulative score would mean the more serious issues get buried beneath large numbers of small issues.

2.13. We are not proposing to weight scores according to a supplier's share of the market or scheme. Larger suppliers will have to participate in more of the schemes due to their size, but smaller suppliers may choose to participate in schemes for their own business reasons. This will already expose them to a greater risk of making errors and accumulating more entries on the SPR. Compounding this by weighting by market or scheme share would be unfair, as it would artificially inflate the severity of the incidents. In other words, an incident from a large supplier shouldn't get a higher score than the same incident at a smaller supplier, just because of the difference in size.

2.14. We think it is fairer to simply record the number of non-compliance issues and administrative incidents. There is still some acknowledgement of the size of the incident in our scoring matrix (Appendix 1), but these are objective. To adjust the scores further by taking into account the supplier's scheme or market share would effectively score the supplier twice.

2.15. Fairness, thoroughness and objectivity have been our primary concerns as we have developed the scoring methodology. Because of this we have put in place a defined governance process and checking procedures. In the first month after the end of a quarter, the scheme compliance teams will update their scheme's scores in the first week of the month. During the second week, another compliance team will peer review the new or updated scores to make sure the agreed scoring methodology has been followed. During the third week, a senior manager will check the scoring. In the last week of the month, all scheme compliance managers will give the scores a final sense check. In addition, every year we will thoroughly review all scores across the schemes to ensure they are as accurate, consistent and objective as possible.

2.16. The SPR is not an assessment of suppliers' environmental performance, as we do not hold the data to do this, nor is it in E-Serve's remit. However it will reflect how compliant they are with environmental and social schemes, and drive improvements in the level of compliance. Consumers, consumer groups and industry will also benefit from the transparency of publishing the SPR, and it can also inform the decisions of consumers when switching supplier.

Question 2: Do you agree with this method of scoring and the definitions we are proposing? If not, what alternatives do you suggest?

3 Presentation of data

Timing

3.1. We continuously monitor the scheme compliance information suppliers provide us with, and engage with them regularly. When a supplier non-compliance incident occurs, we will inform the supplier that we will record the details in the SPR. This will include the score we intend to give the incident.

3.2. We propose to publish updates to the SPR data every quarter. We propose to publish the updated SPR as soon as possible after we have fully reviewed it for the preceding quarter. So for example, for the quarter ending on 30 June we will review the data throughout July, before getting sign-off and publishing the updated SPR in August.

3.3. Two weeks before publishing the data, we will email suppliers their scores. This will include average scores across all suppliers, as a benchmark.

3.4. This period will give suppliers the opportunity to review their scores and raise any questions or concerns with us before we publish the updated SPR. We will have regard to any representations from suppliers about whether any of the information we propose to publish would, or might, seriously and prejudicially affect their interests when deciding what information to subsequently publish (see 1.17).

3.5. Before we publish the data for the first time, we will send details to suppliers of the quarterly timetable for this pre-publication engagement. This will include details of how and by when to respond with any points they want to raise on their scores.

Charts and tables

3.6. As described in 2.12, we propose to use the *maximum* score across the categories for each incident, rather than the cumulative total. This and the number of incidents per supplier over a given time period will form the basis of the data we propose to publish.

3.7. We want users of our website to be able to view trends in the SPR data. To do this, we are proposing to publish charts and tables by scheme and over a period of time. This will show areas of common weakness across suppliers, and also periods when the number of incidents increases or decreases, for example when new scheme requirements are introduced.

3.8. When we publish the data we do not propose to include all suppliers in the same summary table or chart. This is because the number of suppliers would make these difficult to understand due to the amount of data. In addition, not all suppliers are obligated under the same schemes.

3.9. Instead, we propose that the charts and tables will only show data for the suppliers obligated under all of the schemes (currently 11 suppliers).

3.10. We propose to publish charts which show the suppliers' total scores and number of incidents since October 2015, both per quarter and overall. We also propose to break this down by scheme. We have chosen October 2015 as the starting point because this was when we began using our current scoring methodology. Although we added entries to the SPR before this, we did this using a different way of scoring.

3.11. **Appendix 2** shows a mock-up of the SPR webpage we propose to publish, including the charts. **Figure A1** shows the score accrued in each quarter, and in total, for each supplier

obligated under all of the schemes. This shows, at a glance, how individual suppliers have got better or worse over time as well as the best and worst overall. **Figure A2** is a variation on this chart showing the number of incidents per supplier. **Figure A3** shows the total score per quarter across all suppliers broken down by scheme, while **Figure A4** is the same but shows the number of incidents rather than the total score.

Raw data

3.12. We propose to provide the raw data in Excel format. This data will include every incident of non-compliance with the following information:

- Supplier
- Scheme
- Issue type
- Sub-issue (within issue type)
- Description of incident
- Date of incident
- Whether the incident was legislative or administrative non-compliance
- Scores against the six categories, described in Chapter 2
- Maximum score across the categories

3.13. Publishing the raw data will allow suppliers, consumers, consumer groups and anyone else who's interested to analyse the full SPR if they wish. As part of the raw data file we will include tables and charts, to go alongside those we propose to publish on the webpage.

Question 3: Do you agree with the data we plan to publish?

Question 4: Do you agree with our proposed timings of publication?

Question 5: Do you have any comments on the SPR webpage we propose?

4 Conclusion and next steps

- 4.1. We believe that there is a good case for publishing the SPR and that doing so will promote the interests of consumers.
- 4.2. We want publishing the data to drive suppliers to get better at complying with the schemes. We want them to take action so they don't increase their scores from one quarter to the next, and indeed drop off the SPR over time.
- 4.3. Some suppliers will not show on the SPR, either because they don't have obligations under any of the schemes, or because they have managed to comply fully with their obligations. For these suppliers we think there will be positives to publishing the SPR as they will be able to demonstrate to their customers, prospective customers and other stakeholders that they are performing well.
- 4.4. The intention of the SPR is to show where suppliers have *not* met their obligations. The starting point for all suppliers should be complying completely with their obligations, so the starting score will always be zero. By doing this we will be highlighting failure to comply.

We seek your feedback

- 4.5. We realise that publishing non-compliance data in the SPR is a change from how we work at the moment. We want to work closely with all of our stakeholders so that we can benefit consumers, as well as ensuring suppliers are meeting their scheme obligations. To help us do this as well as possible, we will greatly appreciate your feedback in response to this consultation.
- 4.6. We will also be holding meetings during the consultation period in our London and Glasgow offices for key industry participants and other stakeholders. If you want to attend one of these meetings, please contact us for more information.
- 4.7. Full details of how to respond are in **Appendix 3**.

Appendix 1 – proposed scoring matrix

Severity Category → ↓	Severity Rating - 4	Severity Rating - 3	Severity Rating - 2	Severity Rating - 1	Severity - 0
<i>Compliance with overriding scheme obligations</i>	<p>ECO – Has not met its set obligation</p> <p>WHD – Has not met its set obligation</p> <p>GER – Has failed to make payments to one or more consumer within the required time frame</p> <p>FITs – Has failed to make FIT payments to one or more generators within the set time frames</p> <p>RO – Has not met its obligation for an obligation period (by submitting ROCs and/or making payments)</p> <p>OLR – has not participated in a BPPA auction</p> <p>CCL – has not submitted evidence as required</p>				Has met their obligation
<i>Deadlines</i>	<p>Scheme deadline missed (Statutory or guidance deadlines)</p> <p><u>Impact:</u></p> <p>Is likely to lead to consideration of enforcement action*</p> <p>* Should only be changed to this score once an enforcement notice has been issued</p> <p><i>or</i></p> <p>Supplier’s action means we have to make special arrangements to complete compliance, eg extend a deadline.</p>	<p>High chance of scheme deadline missed (Statutory or guidance deadlines)</p> <p><u>Impact:</u></p> <p>Leads to a future monthly monitoring requirement</p> <p><i>or</i></p> <p>Leads to delays/time constraints for Ofgem in completing compliance</p>	<p>Significant chance of deadline missed (Statutory or guidance deadlines)</p> <p><u>Impact:</u></p> <p>Leads to a future quarterly monitoring requirement/ a site audit/ a required change in supplier’s controls and procedures</p> <p><i>or</i></p> <p>Corporate strategy objectives moved or discarded</p>	<p>Minor chance of deadline missed (Statutory or guidance deadlines)</p> <p><u>Impact:</u></p> <p>Leads to details published in annual report</p> <p><i>or</i></p> <p>Notification of minor non-compliance</p> <p><i>or</i></p> <p>Reprioritising of delivery required</p>	<p>No/low chance of deadline missed (Statutory or guidance deadlines)</p> <p><u>Impact:</u></p> <p>No / low reprioritising of delivery required</p>
<i>Governance</i>	<p>Very serious concerns over governance</p> <p><u>Impact:</u></p> <p>Leads to a required change in legislation*</p> <p>* Should only be changed to this score once the above is realised</p> <p><i>or</i></p> <p>Ofgem requires supplier to significantly overhaul its governance structure</p>	<p>Serious concerns over governance</p> <p><u>Impact:</u></p> <p>Leads to an investigation by scheme compliance team</p> <p><i>or</i></p> <p>Leads to a future monthly monitoring requirement</p> <p><i>or</i></p> <p>Leads to a change in Ofgem’s external guidance</p> <p><i>or</i></p> <p>Ofgem requires supplier to make some changes to governance structure</p>	<p>Significant concerns over governance</p> <p><u>Impact:</u></p> <p>Leads to a future quarterly monitoring requirement/ a site audit/ a required change in supplier’s controls and procedures</p> <p><i>or</i></p> <p>Ofgem makes suggestions to change governance structure</p>	<p>Minor concerns over governance</p> <p><u>Impact:</u></p> <p>Details published in annual report</p> <p><i>or</i></p> <p>Leads to communication with individual supplier clarifying compliance processes</p> <p><i>or</i></p> <p>Ofgem reviews governance structure</p>	No concerns over governance

Severity → Category ↓	Severity Rating - 4	Severity Rating - 3	Severity Rating - 2	Severity Rating - 1	Severity - 0
<i>Accuracy of data</i>	<p>Very serious concerns over data accuracy</p> <p><u>Impact:</u> Volume of incidents ≥ 5% of supplier's total obligation/number of measures claimed <i>or</i> Affects scheme obligation setting/calculation <i>or</i> Is likely to lead to consideration of enforcement action *</p> <p>* Should only be changed to this score once an enforcement notice has been issued</p>	<p>Serious concerns over data accuracy</p> <p><u>Impact:</u> Volume of incidents ≥3% to <5% of supplier's total obligation/number of measures claimed <i>or</i> Leads to an investigation by scheme compliance team <i>or</i> Leads to a future monthly monitoring requirement <i>or</i> Leads to a change in Ofgem's external guidance <i>or</i> Ofgem unable to process/accept data due to poor quality</p>	<p>Significant concerns over data accuracy</p> <p><u>Impact:</u> Volume of incidents ≥1% to <3% of supplier's total obligation/number of measures claimed <i>or</i> Leads to a future quarterly monitoring requirement/ a site audit/ a required change in supplier's controls and procedures <i>or</i> Leads to a change in Ofgem's internal processes/procedures <i>or</i> Leads reconciliation in future compliance periods</p>	<p>Minor concerns over data accuracy</p> <p><u>Impact:</u> Volume of incidents <1% of supplier's total obligation/number of measures claimed <i>or</i> Details published in annual report <i>or</i> Leads to communication with individual supplier clarifying compliance processes</p>	No concerns over data accuracy
<i>Financial loss</i>	<p>Very high financial loss to scheme participants</p> <p><u>Impact:</u> ≥ 10% of the supplier's obligation to the scheme</p>	<p>High financial loss to scheme participants</p> <p><u>Impact:</u> ≥5% to <10% of the supplier's obligation to the scheme</p>	<p>Significant financial loss to scheme participants</p> <p><u>Impact:</u> ≥1% to <5% of the supplier's obligation to the scheme</p>	<p>Minor financial loss to scheme participants</p> <p><u>Impact:</u> >1% of the supplier's obligation to the scheme</p>	No / low financial loss to scheme participants
<i>Effect on industry/ government/ public confidence</i>	<p>Leads to a very high increase in Ofgem's communication with public/media/other interested parties</p> <p>Results in media story</p>	<p>Leads to a high increase in Ofgem's communication with public/media/other interested parties</p>	<p>Leads to a significant increase in Ofgem's communication with public/media/other interested parties</p>	<p>Results in a minor increase in Ofgem's communication with public/media/other interested parties</p>	No increase in Ofgem's communication with public/media/other interested parties
<i>Level of Escalation</i>	Highest level of staff involved: senior employee (associate director, managing director or CEO)	Highest level of staff involved: head of scheme	Highest level of staff involved: senior manager	Highest level of staff involved: manager	Highest level of staff involved: assistant manager
<i>Time required to resolve</i>	Over 4 months	3 - 4 months	2 - 3 months	1 - 2 months	Under 1 month

Appendix 2 – proposed SPR webpage and charts

The Supplier Performance Report (SPR) is a tool to track energy suppliers' compliance with schemes administered by Ofgem E-Serve. These schemes are:

- Renewables Obligation (RO)
- Feed-in Tariff (FIT)
- Offtaker of Last Resort (OLR)
- Energy Company Obligation (ECO)
- Warm Home Discount (WHD)
- Government Electricity Rebate (GER)

These schemes support consumers in a number of different ways, either through the provision of energy efficiency measures and rebates on energy bills or by helping the transition towards a more sustainable energy system.

How does the SPR work?

Each scheme has a number of different requirements which obligated suppliers must meet. This includes meeting an overall obligation, but also reporting progress to us and meeting deadlines to provide certain types of information, including payments.

When a supplier fails to comply with either an overall obligation or other scheme requirement, we record this on the SPR, categorise it and score it based on its severity.

Why are we publishing this information?

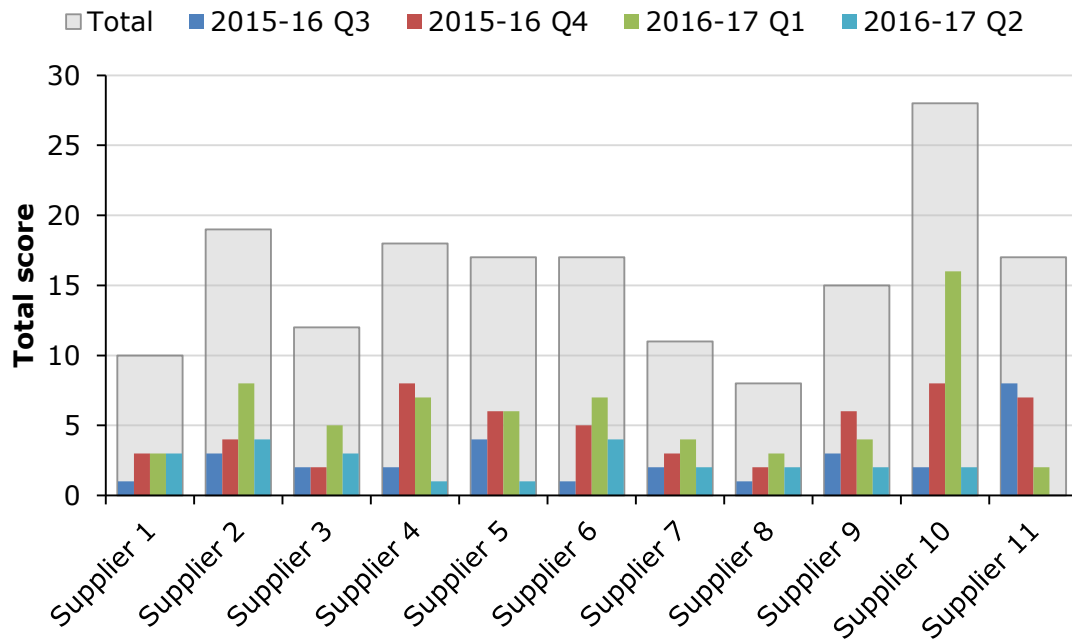
On the whole suppliers effectively fulfil their overall obligations under these schemes and we record their performance in various scheme reports.

However since suppliers pass on the costs of the schemes to their customers, we believe it is right that consumers are fully aware of how well different suppliers meet the scheme requirements.

The charts below provide information on the performance of different suppliers since October 2015. You can also download the entire SPR using the link at the bottom of this page.

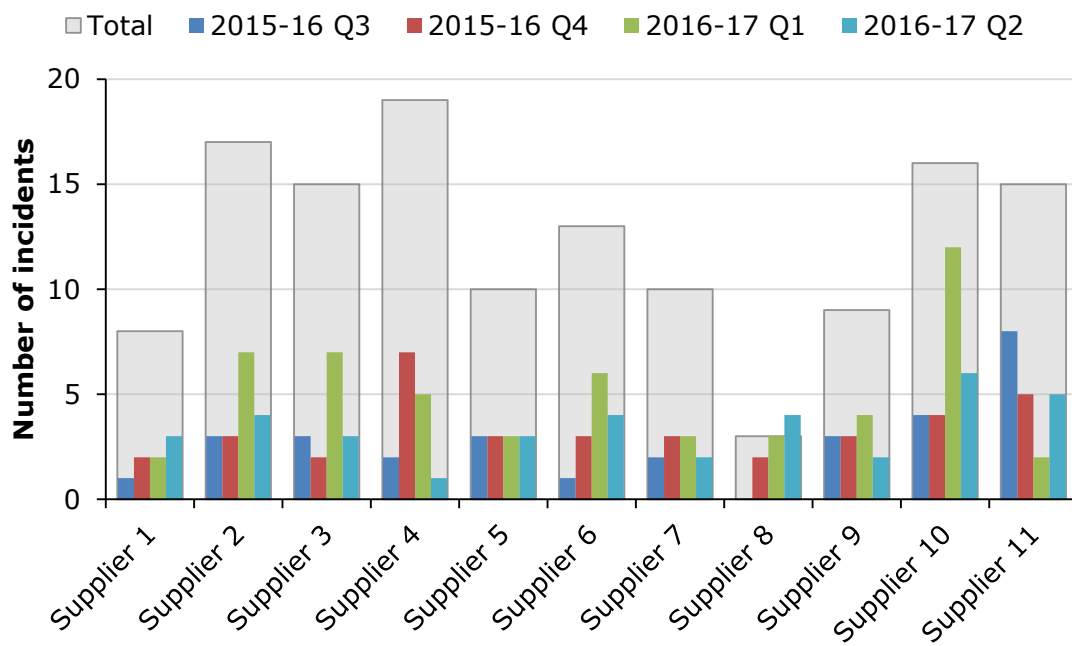
If you have any queries get in touch with us at SPR@ofgem.gov.uk.

Figure A1: Total score per quarter for suppliers with obligations under all of the schemes



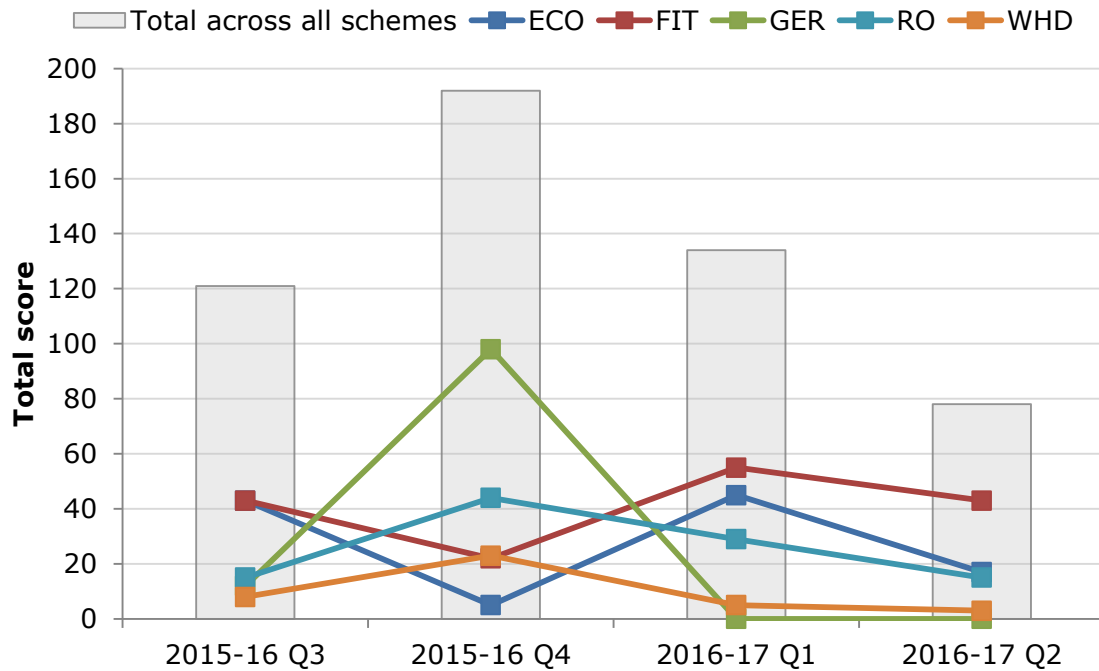
The chart above shows the total score per quarter for the suppliers who have obligations under all of the schemes. We give each non-compliance incident a score of between 0 and 4 based on its severity, and the data in this chart is based on the maximum score across those categories.

Figure A2: Number of incidents per quarter for suppliers with obligations under all of the schemes



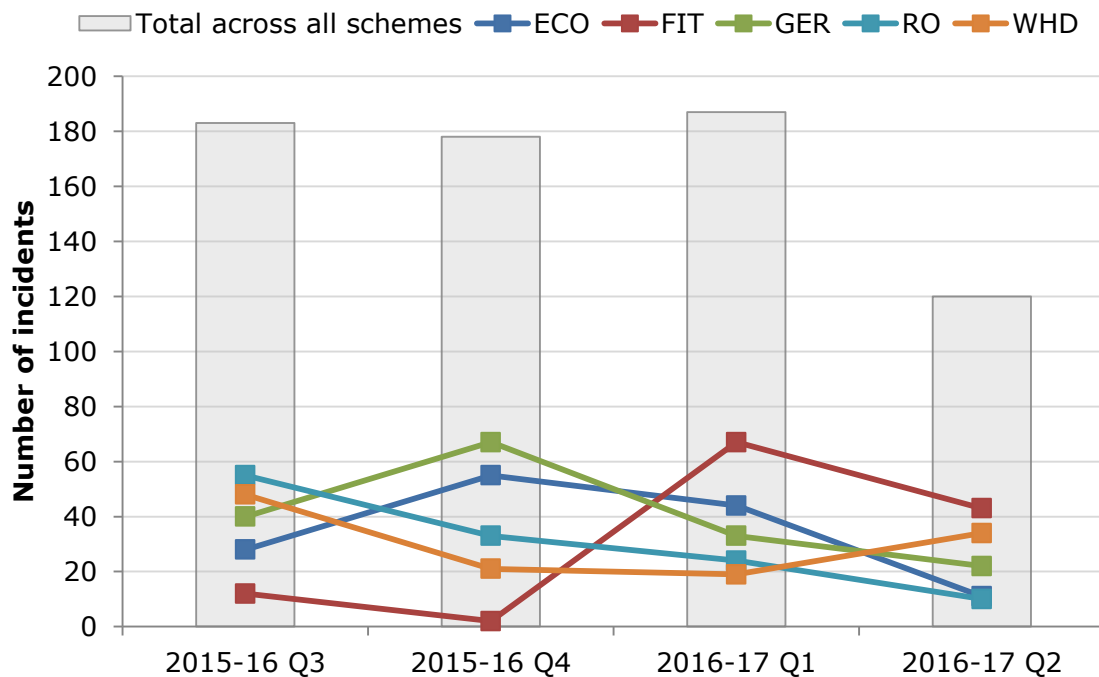
The chart above shows the total number of incidents per quarter for the suppliers who have obligations under all of the schemes. This does not take into account the severity of each incident.

Figure A3: Total score per quarter across all suppliers per scheme



The chart above shows the total non-compliance scores per quarter for each scheme. This is for all suppliers, rather than a subset like the above charts.

Figure A4: Number of incidents per year across all suppliers per scheme



The chart above shows the number of incidents per quarter for each scheme. This is for all suppliers, rather than a subset like the above charts. [\[Link to download raw data\]](#)

Appendix 3 – consultation response and questions

1.1. We want to hear the views of anyone interested in our proposals for publishing the SPR that we have described in this document.

1.2. We ask for your feedback on each of the questions throughout this consultation document. We have also listed these below. Please respond by email or post.

1.3. We will publish all responses on our website unless you have marked it confidential. If you want your response to be confidential, you should clearly mark your response to that effect and include the reasons for confidentiality. We will respect this unless we are required to disclose the information, for example under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.

1.4. If you are including any confidential material in your response, please put it in the appendices.

1.5. Next steps: after we've considered the responses to this consultation, we will publish a response document. If you have any questions on this document, direct them to spr@ofgem.gov.uk or write to:

Mark Jenner

Ofgem E-Serve

9 Millbank

London SW1P 3GE

Consultation questions

Question 1: Do you agree with our analysis that shows that publishing the SPR will promote the interests of consumers? Please support your answer.

Question 2: Do you agree with this method of scoring and the definitions we are proposing? If not, what alternatives do you suggest?

Question 3: Do you agree with the data we plan to publish?

Question 4: Do you agree with our proposed timings of publication?

Question 5: Do you have any comments on the SPR webpage we propose?