

The Electricity Act 1989 and Gas Act 1986 Provisional order under section 25(2) of the Electricity Act 1989 and section 28(2) of the Gas Act 1986

To:

Economy Energy Trading Limited (company number 07513319) having its registered office at 10th Floor Friars House, Manor House Drive, Coventry, England, CV1 2TE ("Economy Energy"), the holder of a licence granted under section 6(1)(d) of the Electricity Act 1989 ("the Electricity Act") and a licence granted under section 7A(1) of the Gas Act 1986 ("the Gas Act").

WHEREAS:

- A. The Gas and Electricity Markets Authority ("the Authority") has received information regarding Economy Energy's compliance with its obligations under the standard conditions of the gas and electricity supply licences (collectively referred to as "SLC") and with its obligations under the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 ("CHSR").
- B. Based on the information received by the Authority and its engagement with Economy Energy, it appears to the Authority that Economy Energy is contravening or is likely to contravene SLCs 0.2, 0.3a), 0.3b)(i), 0.3c)(i), (ii) and (iii), 0.3d), 27.16 and regulations 4, 5, 6 and 7 of the CHSR.
- C. Having had regard to the matters set out in section 25 of the Electricity Act and section 28 of the Gas Act, the Authority considers it is requisite to make a provisional order in exercise of the powers in section 25(2) of the Electricity Act and section 28(2) of the Gas Act.

NOW THEREFORE:

Unless otherwise defined herein, capitalised terms used in this Provisional Order shall have the same meanings as those defined in the SLCs.

The Authority, pursuant to section 25(2) of the Electricity Act and section 28(2) of the Gas Act, and for the purpose of securing compliance with SLCs 0.2, 0.3a), 0.3b)(i), 0.3c)(i), (ii) and (iii), 0.3d), 27.16 and regulations 4, 5, 6 and 7 of the CHSR makes a provisional order requiring Economy Energy:

Domestic Customer Service Arrangements and Domestic Customer contact

1. Not to act in contravention of SLCs 0.2, 0.3a), 0.3b)(i), 0.3c)(i), (ii) and (iii), 0.3d);
2. Not to act in contravention of SLC 27.16;
3. Not to act in contravention of regulations 4, 5, 6 and 7 of the CHSR;

4. To ensure that it has Domestic Customer service arrangements and processes which are complete, thorough, fit for purpose and transparent for the purpose of securing compliance with SLC 0.3c (iii), in particular (but without prejudice to the broader requirements of 1 above):
 - 4.1. By 11 January 2019 to ensure the average call waiting times, as defined in the Annex to this Provisional Order, are not longer than 2 minutes.
 - 4.2. By 11 January 2019, to ensure that Economy Energy's "ring back" or "interactive voice response system" offers a call back to the Domestic Customer after 2 minutes of them being in the call queue. Where a Domestic Customer requests the ring back service before 14:00 hours and is not available when they become '1st in the call queue', Economy Energy shall attempt to return the call within the same working day at a later time. Where the Domestic Customer makes a request for the ring back service after 14:00 hours, Economy Energy shall contact the Domestic Customer by no later than 17:00 hours the next working day. Where the Domestic Customer requests the ring back service on a Saturday, the next working day will be Monday.
 - 4.3. To produce and submit to the Authority weekly reports of the total number of telephone calls received. The first report shall be submitted by 13:00 hours on 14 January 2019. Each subsequent report shall be submitted on the Monday of each week after 14 January 2019 by 13:00 hours. Such reports must include:
 - 4.3.1 the average call waiting times, and the number of calls which have dropped out of the call queue or have been disconnected and the length of time spent on the call with an Economy Energy customer service agent (call back requests should be excluded from this report);
 - 4.3.2 the number of call back requests and the day and time of the call back request, the day and time the Domestic Customer was called back and the length of time spent on the call with an Economy Energy customer service agent;
 - 4.3.3 the number of staff answering calls on each working day in the call centre;
 - 4.4. By 18 January 2019, to have a process in place to properly record the contents of and to acknowledge all emails and all other Domestic Customer contacts (including contact via post, web chat and social media but excluding telephone calls) ("Customer Contacts") sent to Economy Energy (via the internet or any alternative route) from Domestic Customers in a timely and efficient manner. This must include emails or other Customer Contacts containing any complaint from Domestic Customers. In particular, all emails and Customer Contacts received by Economy Energy must be:
 - 4.4.1 acknowledged within 5 working days from the date of receipt; and
 - 4.4.2 if the subject matter of the email or Customer Contact cannot be resolved within 10 working days from the date of receipt, Economy Energy must provide the Authority and the Domestic Customer with an explanation for the delay and date for resolution.

- 4.4.3 for provisions 4.4.1 and 4.4.2. if the Domestic Customer contacts Economy Energy after the initial Customer Contact regarding the same issue and it has not yet been resolved, this will be counted as an additional contact. However, if Economy Energy contact the Domestic Customer regarding the same issue, this will not be counted as additional contact.
- 4.5 To produce and submit to the Authority reports, the first of which shall be submitted on 21 January 2019 and all subsequent reports to be submitted on the Monday of each following week by 13:00 hours. These reports shall set out:
 - 4.5.1 the total number of emails and other Customer Contacts received from Domestic Customers broken down by week from the day after the date of service of this Provisional Order;
 - 4.5.2 the total number of those emails and other Customer Contacts which received an acknowledgement within 5 working days of receipt;
 - 4.5.3 the total number of those emails and other Customer Contacts where the subject matter was resolved within 10 working days and what the subject matter was;
 - 4.5.4 the total number of those emails and other Customer Contacts where the subject matter was not resolved within 10 working days, what the subject matter was and 20 randomly selected email samples of such correspondence with Domestic Customers.
- 4.6 By 1 February 2019, to ensure that:
 - 4.6.1 all emails and Customer Contacts which have not yet been acknowledged by the date of the making of this Provisional Order receive a response and thereafter follow the process in provision 4.4;
 - 4.6.2 each such acknowledgement addresses the subject matter of the outstanding emails or Customer Contact it is responding to;
 - 4.6.3 all outstanding emails and Customer Contacts which have received an acknowledgement but have not yet had the subject matter resolved, have the subject matter resolved. If the matter cannot be resolved Economy Energy shall provide an explanation to the Authority and the Domestic Customer by 6 February 2019;
 - 4.6.4 if the email or Customer Contact set out in 4.6.1 – 4.6.3 was a complaint and it was not resolved within 56 days then the Domestic Customer is signposted to the Energy Ombudsman;
 - 4.6.5 a report is produced and submitted to the Authority by 6 February 2019 to show that the actions in provisions 4.6.1 – 4.6.4 have been completed.
- 4.7 To ensure that it has complaint handling processes which comply with regulations 4, 5, 6 and 7 of the CSHRs. In particular, (but without prejudice to the broader requirements of provision 1) Economy Energy shall:
 - 4.7.1 record all complaints and resolution in a timely and efficient manner;

- 4.7.2 monitor the workload of its Domestic Customer service function to allocate and maintain adequate resources for complaints handling;
- 4.7.3 signpost consumers by sending a written notice of their right to refer their complaint to the Energy Ombudsman where it becomes aware that it is not able to resolve a consumer complaint to that relevant consumer's satisfaction;
- 4.7.4 produce and submit to the Authority weekly reports to show that the actions required in provisions 4.7.1 - 4.7.3 have been completed. The first report should be submitted on 14 January 2019 by 13:00 hours and be submitted on each following Monday by 13:00 hours.

Debt, billing and payments.

- 5 To ensure that it has billing and payment processes which are compliant with the SLCs, in particular: SLCs 0.3 a) by behaving in a Fair, honest, transparent, appropriate and professional manner; 0.3 b)(i) by providing information which is complete accurate and not misleading; 0.3 c) (i) by making it easy for a Domestic Customer to contact it 0.3 c)(ii) by acting promptly and courteously to put things right when it makes a mistake; and (iii) otherwise ensuring that its billing and payment processes are complete, thorough, fit for purpose and transparent. In particular, (but without prejudice to the broader requirements of provision 1) Economy Energy shall:
 - 5.4 by 25 January 2019, review all Domestic Customer accounts to ascertain the criteria used and the basis on which Economy Energy evaluated its Domestic Customer accounts from 1 February 2018 when considering the billing and payment processes listed below at 5.1.1.- 5.1.2 for:
 - 5.4.1 Domestic Customers in Debt:
 - 5.4.1.1 Domestic Customers who have had or received a notice for a Direct Debit increase;
 - 5.4.1.2 Domestic Customers who have had a one off payment taken from their account or have received a notice for an impending one off payment;
 - 5.4.1.3 Domestic Customers whose account has been passed to a collection agent;
 - 5.4.2 Domestic Customers with a credit balance:
 - 5.4.2.1 Domestic Customers who have had a refund or are awaiting a refund or payment;
 - 5.4.2.2 Domestic Customers whose accounts have been passed to a collection agent in error as the account was in credit;
 - 5.5 To produce and submit to the Authority reports setting out:
 - 5.5.1 the total number of Domestic Customers in Debt and the total amount of debt from 1 February 2018 until the date of this Provisional Order;

- 5.5.2 the total number of Domestic Customer Direct Debits which have been or are scheduled to be increased, and the total increase from 1 February 2018 until the date of this Provisional Order;
 - 5.5.3 the total number of Domestic Customers who have had or will have a 'one off payment' taken from their account since 1 February 2018 until the date of this Provisional Order and the total of the one off payment
 - 5.5.4 the total number of Domestic Customer accounts which have a Credit balance and the total Credit balance amount.
 - 5.5.5 the total number of Domestic Customer accounts in provisions 5.1.1 and 5.1.2 which have been passed to a collection agent from 1 February 2018 until the date of this Provisional Order and the total amount of associated debt;
- 5.6 The first report required by 5.2 shall be submitted on 30 January 2019 with subsequent weekly reports to be provided on Monday of each week by 13:00 hours. The weekly reports must show progress against all categories in section 5.2 and include any additional Domestic Customers who may have fallen into these categories.
- 6 By 8 February 2019, to re-evaluate its Domestic Customer accounts in order to bring any such accounts that were not treated in a manner compliant with the SLCs into compliance by making sure that such accounts were accurate and dealt with appropriately. Economy Energy shall re-evaluate such accounts in accordance with SLCs 0.3 a) by behaving in a Fair, honest , transparent, appropriate and professional manner; 0.3 b)(i) by providing information which is complete accurate and not misleading; 0.3 c) (ii) by acting promptly and courteously to put things right when it makes a mistake; and 0.3 c)(iii) otherwise ensuring that its billing and payment processes are complete, thorough, fit for purpose and transparent. It shall conduct that re-evaluation process by ensuring that any Domestic Customer Accounts where the criteria that follow at 6.1 – 6.7 (the "Reasonable Parameters") were not considered when Economy Energy originally evaluated its Domestic Customer accounts from 1 February 2018 (as per provision 5.1) to ensure that all Domestic Customers accounts have been correctly billed with any anomalies identified during the review are rectified in a timely manner:
- 6.1 when considering the Domestic Customer's account status, whether it is credit or debt or passed to a debt collection agent the following criteria must be used:
 - 6.1.1 the Domestic Customer's account tariff and whether it is the correct tariff i.e. whether the Domestic Customer has been billed on the tariff that the Domestic Customer has contracted for;
 - 6.1.2 the Domestic Customer's vulnerability status and how it may affect the account balance and the service arrangements offered;
 - 6.1.3 the Domestic Customer's ability to pay status;
 - 6.1.4 seasonal changes which may affect direct debit payments;
 - 6.1.5 a change to the Domestic Customer's regular direct debit payment; and

- 6.1.6 whether the Domestic Customer has raised a complaint about their account regarding billing or payments. If so, details of the resolution should be provided;
- 6.2 Evidence that Economy Energy has considered these parameters must be provided in the form of a sample of 20 accounts in each category showing how each of these were considered;
- 6.3 Economy Energy must produce and submit to the Authority reports setting out the total number of Domestic Customers since 1 February 2018 until the date of this Provisional Order who need to have an account re-assessment under provision 6.1 and the reasons for re-assessment;
- 6.4 The first report required by 6.3 shall be submitted on 30 January 2019 with subsequent weekly reports to be provided on Wednesday of each week by 13:00 hours. The subsequent weekly reports must show how many of the accounts in 6.1 have been reassessed, how many of those have had changes made to their account and what were those changes.

Domestic Customer Refunds

- 7 Where a Domestic Customer has requested the refund of a Credit balance, to refund that Credit balance in terms of SLC 27.16 and to do so in accordance with the following timescales:
 - 7.1 Where a Domestic Customer has requested a refund before the date of issue of this Provisional Order and that refund has not been provided, Economy Energy shall, within 14 days of the date of this Provisional Order or within 28 days of the date of the request (whichever is the later) either:
 - 7.1.1 provide that refund; or
 - 7.1.2 where Economy Energy considers that it is fair and reasonable for it not issue a refund, inform the Domestic Customer of its view and the reasons for holding that view.
 - 7.2 Where a Domestic Customer has requested a refund after the date of issue of this Provisional Order, Economy Energy shall, within 28 days of the request, either:
 - 7.2.1 provide that refund; or
 - 7.2.2 where Economy Energy considers that it is fair and reasonable for it not issue a refund, inform the Domestic Customer of its view and the reasons for holding that view.
 - 7.3 To produce and submit to the Authority reports setting out the total number of Domestic Customers who have an outstanding refund on their live account, how long each refund has been outstanding and the refund amount;
 - 7.4 The first report required by 7.3 shall be submitted on 21 January 2019 with subsequent weekly reports showing progress with the accounts in 7.3

which have had a refund or letter issued. The reports must be provided on Monday of each week by 13:00 hours.

- 8 Where any Credit has accumulated under a Domestic Supply Contract which has been terminated between Economy Energy and a Domestic Customer, to act in accordance with SLC 0.3a) to behave in a Fair, honest, transparent, appropriate and professional manner by refunding any Credit which has accumulated under that Domestic Supply Contract to the Domestic Customer within 28 days of the date of this Provisional Order. Where Economy Energy considers that it is fair and reasonable in all the circumstances for it not to refund any Credit which has accumulated under a terminated Domestic Supply Contract in accordance with this provision, it must inform the relevant Domestic Customer and the Authority of its view and of the reasons for holding that view within 28 days of the date of this Provisional Order.
- 8.1 To produce and submit to the Authority reports setting out the total number of Domestic Customers who have an outstanding refund on their closed account, how long each refund has been outstanding for and the refund amount to the date of this Provisional Order;
- 8.2 The first report required by 8.1 shall be submitted on 4 February 2019 with subsequent weekly reports showing progress with the accounts in 8.1 which have had a refund or letter issued. The reports must be provided on Monday of each week by 13:00 hours.
- 9 In the event that the re-evaluation exercise ordered at provision 6 reveals a shortfall in the amount of refund given to Domestic Customers as a result of provisions 7 or 8, Economy Energy shall provide such further refund as may be due to Domestic Customers within 14 days of its discovery.

Further requirements

- 10 For the purpose of securing compliance with SLC 0.2, 0.3a), 0.3b)(i), 0.3c)(i), (ii) and (iii), 0.3d), 27.16 and regulations 4, 5, 6 and 7 of the CHSR from the day after the date of service of this Provisional Order and until Economy Energy has satisfied the Authority that it has implemented the above measures:
- 10.1 not to acquire any new Domestic Customers, or add any Domestic Customer accounts by upgrading such accounts to dual fuel accounts;
- 10.2 not to issue any new demands for one off payments for the supply of gas and/or electricity where the Domestic Customer is not in default with the agreed payments plan under the terms of their contract;
- 10.3 not to instruct or to permit any debt collection agent or representative to take any action in respect of any debt that a Domestic Customer may owe to Economy Energy until the account has been reviewed and re-assessed in accordance with provisions 5 and 6; and
- 10.4 not to increase the amount of the Direct Debit agreed with each Domestic Customer under the terms of their contract for the supply of gas and/or electricity, other than any increase in proportion to any changes to the

energy market price cap, unless it has re-considered the accounts listed at provision 5 in accordance with the Reasonable Parameters set out at provision 6 and has provided the requested reports to the Authority to show that this has been completed to an appropriate standard.

This order shall cease to have effect on 4 April 2019 unless confirmed by the Authority on or before that date.

Dated: 4 January 2019

Signed

Charles Hargreaves
Deputy Director, Enforcement and Conduct
Duly authorised on behalf of the Gas and Electricity Markets Authority

ANNEX

Meaning of terms

“average call waiting times”: means the average time taken to answer all calls received between 08:00 and 19:30 Monday to Friday and 08:00 and 17:30 on Saturday during the week prior to each relevant reporting deadline specified in this Provisional Order, excluding requests for ring back service.

“complaint” means any expression of dissatisfaction made to Economy Energy, related to any one or more of its products, its services or the manner in which it has dealt with any such expression of dissatisfaction, where a response is either provided by or on behalf of Economy Energy at the point at which contact is made or a response is explicitly or implicitly required or expected to be provided thereafter;

“in debt” means (subject to how seasonal variations in usage are accounted for) that the account has a negative balance, a related bill has been issued and the Domestic Customer is outwith 28 days of the bill date.