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Dear Alex

### **Energy Supplier Rating – Consultation on proposed changes**

Please find overleaf our responses to the questions raised in your consultation.

We recommend that Citizens Advice regularly reviews the metrics it uses. The energy market is undergoing an exciting period of change and innovation, and it is important the metrics used reflect what is currently important to customers.

It would be useful if Citizens Advice could provide a timeline indicating when these changes will take effect, when suppliers will receive RFIs to provide the data for the rating tool and when the next review of the metrics will take place. This will help us better manage our workloads and ensure our customer facing staff have the information they need to answer customer queries.

If you have any questions about our response, please contact Maria Bines, 07816 597080, [maria.bines@eonenergy.com](mailto:maria.bines@eonenergy.com) or Jill Laurie, 07766 997484, [jill.laurie@eonenergy.com](mailto:jill.laurie@eonenergy.com) and please copy in our mailbox [regcomms-external@eonenergy.com](mailto:regcomms-external@eonenergy.com) to all emails as this is monitored regularly.

Yours sincerely

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### **Question 1**

#### ***Do you agree with our aim to introduce changes from December 2017?***

We understand that there may be some delay to the proposed timetable due to responses to the billing RFI issued on 10 August 2017 not being due until 13 October 2017.

Until Citizens Advice has made its final decision on all the changes proposed, it is not possible for us to be certain we can meet any particular deadline. However, based on the information we have at this time, we should be able to meet an early 2018 deadline.

### **Question 2**

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

Yes, we do. This will ensure customers can make a comparison against a wider range of suppliers. It is important that Citizens Advice makes it clear on their website which suppliers are included and why some are not.

### **Question 3**

#### ***Do you support the voluntary inclusion in the rating? Do you support our proposed requirements for suppliers wishing to join?***

Yes, we support the voluntary inclusion in the rating, and your proposed requirements.

### **Question 4**

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

Suppliers could provide information about whether communications meet best practice in terms of signposting to consumer organisations and useful information.

### **Question 5**

#### ***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 billing accuracy is a suitable metric for measuring billing performance; however, this metric will have different levels of importance for different groups of customer.

Our preference is for Option 1, the percentage of customers (regardless of meter type) that have had a bill reflecting a meter reading in the past 12 months. We have a range of different billing frequencies and meter reading frequencies, and therefore we believe this option will ensure a fairer comparison between suppliers. . However we recommend Citizens Advice reviews this on a regular basis to ensure it is fit for purpose given the growth of innovative new tariffs in the market.

Our second option would be Option 3; however there would need to be a clear definition of 'smart meter'. We believe the most appropriate definition is 'DCC compliant', which aligns with current reporting to the Department for Business, Energy and Industrial Strategy.

### **Question 6**

#### ***Do you consider that timeliness bills is a suitable metric for assessing billing performance?***

We agree that timeliness of bills is a suitable metric for measuring billing performance; however, this metric will have different levels of importance for different groups of customer.

For final bills there is a licence requirement to provide a bill within six weeks of the change of supplier process being complete.

For cyclical bills, there will need to be an agreed definition of 'timeliness' to ensure comparability between suppliers; there are currently a number of different measures used:

- Not all suppliers have signed up to the Code of Practice for Accurate Bills, therefore may not use the >15 day measure.
- Our internal measure is timeliness from the end of our billing window and we focus on where customers' bills are >30 days late.
- We do also have data for >42 days late as this is provided to Ofgem as part of the quarterly Market Monitoring reports. However, these numbers rely on the provision of reads by a new supplier in the 'change of supplier' process and this fact would need to be reflected in some way.

### **Question 7**

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

We agree that both of these metrics are suitable for measuring billing performance.

We would recommend that Citizens Advice considers separating results for statements of account and bills, as there are different customer impacts for each of these. For example, a customer who pays by Direct Debit will be less concerned about a late statement than a customer who pays on receipt of bill and is concerned about budgeting.

### **Question 8**

#### ***Do you agree that the Guaranteed Standards are an appropriate measure of supplier performance for prepayment?***

We agree that the Guaranteed Standards are an appropriate measure of supplier performance.

### **Question 9**

#### ***Do you support Option 1 (including prepayment where suppliers have sufficient PPM customers)? Do you support the proposed thresholds?***

Under the proposed thresholds, E.ON would fall under the <25% bracket, therefore we would not be measured against the Guaranteed Standards metric.

It may be more appropriate for the treatment of scoring to be proportionate, with the percentage scoring being equivalent to the percentage of PPM customer accounts.

#### **Question 10**

***Do you support Option 2 (scoring all suppliers according to billing performance only)?***

We support and prefer Option 2 over Option 1.

#### **Question 11**

***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)?***

At the present point in time the majority of customers still prefer telephone contact over other forms of contact, although we expect this to change as customers become more used to using email, webchat and their self-serve accounts. We therefore support Citizens Advice's focus on telephone support at this time. We recommend Citizens Advice reviews the metric regularly in order to ensure it accurately reflects the methods customers use to contact their supplier.

While it is likely that most suppliers already record call waiting times, there are likely to be different methodologies for the calculation. For ourselves, for example, it will not be possible to exclude all sales conversations as some customer service teams (for example, home moves) undertake sales. Also we will be unable to exclude any internal calls that have been transferred between advisors. We note that the RFIs recently issued state only that the metric should exclude dedicated sales channels: nevertheless scores may not be comparable, as some suppliers may have all sales via dedicated sales channels where others, like ourselves, will have some sales calls via customer service channels.

#### **Question 12**

***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 agree that, where more than 25% of contact is by an alternative method, suppliers should be measured on that method. However, we do not agree with the proposed scoring method where 50% of alternative methods will account for the score. This is not proportionate and will provide misleading results. The score should be proportionate to the percentage of customer contacts for each method of contact.

Over time, we anticipate that the percentage of customers using methods other than telephone to contact their customers, e.g. self-serve, email and webchat, will grow. However, self-serve will be difficult to measure: we can show how long a customer spends on their account, but not necessarily the purpose of their viewing or the extent to which they were actively viewing a page they were logged in to.

#### **Question 13**

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

Without a better understanding of the weightings Citizens Advice is proposing, it is not possible to say whether this would better reflect customer outcomes. We will comment in more detail when Citizens Advice issues a further consultation on this issue.

We do have concerns about the accuracy of the ombudsman's categorisation of outcomes and use of 'nominal differences'; these issues should be resolved in order to ensure fairer ratings for suppliers.

We agree with the inclusion of deadlocked cases as proposed: however issuing a deadlock letter does not necessarily indicate a failing on the part of the supplier, therefore we consider that there should be a higher weighting given to 'over eight week' cases.

We believe that 'Not Upheld' cases should also be included: this would help provide a better picture of whether suppliers treat their customers fairly.

We would like to raise our concerns about the inclusion of Citizens Advice Consumer Service advice cases in the weighting. There is a lack of transparency in respect of these cases: suppliers have no information about the specific cases and therefore no means of challenging the findings. We recommend excluding these cases from the metrics.

#### **Question 14**

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

Yes, we do.

#### **Question 15**

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

We do not currently have any white labels. However, we would like to express some concerns that allowing suppliers with white labels to request a separate rating could give misleading results. For example, if performance of a white label is better than that of the parent supplier, the supplier may choose not to have a separate rating in order to boost its own performance. We would prefer that each white label be considered separately from its parent supplier in order to provide customers with better quality information.

#### **Question 16**

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

We do not have any other suggested changes.