

A guide to the domestic supplier-customer communications rule changes

From **11 February 2019**, a substantial package of changes to the rules around how suppliers communicate with their domestic customers will come into effect. Many of the existing detailed customer communications rules will be removed from the licence and five new enforceable principles, located in four new standard licence conditions (SLCs), will be added.

This document provides an overview of what the new framework of rules will look like. It's meant to act as a high-level guide to what has and hasn't changed. We have paraphrased the rules here for simplicity, so this document should not be taken as a substitute for the actual rules. To see these, please refer to the [gas](#) and [electricity](#) supply licences (after the rules have taken effect), or our [final decision notice](#).

Our new rules are in addition to the existing Standards of Conduct (SLC 0) and informed choices (SLC 25) principles. These also relate to customer communications, eg the Standards include a requirement for suppliers to give important information appropriate prominence.

SLC 31F Encouraging and enabling engagement

Two new principles, and an overarching engagement objective

Consumer engagement objective (SLC 31F.1)

- Suppliers must comply with the two new 'encouraging and enabling engagement' principles, and the new detailed rules around prompts to engage (SLC 31F.5), in a manner that's **designed to promote positive consumer engagement**.
- By engagement here we mean a consumer either considering switching tariff or supplier, or understanding and managing their energy costs and consumption.
- In complying with the two principles below, suppliers must also take a consumer's characteristics and features of their current tariff into account, and (where appropriate) the consumer's preferences too (SLC 31F.2).

'Continuing to make informed tariff and consumption choices' principle (SLC 31F.3)

- Suppliers must provide consumers with information, services and/or tools to help consumers:
 - (a) **understand the key features of their tariff** (including any charges, fees and payments associated with the tariff), and
 - (b) **make informed choices about how they manage their costs and consumption**, including when, and how much, energy they consume (and how this could be more efficient or flexible).

'Comparing and switching tariff and supplier' principle (SLC 31F.4)

- Suppliers must provide consumers with information to help them **understand that they can switch tariff and supplier**, and that they may benefit (including financially) from doing so.

It's up to suppliers to determine the **form and frequency** with which they provide this information, but it must be sufficient to achieve the outcomes set out in the principles.

Detailed rules that will still be in the licence

- Suppliers must identify times when each consumer is likely to want to consider/could benefit from considering their options about switching ('key prompt points', [SLC 31F.5](#)). At least once every 12 months, and at other key prompt points as a supplier deems appropriate (including in the event of certain contract changes), **suppliers must provide a package of Switching Information to each consumer to prompt them to consider switching tariff, and enable them to do so**. This information is:
 - (a) telling the consumer if there are other cheaper tariffs they could switch to with the same supplier (cheapest tariff message),
 - (b) a projection of the consumer's annual costs (estimated annual costs) and
 - (c) information that a consumer would need to compare tariffs across the market ("about your tariff" label).
- There are other rules about providing the cheapest tariff message ([SLC 31F.6](#)), estimated annual costs ([SLC 31F.7-9](#)) and "about your tariff" label ([SLC 31F.10](#)).
- Suppliers must prepare a **Tariff Information Label** for each of their tariffs ([SLC 31F.11](#)). This no longer has to follow a set format, but it has to be a clear and comprehensible list of the key features of the tariff, provided in a consolidated format that allows easy comparison with the other tariffs a supplier offers.
- Where other licence conditions require suppliers to provide **principal contract terms** to a consumer, the supplier must also provide the Tariff Information Label and Estimated Annual Costs to the consumer ([SLC 31F.12](#)).
- Suppliers must publish **energy efficiency information** ([SLC 31F.13-14](#)) on their website, operate a free telephone service to provide that information, and also provide it free of charge to consumers on request.
- Suppliers must ensure that consumers with **bespoke heating arrangements** aren't at a significant disadvantage when evaluating their current tariff or considering changing their tariff or supplier ([SLC 31F.15, electricity only](#)).

Detailed rules that will no longer be in the licence (will now covered by new principles)

- Rules about the Cheapest Tariff Message specifying where it has to be displayed, formatting, and certain information that has to accompany it.
- Rules about the "About Your Tariff" Label specifying where it has to be displayed and what it has to look like/include.
- Rules about the Tariff Information Label including template with specific content and format requirements.
- Requirement to have switching reminders ("Remember – it might be worth thinking about switching your tariff or supplier") on certain documents.
- Detailed bespoke heating arrangements rules.

SLC 31G Assistance and advice information

A new two-part principle

- Suppliers must provide information so consumers can quickly and easily understand how to (SLC 31G.1):
 - (a) **contact the relevant party** about a problem, question, or other request for assistance, eg in the event of a query, complaint, dispute or emergency, and
 - (b) **seek impartial advice** from Citizens Advice consumer service.
- Suppliers must also provide information, as appropriate in the circumstances, so consumers can quickly and easily understand (SLC 31G.2):
 - (a) their rights relating to **dispute settlement** (including how to contact the relevant Ombudsman), and
 - (b) how to access **appropriate assistance and advice**, eg information about debt management, energy efficiency and government programmes.
- In complying with this principle, suppliers must also take a consumer's characteristics and features of their current tariff into account, and (where appropriate) the consumer's preferences too (SLC 31G.3).

It's up to suppliers to determine the **form and frequency** with which they provide information, but it must be sufficient to achieve the outcomes set out in the principle.

Detailed rules that will still be in the licence

Where two SLCs are listed (eg SLC 31G.7/8), the first number is the rule in the electricity licence (eg SLC 31G.7) and the second is the equivalent gas licence rule (eg SLC 31G.8).

- Rules about providing the **Energy Consumer Guidance** and **Concise Guidance** (SLCs 31G.4-6).
- Suppliers must keep consumers informed about the need to **report a (suspected) gas leak**, and a phone number on which they can do so (SLC 31G.7, gas only).
- Suppliers must provide **dispute settlement information** on Bills/statements of account or otherwise annually (SLC 31G.7/8), and on promotional materials (elec).
- Suppliers must provide certain information annually to consumers who don't receive Bills or statements of account. This includes the consumer's **supply number** (SLC 31G.8/9) and information about **Citizens Advice** (SLC 31G.9/10).

Detailed rules that will no longer be in the licence (will now covered by new principles)

- Rules setting out specific ways in which suppliers must keep domestic consumers informed of gas and electricity network company contact details.

SLC 31H Relevant Billing Information, Bills and statements of account

A new principle

- Suppliers must provide information to help consumers **understand and manage the costs** associated with their tariff and energy consumption (SLC 31H.1). This includes providing Relevant Billing Information and, where relevant, Bills and statements of account.
- In complying with this principle, suppliers must also take a consumer's characteristics and features of their current tariff into account, and (where appropriate) the consumer's preferences too (SLC 31H.2).

Detailed rules that will still be in the licence

- Bills and statements of account must either be in a form that can be easily **retained as a copy**, or **made easily available for reference** (SLC 31H.3).
- **Bills and statements of account must still contain certain pieces of information** (SLCs 31H.4-7 – supply number, comparison of consumption with same period last year, QR code, "About Your Tariff" label, dispute settlement info for electricity and Citizens Advice information).
- Suppliers must be clear whether consumption estimates have been used (SLC 31H.8).
- Domestic supply contracts must contain certain terms relating to billing (SLCs 31H.9-10).
- There are other rules relating to billing in SLC 21B and 21BA (SLC 31H.11). This includes a minimum billing frequency of every six months for traditional credit meter consumers, or every three months for online consumers or if requested (SLC 21B.5).

Detailed rules that will no longer be in the licence (will now covered by new principles)

- Other content rules for Bills and statements of account.

SLC 31I Contract changes information (notifications of price increases, disadvantageous unilateral variations and end of fixed term contracts)

A new principle

- Suppliers must **provide consumers with a notice before certain contract changes** – when the supplier increases prices, varies the terms of a consumer’s contract in a way that disadvantages them (a ‘disadvantageous unilateral variation’), or when a fixed term contract is coming to an end (SLC 31I.1).
- Contract change notices must be provided in a form and at an appropriate time that is designed to **prompt consumers to make an informed choice** in light of the contract change, while **leaving reasonable time for consumers to avoid the change** before it takes effect (SLC 31I.2(a)).
- Contract change notices must contain information so consumers can understand what’s changing, when and why, what their rights and options are relating to the change, and what will happen if they don’t take any action (SLC 31I.2(b)).
- In complying with this principle, suppliers must take a consumer’s characteristics into account, and (where appropriate) the consumer’s preferences too (SLC 31I.3).

Detailed rules that will still be in the licence

- Certain content must be included on notices provided when prices increase or there is a disadvantageous unilateral variation (SLC 31I.4). These notices must be provided separately from any other documents, except that gas and electricity notices can be sent together for dual fuel consumers (or combined into a single document) (SLC 31I.5).
- Certain content must also be included on statements of renewal terms (SLC 31I.6). These notices must also be provided separately from other documents (SLC 31I.7).
- The switching window – a period before the end of a fixed-term contract when consumers have the right to switch without incurring exit fees (SLC 24.17) – starts from either 49 days before the end of a fixed term contract, or when a supplier sends the statement of renewal terms, whichever is earlier.

Detailed rules that will no longer be in the licence (will now covered by new principles)

- Other rules about content that has to be included on contract change notices, and requirements for specific templates to be used.
- Specific timing rules for how far before a contract change takes effect that notices have to be sent (30 days for price increases or disadvantageous unilateral variations, and 42-49 days for the end of fixed term contracts).