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[CDconsultations@ofgem.gov.uk](mailto:CDconsultations@ofgem.gov.uk)  
By Email Only

Dear Maghna and Dennis,

Founded in 2009, OVO Energy is the leading independent energy retail company in the UK and OVO Group's flagship energy brand, offering an unparalleled scope of digital energy services, solutions and technologies to its pay-monthly customers. OVO Energy redesigned the energy experience to be fair, effortless, green and simple for all customers. Today OVO Energy is a progressive energy company striving to deliver more abundant clean energy for everyone.

OVO Energy welcomes Ofgem reevaluating their approach to protecting vulnerable customers in a changing industry landscape. We think developments in technology driven propositions mean the industry needs to work towards ensuring vulnerable customers continue having access to the most competitive deals in the market. We have outlined other focus areas below.

### **Centralised Identification of Customers**

OVO Energy welcomes Ofgem's proposal of working with other regulatory bodies and using cross-industry data to identify vulnerable customers.

That being said, we think Ofgem should ascertain the feasibility of moving to an industry wide centralised identification mechanism for vulnerable customers. We think such a database could be updated regularly similarly to the PSR to ensure both transient and long-term vulnerability is covered. We encourage Ofgem to work with the ICO to ascertain how this could work under the current GDPR framework.

Furthermore, using a centralised register would enable suppliers to better support customers who suffer from mental health issues. Our internal data suggests this customer group can be more disengaged from their energy supplier. Therefore, suppliers may not be able to provide the necessary support for this cohort of their customer base through the current process of customers self-identifying vulnerability.

## Supplier Performance

OVO Energy thinks Ofgem should move away from self-identification driven proxies such as the Priority Services Register (PSR) to assess supplier performance in protecting vulnerable customers. Instead, Ofgem should focus on reviewing supplier performance more holistically, for example, assessing the package of services a supplier provides customers. This could be tariffs, accessibility propositions and others.

Furthermore, we believe industry standards of protecting vulnerable customers could be driven up by Ofgem creating incentives for suppliers who are outperforming. We think suppliers who are going above and beyond their obligations should be recognised for these efforts. This could be done by Government subsidies, industry charge reduction etc. We would welcome further Ofgem engagement in this area. We would welcome further engagement with Ofgem in this area.

## Customer Protection

OVO Energy agrees that suppliers should be responsible and protect their vulnerable customers. We think Ofgem should continue working with industry to evaluate the best mechanisms of protecting customers. This work should include:

- **Re-assessing Regulatory Schemes purpose** - Working with Government to re-define the purpose of Regulatory Schemes. We think Regulatory schemes such as ECO can be better utilised in providing suppliers with more flexibility when providing eligible customers with innovative measures i.e. access to technology which enables flexibility and reduces customer costs in the long-term.
- **Identifying Customers Eligible for Regulatory Schemes** - We think customers should be centrally identified to obtain support from Regulatory Schemes. This will ensure suppliers funding can reach the most vulnerable customers, including those who are disengaged. The current practice drives up costs
- **Accessibility** - Assessing the industry approach to customers with accessibility needs and ensuring the industry is providing enough support to such customers i.e. supplier websites are tailored to customers requirements.

Finally, OVO Energy thinks Ofgem's Draft Vulnerability Strategy has identified the correct high-level themes and desired outcomes for vulnerable customers. We would welcome further engagement with Ofgem to discuss the delivery mechanisms of the themes and outcomes.

Should you have any further questions please do not hesitate to contact [policy@ovoenergy.com](mailto:policy@ovoenergy.com)

Kind regards,

Baiba Delvere

Regulatory Lead

## Appendix 1

### **Question 1: Do you agree with the five priority themes and the outcomes we will aim for (as set out in chapter 3-7 and annex 2)?**

OVO Energy agrees with the themes and outcomes identified by Ofgem. We would welcome further engagement with how these themes will be delivered practically.

### **Question 2: Do you agree with our approach on affordability? While we recognise this is a concern for many consumers in vulnerable situations, we think addressing wider affordability pressures is mainly a matter for government to address.**

OVO Energy agreed wider affordability issues are a matter for Government and social policy.

### **3: What more could be done through energy regulation to assist consumers in vulnerable situations in the longer term? How should any such further measures be funded?**

OVO Energy believes Ofgem should work with Government to ensure vulnerable customers are protected in the long-term, as this is a matter for social policy. We think such measures should be funded through general taxation.

OVO Energy understands suppliers have obligations to protect customers and think Ofgem could do more to incentivise suppliers creating more appealing propositions for vulnerable customers i.e. incentives for suppliers who outperform in this sector.

Furthermore, OVO Energy would encourage Ofgem to work with Government and extend the current ECO scheme to streamline the innovation process and make this easily accessible for suppliers and customers. As a result, vulnerable customers would have access to innovative products and long-term benefits.

In addition, we think Ofgem and Government should do more in providing vulnerable customers with advice on household finances. We think this could be done by creating an advice service similar to Citizens Advice Bureau which would be run by Government and provide customers with advice on all regulated industries and the support customers could receive.

### **Question 4: Do you agree with our proposals for the first year of the strategy?**

OVO Energy agrees Ofgem has identified the correct proposals for the first year of the strategy.