

Notice of proposal to confirm and modify Provisional Order

The Electricity Act 1989 and Gas Act 1986

Proposal of the Gas and Electricity Markets Authority (“the Authority”) to confirm and modify a Provisional Order pursuant to section 26(1) of the Electricity Act 1989 (“Electricity Act”) and section 29(1) of the Gas Act 1986 (“Gas Act”).

17 April 2019

1. Summary

1.1. **On 22 February 2019 under section 25(2) of the Electricity Act and section 28(2) of the Gas Act the Authority issued a Provisional Order to Solarplicity Supply Limited** (company number 08053210), previously known as Loco2 Energy Supply Ltd, having changed its name to Solarplicity Supply Limited by notice dated 27 April 2017, and as Ganymede Energy Supply Limited having changed its name to Loco2 Energy Supply Ltd by change of name certificate dated 17 March 2014 having its registered office at Unit 8, Peerglow Centre, Marsh Lane, Ware, Hertfordshire, United Kingdom, SG12 9QL (“Solarplicity”), the holder of an electricity supply licence granted or treated as granted under section 6(1)(d) of the Electricity Act 1989 and the holder of a gas supply licence granted or treated as granted under section 7A(1) of the Gas Act 1986. The Provisional Order was issued in respect of contraventions or likely contraventions of:

- a. Standard Licence Condition (“SLC”) 0.3c(i), (ii) and (iii)
- b. SLC 0.3d(i) and (ii);
- c. SLC 14A.1 and 14A.7;
- d. 22C.3 and SLC 22C.4
- e. SLC 27.5;
- f. Regulations 3, 4, 5, 6 and 7 of the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 (“CHSR”).

Unless otherwise stated, capitalised terms in this Notice are defined in the SLCs.

1.2. A copy of the Provisional Order issued on 22 February 2019 (“the Provisional Order”) and the document setting out the reasons for issuing (“Reasons Notice”) the Provisional Order can be found at:

https://www.ofgem.gov.uk/system/files/docs/2019/02/provisional_order_issued_to_solarplicity.pdf

https://www.ofgem.gov.uk/system/files/docs/2019/02/notice_of_reasons_for_solar_plicity_po.pdf

- 1.3. The Authority now proposes to confirm the Provisional Order, as modified by deleting the requirements at paragraphs 10.1 to 10.7 of the Provisional Order, as it is satisfied that Solarplicity is contravening or is likely to contravene the requirements of SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7 and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR but that it has now complied with the requirements at paragraphs 10.1 to 10.7 of the Provisional Order. The Authority proposes to confirm the Provisional Order in the form set out in the Annex to this notice.
- 1.4. Pursuant to section 25(4) of the Electricity Act and section 28(4) of the Gas Act, the Authority shall confirm a Provisional Order with or without modifications if:
- a. The Authority is satisfied that the regulated person to whom the order related is contravening or is likely to contravene any condition or relevant requirement; and
 - b. The provision made by the order is requisite for the purpose of securing compliance with that condition or requirement.
- 1.5. The Authority has had regard to the matters set out in section 25(4A), (4B), (5) and (5A) and section 26 of the Electricity Act and section 28(4A), (4B), (5) and (5A) and section 29 of the Gas Act¹.
- 1.6. Prior to confirming the Provisional Order, in accordance with section 26(1) of the Electricity Act and section 29(1) of the Gas Act, the Authority hereby gives notice that:
- a. SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7 and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR are the relevant conditions for the purpose of the Provisional Order;
 - b. The acts or omissions which, in the Authority's opinion, constitute or would constitute contraventions of those conditions and requirements, and other factors which in the Authority's opinion justify the confirmation of the Provisional Order are those set out at paragraph 4 below.
 - c. Any representations with respect to the proposed confirmation may be made to the Authority by 13 May 2019 (see paragraph 6 below).

2. Background

- 2.1. The background to the making of the Provisional Order is set out in the Reasons Notice.

3. Reasons for the Authority's decision to propose to confirm the Provisional Order

- 3.1. Based on the information received by the Authority directly from Solarplicity and other sources which are either publicly available or the substantive information from which is also reported separately to Solarplicity, such as Citizens Advice, Ombudsman Services: Energy (OS:E) and online sources the Authority is satisfied that Solarplicity is contravening or is likely to contravene the following relevant conditions and requirements:

¹ Section 25(5) of the Electricity Act 1989 and Section 28(5) of the Gas Act 1986 refer to the Authority's principal objective as set out in section 3(A) of the Electricity Act and section 4AA of the Gas Act respectively, including the duty on the Authority to have regard to the need to secure financeability.

- SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7 and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR.

3.2. The Authority is minded to confirm the Provisional Order on the grounds that it is satisfied that the acts and omissions of Solarplicity as described at paragraph 4 of this Notice continue to constitute a contravention of SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7 and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR and consequently the provisions made by the Provisional Order are still requisite for the purpose of securing compliance with the relevant conditions and requirements cited at paragraph 3.1

4. The facts surrounding the Authority's decision on contraventions

4.1. The Authority has considered information obtained since the Provisional Order was made.

The particular behaviours of concern relate to Solarplicity's:

- Supplier Transfer process (Switching and contract renewals);
- Process to identify customers in a Vulnerable Situation in accordance with SLC 0.3 d(i) and to its application of the standards of conduct at SLC 0.3a, b and c in a manner which takes account of that Vulnerable Situation;
- Process to ensure that it offers the services, required by SLC 27.5, set out at SLC 27.6 to customers when it becomes aware, or has reason to believe, that a customer is having or will have difficulty paying;
- Customer service arrangements – in particular its lack of a clear and consistent process, until 6 December 2018², to manage customer contact by email / social media and its failure to demonstrate that it is, since 6 December 2018, properly recording and managing emails and social media contact;
- Complaint handling process.

Supplier Transfer

4.2. SLC 14A.1 requires:

"The licensee must take all reasonable steps to complete a Supplier Transfer within 21 days of the Relevant Date unless:

- the Customer requests that the Supplier Transfer be completed at a later date; or*
- the Customer notifies the licensee that he does not wish the Supplier Transfer to take place; or*
- one or more of the conditions in paragraph 14A.3 applies"*

4.3. SLC 14A.7 requires:

"In order to achieve the objective of completing all Supplier Transfers within 21 days of the Relevant Date, the licensee must take all reasonable steps to improve the systems and processes governing the Supplier Transfer process."

4.4. The Provisional Order required Solarplicity, in particular, to:

- in accordance with SLC 14A.7, take all reasonable steps to improve the systems and processes governing the Supplier Transfer process, in particular (but without prejudice to the broader requirements of SLC 14A.7) by making

² Solarplicity advised Ofgem that it had implemented a better process to manage emails in its response, dated 6 December 2018, to Ofgem's formal Request for Information issued under section 28(1) of the Electricity Act and section 38(1) of the Gas Act dated 24 November 2018.

it easy for Domestic Customers to contact it in relation to the Customer Transfer process;

- b. by 8 March 2019 to review all its Domestic Customer accounts to identify any accounts where a Supplier Transfer process requires to be completed;
- c. where, as part of that review, it identified that a Supplier Process required to be completed to either immediately take all reasonable steps to complete that process within 21 days of the Relevant Date or where an account was identified 21 days or more after the Relevant Date, immediately take all reasonable steps to complete the Supplier Transfer Process within 3 working days or as soon as reasonably practicable if a serious restriction to the process had been identified.

4.5. The Authority does not consider that Solarplicity has taken all reasonable steps to make it easy for Domestic Customers to contact it in relation to the Supplier Transfer process. Based on the information the Authority has received from Solarplicity, call waiting times and dropped calls (the number of calls that Solarplicity received that it failed to answer) are, generally, acceptable³. However, on average, calls to Solarplicity last for less than 10 minutes⁴. Online information suggests that this is because, when a customer contacts Solarplicity by telephone, Solarplicity staff take basic information from that customer to call the customer back later. Also, while call waiting times and dropped calls are at acceptable levels, the Authority is not satisfied that it is managing customer contact by email and social media in a manner which makes it easy for Domestic Customers to contact it in compliance with SLC 0.3c(i). Solarplicity provides an initial holding response to c99% of emails it receives within 2 days. However, at the date of this Notice, it only resolved c50.9% of the 18,650 emails and social media contacts it received between January 2019 and April 2019 within 10 days, when its internal target is 5 working days. This indicates that where Domestic Customers contact Solarplicity about the Supplier Transfer process it is unlikely that it is able to resolve that issue in a timely manner (whether that contact is by telephone, email or social media). Additionally, Solarplicity has failed to provide adequate information to show that it is aware of the reasons for emails not being resolved within 10 working days. The Authority is therefore not satisfied that Solarplicity has taken all reasonable steps to improve the Supplier Transfer process. While Solarplicity has demonstrated that it has systems in place to enable it to **acknowledge** contact from Domestic Customers about the Supplier Transfer process, the Authority is not satisfied that it has taken all reasonable steps to ensure that its systems enable it to **effectively deal with and resolve** Supplier Transfer issues.

4.6. The information that the Authority has received from Solarplicity shows that, since the Provisional Order was made, Solarplicity failed to complete a substantial number of Supplier Transfers within 21 days. However Solarplicity's most recent reports provided a preliminary indication that its performance has improved since the Provisional Order was made to the point that Solarplicity may have achieved compliance in some instances. However those recent improvements do not yet satisfy the Authority that there is a sustained level of compliance that provides the Authority with confidence that compliance will be long-term or that recidivist non-compliance is not likely.

³ See paragraphs 4.38 to 4.40 of this Notice.

⁴ Email from Andrew Shortis (Solarplicity Managing Director) to Ofgem dated 2 April 2019, timed at 09:07 and average of call duration from the reports submitted in week's 1 – 6 of the PO.

- 4.7. The Authority is therefore satisfied that Solarplicity is not consistently taking all reasonable steps to complete the Supplier Transfer process within 21 days. In order to do so Solarplicity would need, for example, consistently to:
- a. Improve its customer contact processes it to make it easy for Domestic Customers to contact it about Supplier Transfers;
 - b. Improve its processes and systems to ensure that it is able to effectively deal with and resolve Supplier Transfer issues;
 - c. Identify and take steps to progress Supplier Transfers where that Supplier Transfer is delayed due to a third party (for example, ensure that it has a process in place to regularly contact the third party for an update on the current position and inquire as to whether the third party requires assistance from Solarplicity to proceed);
 - d. Identify the issues within its control that currently delay Supplier Transfers and implement systems to prevent / minimise delays caused by these issues.
- 4.8. **For these reasons**, the Authority is satisfied that Solarplicity is not:
- a. consistently taking all reasonable steps to complete a Supplier Transfer within 21 days as required by SLC 14A.1;
 - b. consistently taking all reasonable steps to improve systems and processes governing the Supplier Transfer process in order to achieve the objective of completing all Supplier Transfers within 21 days as required by SLC 14A.7;
 - c. making it easy for Domestic Customers to contact it in accordance with SLC 0.3c(i) as required by the Provisional Order.
- 4.9. Solarplicity's Supplier Transfer arrangements remain non-compliant with the requirements of SLC 14A.1. This continues to cause detriment to its customers. As such, the Authority considers that it is requisite for the Provisional Order to be confirmed and to require Solarplicity to continue to review customer accounts, to progress supplier transfer processes within the timescales required by the Provisional Order and the SLCs and to continue to report to the Authority on its progress in doing so. The Authority also considers that it remains requisite that the Provisional Order prohibits Solarplicity from acquiring New Domestic Customers (as defined in the Annex to the Provisional Order).

Contract renewals

- 4.10. SLC 22C.3, 22.4, 22.6 and 22.7 required Solarplicity to prepare a statement (hereafter referred to as a "Statement of Renewal of Terms") which met certain requirements and contained certain information. The full requirements of these SLCs are set out in the Annex to this Notice.
- 4.11. Therefore, the Provisional Order required Solarplicity, by 8 April 2019, to issue a Statement of Renewal of Terms to each Domestic Customer to whom it had failed to issue this statement in accordance with SLC 22C.
- 4.12. Solarplicity advised the Authority that between November 2017 and February 2019 it had failed to issue Statements of Renewal of Terms to 10,308 customers in accordance with SLC 22C. In an email to the Authority dated 2 April 2019, it advised

that it had issued these statements to all 10,308 Domestic Customers, in accordance with SLC 22C and in accordance with the terms of the Provisional Order. Solarplicity has provided evidence that it has issued these statements. The Authority is therefore satisfied that Solarplicity has now complied with paragraphs 10.1 to 10.4 of the Provisional Order and proposes to modify the Provisional Order to delete paragraphs 10.1-10.4.

4.13. The Provisional Order requires Solarplicity to provide weekly reports to the Authority. These reports showed that from 11 March 2019, all Statements of Renewals of Terms were issued in timely manner.

4.14. Therefore, since 11 March 2019, Solarplicity therefore now appear to be issuing Statements of Renewals of Terms in accordance with its obligations. The Authority therefore proposes to also modify the Provisional Order to delete paragraphs 10.5 to 10.7

Domestic Customers in a Vulnerable Situation

4.15. SLC 0.3 requires that the licensee must:

d) in relation to Domestic Customers in Vulnerable Situations:

i. seek to identify each Domestic Customer in a Vulnerable Situation, in a manner which is effective and appropriate, having regard to the interests of the Domestic Customer; and

ii. when applying the Standards of Conduct in paragraphs (a) to (c) above, do so in a manner which takes into account any Vulnerable Situation of each Domestic Customer identified in accordance with (d)(i) above or otherwise."

4.16. As set out at paragraphs 14 and 15 of the Reasons Notice, prior to issue of the Provisional Order, Solarplicity advised the Authority:

- a. Of its customer base of c70,000, only 1,367 customers were registered as Domestic Customers in a Vulnerable Situation – this was only 2% of its customer base. The average for smaller suppliers is 7%⁵;
- b. Of the 1,367 vulnerable customers, 353 were in debt with a total debt of £172,000⁶ but only 9 of those customers were on a repayment plan;

This suggested that Solarplicity was failing to treat Domestic Customers in a Vulnerable Situation in a manner which took account of that situation (as it is required to do in terms of SLC 0.3d(ii)).

4.17. Since the Authority issued the Provisional Order, Solarplicity has reported an increase in the number of Domestic Customers it has identified as being in a Vulnerable Situation. In its most recent report dated 8 April 2019, it advised the Authority that it

⁵ Vulnerable Consumers in the Energy Market report 2018, Figure 1.1 - https://www.ofgem.gov.uk/system/files/docs/2018/11/vulnerability_report_2018.pdf

⁶ Solarplicity's response to the formal RFI issued in November 2018.

had now identified a total of 3,359 (5% of customer base) Domestic Customers in a Vulnerable Situation. Of those Domestic Customers, Solarplicity has used being aged 60 or older as their criterion to identify c70% as being in a Vulnerable Situation. While the number of Domestic Customers now identified as being in a Vulnerable Situation is closer to the average for a supplier of Solarplicity's size, the number identified for reasons other than their age remains at 30%. This indicates that the system which Solarplicity use to identify Domestic Customers in a Vulnerable Situation is not effective or appropriate, particularly with regard to identifying Domestic Customers who are in a Vulnerable Situation for reasons other than their age.

4.18. On 20 March 2019, Solarplicity provided the Authority with a copy of a new policy for the identification of Domestic Customers in a Vulnerable Situation. Solarplicity advised the Authority⁷ that it does not expect that this policy will be properly implemented until at least May 2019 (due to staff training needs and other implementation requirements).

4.19. The Provisional Order provides that Solarplicity shall "*not ... acquire any New Domestic Customers, or add any Domestic Customers by upgrading such accounts to dual fuel accounts*". Solarplicity advised the Authority on 14 February 2019 that it intended to expand its customer base by acquiring new Domestic Customers through the Stoke on Trent Council Community Energy Scheme ("Scheme"). "New Domestic Customers" is fully defined in the Annex to the Provisional Order but as outlined at paragraph 43 of the Reasons Notice, it prevents Solarplicity taking on customers through the Scheme except in relation to those customers who, as at 22 February 2019, had already agreed to participate in the Scheme and had agreed to receive their energy supply from Solarplicity. Solarplicity advised the Authority in the course of a conference call on Thursday 28 March that of the customers that Solarplicity are able to acquire under the Scheme, approximately 50% are customers who make payment through a Pre-Payment Meter and "*that these are vulnerable consumers and many may be in debt*". If the prohibition on acquiring New Domestic Customers were to be lifted, Solarplicity has confirmed that it intends to acquire Domestic Customers through the Scheme and through similar community schemes administered by other local authorities. As the Authority is not satisfied that Solarplicity is implementing an effective and appropriate system to identify Domestic Customers in a Vulnerable Situation in respect of its current customer base, the Authority considers that it is requisite, in the particular circumstances, to maintain the prohibition on acquiring New Domestic Customers until it is satisfied.

4.20. For Domestic Customers that it has identified as being in a Vulnerable Situation, paragraph 8.1.2 of the Provisional Order requires Solarplicity to report to the Authority on what customer service arrangements are in place to ensure that it applies SLCs 0.3a, b and c in a manner which takes account of that customer's Vulnerable Situation (as required by SLC 0.3d(ii)). From the data provided by Solarplicity in its report dated 1 April 2019, the arrangements in place do not appear to be tailored to each Domestic Customer's specific Vulnerable Situation. Based on the information we have at present,

⁷ Andrew Shortis, Managing Director of Solarplicity, confirmed this in the course of a conference call with the Authority on 4 April 2019.

the Authority is not satisfied that Solarplicity is putting in place customer service arrangements which take account of each customer's Vulnerable Situation.

4.21. **For these reasons**, the Authority is satisfied that Solarplicity is not seeking to identify Domestic Customers in a Vulnerable Situation in a manner which is effective and appropriate and has regard to the interests of the Domestic Customer. The Authority is also satisfied that Solarplicity is not applying the Standards of Conduct in SLC 0.3a to c in a manner which takes account of the Vulnerable Situation of each Domestic Customer identified.

4.22. Also, the Authority is satisfied that customers are likely to continue to be caused detriment by Solarplicity's continued poor identification of Domestic Customers in a Vulnerable Situation. If the prohibition in the Provisional Order on Solarplicity acquiring New Domestic Customers were lifted, Solarplicity has advised that it intends to acquire new customers who may be vulnerable. Also, it has stated that many of the customers who, as at the date of the Provisional Order (22 February 2019) had already agreed to be supplied by Solarplicity through the Scheme, may be vulnerable. In terms of the Provisional Order, these customers are able to proceed with the switch to Solarplicity. Therefore, its numbers of Domestic Customers in a Vulnerable Situation is already set to increase. As such, it is requisite that the Provisional Order be confirmed and that it continues to require Solarplicity to review all of its Domestic Customer accounts to determine whether customers are in a Vulnerable Situation, to put in place customer service arrangements that are appropriate and take account of those customers in a Vulnerable Situation and to report on its progress in doing so. It is also requisite that the Provisional Order continues to prohibit Solarplicity acquiring New Domestic Customers and increasing the direct debits of vulnerable customers until the Authority is satisfied that it is complying with the requirements of SLC 0.3d.

Domestic Customers with Difficulty Paying

4.23. SLC 27.5 requires:

"The licensee must offer each of the services set out in paragraph 27.6 when it becomes aware or has reason to believe that a Domestic Customer is having or will have difficulty paying all or part of the Charges."

4.24. SLC 27.6 sets out the services required by SLC 27.5:

"The services referred to in paragraph 27.5 are:

(a) the facility for a Domestic Customer to pay Charges:

(i) by using, where available, a means by which payments may be deducted at source from a social security benefit received by that customer;

(ii) by regular instalments calculated in accordance with paragraph 27.8 and paid through a means other than a Prepayment Meter; and

(iii) by using a Prepayment Meter, where it is safe and reasonably practicable in all the circumstances of the case for the Domestic Customer to do so and where any instalments to be paid are calculated in accordance with paragraph 27.8; and

(b) the provision of information about how the Domestic Customer could reduce the Charges for the Supply of Electricity that he must pay by using the electricity supplied to his premises more efficiently.”

4.25. As set out in the Reasons Notice and at paragraph 4.15(b) above, as at the date the Authority issued the Provisional Order, 353 Domestic Customers identified as being in a Vulnerable Situation were identified by Solarplicity as being in debt. However, only 9 customers were making payments toward their debt through a repayment plan⁸. In an email submitted as part of the November 2018 RFI response management reports, Solarplicity stated in this regard that *“The CC [credit control] team focused on getting customers who could pay but hadn’t to settle outstanding balances via one off payments and moving from pay on invoice to DD payment methods”*.

4.26.

Solarplicity reported to the Authority on 15 April 2019 that 63 customers were now making payment through a repayment plan. While the number has increased, Solarplicity has not explained what, if any, services it has offered to the other 290 Domestic Customers previously identified as being in debt but who are not, at present, on any form of repayment plan. Therefore, the Authority is not satisfied that Solarplicity has offered / is offering the services at SLC 27.6 to Domestic Customers who have, or will have, difficulty paying.

4.27. Also, Solarplicity confirmed to the Authority⁹ that it does not currently offer the facility for Domestic Customers to pay Charges by using a means by which payments may be deducted at source from a social security benefit received by that customer, as required by SLC 27.6(a)(i). Solarplicity advised the Authority during a conference call on 11 April 2019 that it plans to take steps so that it can begin offering this service. However, as at the date of this Notice, it does not offer this facility.

4.28. As detailed at paragraph 4.18 above, Solarplicity has advised the Authority that around 50% of the new customers that it is able to acquire through the Scheme are *“vulnerable and many may be in debt”*. The number of Solarplicity customers who are likely to have difficulty paying is therefore already set to increase. For the reasons set out above, the Authority does not consider that the processes which Solarplicity has in place in respect of Domestic Customers with difficulty paying are in compliance with SLCs 27.5 and 27.6. Given that the number of Domestic Customers with difficulty paying is already set to increase, it is requisite that the prohibition on acquiring New Domestic Customers and increasing the direct debits of Domestic Customers in a Vulnerable Situation remain in place until Solarplicity has demonstrated that it has a process in place which is in compliance with SLCs 27.5 and 27.6.

4.29. **For these reasons**, the Authority is satisfied that Solarplicity is not offering each of the services in SLC 27.6 to Domestic Customers who have or will have difficulty paying.

⁸ Figures taken from Solarplicity’s response to the formal RFI issued in November 2018.

⁹ Andrew Shortis (Managing Director) made this statement during a conference call with the Authority on 4 April 2019.

Therefore, the Authority is satisfied that Solarplicity is contravening and is likely to contravene SLC 27.5.

4.30. The Authority also considers that it is requisite that the Provisional Order is confirmed and continues to require Solarplicity to offer the services at SLC 27.6 to Domestic Customers who have or will have difficulty paying and report to the Authority in that regard as required by paragraph 9.1 of the Provisional Order. It is also requisite that the Provisional Order continue to prohibit Solarplicity acquiring New Domestic Customers (as defined in the Annex to the Provisional Order) and increasing the direct debits of vulnerable customers until it has demonstrated compliance with SLCs 27.5 in respect of its current customers. This is of particular importance given that several Domestic Customers who had, as at the date of the Provisional Order (22 February 2019), already agreed to be supplied by Solarplicity, are potentially vulnerable and / have difficulty paying.

Complaints Handling

4.31. The CHSR¹⁰ provide that Solarplicity must:

- a. Regulation 3 – Have a complaints handling procedure in place at all times and comply with this in relation to each complaint it receives;
- b. Regulation 4 - Record complaints upon receipt;
- c. Regulation 5 – Record its handling of complaints;
- d. Regulation 6 - Signpost consumers to the OS:E if complaints cannot be resolved;
- e. Regulation 7 - Receive, handle and process consumer complaints in an efficient and timely manner; and allocate and maintain sufficient level of resources.

4.32. The Provisional Order requires Solarplicity to:

- a. record all complaints and resolution in a timely and efficient manner;
- b. monitor the workload of its Domestic Customer service function and allocate and maintain adequate resources for complaints handling;
- c. signpost consumers (by sending a written notice (deadlock letter) 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 or if the complaint has been outstanding for 56 days;
- d. produce and submit to the Authority weekly reports to show that the actions at a, b and c have been completed.

4.33. Solarplicity had not provided the level of detail required in the reports submitted with regard to complaints handling. From the data it had submitted, we were unable to track individual complaints from beginning to end. In particular, for complaints received prior to the issue of the Provisional Order, we could not determine when Solarplicity closed or signposted that complaint. We requested this information¹¹ but Solarplicity only provided more detailed information on 8 April 2019. However, the

¹⁰ The Regulations are not quoted in full but are available at <http://www.legislation.gov.uk/ukxi/2008/1898/made>.

¹¹ Initially on 25/02/19 and then during subsequent weekly meetings with Solarplicity.

Authority still cannot determine exactly when Solarplicity is signposting customers to the Energy Ombudsman when it has not been able to resolve a complaint to a consumer's satisfaction or the complaint has been outstanding for 56 days.

4.34. Based on the information which Solarplicity has recently provided to the Authority, we do not consider that it is recording all complaints and resolving them in a timely and efficient manner. Of the complaints received by Solarplicity from the date on which the Provisional Order was issued (22 February 2019), 39% remain unresolved.

4.35. With regard to complaints received prior to the issue of the Provisional Order, from 1 October 2018 (the date from which Solarplicity has provided us with information) to date, 28% of complaints were resolved within 10 days or less and the average time taken to resolve a complaint was 58 days. However, complaints during this time period took up to 203 days to resolve, with 35% taking over 56 days to resolve and 25% taking over 100 days or over to resolve.

4.36. **For these reasons**, the Authority is not satisfied that Solarplicity:

- a. has a complaints handling procedure and that it complies with this in relation to each complaint at all times;
- b. records all complaints upon receipt;
- c. properly records its handling of complaints (particularly given that it cannot provide confirmation of the date of receipt of complaints prior to the Provisional Order);
- d. signposts consumers to OS:E where complaints cannot be resolved / are outstanding for 56 days;
- e. receives, handles and processes consumer complaints in an efficient and timely manner; and allocates and maintains a sufficient level of resources.

4.37. The Authority is therefore satisfied that Solarplicity is contravening or is likely to contravene the CHSRs. These are a relevant requirement with which Solarplicity is required to comply under section 25(1) of the Electricity Act and section 28(1) of the Gas Act. It is requisite that the Provisional Order be confirmed and continue to require Solarplicity to ensure that its complaint handling arrangements and processes are compliant with the CHSRs and that it adheres to the specific requirements regarding its complaints process, monitoring and managing those complaints set out in the Provisional Order and report on its progress in doing so. It is also requisite that the prohibition on Solarplicity acquiring New Domestic Customers (as defined in the Annex to the Provisional Order) and increasing the direct debits of vulnerable customer until the Authority is satisfied that it is complying with the CHSRs.

Customer contact

4.38. SLC 0.3c and d require that the licensee:

- i. make it easy for a Domestic Customer to contact the licensee;*
- ii. act promptly and courteously to put things right when the licensee or any Representative makes a mistake; and*

iii. otherwise ensure that customer service arrangements and processes are complete, thorough, fit for purpose and transparent;”

4.39. As set out at paragraph 25 of the Reasons Notice, from March 2018 until mid-September 2018, Solarplicity had long call waiting times and an unacceptably high number of calls received that it failed to answer (dropped calls)¹². On 6 February 2019, Solarplicity provided call handling information to the Authority which showed that in December 2018 it had an average call waiting time of 42 seconds and that it answered 97% of the calls that it received and in January 2019 that it had an average call waiting time of 38 seconds and that it also answered 97% of the calls it received. The Provisional Order requires Solarplicity to:

- a. Maintain Average Call Waiting Time (as defined in the Annex to the Provisional Order) that are not longer than 2 minutes;
- b. Maintain a rate of answering Offered Calls (as defined in the Annex to the Provisional Order) for which no more than 5% of Offered Calls (as defined in the Annex to the Provisional Order) are abandoned by Domestic Customers.

4.40. While the information submitted to the Authority prior to the Provisional Order being issued showed that Solarplicity had improved its call waiting times and dropped calls rate, it nevertheless appeared to the Authority that Solarplicity was contravening SLC 0.3c. This is because the information provided to and obtained by the Authority indicated that Solarplicity did not handle customer contacts by email and social media in a manner compliant with SLC 0.3c¹³. The Provisional Order therefore required Solarplicity to maintain the level of improved performance indicated in the report provided by email on 6 February 2019. This was so that the requirements to improve its performance in relation to other customer contact routes did not result in a deterioration in its call handling performance.

4.41. Average Call Waiting Times (as defined in the Annex to the Provisional Order) have remained below 2 minutes at all times. Solarplicity’s reported rate of dropped calls has ranged from a low of 3% of 5,905 calls in report 1 to a high of to 12% of 5614 calls in report 3 (dated 18 March 2019) when it dropped 684 calls. The 7-week average dropped call rate is 5%. The rate did fall below what is required by the Provisional Order on 3 occasions¹⁴. However, Solarplicity’s call handling performance has remained largely acceptable since the issue of the Provisional Order.

4.42. The Authority however remains concerned about Solarplicity’s performance with regard to handling customer contact by email and social media. Solarplicity advised the Authority that the cumulative amount of outstanding emails has fallen from 2,800 around the time the Provisional Order was issued (22 February 2019) to 121 emails as at 15 April 2019. However, on reviewing the data provided, the Authority notes that this reduction appears to be due to a decrease in the number of emails received by Solarplicity rather than due to any improvement in the time it takes Solarplicity to

¹² March – September: average call waiting time of 13 minutes 23 seconds and a maximum of 2 minutes 1 second / between 58% and 90% of its calls were dropped.

¹³ Paragraphs 19 to 21 of the Reasons Notice and see paragraph 4.41 of this Notice.

¹⁴ Week 2 (report dated 11 March 2019), Week 3 (report dated 18 March 2019) and Week 5 (report dated 2 April).

resolve issues raised by customers in email and social media contact. Solarplicity advised the Authority during a telephone call on 4 April 2019 that this reduction is due to steps it has taken to limit the number of emails it received. It has not provided evidence that this is the case. However, despite this, the proportion of the emails it resolves in a timely manner has not reduced. As at 8 April 2019, Solarplicity had resolved the issues raised in less than 10 days only in less than half of the emails and social media contacts and of 15,608 emails received since January 2019:

- 11% of emails took between 11 and 20 days to resolve;
- 8% took between 21 and 30 days to resolve;
- 12% took between 31 and 40 days to resolve;
- 10% took between 41 and 50 days to resolve; and
- the remainder took over 50 days to resolve **with 159 email contacts unresolved after 80 days.**

4.43. Paragraph 6.4.2 of the Provisional Order requires Solarplicity to produce and submit a report to the Authority setting out:

if the subject matter of the email or Customer Contact cannot be resolved within 10 working days from the date of receipt, Solarplicity must provide the Authority and the Domestic Customer with an explanation for the delay and date for resolution.

4.44. Solarplicity did not provide this until 8 April 2019 despite this being required as part of the process to be implemented by 8 March 2019. The Authority had requested this on several occasions prior to it being provided.¹⁵ The Authority is concerned that Solarplicity appeared to be unable to easily identify why it was taking, on some occasions, more than 80 days to resolve email and social media contacts. This indicates that Solarplicity is continuing to fail to manage its email and social media processes appropriately.

4.45. For these reasons, the Authority is satisfied that Solarplicity is not making it easy for Domestic Customers to contact it nor is it otherwise ensuring that its customer service arrangements and processes are complete, thorough, fit for purpose and transparent. Therefore, the Authority is satisfied that Solarplicity is contravening and is likely to contravene SLC 0.3c.

4.46. Customers appear to have been and are likely to continue to be caused detriment by inadequate customer service arrangements in relation to email and social media contact. The Authority is satisfied that customers continue to be subject to long waiting times before Solarplicity properly deal with email and social media contacts. Steps which Solarplicity take with regard to its email and social media contact handling processes, must not cause a deterioration in call handling customer service arrangements. As such, it is requisite for the Provisional Order to be confirmed and to continue to require Solarplicity to ensure that its customer service arrangements and processes are complete, thorough, fit for purpose and transparent and so that it makes it easy for customers to contact it. It is also requisite that Solarplicity maintains an

¹⁵ During conference calls on 6th, 14th and 28th March and via email on 18th March

appropriate level of performance in relation to call handling and other forms of customer contact and that it adheres to the specific timescales for doing so provided in the Provisional Order and that Solarplicity continues to report on its progress in meeting the requirements of the Provisional Order. In the particular circumstances, it is also requisite that the Provisional Order continues to prohibit Solarplicity from acquiring New Domestic Customers (as defined in the Annex to the Provisional Order) and increasing the direct debits of vulnerable customers until it the Authority is satisfied that its customer services arrangements are compliant with SLC 0.3 in respect of its current customers.

5. Conclusion

5.1. For the reasons set out a paragraph 4 of this Notice, the Authority is satisfied that Solarplicity has not met the requirements of the Provisional Order. The Authority is therefore also satisfied that Solarplicity is contravening and is likely to continue to contravene:

- a. SLC 0.3c(i), (ii) and (iii)
- b. SLC 0.3d(i) and (ii);
- c. SLC 14A.1 or 14A.7;
- d. SLC 27.5;
- e. Regulations 3, 4, 5, 6 and 7 of the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 (“CHSR”).

5.2. Also for the reasons detailed at paragraph 4 the Authority is satisfied that it is requisite for the Provisional Order, as modified, to be confirmed. This is because there is a likelihood that detriment will be caused to customers if the Provisional Order and its requirements do not remain in place. Given its continuing concerns, the Authority considers that it is requisite to maintain the prohibition on Solarplicity acquiring New Domestic Customers (as defined in the Annex to the Provisional Order) and to prevent Solarplicity increasing the direct debits of Domestic Customers in a Vulnerable Situation until it has demonstrated compliance with the requirements of the Provisional Order in respect of its current customers. The Authority considers that this is proportionate and necessary in the circumstances given the risk of harm to customers from ongoing contraventions.

6. Representation or Objections

6.1. The Authority invites representations or objections. Any representations or objections with respect to the proposed notice to confirm the Provisional Order must be made in writing on or before 13 May 2019 (being not less than 21 days from the date of issue of this notice) and sent to Heather Swan, Senior Manager, Ofgem, Floor 3, Commonwealth House, 32 Albion Street, Glasgow, G1 1LH or by email to Heather.Swan@ofgem.gov.uk.

6.2. Responses will be published. If a respondent does not wish its response or part of its response to be published, it should clearly mark its response or the relevant parts “not for publication” and give reasons.

6.3. Any representations or objections which are duly made within the timeframe specified above and not withdrawn will be duly considered by the Authority.

Dated: 18 April 2019

Signed

ANDREW LONG
MEGAN FORBES
PETER HINCHLIFFE
ENFORCEMENT DECISION PANEL
Duly authorised on behalf of the Gas and Electricity Markets Authority

Annex 1

Proposed Provisional Order as modified for confirmation (modifications shown in track changes)

The Electricity Act 1989 and Gas Act 1986
Provisional Order confirmed as modified under section 25(~~42~~) of the Electricity Act 1989
and section 28(~~42~~) of the Gas Act 1986

To:

Solarplicity Supply Limited (company number 08053210), previously known as Loco2 Energy Supply Ltd, having changed its name to Solarplicity Supply Limited by notice dated 27 April 2017, and as Ganymede Energy Supply Limited having changed its name to Loco2 Energy Supply Ltd by change of name certificate dated 17 March 2014, having its registered office at Unit 8, Peerglow Centre, Marsh Lane, Ware, Hertfordshire, United Kingdom, SG12 9QL (“Solarplicity”) is the holder of an electricity supply licence granted or treated as granted under section 6(1) of the Electricity Act 1989 and the holder of a gas supply licence granted or treated as granted under section 7A of the Gas Act 1986.

WHEREAS:

- A. The Gas and Electricity Markets Authority (“the Authority”) has received information regarding Solarplicity’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. The Authority made a provisional order on 22 February 2019 under Section 28 (2) of the Gas Act and Section 25 (2) of the Electricity Act.

C. The Authority made a proposal to confirm the provisional order with modifications on [] under Section 26 (1) of the Electricity Act 1986 and Section 29 (1) of the Gas Act ('the Proposal to Confirm').

~~B-D.~~ Having considered representations made to the Authority by Solarplicity [and] in response to the Proposal to Confirm and having had regard to the matters set out in Section 25 of the Electricity Act and Section 28 of the Gas Act, the Authority is satisfied ~~Based on the information received by the Authority and its engagement with Solarplicity, it appears to the Authority~~ that Solarplicity is contravening or is likely to contravene SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7, ~~22C.3, 22C.4~~ and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR and that the provisions of the confirmed provisional order are requisite for the purpose of securing compliance with those SLCs and requirements.

~~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 confirmed Provisional Order 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 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7, ~~22C.3, 22C.4~~ and 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR confirms ~~themakes a~~ Provisional Order requiring Solarplicity:

Domestic Customer Service Arrangements and Domestic Customer contact

1. Not to act in contravention of SLCs 0.3c(i), (ii) and (iii), 0.3d(i) and (ii);
2. Not act in contravention of SLC 14A.1 or 14A.7;
3. (not used)~~Not act in contravention of SLC 22C.3, SLC 22C.4, 22C.6 or 22C.7;~~
4. Not to act in contravention of SLC 27.5;
5. Not to act in contravention of regulations 3, 4, 5, 6 and 7 of the CHSR;
6. 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) and which make it easy for Domestic Customers to contact it for the purposes of securing compliance with SLC 0.3c (i), in particular (but without prejudice to the broader requirements of 1 above), Solarplicity shall:
 - 6.1. At all times, for the duration of this Provisional Order, ensure that it:
 - 6.1.1. maintains Average Call Waiting Times, as defined in the Annex to this Provisional Order, that are not longer than 2 minutes;

- 6.1.2. maintains a rate of answering Offered Calls (as defined in the Annex to this Provisional Order) for which no more than 5% of Offered Calls are abandoned by Domestic Customers,
- 6.2. By 8 March 2019, ensure that its “ring back” or “interactive voice response system” offers a call back to all Domestic Customers that have been in its call queue for longer than 2 minutes. Where a Domestic Customer requests the ring back service before 14:00 hours and is not available when they become ‘first in the call queue’, Solarplicity 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, Solarplicity 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.
- 6.3. Produce and submit to the Authority weekly reports of the total number of telephone calls received along with the raw data from which they are derived. The first report shall be submitted by 13:00 hours on 4 March 2019. Each subsequent report shall be submitted on the Monday of each week¹⁶ after 4 March 2019 by 13:00 hours. These reports must also include the following data for each reporting week:
- 6.3.1. the Average Call Waiting Times and the Maximum Call Waiting Times;
 - 6.3.2. the number of calls which have dropped out of the call queue or have otherwise been disconnected and the length of the call waiting times preceding the disconnection;
 - 6.3.3. the maximum, minimum, average, median and standard deviation of call durations of calls which are answered by Solarplicity customer service agents (excluding calls connected as a result of a call back request);
 - 6.3.4. 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 a Solarplicity customer service agent; and
 - 6.3.5. the numbers of staff answering calls on each day and the time periods for which those numbers of staff were answering calls on each day.
- 6.4. By 8 March 2019 to have a process in place to record the contents of and to acknowledge all emails and all other contact from Domestic Customers (including contact via post, web chat and social media but excluding telephone calls) (“Customer Contacts”) sent to Solarplicity (via the internet or any alternative route) 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 Solarplicity must be:
- 6.4.1. acknowledged within 2 working days from the date of receipt; and
 - 6.4.2. if the subject matter of the email or Customer Contact cannot be resolved within 10 working days from the date of receipt, Solarplicity must provide the Authority and the Domestic Customer with an explanation for the delay and date for resolution.

¹⁶ If the Monday falls on a public bank holiday, please submit on Tuesday of that week.

- 6.5. To produce and submit to the Authority reports, the first of which shall be submitted on 11 March 2019 by 13:00 hours and all subsequent reports to be submitted on the Monday of each following week by 13:00 hours. These reports shall set out the following data for each reporting week:
- 6.5.1. the total number of emails and other Customer Contacts received from Domestic Customers broken down by week from 24 February 2019;
 - 6.5.2. the total number of emails and other Customer Contacts which received an acknowledgement within 2 working days of receipt;
 - 6.5.3. the total number of emails and other Customer Contacts where the subject matter was resolved within 10 working days and what the subject matter was;
 - 6.5.4. the total number of emails and other Customer Contacts where the subject matter was not resolved within 10 working days, what the subject matter was and 20 Randomly¹⁷ selected email samples of such correspondence with Domestic Customers.
 - 6.5.5. for provisions 6.5.1 and 6.5.2. if the Domestic Customer contacts Solarplicity after the initial Customer Contact regarding the same issue and it has not yet been resolved, this must be counted as an additional contact. However, if Solarplicity contacts the Domestic Customer regarding the same issue, this not to be counted as additional contact.
- 6.6. By 22 March 2019, to ensure that:
- 6.6.1. all emails and Customer Contacts which have not yet been acknowledged by 22 February 2019 receive a response and thereafter follow the process in provision 6.4;
 - 6.6.2. each such response addresses the subject matter of the outstanding emails or Customer Contact it is responding to. If the matter cannot be resolved Solarplicity shall provide an explanation to the Authority when providing the report required by paragraph 6.7 by 25 March 2019;
 - 6.6.3. if the email or Customer Contact set out in 6.6.1 was a complaint and it was not resolved within 56 days, the Domestic Customer is signposted to the Energy Ombudsman;
- 6.7. provide a report to the Authority by 25 March 2019 to show that the actions in provisions 6.6.1 – 6.6.3 have been completed.
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 5) Solarplicity shall:
- 7.1. record all complaints and resolution in a timely and efficient manner;

¹⁷ This definition is defined in Annex 1.

- 7.2. monitor the workload of its Domestic Customer service function and allocate and maintain adequate resources for complaints handling;
- 7.3. signpost consumers (by sending a written notice (deadlock letter) 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 or if the complaint has been outstanding for 56 days;
- 7.4. produce and submit to the Authority weekly reports to show that the actions required in provisions 7.1 – 7.3 have been completed. The first report shall be submitted on 4 March 2019 by 13:00 hours and be submitted on each following Monday by 13:00 hours.

Identification of Domestic Customers in a Vulnerable Situation

8. To ensure that it has a process to identify Domestic Customers in a Vulnerable Situation which is compliant with SLC 0.3 d(i) and to ensure that it applies SLCs 0.3 a), b) and c) to the Domestic Customers identified as being in a Vulnerable Situation in a manner compliant with SLC 0.3 d(ii), in particular: SLCs 0.3 a) by behaving in a fair, honest, transparent, appropriate and professional manner which takes into account the Vulnerable Situation; 0.3 b(i) by providing information which is complete accurate and not misleading in a manner which takes into account the Vulnerable Situation; 0.3 c (i) by making it easy for each Domestic Customer in a Vulnerable Situation to contact it; 0.3 c(ii) by acting promptly and courteously to put things right when it makes a mistake in a manner which takes account of the Vulnerable Situation; and 0.3 c (iii) otherwise ensuring, in a manner which takes account of the Vulnerable Situation, that its customer services arrangements are complete, thorough, fit for purpose and transparent. In particular, Solarplicity shall:
 - 8.1. By 15 March 2019, and weekly thereafter in advance of producing the reports required by 8.2, review all Domestic Customer accounts to determine whether the Domestic Customer is in a Vulnerable Situation;
 - 8.1.1. The reports required by 8.1 and 8.2 shall include the following:
 - 8.1.1.1. the criteria used in the review process required by 8.1 to determine whether each Domestic Customer is in a Vulnerable Situation;
 - 8.1.1.2. the total number of Domestic Customers identified as being Domestic Customers in a Vulnerable Situation and the reason why they have been identified as being vulnerable;
 - 8.1.1.3. the total number of Domestic Customers who have been added to the Priority Services Register once they were identified as being in a Vulnerable Situation;
 - 8.1.2. for each Domestic Customer identified as being in a Vulnerable Situation, what customer service arrangements are in place to ensure that it applies SLCs 0.3 a), b) and c) in a manner which takes account of the Domestic Customer's Vulnerable Situation.
 - 8.2. The first report required by 8.1 shall be submitted on 18 March 2019 by 13:00 hours with subsequent weekly reports to be provided on the Monday of each week by 13:00

hours. The weekly reports must include any additional Domestic Customers who have been identified as being in a Vulnerable Situation.

Domestic Customers in payment difficulty

9. To ensure that it has a process by 15 March 2019, compliant with SLC 27.5, to offer the services set out in SLC 27.6 when it becomes aware or has reason to believe that a Domestic Customer is having or will have difficulty in paying all or part of the Charges. In particular, Solarplicity shall:
 - 9.1. Produce and submit reports to the Authority setting out:
 - 9.1.1. the total number of Domestic Customers identified as having (or who will have) difficulty paying (customers with a vulnerability or who are on the Priority Services Register should be easily identifiable);
 - 9.1.2. the total number of Domestic Customers identified as having (or who will have) difficulty paying who have elected to make payments by regular instalments in terms of SLC 27.6 a) (ii). The date the repayment plan was set up with the Domestic Customer, the length of the repayment plan and the value of each repayment instalment shall be included;
 - 9.2. The first report required by 9.1 shall be submitted on 18 March 2019 by 13:00 hours with subsequent weekly reports to be provided on the Monday of each week by 13:00 hours. The weekly reports must include any additional Domestic Customers¹⁸ who have been identified as having (or who will have) difficulty paying.

Contract renewal

- ~~10. To ensure that it has a process in place to issue a SLC 22C Statement of Renewal of Terms in accordance with SLC 22C.3 and to remedy any defective performance of its obligations under SLC 22C. In particular, (but without prejudice to the broader requirements of SLC 22C), Solarplicity shall:~~
 - ~~10.1. — By 8 March 2019 review all of its Domestic Customer accounts in order to identify each occasion where it should have issued an SLC 22C Statement of Renewal of Terms in accordance with SLC 22C.3 and failed to do so for the period 1 May 2017 to 22 February 2019;~~
 - ~~10.2. — By 8 April 2019 have issued a notice to each Domestic Customer to whom it failed to issue an SLC 22C Statement of Renewal of Terms, which contains the information required by SLC 22C.3 and also includes:~~
 - ~~10.2.1. — the date that the fixed term period of the Domestic Customer’s Fixed Term Supply Contract came to an end;~~
 - ~~10.2.2. — a statement explaining what arrangements it put in place once that Fixed Term Supply contract came to an end, including details of the tariff that the Domestic Customer was subject to once the Fixed Term Supply Contract came to an end; and~~

¹⁸ Please ensure the ‘additional customers; are clearly identifiable.

- ~~10.2.3. Information about how the Domestic Customer may now terminate their contract with it without being charged a Termination Fee in accordance with SLC 22C.6.~~
- ~~10.3. By 8 March 2019, ensure that all Customers not sent an SLC 22C Statement of Renewal of Terms will be subject to either the Relevant Cheapest Evergreen Tariff or Relevant Fixed Term Default Tariff in accordance with SLC 22C.7.~~
- ~~10.4. produce and submit a report to the Authority setting out the number of Customer Accounts identified at 10.1 and weekly thereafter, a report setting out the number of Domestic Customers who have received the notice required by 10.2.~~
- ~~10.5. From the date of this Provisional Order, in accordance with SLC 22C.4 a), issue the SLC 22C Statement of Renewal of Terms to each Domestic Customer no earlier than 49 days and no later than 42 days before the fixed term period of their Fixed Term Supply Contract is due to end;~~
- ~~10.6. Provide weekly reports to the Authority demonstrating ongoing compliance with SLC 22C and paragraph 10.5 of this Provisional Order.~~
- ~~The first reports required by 10.4 and 10.6 shall be submitted on 11 March 2019 by 13:00 hours. Subsequent weekly reports must be provided on the Monday of each week by 13:00 hours. The weekly reports must show progress and include any additional Domestic Customer accounts where it has been subsequently identified that no SLC 22C Statement of Renewal of Terms has been completed in accordance with SLC 22C.3 and SLC 22C.4;~~

Customer transfer

- ~~11.10.~~ To ensure that it has a Supplier Transfer process in place that is compliant with SLC 14A.1 by ensuring that it takes all reasonable steps to complete a Supplier Transfer within 21 days of the Relevant Date and in particular, Solarplicity shall:
- ~~11.1.10.1.~~ in accordance with SLC 14A.7, take all reasonable steps to improve the systems and processes governing the Supplier Transfer process, in particular (but without prejudice to the broader requirements of SLC 14A.7) by making it easy for Domestic Customers to contact it in relation to the Customer Transfer process;
- ~~11.2.10.2.~~ by 8 March 2019 review all its Domestic Customer accounts to identify any accounts where a Supplier Transfer process requires to be completed;
- ~~11.3.10.3.~~ where, as part of the review required by ~~11.2~~ or otherwise, it identifies that a Supplier Process requires to be completed, either:
- ~~11.3.1.10.3.1.~~ immediately take all reasonable steps to complete that process within 21 days of the Relevant Date; or
- ~~11.3.2.10.3.2.~~ if the account is identified 21 days or more after the Relevant Date, immediately take all reasonable steps to complete the Supplier Transfer Process within 3 working days or as soon as reasonably practicable if a serious restriction to the process has been identified (this reason must be provided);
- ~~11.4.10.4.~~ To produce and submit reports to the Authority setting out:
- ~~11.4.1.10.4.1.~~ what arrangements it has in place to ensure that it will comply with SLCs 14A.1 and 14A.7 going forward;

~~11.4.2.10.4.2.~~ the total number of Domestic Customer accounts where the Supplier Transfer process has not been completed within 21 days;

~~11.4.3.10.4.3.~~ for each Domestic Customer account in ~~10.4.2~~, whether it has completed the Supplier Transfer process by the date of the report and if so within how many days of the Relevant Date;

~~11.5.10.5.~~ The first report required by ~~10.4~~ shall be submitted on 11 March 2019 by 13:00 hours with subsequent weekly reports to be provided on the Monday of each week by 13:00 hours. The weekly reports must show progress against all Domestic Customer accounts in ~~10.4.4~~ (where the Supplier Transfer process had not been complete by the date of the previous report) and include any additional Domestic Customers who may have fallen into the categories at ~~10.4.1~~ to ~~10.4.4~~.

Further requirements

~~12.11.~~ For the purpose of securing compliance with SLC 0.3c(i), (ii) and (iii), 0.3d(i) and (ii), 14A.1, 14A.7, ~~22C.3, 22C.4~~, 27.5 and regulations 3, 4, 5, 6 and 7 of the CHSR from 22 February 2019 until Solarplicity has satisfied the Authority that it has implemented the above measures:

~~12.1.11.1.~~ not to acquire any New Domestic Customers, or add any Domestic Customer accounts by upgrading such accounts to dual fuel accounts;

~~12.2.11.2.~~ not to increase the amount of the Direct Debit agreed with each Domestic Customer in a Vulnerable Situation or who has been identified as being in payment difficulty 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, until the reviews required by paragraphs 8.1 and 9 have been completed and the Authority is satisfied, further to reviewing Solarplicity's reporting requirements, that these Domestic Customer accounts have been managed appropriately. For the avoidance of doubt, if Solarplicity increases the amount of the Direct Debit of a Domestic Customer who is later, either as part of the review required by 8.1 or 9 or otherwise, identified as a Domestic Customer in a Vulnerable Situation or who has been identified as being in payment difficulty, Solarplicity must immediately decrease the amount of that customer's Direct Debit and refund to that Domestic Customer any additional sums it has paid to Solarplicity as a result of the increase in the amount of the Direct Debit;

~~12.3.11.3.~~ not to use debt collection agents to pursue debts from Domestic Customers in a Vulnerable Situation or who have been identified as being in payment difficulty under the terms of their contract for the supply of gas and/or electricity, until the reviews required by paragraphs 8.1 and 9 have been completed and the Authority is satisfied, further to reviewing Solarplicity's reporting requirements, that these Domestic Customer accounts have been managed appropriately.

~~This order shall cease to have effect on 22 May 2019 unless confirmed by the Authority on or before that date.~~

Dated: 22 February [] 2019

Signed

ANDREW LONG

MEGAN FORBES

PETER HINCHLIFFE

ENFORCEMENT DECISION PANEL

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 09:00 and 17:30 Monday to Friday and 09:00 and 13:00 on Saturday during the week prior to each relevant reporting deadline specified in this Provisional Order.

“Maximum Call Waiting Times”: means the maximum time taken to answer all calls received between 09:00 and 17:30 Monday to Friday and 09:00 and 13:00 on Saturday during the week prior to each relevant reporting deadline specified in this Provisional Order.

“New Domestic Customer”: means a Customer who is not supplied by Solarplicity at Domestic Premises and has not, on or before 22 February 2019, concluded a contract with Solarplicity (or any of its group companies) in terms of which the Customer has agreed to be supplied with energy at their Domestic Premises.

“Offered Calls” means the total of number of calls received between 09:00 and 17:30 Monday to Friday and 09:00 and 13:00 on Saturday during the week prior to each relevant reporting deadline specified in this Provisional Order.

“complaint” means any expression of dissatisfaction made to Solarplicity, 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 Solarplicity at the point at which contact is made or a response is explicitly or implicitly required or expected to be provided thereafter.

“Randomly selected” means the emails must be selected in chronological alphabetical order. E.g. First customer’s surname must begin with an ‘A’, if this is not possible move to B and so on.

Annex 2

SLC 22C.3

“The licensee must prepare a statement (hereafter referred to as an “SLC 22C Statement of Renewal Terms”) which:

(a) is set out in Writing;

(b) contains a prominent title which clearly informs the Domestic Customer that the fixed term period of their existing Fixed Term Supply Contract is due to end and they need to consider their options;

(c) without prejudice to SLC 22C Exempt Information only contains the following information:

- (i) the date the fixed term period of the existing Fixed Term Supply Contract is due to end;
- (ii) the following statement, presented in a manner which is readily distinguishable from the other text presented in the Statement of Renewal Terms: “Remember – it might be worth thinking about switching your tariff or supplier”;
- (iii) information about where the Domestic Customer may obtain impartial advice and information about changing their Electricity Supplier;
- (iv) a statement explaining that if the Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of the existing Fixed Term Supply Contract is due to end, the Domestic Customer will become subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable;
- (v) a statement explaining that the following information is provided in a separate part of the SLC 22C Statement of Renewal Terms:
 - (1) the Principal Terms that currently apply to the Domestic Customer;
 - (2) the Principal Terms that would apply if the Domestic Customer becomes subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable, by virtue of paragraph 22C.7; and
 - (3) where a Notice is also being provided to the Domestic Customer pursuant to sub-paragraph 22C.5(a) below, the Principal Terms that would apply if the Domestic Customer agrees a further fixed term period for an existing Fixed Term Supply Contract;
- (vi) information about how and when the Domestic Customer may terminate their Fixed Term Supply Contract without being charged a Termination Fee and a statement explaining the effect of paragraphs 24.8 to 24.12 of standard condition 24;
- (vii) the Domestic Customer’s Estimated Annual Costs in the event that the Domestic Customer becomes subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable, by virtue of paragraph 22C.7;
- (viii) the Exact Tariff Name of the Domestic Customer’s Relevant Cheapest Tariff and the Domestic Customer’s Estimated Annual Savings based on the premise that the Domestic Customer is now subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable; and
- (ix) the Exact Tariff Name of the Domestic Customer’s Alternative Cheapest Tariff and the Domestic Customer’s Estimated Annual Savings based on the premise that the Domestic Customer is now subject to either the Relevant

Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable;
and

(d) contains a separate part which provides the following information in a form which is easily comparable and clearly illustrates the main differences in the Principal Terms:

(i) the Principal Terms that currently apply to the Domestic Customer;

(ii) the Principal Terms that would apply if the Domestic Customer becomes subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable, by virtue of paragraph 22C.7; and,

(iii) where a Notice is also being provided to the Domestic Customer pursuant to SLC 22C.5(a) below, the Principal Terms that would apply if the Domestic Customer agrees a further fixed term period for an existing Fixed Term Supply Contract;

(e) contains a separate part which, in accordance with paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms), contains the Tariff Information Label for each set of Principal Terms provided pursuant to sub-paragraph 22C.3(d); and

(f) contains a separate part which, in accordance with paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms), contains the Domestic Customer's Estimated Annual Costs for each set of Principal Terms provided pursuant to sub-paragraphs 22C.3(d)(i) and (iii) (but not the Domestic Customer's Estimated Annual Costs for the set of Principal Terms provided pursuant to sub-paragraph 22C.3(d)(ii), which must already be provided in accordance with sub-paragraph 22C.3(c)(vii))."

SLC 22C.4

"The licensee must:

(a) provide a Domestic Customer with a copy of the SLC 22C Statement of Renewal Terms which complies with paragraph 22C.3 no earlier than 49 days and no later than 42 days before the fixed term period of their Fixed Term Supply Contract is due to end; and

(b) with the exception of the Notice described in paragraph 22C.5, ensure that the SLC 22C Statement of Renewal Terms is separate from any other document (including, but not limited to, a Bill, statement of account, Annual Statement or marketing material) and is provided to the Domestic Customer separately from any other document (including, but not limited to, a Bill, statement of account, Annual Statement or marketing material)."

SLC 22C.6

"Where the licensee fails to comply with paragraphs 22C.2 to 22C.5 and extends the duration of an existing Fixed Term Supply Contract for a further fixed term period, the licensee may not charge or otherwise seek to enforce a Termination Fee in respect of that Domestic Supply Contract."

SLC 22C.7

“Where a Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of an existing Fixed Term Supply Contract is due to end, the licensee must ensure that the terms of the Fixed Term Supply Contract provide that the Domestic Customer will become subject to either the Relevant Cheapest Evergreen Tariff or if the licensee considers it appropriate to do so, a Relevant Fixed Term Default Tariff.”