



Date: 23rd August 2017

Dear Alex,

Firstly, thank you for letting Economy Energy comment on proposed changes to the Citizens Advice Ratings Tool.

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

Economy Energy agree with the timeline proposed and that any changes made following this consultation should be first reflected in December 2017.

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

We agree that the threshold for the mandatory inclusion in the ratings tool should be lowered to 50,000 domestic customers. We believe that due to the number of suppliers now on the market that lowering the threshold would aid consumers in making informed choices about their energy provider. We agree with Citizens Advice rationale that the new threshold is in line with other regulatory thresholds and industry reporting and should not impact these suppliers.

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

Economy Energy agree that a supplier with less than the set threshold should be allowed to voluntarily opt in to the ratings tools subject to the proposed requirements.

Q4. Do you have 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?

For suppliers who do not meet the threshold or wish to voluntarily opt in to the tool, we believe that contact information, opening hours and payments methods would be beneficial to consumers and should be asked of these suppliers.

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?

Economy Energy recognise that accurate bills are important to consumers, we have therefore made submitting reads to us easier, alongside sending text messages in order to encourage customers to submit readings more often. We therefore agree that this could be a suitable metric for assessing bill performance; however, we do have some reservations about this metric. We currently offer multiple routes to submit readings and as mentioned a text messaging system to prompt customers to submit a reading to us. We feel that despite our best endeavours to encourage and engage with customers to submit readings we do not always see the response rate we would like.

From the three options that explore the metric measurements, Economy Energy would be prefer option 1, the percentage of customer accounts that have had a bill reflecting a meter reading in the past 12 months. This option aligns with obligations in the supply licence (SLC 21B.4) and should already be a process that is being actioned by the supplier.

We do feel strongly that if this were to be introduced as a metric, Citizens Advice should allow ample time in order to review the reporting that would be needed and the overall impact this might have.

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 agree that making sure consumers receive their bills as promised help them manage their costs more effectively. Additionally, we agree that those on prepayment and direct debit plans are less likely to be impacted if a statement was released later than promised however is not ideal.

Economy Energy therefore think that if this were to be a new metric that it would have to be specific for those customers on 'pay on receipt of bill'.

When looking at the 'timeliness of final bills', this covers both direct debit and 'pay on receipt' customers. Although Economy Energy believes that less of an important statistic for a consumer when looking for a new supplier, we still know it is important for customers to receive an accurate and prompt final bill for them to move to their new supplier with confidence and without causing any financial implications. We agree that there is some merit in reviewing this.

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

Economy Energy think that billing accuracy is more important to consumers than timeliness of bills, but do see a benefit of issuing statistics for timeliness of final bills.

We also think that a focus on billing excludes PPM and Direct Debit customers as bills less impact them. We think that further development could be done in this area regarding a billing metric that includes how different customer interact with bills and statements from a supplier.

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

Economy Energy do not believe that it is an appropriate measure of a supplier performance for PPM. This is because medium and small suppliers use 3rd parties to complete appointments and although work towards maintaining KPI's and keeping to appointments, its ultimately not in the control of a supplier. Furthermore GSoP applies to all appointments and if were to be used should be used in its entirety to show success rate of appointments booked. As mentioned in the consultation this is something that suppliers already report on therefore stats regarding this could be used without extra reporting.

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

Economy Energy was initially a prepayment specialist however has recently expanded our credit customer's base and although our portfolio is still mostly prepayment, customers and we aim to offer all our customers the best tariffs.

We agree that information for PPM customers is important and considering the current focus by the industry; the price cap, cost of SVT and higher tariff rates for PPM customers, we think that including information regarding a suppliers PPM services would be extremely relevant.

We believe that including information about Emergency and Friendly credit – amount available, repayment of debt and friendly credit times, ability and routes to top up – apps, my account and other options as well as any additional support tools, resources and help would be beneficial to a PPM customer.

If this information were to be included, we do not think that this should be a marker for ranking and should be used as an additional information piece that consumers can use to filter or compare.

The reason is that, as an example; suppliers may offer different number of channels to top up but does not mean that they all work effectively. One supplier could only offer two channels that work well versus another who offers several but has poor feedback or issues.

Q10. Do you support Option 2?

No, Economy Energy believe that including PPM information is relevant and should be a factor in the ratings tool. We feel that scoring all suppliers according to a billing performance ignores PPM customers as most PPM customers will only receive an Annual Statement, thereby a billing ratings does little to help them when looking for a new supplier.

We think that more can be done on the tool to capture prepayment information as mentioned in our answer to Q.9.

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)?

Economy Energy was an initial champion for using average waiting time on the supplier tool and so supports this inclusion going forward. We particularly think that call-answering times is of most importance for customers.

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?

We think that including information regarding additional channels could also be included in the customer service metric. Stating what routes a customer can contact us and the average response time is beneficial, however we believe that this should not be used as a rating element and more for customer information.

We also think that the inclusion of the availability of Apps and My Account should be included in this section. Customers are drawn by the ability to view their account as and when they choose and we know that the availability of the Economy Energy App and My Account are of particular importance to our customers, especially PPM customers who are able to top-up on their phone remotely.

We again think that this should be information that is available for customers to review/compare but not used in a rating capacity.

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

Yes, Economy Energy agree that a change to the weighting should be taken into account within the complaints metric to more accurately reflect complaints handling, which for many customers is an important area.

We are open to a further consultation regarding this metric.

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

Economy Energy agree that there should be a process for non-compliance or non-submission of data.

We believe that a note stating the data is not available this quarter rather than a blanket zero may be more helpful to consumers rather than penalising a supplier.

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

N/A

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

Economy Energy believe that there should be access to previous tables on the website so consumers can understand improvements or drops in standards by suppliers each quarter. A link to either the previous quarter or the ability to compare the newest score against the previous score once you click into the metric.

We still believe that including the 'Switching Guarantee' commitment as a rating matrix is not beneficial for customers and could be merged in to the 'Ease of Switching' matrix. Instead, information on whether a supplier is offering Warm Home Discount may be of more important to customers.

We also think that there is scope to include more information about a supplier smart meter roll out; we are finding that most customers who sign up with us are keen to understand when they will be eligible for a smart install. We are aware that suppliers maybe unlikely to release specifics about where they are in the roll-out or number of installs completed we do think that some basic information as to whether they are offering smart meters. We know that submission are made to Ofgem regarding a suppliers rollout and although we are not suggesting that these be published we do think there is room to include information for customers who find smart a central component when looking at a new supplier. Information about availability of an app and its functionality, tariffs offering or how to express interest if current customer and would like a smart meter.

There is also scope to capture innovative offerings from the supplier such as bundles, discounts and deals. As we move forward with Principle Based Regulation and with the removal of the RMR regulations, we are likely to see more innovation from suppliers.

To begin with, it may only be the inclusion of information and not a rating tool, but could include information regarding supplier partnerships, discount offerings, energy saving products or tool or any other home services that may help a customer with their energy supply. We think this type of information for customer will be key as the industry moves forward and evolves.

Thank you again for allowing us to comment on the new changes to the ratings tool. If you have any questions regarding our comments please do not hesitate to contact me and we look forward to Citizens Advice's response.

Kind regards,

Charlotte Mawdsley
Compliance Manager