

Guidance

Supply licence guide: Information for consumers

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This is a guide to the rules covering information that suppliers must provide to their customers. It's relevant for suppliers of domestic and non-domestic customers.

Ofgem may update this guide from time to time. Suppliers are responsible for keeping up to date with the latest version of the rules.

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KEY







Applies to gas suppliers



Applies to domestic suppliers



Applies to non-domestic suppliers*



Some of these rules only apply to suppliers with more or fewer than a certain number of customers

Overview of information for consumers

It is critical that consumers can engage easily and actively with the retail energy market. They must be able to quickly and easily access and understand the information they need to effectively manage their consumption and costs – they need the right information, at the right time and in the right format. It should also be easy for consumers to find out who to contact, and to contact the right person, when things go wrong. The way in which suppliers communicate with their customers is critical to delivering these outcomes.

This is particularly important to consider in relation to vulnerable consumers. Suppliers must ensure all communications they send are appropriate for the needs of the customer. In particular, suppliers should recognise that vulnerable consumers may have specific needs in terms of how and what information is communicated to them, and should respond to this.

Key Standard Licence Conditions (SLCs) for this theme

Below are the key licence conditions that relate to this theme (information for consumers). The guide includes rules relating to what, when and how suppliers communicate with their customers. We've highlighted some parts of these rules, but you should refer to the actual SLCs for the full detail. The documents listed in the 'other useful information' section may provide more context to help you understand the intent of the rules, especially our consultation documents.

We've grouped the SLCs in this guide to make them easier to navigate. The first group of SLCs are overarching and should be considered across all aspects of communicating with customers. The other groups of SLCs are ordered according to whether the communication referred to is regular/ongoing or one-off/irregular. Within this we've also grouped the rules that apply just for domestic consumers/non-domestic consumers/both. This may mean that a single licence condition is mentioned multiple sections of the guide, eg SLC 28.

Note that some of these SLCs are numbered differently in the gas and electricity licences. We've included both references, with the gas one first (ie SLC 50/56 means that it's SLC 50 in the gas licence, and SLC 56 in the electricity licence).

^{*} We specifically state where rules only relate to a subset of non-domestic customers, eg microbusinesses.

The Standards of Conduct contain enforceable overarching principles that are relevant across many supplier activities and licence guide themes. (The Standards are SLC 0 for domestic / SLC 0A for non-domestic suppliers.) These are aimed at ensuring licensees (and their representatives in the case of domestic suppliers) treat each customer fairly. This includes behaving in a fair, honest, transparent, appropriate, and professional manner, and providing information that is complete, accurate and not misleading. Domestic suppliers also need to make an extra effort to identify and respond to the needs of domestic customers who are in vulnerable situations.

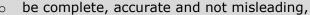
OVERARCHING RULES RELATING TO INFORMATION PROVISION

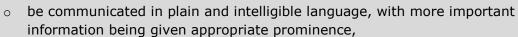
SLC 0 Standards of Conduct











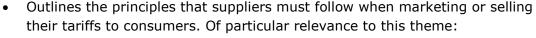
- relate to products or services which are appropriate to the customer it is directed to, and
- in terms of its content and in terms of how it is presented, not create a material imbalance in the rights, obligations or interests of the supplier and customer in favour of the supplier.
- Contains an overarching principle that requires suppliers to help customers make informed choices about their energy supply. This rule highlights our expectation that suppliers should proactively seek to understand the information consumers need to have communicated to them, and then act on these insights.

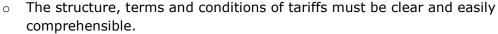
SLC 25 Informed choices – tariff comparability and marketing











- Tariffs must be easily distinguishable from one another.
- Suppliers must put in place information, services, and/or tools to enable domestic customers to easily compare and select tariffs, taking into account their characteristics and/or preferences.

SLC 31F Encouraging and enabling engagement







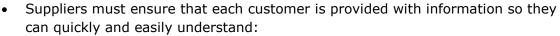
- Sets out an overarching consumer engagement objective that suppliers must act in a manner which is designed to promote each customer to engage positively with their energy supply.
- Contains two principles relating to different aspects of engagement:
 - Suppliers must provide information so each consumer can understand the key features of their tariff and make informed choices in when and how much energy they consume.

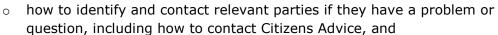
Suppliers must provide information so each consumer can understand that they can switch tariff and supplier, and that they may benefit from doing so.

SLC 31G Assistance and advice information









as appropriate in the circumstances, what their rights are relating to dispute settlement and how to access appropriate assistance and advice.

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







Suppliers must ensure that each customer is provided with relevant billing information, and where relevant bills or statements of account, so each customer can understand and manage their costs and consumption.

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







- If there are price increases, disadvantageous unilateral variations, or fixed term contracts come to an end, suppliers must provide affected customers with a notice containing certain information.
- Suppliers must provide this notice in a form and at an appropriate time that is designed to prompt customers to make an informed choice, leaving reasonable time for customers to avoid any changes before they take effect.

RULES RELATING TO REGULAR AND ONGOING COMMUNICATIONS

Regular/ongoing communications to domestic and non-domestic consumers

SLC 13 Arrangements for site access







- Sets out requirements for representatives visiting a customer's premises on a supplier's behalf, eg they are a fit and proper person to visit the customer's premises, and can inform the customer of a contact point for help and advice.
- Suppliers must publish a statement on their website setting out their arrangements for complying with these requirements. They must also provide a copy of this statement on request, free of charge, to any person.

SLC 21 Fuel mix disclosure arrangements





Requires suppliers to include data relating to a tariff's fuel mix and its environmental impact on at least one bill for every financial year, and on all promotional materials sent to customers.

SLC 21B Billing based on meter readings







- Suppliers must make a bill or statement of account available to each customer at least twice yearly, or at least quarterly for any customer who requests it or who has online account management.
- This condition does not apply for certain customers, e.g. those with prepayment meters, smart meters, or with unmetered supply.

SLC 21BA Backbilling









Prevents suppliers from backbilling customers for gas and electricity consumed more than 12 months prior to the date of the bill, in circumstances the customer is not at fault.

SLC 21D Tariffs with environmental claims - green tariffs







- Suppliers must provide clear statements about whether their tariffs will or will not benefit the environment, provide clear information about their fuel mix and environmental benefits, and put information on their website that puts this information into context.
- Suppliers must publish an annual report to outline the environmental benefit of a relevant tariff.

SLC 37 Green Deal information requirements









Specifies information that must be provided on every bill and annual statements to a Green Deal¹ customer.

Regular/ongoing communications to domestic consumers

SLC 22A Unit rate, standing charge and tariff name requirements









- All charges for supply activities must be incorporated within zero or more standing charges and zero or more unit rates/Time of Use rates.
- Whenever communicating charges to customers, suppliers must ensure that standing charges and unit rates/Time of Use rates are separately identified from each other and any other charges.

¹ The <u>Green Deal</u> is a scheme aiming to help consumers make energy-saving improvements to their homes and find the best way to pay for these improvements. See our licence guide on environmental and social schemes for more details.

SLC 22G Requirements for restricted meters





- Sets out information that suppliers must include on bills, statements of renewal terms (also known as end of fixed term notices) and other regular written correspondence for consumers with restricted meters.
- This includes information about switching supplier and contact details for Citizens Advice or Citizens Advice Scotland (where appropriate).

SLC 26 Priority Services Register







- Suppliers must establish and maintain a Priority Services Register (PSR) of domestic customers who may need priority services because they are in a vulnerable situation.
- Suppliers must take all reasonable steps to communicate and promote the existence of the PSR, identify customers who may be vulnerable, and offer details of the PSR to these customers during interactions with them.
- Services that might be provided under the PSR include nominating a person legally entitled to act on behalf of customer, and receiving communications in accessible formats, such as braille.

SLC 27 Payments, security deposits, disconnections and final bills







- Suppliers must prepare a statement setting out their obligations regarding customers in payment difficulty and their disconnections policy, and publish this statement on their website.
- At least once a year, suppliers must take all reasonable steps to inform each customer of this statement and how to obtain it, and must provide a copy of the statement on request, free of charge.

SLC 28 Prepayment meters (PPMs)







- Suppliers must prepare a statement setting out their obligations relating to PPMs, including information about the advantages and disadvantages of PPMs and operating them, and publish this statement on their website.
- Suppliers must take all reasonable steps to inform each PPM customer of this statement and how to obtain it at least once a year, and must provide a copy of the statement on request, free of charge.

SLC 29 Gas safety





- Sets out information about gas safety that suppliers must take all reasonable steps to provide to customers free of charge at least once a year, and when requested.
- Suppliers must also prepare a statement setting out their obligations to provide free gas safety checks to certain vulnerable consumers and publish this statement on their website.
- Suppliers must take all reasonable steps to inform each customer of this statement and how to obtain it at least once a year, and must provide a copy of the statement on request, free of charge.

SLC 31E Overarching requirements





When providing any information about charges or fees, suppliers must inform customers of whether those charges or fees include or exclude VAT.



SLC 31F Encouraging and enabling engagement





- Sets out information suppliers must provide to domestic consumers relating to prompts to engage (including the cheapest tariff message), estimated annual costs, "about your tariff" labels and tariff information labels.
- Requires suppliers to provide the tariff information label and estimated annual costs at the same time as principal terms.
- Sets out information that suppliers must provide to consumers relating to the efficient use of electricity/gas.
- If electricity customers with bespoke heating system arrangements want to evaluate the benefits and costs of their tariff or consider changing tariff or supplier, suppliers must take all reasonable steps to ensure that, in doing so, they will not be at a significant disadvantage to other customers.

SLC 31G Assistance and advice information







- Sets out information that suppliers must provide to consumers relating to the Citizens Advice consumer service, Citizens Advice's <u>energy consumer</u> <u>guidance</u>, rights relating to dispute settlement, and supply numbers/meter point reference numbers.
- Gas suppliers must let customers know to report a gas leak immediately, and provide a telephone number for doing this.

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







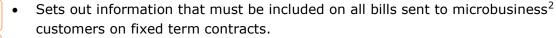
- Requires bills and statements of account to either be provided in a form that allows customers to easily retain a copy, or be made easily available for reference.
- Sets out certain information that must be provided on all bills and statements of account.

Regular/ongoing communications to non-domestic consumers

SLC 7A Supply to microbusiness consumers





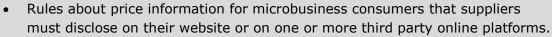


² Electricity microbusiness customers are those with an annual consumption of not more than 100,000 kWh OR fewer than 10 employees and an annual balance sheet/turnover not exceeding €2 million. Gas microbusiness customers are

SLC 7D Supply to certain microbusiness consumers – additional requirements









The price information, or a link to the third party online platform(s), must be displayed clearly and prominently on a supplier's website.

SLC 20 Safety of gas supplies, meter point reference number and dispute settlement – non-domestic customers (gas) / Enquiry service, supply number and dispute settlement - non-domestic customers (electricity)







- Gas suppliers must let non-domestic customers know to report a gas leak immediately, and provide a telephone number for doing this.
- Electricity suppliers must keep customers informed of the current postal address and telephone number for their licensed distributor's enquiry service. This is the service that customers can contact to receive reports and advice on anything that might cause danger or require urgent attention.
- Suppliers must inform customers of their meter point reference number and dispute settlement arrangements on every bill or statement of account.

RULES RELATING TO IRREGULAR AND ONE-OFF COMMUNICATIONS

Irregular/one-off communications to domestic and non-domestic consumers

SLC 14 Customer transfer blocking





Prohibits suppliers from requesting a customer transfer block except in certain



- Sets out information that must be given to a customer if a supplier requests to block a customer's proposed switch.
- In the case of a domestic transfer block, suppliers must also offer that consumer advice on energy efficiency, debt management and alternative contracts that are available for the customer.

SLC 21A Provision of the annual statement of supply to Participants of the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme









Suppliers must provide a written statement of supply to any participant of the CRC Energy Efficiency Scheme free of charge, on request, and within the indicated period as set out in SLC 21A.

those with an annual consumption of not more than 293,000 kWh OR fewer than 10 employees and an annual balance sheet/turnover not exceeding €2 million.

SLC 21B Billing based on meter readings







Requires suppliers to send a customer their historic consumption data free of charge, if requested by the customer.

SLC 21C Declaration of a licensee's FIT status







Suppliers must inform all customers whether they are a mandatory or voluntary Feed-in Tariff licensee (or neither) when they first start supplying that customer, and at any point if requested by a customer.

SLC 32A Power to direct suppliers to test consumer engagement measures







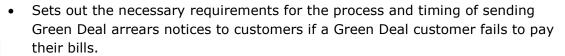
- Allows Ofgem to direct suppliers to develop or run research, including randomised control trials, to test consumer engagement measures.
- Suppliers must provide information about those trials to a selected group of consumers. We will direct the manner and timeframe in which this information is sent to customers.

SLC 37 Green Deal information requirements









SLC 50/56 Database to facilitate customer engagement











- Specifies certain details which must be included when suppliers contact disengaged customers in relation to the trials specified in SLC 32A.
- Also outlines that Ofgem may direct suppliers more specifically on what to include in this communication.

Irregular/one-off communications to domestic consumers

SLC 21D Tariffs with environmental claims (green tariffs)





Sets out information a supplier must communicate to domestic customers relating to green tariffs. This includes information that a supplier must take all reasonable steps to communicate to a domestic customer before they enter into a contract for a green tariff.

SLC 22 Duty to offer and supply under domestic supply contract







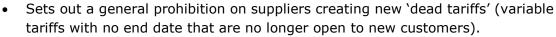


- Suppliers must provide a copy of a customer's supply contract free of charge and on request.
- Also requires suppliers to send a customer their consumption data free of charge and on request.

SLC 22D Dead tariffs







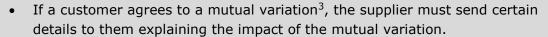


- Where a supplier wishes to keep supplying a customer under a dead tariff, they must make sure that the terms and conditions of their supply contract or deemed contract fully comply with SLC 22A, and that each domestic customer is given a notice containing specified terms in advance of the changes.
- Where a customer is about to become subject to the relevant cheapest evergreen tariff, suppliers also have specific notification requirements.

SLC 23A Mutual variations







SLC 24 Termination of domestic supply contracts







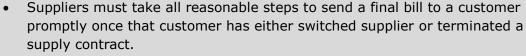
Outlines the terms and conditions that suppliers must include in domestic supply contracts about customers terminating their domestic supply contracts when they no longer occupy or own a premises to which gas or electricity is being provided by that supplier.

SLC 27 Payments, security deposits, disconnections and final bills









- Also contains rules about correcting final bills as soon as possible when new information regarding that bill becomes available.
- Suppliers must send information about money management to certain customers as soon as they become aware that that customer is struggling to pay their bills.

SLC 28 Prepayment meters (PPMs)







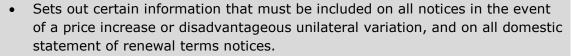
If a customer pays for their energy supply by prepayment meter, prior to or upon installation of that meter, the supplier must provide certain information about the advantages, disadvantages, and operation of a prepayment meter.

³ A mutual variation is a change to a customer's terms of contract that has been agreed by both the customer and the supplier.

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







SLC 45/51 Smart metering – customer access to consumption data







Requires suppliers to make relevant consumption data, export data, and halfhourly consumption data held by smart metering systems available to domestic consumers if requested with some exemptions, eg when the smart metering system was not installed by the supplier.

Irregular/one-off communications to non-domestic consumers

SLC 7A Supply to microbusiness consumers









Requires suppliers to bring certain information to the attention of microbusiness consumers before entering into a contract with them.



Contains rules around terminating fixed term and non-fixed term contracts, the terms that must be included in fixed term contracts in accordance with those rules, and the obligation of the supplier to confirm receipt of a termination notice.

SLC 19D DSR payments





Defines what suppliers should include in their contracts to commercial firm customers, particularly ensuring that these terms are brought to the attention of the customer.

Obligations outside the supply licences

There are regulatory obligations relating to this theme that suppliers should be aware of other than those contained in the gas and electricity supply licences. This section is not intended to provide an exhaustive list and we remind suppliers they are responsible for ensuring compliance with all applicable laws and regulations.

- The Consumer Rights Act 2015: This act sets out rules about how consumers buy, and how businesses sell to them in the UK. This includes unfair terms in consumer contracts and consumer notices, rules around how services should match up to what has been agreed, and what should happen when they do not, or when they are not, provided with reasonable care and skill.
- **Consumer Contracts (Information, Cancellation and Additional Charges)** Regulations 2013: These regulations cover issues such as what pre-contractual information must be communicated for contracts depending on where they are concluded or offered, rules on unsolicited supply of goods and additional payments,

the right to cancel, and cooling off periods and provisions on premium rate call centres.

- The Consumer Protection from Unfair Trading Regulations 2008: These regulations prohibit unfair commercial practices, such as misleading actions or omissions.
- The Gas and Electricity (Consumer Complaints Handling Standards)
 Regulations 2008: These regulations require suppliers to handle and record
 complaints efficiently, fairly, truthfully, and transparently. These regulations also
 contain specific requirements about providing information to customers. These include,
 among others, a requirement for suppliers to publish their complaints handling
 procedure, a requirement to signpost consumers to the Energy Ombudsman if their
 complaint can't be resolved promptly, and a requirement to publish complaints data on
 an annual basis.
- The Data Protection Act (DPA) 2018: This act establishes a framework of rights and duties which are designed to safeguard personal data. Energy consumption data is considered to be personal data for the purposes of the act.
- The General Data Protection Regulation (GDPR): came into effect in the UK May 2018, introducing a new regime governing the processing of personal data. The GDPR reforms aim to provide consumers with new and enhanced rights that provide greater control over the data they use and generate.

Other useful information

Below is a (non-exhaustive) list of some other documents we have published that may help you understand the rules in this theme better. Suppliers may wish to consult other helpful materials about good practice, for example those published by Citizens Advice.

Document	Date
Reforms to domestic supplier-customer communications licence conditions,	
including the introduction of five new principles-based rules:	
Final decision	Dec 2018
Statutory consultation	Sep 2018
Policy consultation	May 2018
Working paper	Dec 2017
Open letter	Sep 2017
Report on the outcomes from our Consumer First Panel, summarising the	
thoughts of a broad group of domestic energy consumers on customer	Dec 2017
information needs	
Introduction of informed choices principles, within the enforceable domestic	
Standards of Conduct:	
Final decision	Aug 2017
Statutory consultation	Jun 2017
Policy consultation	Jan 2017
Guidance for suppliers planning to run randomised controlled trials	Aug 2017
Introduction of the informed choices principles within SLC 25:	
Final decision	Apr 2017

Statutory consultation - Statutory consultation - Statutory consultation - Statutory consultation	Jan 2017
Findings from the 2016 Challenge Panel But the Panel Panel But the Panel Pane	Jan 2017*
Policy consultation	Aug 2016
<u>Guidance</u> for suppliers on how they can best meet their SLC 22G obligations, relating to communicating with restricted meter customers	Feb 2017
Open letter regarding the removal of certain RMR 'simpler choices' rules	Apr 2016
<u>Guidance</u> that clarifies the requirements for displaying unit rates and standing charges on Tariff Information Labels (TILs) provided to consumers	Mar 2016
Open letter clarifying when we expect suppliers to include collective switch tariffs in the Cheapest Tariff Message	Oct 2015
Our <u>final decision</u> on treatment of white label providers in the domestic retail market	Jun 2015
<u>Findings</u> from the 2014 Challenge Panel, focussing partly on information provision under the Standards of Conduct	Mar 2015*
<u>Decision</u> to introduce new licence condition SLC 21D relating to environmental claims	Dec 2014
<u>Decision</u> on automatic rollovers and contract renewals for microbusiness consumers	Nov 2014
Introduction of the Simpler Tariff Choices and Clearer Information proposals, following the 2013 Retail Market Review:	
Final decision	Aug 2013*
Statutory consultation	Jun 2013*
Final proposals	Mar 2013*
<u>Guidance</u> to help suppliers understand the requirements of SLC 21A, relating to the CRC Energy Efficiency Scheme	Dec 2012
Conclusions from an enforcement <u>investigation</u> into EDF Energy's compliance with the Consumer Protection from Unfair Trading Regulations 2008 (CPRs)	Aug 2011
Conclusions from an enforcement <u>investigation</u> into npower's compliance with SLC 44	Apr 2009
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^{*} These documents relate to old versions of licence conditions, as they were at the time. The rules may be different now, but we've included them in this guide because we think they could still be helpful for you to refer to.

NB our website has a full list of all enforcement investigations.

We remind all suppliers that this guide does not modify or replace the conditions in the gas and electricity supply licences. Neither is it an exhaustive list of supplier obligations or information resources. This guide is designed to introduce you to the rules, highlight relevant supply licence obligations, and signpost to key information that may help you understand these rules. Suppliers should continue to refer to the conditions outlined in the most recent versions of the gas and electricity supply licences.