

E.ON Response to Ofgem Consultation: Proposed changes to the SOR requirements

Question 1: 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.

Question 2: 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).

We have answered both questions collectively below.

It is still not clear why Ofgem requires monitoring of these items or for what purpose it is going to use the information it collects in the longer term.

This was highlighted in our original response to Ofgem's consultation (Smart prepayment for a smarter market) and Ofgem's consultation outcome does not appear to give any further information on what it will do with this information. We believe that the collection of data per top up channel requires further consideration as to what objective it will deliver in the longer term.

We make all payment options available to our prepayment customers, however if a customer decided to top up 7 times a week or just once a month by the same or different method, we would question what this information will show and whether this delivers the insight that Ofgem requires. It may be of more interest to understand what proportion of customers regularly top up by channel over time, rather than simply the number of times a customer tops up by channel. Ofgem would, however, need to ensure that by publishing this information it does not identify the market share of any individual supplier.

Whilst highlighting the points above, we are comfortable with the frequency and starting point for collection of the new data points.

We fully support the need to monitor the market in the smart prepayment area but believe this needs further thought as to whether this is the most effective way.