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| |  | | --- | | Jenni Lucas-Williams & Alice Brett  Citizens Advice  200 Aldersgate  London  EC1A 4HD |  |  | | --- | |  |   Sent by email to: [jenni.lucas-williams@citizensadvice.org.uk](mailto:jenni.lucas-williams@citizensadvice.org.uk)  [alice.brett@citizensadvice.org.uk](mailto:alice.brett@citizensadvice.org.uk) | Head Office  Inveralmond House  200 Dunkeld Road  Perth  PH1 3AQ  [monica.davidson@sse.com](mailto:monica.davidson@sse.com) |
| 14 September 2018 |
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Dear Jenni and Alice

**Energy Supplier Rating, Small Supplier Consultation**

Thank you for opportunity to respond to the consultation paper on having a performance rating tool for small suppliers.

SSE is fully supportive of Citizens Advice having as many suppliers as possible included in the energy supplier rating, allowing energy consumers to make informed choices on changing supplier. We agree that having this information available for most suppliers should help customers when switching and hopefully encourage them to engage in the market.

There is one issue not covered by the consultation where we would like to make a general point. When suppliers join the performance rating for the first time they tend to have a very good score on complaints performance, particularly when they are a new entrant to the market. Often this high score is not sustained as that supplier becomes more established and gains new customers. For this reason, we would like to suggest that newcomers to the supplier rating are flagged up as such, making it clear to consumers that this is a snapshot of current performance and that there is no historical performance to refer to.

We have answered the questions set out in your consultation on the pages that follow below.

Your sincerely

Monica Davidson

Customer Relations Manager

**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?**

Yes, SSE agrees with the Citizens Advice minded-to option to expand the existing rating to include suppliers with over 25,000 meter points. We agree that it will be simpler and clearer for customers to compare suppliers if they are all on the same rating tool and scored using the same metrics. We will expand further on this point in Q3.

**Q2: Do you agree with our proposals to use the same metrics (outlined below) as the existing supplier rating, for suppliers with over 25,000 meter points?**

Yes, we agree with your proposal to continue to use the same metrics from the existing supplier rating for suppliers with over 25,000 meter points. We believe that these are the right metrics for gauging performance and would want to see consistency on how suppliers are compared – again linked to our response for Q3.

**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?**

As covered in the previous two questions, SSE believes that the simplest way for consumers to be able to compare energy supplier performance is to have all suppliers assessed on the same rating tool and with the same metrics. To this end we strongly support the minded-to position to lower the threshold for a supplier to have consumer service referrals. These suppliers already have arrangements in place to accept EHU referrals and we agree that it should not place undue burden to extend the arrangements to include supplier referrals, given the volumes involved.

**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?**

SSE understands why Citizens Advice seeks to change the weighting to 10,000 meter points when the rating will include a number of suppliers with fewer than 100,000 meter points. We support any change that would allow customers to compare suppliers with greater ease. However, there are a few points that are worth considering with this approach.

This would change consistency across the sector. The Ombudsman publishes their quarterly data showing various figures including cases accepted per 100,000 customer accounts. Ofgem reports complaints received per 100,000 customer accounts for the six large suppliers and for medium sized suppliers but reports per 10,000 for smaller suppliers, which could cause confusion for customers. If Citizens Advice choses to use the 10,000 ratio there may be a need to highlight a difference from the other comparisons available.

There is a possibility that changing the ratio to per 10,000 will lead to less space between suppliers, therefore making the difference in performance seem less marked. For example, if the suppliers currently performing best on complaints received 23, 34 and 40 point-related complaints per 100,000 customers this would change to 2.3, 3.4 and 4 per 10,000 customers. This could lead to customers viewing their performance as much more equal than on the previous ratio.

**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**

Yes, as indicated earlier, SSE believes that these are the right metrics for assessing supplier performance and would support their use for smaller suppliers too.

**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.**

Yes. Given Ofgem’s proposal to make changes to the customer comms rulebook SSE agrees that changing the metric to measure performance on bills and statements only is the right thing to do.

**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.**

Customers are choosing to contact suppliers across a range of methods and suppliers are encouraging them to do so. As this is the case, SSE supports the inclusion of additional communication methods into the customer service metric and we believe that Citizens Advice has captured the correct methods to evaluate. Overall, we agree that there needs to be consistency in how response times for other contact methods are measured and we note that there will be an RFI later in the year to gauge what is currently happening.

SSE currently collects data on the following channels:

* E-mails
* Webchat
* Social media
* Ringback

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

SSE understands the rationale behind seeking to distinguish between suppliers with a tied rating and agrees with using complaints performance to do so. However, given the conventional practice of using tied rankings it will be important for Citizens Advice to clearly signpost and explain to customers that a different method has been used in the performance rating.