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Energy Supplier Rating - Consultation on a rating for smaller supplier

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.

We support the ongoing review of the Energy Supplier Rating (ESR), and welcome the opportunity to comment on the proposed improvements and suggested timeline for these changes. 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 about their energy supply.

We agree with the expansion of the rating to include more suppliers. This will ensure customers are provided with relevant information regarding a wider choice of suppliers, in order to help them make switching decisions. We agree that suppliers with 25,000 meter points should be automatically included in the ESR. We also support the continuation of a voluntary inclusion of suppliers with less than 25,000 meter points, in line with the proposals in the consultation.

We agree that suppliers who fail to respond to your information requests should receive a score of zero for those metrics. Suppliers who fail to respond to information requests will jeopardise the credibility and delay the publication of the rating. Therefore, the proposed approach to non-compliance is proportionate to this risk.

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 Lesley Bowen on 07817 407150, or myself.

I confirm that this letter and its attachment may be published on Citizens Advice website.

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EDF Energy plc.
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Yours sincerely,

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

Paul Delamare
Head of Customers Policy and Regulation

Attachment

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EDF Energy's response to your questions

Q1. Do you agree with our minded-to option to expand the existing rating to include suppliers with over 25,000 meter points? If no, what would you suggest as an alternative approach?

EDF Energy agrees with the minded-to position to expand the existing rating to include all suppliers with more than 25,000 meter points. This will ensure customers have access to information to enable them to make an informed choice when selecting a supplier. Providing this information in a clear and useable format allows customers to make an informed choice about their energy supply which is not only based on price.

Ideally, we would like all suppliers, regardless of size, to be included in the ranking as the Citizens Advice price comparison webpage provides a whole of market view. It is important that customers are able to see this whole of market comparison, across service and price.

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 to ensure this is clear to customers.

Citizens Advice has confirmed that the term 'meter points' has the same meaning as 'customer accounts' in this situation, and is therefore the same methodology used in the Ofgem Social Obligations Reporting. This relates to counting a gas account and an electricity account as two separate accounts.

Q2. Do you agree with our proposals to use the same metrics as the existing supplier rating, for suppliers with over 25,000 meter points?

We agree with the proposal to use the same metrics as the existing ESR for suppliers with over 25,000 meter points. It is crucial that the data gathered and displayed in the rating is accurate, consistent and comparable across all suppliers, in order for it to be useful and appropriate for customers.

Q3. Do you support our minded-to option to lower the threshold for a supplier to have a consumer service referral, or to retain the existing requirements and remove the weighting for those under 50,000 meter points?

We agree with the minded-to option to lower the threshold for company referrals from the Citizens Advice Consumer Service (CACS) to 25,000 meter points. The Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008, Paragraph 9),¹ provides a requirement that a regulated provider (defined as a supplier who holds a licence under the Gas and Electricity Acts), must have an appropriate referral mechanism in place for referrals from Consumer Direct (CD), after discussion with CD. Following the Government's review of these services, this provision was later replaced by the CACS.

Therefore, we welcome further clarity on the exemption which permits suppliers with fewer than 50,000 meter points not to be required to have a formal referral arrangement in place.

Q4. Do you agree with lowering the weighting to per 10,000 meter points for all suppliers as the most appropriate approach? If not, what would be a more appropriate alternative approach?

We agree that lowering the weighting to per 10,000 meter points is the most appropriate approach, as this will permit comparison between suppliers with fewer customers.

Q5. Do you agree that these are appropriate metrics for suppliers with more than 25,000 meter points? If not, please provide evidence to support your answer.

We agree that using the same metrics for all suppliers', regardless of size, is the most appropriate approach. This allows customers to compare suppliers on a like for like basis. We support the ongoing review of the metrics, and welcome the inclusion of additional information such as Warm Home Discount (WHD) membership, as this can have a direct financial impact on customers.

Q6. If Ofgem's changes proceed, do you agree with our proposal to measure bill timeliness performance based on Bills and statements only? If you disagree, please include an explanation.

We agree with the proposal to measure bill timeliness performance based on bills and statements only, if the removal of the requirement to provide an Annual Statement is implemented.

Q7. Are these the right communication methods to consider? Please give a reason why, and let us know if there are others we should include in this exploratory RFI. Please include details about what data you collect about these communication methods currently.

¹ <http://www.legislation.gov.uk/uksi/2008/1898/regulation/9/made>

We agree that the communication methods suggested within the consultation are correct. We acknowledge that telephone services remain a key channel for consumers to contact their supplier, with live chat being our second most popular contact method for customers.

Citizens Advice should review the Customer Service metric as this currently only rates suppliers on the average speed of answer for telephony contact. Communication preferences are changing quickly in the market, and therefore it is important that customers can easily and quickly contact their supplier by their chosen method. As customers are increasingly choosing to manage their affairs digitally, additional contact methods should be included, such as email and live chat (web chat). We request further details on how this metric would be expanded, as it must be reflective of suppliers overall performance in the channels that form a significant proportion of their contacts.

We currently collect data on our communication methods such as webchat, email, social media (including Facebook messenger) and SMS messaging (text message). We could provide data regarding the average response time, volumes received and customer satisfaction scores.

Q8. Do you agree with our proposal to rank suppliers with a tied rating based on their complaints score?

We agree that a tiebreaker approach based on the complaints score would be useful. This is a fair and clear approach to rank suppliers rather than the current approach of displaying tied rankings alphabetically. Additionally, there are sometimes minimal differences between suppliers, therefore multiple suppliers can achieve the same score, which can lead to confusion for customers.

EDF Energy
September 2018