

Isobel Croot
Citizens Advice
200 Aldersgate Street
London
EC1A 4HD
isobel.croot@citizensadvice.org.uk

Ecotricity Group Ltd
Lion House
Rowcroft
Stroud
GL5 3BY

Ecotricity Reference number: 612
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Alan.Chambers@ecotricity.co.uk
01453 761380

Ecotricity Response to Consultation on improving energy supplier performance information

Dear Isobel,

Ecotricity is an independent renewable energy generator and supplier, with around 180,000 gas and electricity customers. At Ecotricity, we have three principal attractions: the greenest energy with the emphasis on investing in new sources of renewable energy; the best customer service as demonstrated by the lowest level of complaints in the industry; and an ethical pricing policy that means every customer gets our best price, regardless of payment method. It is this focus on ethics and principles of excellent customer service that's key to our growth.

We welcome the opportunity to comment on the proposed supplier performance tool, and offer our views below:

1. Do you agree that the combination of the 5 metrics proposed for the first release will provide consumers with an overall view of suppliers' customer service performance?

Generally yes. The combination of the metrics largely seems sensible, and we hope will provide consumers with a fair and accurate view of supplier performance. We would suggest that Citizens Advice carry out consumer research to determine whether those using the tool will find the metrics useful for comparison, rather than seek feedback from suppliers only.

Regarding the individual metrics, we are unsure of the merits of including the customer commitment metric. Although the commitments have standards for sign up; including the metric simply shows that a supplier has signed up to a scheme that customers largely would not recognise. It also inherently favours larger suppliers, who have the resources to fulfil the requirements of schemes, such as potentially costly audits.

2. Do you agree that the indicative weightings are an accurate representation of the importance of each metric?

Generally yes, however we would ideally hope to see billing performance carrying the greatest weight. Bills are the primary source of interaction - as well as most frequent correspondence - between supplier and consumer, and also make up the greatest portion of consumer complaints. It would therefore make sense for this metric to carry the greatest weight. We would, however, want to see the billing metric amended before a greater weighting were applied; as the billing process is largely restricted by rules introduced following the retail market review.

As per our response to question 1, we would also question the inclusion of the customer commitment metric, and therefore whether applying any weighting is applicable.

3. Do you agree with the decision to limit the metrics and overall rating in the first release of the tool to the 17 largest suppliers from which we are able to collect representative data?

We would ideally like to see all suppliers included in the tool in order to show a complete whole of market view.

However, if representative data cannot be obtained from suppliers below a certain size, it would be better not to include them. It is more important to have accurate information than a large but incomplete data set. Regardless of limitations, Citizens Advice should ensure consumers are aware of all suppliers and explain the reasoning behind any absences.

4. Do you agree that a future release of the tool would benefit from the inclusion of a performance metric about the average speed to answer phone calls?

We would broadly support the inclusion of a metric about the average speed to answer phone calls. However, it would be vital to have a clear methodology for determining how calls would be classified under the metric. For example, some suppliers may have automated answering before being passed to an agent; which could skew performance data unless monitored effectively. We'd therefore want to know the measure by which performance would be assessed before confirming whether we agree or disagree with including the metric.

We would also be interested to know whether Citizens Advice would look to create an additional metric for response rates to email correspondence.

5. Do you agree that a future release of the tool would benefit from the inclusion of a performance metric about the accuracy of switching, based on the number of erroneous transfers?

No. Erroneous transfers can be the result of factors and actors, including the Old Supplier, the New Supplier, a PCW, industry systems and/or the customer themselves. They therefore do not provide a clear picture of a suppliers' switching performance. The inclusion seems unnecessary, needlessly complex, and without an end benefit to the consumer.

ETs are rare in the industry. The inclusion of a metric - actively pointing ETs out to customers - would go against the objectives of the comparison tool, and could decrease customer confidence in the market; potentially limiting future engagement.

6. Are there any additional qualitative indicators we should be considering for future development of the tool, in order to provide the best possible information to customers?

We would like to see a metric providing information on the fuel mix, or supply source, of each supplier. In order to find the most appropriate tariff to suit their needs, a growing number of consumers are interested in where their energy comes from and whether renewable energy features in their supply. As suppliers are already required to provide a fuel mix disclosure and publish it, this metric could be easily implemented, and would allow consumers to easily compare fuel sources across suppliers.

7. Do you agree that the scoring definitions and scoring criteria proposed are appropriate to use for the comparison tool?

We agree with the scoring methodology in principle, however some of the criteria – and justifications for them – appear quite confusing.

In particular we feel that improvements could be made to the billing metric. Billing is the main cause of customer dissatisfaction once on supply (as per supplier complaints reporting) and the content of the scoring system should reflect this. We would suggest that some clear criteria based on performance would be more suitable than just scoring on whether a bill is easy to understand.

Potential options could include: the percentage of customers billed on time; the percentage of the customer base unbilled; or, the percentage of accounts billed with an accurate read within the last 6 months. Regardless which option is selected, a clear and quantitative scoring system would provide a better indication of billing performance than the reasonably vague initial proposal.

In addition, the majority of information included on bills is mandatory as per the supply licence conditions. Although a supplier can make individual changes to aid customer understanding, there are limitations and constraints. It therefore doesn't seem suitable to rank suppliers based on a criteria which in the most part is out of their control.

We would also want to fully understand the methodology behind the GFK data used for both the customer service and billing sections of the reporting. Although information has been provided on the survey process, there is little available on the actual questions asked. Without further information on the questionnaire it is difficult to comment on whether the metrics are appropriate.

With regards to the switching metric, Citizens Advice need to be aware that there are aspects of the switching process which are outside of suppliers' control. These factors should be considered in the reporting, and displayed.

We would also like to see amendments to the criteria for switching performance, as it is unlikely that any suppliers would manage to complete all switches within 21 days. There are too many additional factors at play outside of a suppliers control for a metric to require a score of 100%. The levels should instead be in line with the KPI's of the switch guarantee, with approximately 97-98% of switches completed in 21 days or less being required for excellent performance.

8. Do you agree that rounding the supplier scores to the nearest quarter will show sufficient granularity, while remaining clear enough for consumers to understand?

Yes, although it could be possible to provide separate levels of granularity, for example via a separate excel sheet showing the full level of detail. The most important factor should be the ease of understanding for the consumer, however there may be circumstances for which an increased level of detail would be useful.

9. Do you prefer the alternative scoring criteria over the initial scoring criteria set out in Section 4.1?

No. The alternative scoring mechanism does not seem necessary, and the methodology has the potential to confuse consumers. The initial methodology will intrinsically rank customers through the score they receive, and therefore seems sufficient.

In addition, consumers are driven and motivated by differing criteria depending on their preferences. They are therefore likely to apply their own weighting to the various measures, so there is no need to aggregate the scores.

10. Do you agree that the proposed tool will make improvements to the experience consumers currently have when accessing Citizens Advice performance information?

It is difficult to agree or disagree at this stage. The tool requires testing and use before a judgement can be made. Having said that, we do support the creation of a comparison tool, particularly given some of the proposed changes to price comparison websites included in the CMA decision document.

We would also encourage Citizens Advice to consult with consumers on this point (as well as on question 9 – alternative scoring criteria) to ensure that the composition of the tool improves the experience of consumers when engaging with the market.

Ecotricity welcomes the opportunity to respond and hope you take our comments on board. We also welcome any further contact in response to this submission. Please contact James Jackson on 01453 840618 or james.jackson@ecotricity.co.uk.

Yours sincerely,

P.P. 

Alan Chambers
Acting Compliance Officer