Internal Only

FAO Marcus Clements

Re: Ofgem proposed changes to Social Obligation Reporting

I write on behalf of the Centre for Sustainable Energy (CSE) to say that we strongly support Ofgem's proposed changes to SOR relating to smart prepayment customers. CSE is currently undertaking research work into the impact of smart PPM on fuel poverty, and hence has particular knowledge and views on this aspect of SOR. Smart PPM is a fast changing key part of the market that affects the most vulnerable customers. It is important to have quarterly reporting to ensure any changes and trends are identified and understood early (including the frequency and method of customer top up). Therefore our answers to your two consultation questions are both YES.

Q1: Do you agree with our proposed approach to monitor, through SOR, the availability of cash as a top up method?

Yes. It is important to understand how smart prepayment is affecting customers methods and frequency of top up.

Q2: Do you agree with our proposed data-points for inclusion in the SOR, the frequency with which we propose to collect them, and the starting point for collecting them?

Proposed datapoints: Yes – top up frequency by channel is important in understanding impact of smart prepay on behaviour of vulnerable consumers e.g. self disconnection. Tracking numbers of consumers on smart prepay is critical in understanding market trends and assessing the impact of smart meters on fuel poverty.

Frequency: Yes. Quarterly reporting is essential. Annual is inadequate in a fast changing market.

Starting point: Yes. 28 January 17 is an appropriate date to start collecting data. It is important this doesn't slip any later since the smart meter rollout is already progressing at pace, at least for PPM customers who have become an early focus for the rollout.

Centre for Sustainable Energy 3 St Peter's Court Bedminster Parade Bristol BS3 4AQ

0117 934 1400 (switchboard)

www.cse.org.uk Sign up to our monthly enews at www.cse.org.uk/enews follow us on twitter

We are an independent national charity that shares our knowledge and experience to help people change the way they think and act about energy. Switched on since 1979.

Registered charity no 298740 / Registered company no 2219673 / Registered office as above. Disclaimer: This message is private and confidential and should only be read by those to whom it is addressed. If you are not the intended recipient, you should not copy it or use it for any purpose, nor disclose its contents to any person other than the intended recipient.