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Dear Alexander

Energy Supplier Rating: Consultation on proposed changes

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, storage, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

As detailed in our previous responses, we recommend that various metrics are available in a user-friendly format. This will not only result in improved service performance, but will provide customers with useful information to enable them to make an informed choice when selecting a supplier.

We support the ongoing review of the Energy Supplier Rating, and welcome the opportunity to comment on the proposed improvements and suggested timeline for these changes.

Expansion of the rating, to include more suppliers, will ensure customers are provided with an increased level of information to help them make switching decisions. We therefore fully support the mandatory inclusion of suppliers with 50,000 customers. Alongside this, we welcome the voluntary inclusion of suppliers with less than 50,000 customers in line with the proposals in the consultation. We agree there should be a minimum period of 12 months for participation on a voluntary basis. Anything less than this timeframe may jeopardise the credibility of the rating, as customers may see suppliers dropping in and out of the table.

We also agree with the proposals regarding white labels and assessing these on a case by case basis where they have materially different offerings to the parent supplier. We support the mandatory inclusion of white label brands should they reach the 50,000 customer threshold and voluntary inclusion for those with less than 50,000 customers in line with the requirements outlined in the consultation. This will help improve the credibility of the rating by providing customers with a more holistic view of the market.

It is crucial that the data displayed in the rating is accurate, consistent and comparable across all suppliers, in order for it to be useful and appropriate for customers. We agree with the proposal to use Ofgem's revised guidance methodology of 'Relevant Date' when

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calculating the switching metric. This will ensure that customers have confidence that the Energy Supplier Rating is an accurate representation so that they are able to easily compare suppliers switching performance. In addition, we welcome a review of the scoring methodology for this metric following this change.

In addition to those outlined in our response, we are also supportive of including audit outcomes for those suppliers who are signatories to voluntary commitments such as the Energy UK Code of Practice for Accurate Bills and Safety Net.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact Claire Clark on 07875118500, or myself.

Yours sincerely,

A handwritten signature in blue ink, reading "Paul Delamare".

Paul Delamare
Head of Customers Policy and Regulation

Attachment

Energy Supplier Rating: Consultation on proposed changes

EDF Energy's response to your questions.

Q1. Do you agree with our aim to introduce changes from December 2017?

It is crucial that the data displayed in the rating is accurate, consistent and comparable across all suppliers, in order for it to be useful and appropriate for consumers. While we are not adverse to the changes being introduced in December 2017, it is imperative that customer trust and reassurance is not placed in jeopardy by implementing this change before such consistency can be achieved. Therefore, should there be any disparity in the data, we believe it would be prudent to delay the introduction of the changes until this has been resolved. It would be useful for Citizens Advice to release an early embargoed copy of the new rating to suppliers before publication, in order that any inconsistencies or errors can be identified and resolved.

Q2. Do you support our proposed threshold for mandatory inclusion in the rating of 50,000 domestic customers?

As outlined in our previous response, we strongly support the expansion of the rating to include suppliers with more than 50,000 customers. We agree that doing so will ensure customers have access to the required information to enable them to make an informed choice when selecting a supplier.

Q3. Do you support voluntary inclusion in the rating, and the proposed requirements for suppliers wishing to join?

We support the inclusion of smaller suppliers with less than 50,000 customers on a voluntary basis, subject to the requirements outlined in the consultation. We also agree it is appropriate for any suppliers wishing to join voluntarily, to participate for at least one year. We believe anything less than this timeframe may jeopardise the credibility of the rating, as customers may see suppliers dropping in and out of the table.

Q4. Do you have any views on how we could improve the information we provide to consumers about suppliers with fewer than 50,000 customers who do not voluntarily join?

Alongside the rating, clear messaging should be provided which explains why some suppliers have not been included. This will ensure the interests of customers are met, while making it clear why some suppliers do not feature within the rating. It would be beneficial for this messaging to be circulated to all suppliers prior to publication of the rating. We suggest wording such as 'Some suppliers with fewer than 50,000 customers may not appear as they have not decided to participate on a voluntary basis'.

We also believe that information regarding the complaints performance of suppliers with fewer than 50,000 customers should be published. This is important for Citizens Advice to meet their requirements under CEAR Act section 10 and 45 and to ensure consumers have access to this performance information.

Q5. Do you agree that accuracy of bills is a suitable metric for assessing billing performance? Do you have views on which of the options for measuring bill accuracy is most appropriate?

We agree that accuracy of bills is a suitable metric for assessing billing performance. The accuracy of bills is valuable to customers, therefore, including this as a metric will help customers make informed decisions.

With the roll out of smart meters and the benefits they will provide to customers and suppliers, we believe using the hybrid approach, outlined in the consultation document, would not provide an accurate comparison. We have concerns that Data Communications Company (DCC) performance in a particular geographic area, could impact one supplier more than another, beyond the control of that supplier who is being rated. For example, an issue affecting the communications network in Scotland would have greater impact on the ability of suppliers who have a large customer base in this region to produce accurate bills. In these cases, the impacted supplier performance, and therefore rating, would be impacted beyond their control.

With this in mind, the most appropriate option at this stage, for this metric is Option 1 (measuring the percentage of customer accounts that have had a bill reflecting an accurate meter reading in the past 12 months).

Q6. Do you consider that timely bills is a suitable metric for assessing billing performance? Do you have views on whether it is more appropriate to measure timeliness of all bills, or just final bills?

We fully support the inclusion of timely bills as a suitable metric for assessing billing performance. Providing a percentage of bills produced within 15 days from when a periodic bill is due to be sent, provides objective data which is easily comparable and is important to some customers.

We agree that the timeliness of all bills should be measured as part of this metric. Timely production of final bills is likely to be just as important to customers as periodic bills.

Q7. Do you favour using timeliness of bills, accuracy of bills, or both as metrics of supplier performance on billing? Are there any other metrics that we should have considered?

We prefer the use of both timeliness and accuracy of bills as a metric of supplier performance on billing. We agree for some customers, timeliness of bills will be less important. Therefore, using a combination of both of these metrics, will provide a

comprehensive view of suppliers billing performance, assisting customers to make an informed decision based on what is important to them.

In addition to these, we believe consideration should be given to measuring the variety of channels suppliers offer to customers to provide readings. Including this would enable customers to easily see which suppliers offer channels to suit their own needs.

Q8. Do you agree that Guaranteed Standards are an appropriate measure of supplier performance for prepayment? Is there other data we should consider using?

We agree that Guaranteed Standards provides an indication of supplier performance for prepayment, in relation the most important issues customers with prepayment meters face, such as faulty metering. However, we also acknowledge the disadvantages this brings as the rating would not be easily comparable across all suppliers.

Alternatively, measuring supplier agreement to voluntary commitments, such as the Prepayment Principles and Smart Prepayment Change of Supplier Principles, as part of the rating could provide useful information to prepayment customers.

Q9. Do you support Option 1? Do you support the proposed thresholds?

We support the proposed thresholds outlined in the consultation. However, as mentioned above, we believe Option 1, scoring suppliers according to prepayment, will add additional complexity to the rating and will be potentially confusing to customers. We encourage the use of metrics which are clear and easily comparable across all suppliers, such as agreement to voluntary commitments as detailed above, and do not agree this is achieved by Option 1.

Q10. Do you support option 2?

We do not believe that billing performance is of high importance to prepayment customers, as these customer pay at the point of use, therefore, making billing information less relevant. However, we agree this seems to be the most appropriate way to ensure suppliers are compared on the same basis.

Q11. Do you support our focus on telephone support as the key route for consumers to contact their supplier? Do you support our proposed metric in this area? (average wait time for telephone services)?

We acknowledge telephone services remain a key channel for consumers to contact their supplier, and that the proposed metric in this area would provide customers with information that is important to them. However, it is also important to customers that they can easily and quickly contact their supplier by their chosen method. Given the change in customer dynamics and substantial growth of online channels, it should also be

recognised that this may not always be by telephone. Therefore, we support the inclusion of additional broader measures of contact availability such as email and live chat.

Q12. Do you support the option to include additional contact methods in the scoring for some suppliers? Do you support the proposed threshold for including additional channels?

As outlined above, we fully support the inclusion of additional contact methods in the scoring for some suppliers. Including these would ensure essential information regarding the accessibility of suppliers, rather than only the speed of phone call answer, is provided to customers. Although we appreciate this would add complexity, given the growth of these additional contact methods, we believe this is vital information for those customers whose chosen contact method is not telephone.

We agree that where 25 percent of customer contacts are made by an alternative method, this should count for 50 percent of the score. This is reflective of suppliers overall performance in the channels that form a significant proportion of their contacts.

Q13. Do you agree that changing the weighting of OSE cases would better reflect consumer outcomes? if not, please provide your reasoning.

We support improving the supplier rating to be more customer focused and to take into account complaint outcomes, including complaints that have reached a position of deadlock. However, we believe this can only be achieved by removing all cases which are classified as 'not upheld' or 'maintained'. We do not believe it is appropriate for suppliers to receive any score on complaints where they took, or offered to take the right actions to resolve the complaint which the Ombudsman subsequently also agreed with.

We agree that the inclusion of 'settled cases' should be included with a lower weighting, and support the inclusion of 'upheld' complaints with an increased relative weighing.

In addition to our views above, we also note that complaint performance could be affected by any Ombudsman Services: Energy (OSE) backlogs. The current league table is based on absolute volumes of complaints at the point they are received (which are not deadlocked). The new proposed approach will look at the outcome of the complaint when concluded (including deadlocks). This means we may have already had a complaint recorded against us when it was received under the existing measures, which under the new proposals may now appear again in subsequent quarters depending on the timescale for the complaint to be resolved. We are interested to understand more about how this will be detailed within the rating.

Should the proposed changes be progressed, it would be beneficial for Citizens Advice to provided suppliers with a retrospective view (for the past 12 months) of their performance using this methodology. This will enable suppliers to understand further how this new methodology will impact them.

Q14. Do you agree with our proposed approach to non-compliance with information requests?

We support the proposed approach of scoring suppliers zero for those categories where they fail to respond to information requests. There is a risk that suppliers failing to respond to information requests will both jeopardise the credibility and also delay the publication of the rating. Therefore, we believe the proposed approach to non-compliance is proportionate to this risk.

Q15. Do you agree with our proposed approach for white label brands in the supplier rating?

We agree that should the white labels have materially different customer service offerings to the parent supplier, assessing these on a case by case basis is the most appropriate approach for these brands. We support the proposal of ensuring the complaint handling metric is consistent across parent and white label brands, while scoring the other metrics separately.

We also support the mandatory inclusion of white labels should they reach the 50,000 customer threshold, and the voluntary inclusion, to allow white labels to join who have fewer than 50,000 customers, in line with the same requirements outlined for voluntary inclusion in the rating.

Q16. Do you have any other suggested changes to the supplier rating?

In addition to those outlined in the relevant questions above, we are also supportive of including audit outcomes for those suppliers who are signatories to voluntary commitments such as the Energy UK Code of Practice for Accurate Bills and Safety Net. These commitments ensure customers are provided with a robust set of protections in areas that are of significant importance to customers. As these areas are independently audited, including them will ensure supplier performance in these areas is provided to customers.

EDF Energy
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