

Marcus Clements  
Head of Consumer Protection and Redress  
Consumers and Competition  
Ofgem  
9 Millbank  
London  
SW1P 3GE

Email to: [consumerpolicy@ofgem.gov.uk](mailto:consumerpolicy@ofgem.gov.uk)

6 June 2016

Dear Marcus

### **Consultation on proposed changes to the SOR requirements**

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

Thank you for your letter of 6 May in which you request our views on the proposed changes to the Social Obligations Reporting (SOR) to monitor developments with smart prepayment meters.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact Denise Willis on 07875 119946, or myself.

I confirm that this letter and its attachment may be published on the Ofgem website.

Yours sincerely,

A handwritten signature in blue ink that reads 'Paul Delamare'.

**Paul Delamare**  
**Head of Customers Policy and Regulation**

## Attachment

### Consultation on proposed changes to the SOR requirements

#### EDF Energy's response

**Q1. Do you agree with our proposed approach to monitor, through our Social Obligations Reporting, the availability of cash as a top-up method? If not, please:**

- **explain why**
- **suggest and explain any alternative approaches we should consider.**

Yes, we agree with the proposals to monitor this via the Social Obligations reporting (SOR).

It is important that all suppliers offer customers a choice of ways to top-up and that all are clear that Supply Licence Condition 27.1ai requires suppliers to offer cash as a top up method for prepayment meters, including smart meters in prepayment mode.

If this is not explicitly stated and monitored, it may result in confusion or misunderstanding, particularly from newer market entrants, that suppliers still have to offer payment via cash payment outlets for smart meters in prepayment mode.

**Q2. Do you agree with our proposed data points for inclusion in the SOR (on the number of times a supplier's customer base tops up per top-up channel and the number of smart meter consumers on prepayment), the frequency with which we propose to collect them, and the starting point for collecting them? If not, please:**

- **explain why**
- **suggest and explain any alternative(s).**

Yes, we agree with the proposed data points.

Further, we are pleased that the previous data point A8.27 which was proposed in the September 2015 has been replaced with your new data point to monitor smart prepayment top-ups via channel. We believe that this will achieve the same aim, whilst minimising the reporting burden upon suppliers.

**EDF Energy  
June 2016**