

CMoney Savings Expert backbilling consultation response: 18/12/17

Attendees: Archna Luthra, Dan Lautman (MSE). Dennis Berg, Gharib Murbe (OFGEM)

Comments relate to domestic consumers only.

1: Do you agree with our assessment of consumer harm? Both for domestic and microbusiness consumers?

Yes. MSE agrees with the assessment in relation to domestic customers. (This response only covers domestic consumers as this is MSE's core focus).

A couple of issues with the current regime: although a number of suppliers are signatories to the voluntary standards, some do not adhere to the requirements thus creating inconsistencies. Additionally, a number of new suppliers coming into the market are not members of EnergyUK thus are not applying the voluntary standards. This causes confusion to customers. Hence the change will go a long way in assuring consistency.

2: Do you agree with the way we are proposing to implement a backbilling limit and the other effects of our proposed licence modification?

Yes, MSE agrees that the voluntary standards do not offer enough protection for consumers and that the licence conditions should be modified.

MSE would like to see strengthening of some areas like: increasing the number of meter reads to more than one per year. More meter readings will lead to more accurate bills.

MSE argues that smart meters should have a shorter back-billing limit if at all any. The same time limit sends the wrong impression about smart meters and there should be no backbills with smart meters as suppliers can read these more frequently. Furthermore, for customers who have left a supplier, 12 months is far too long a time to not receive an accurate bill.

3: Do you agree with our assessment of the costs to suppliers?

Have no opinion although suppliers should not use this as an excuse to not implement the changes. Additionally, don't believe moving from voluntary arrangements to a licence condition would be onerous.

4: Do you agree with the proposed implementation period?

Yes agree. It is important suppliers implement the changes as soon as possible as any delay is likely to lead to further consumer detriment

Further Comments:

- MSE doesn't believe strengthening these rules would restrict innovation and the abilities of smart meters allows suppliers to get more accurate usage figures.

- Final bills should not be sent if the consumer left more than three months ago, and if they are the consumer should not be obliged to pay it. Not fair to bill people who are no longer their customers more than 3 months after leaving esp. with a big bill. This has been a campaigning priority for MSE in the past and is very important.