

Isobel Croot
Citizens Advice
200 Aldersgate Street
London
EC1A 4HD

9 September 2016

Dear Isobel,

Consultation on Energy Supplier Comparison Tool

Thank you for the opportunity to respond to the above consultation seeking views on a new energy supplier comparison tool.

We welcome this proposal from Citizens Advice and believe that, if correctly designed, the tool will provide relevant information on energy suppliers' quality of service, complementing pricing data to enable consumers to make informed decisions about their energy supply. In this context, we would emphasise the need to ensure the metrics properly represent consumers' requirements for relevant, representative, reliable and transparent measurement of suppliers' performances.

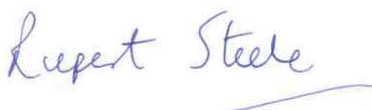
A significant factor in the potential success of the tool will be the relevance and timeliness of the metrics. Not only will this build credibility with consumers but it will also drive supplier activity to address performance shortcomings. We urge Citizens Advice to ensure these considerations are built into the metric definitions.

We are concerned that the metrics and weightings as currently proposed do not fully meet the desired criteria. In particular, we believe the weighting for the "Complaints" metric at 30% of the total supplier score over-emphasises an aspect of performance which is only experienced by a small minority of consumers (whereas the other metrics apply to a much broader base of consumers). Furthermore, we would support the replacement of subjective metrics (eg. "ease of contacting supplier") with objective ones (eg. call centre opening hours and call waiting times).

I have set out our responses to the specific consultation questions in Annex 1 below.

I trust this is helpful, but please feel free to contact me or Steve Field (0141 568 3231) if you have any further queries.

Yours sincerely,



Rupert Steele
Director of Regulation

**CONSULTATION ON ENERGY SUPPLIER COMPARISON TOOL – SCOTTISHPOWER
RESPONSE**

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? Please provide any supporting evidence for your answer.

In ScottishPower's view, the suitability of metrics would be best addressed through understanding what consumers want from an energy supplier comparison tool. We recommend that Citizens Advice conduct consumer research to confirm that the proposed tool covers the range of metrics with the appropriate scoring and weighting criteria, and that the presentation of results meets consumers' requirements to provide meaningful comparison information that can be clearly understood.

We also recommend that the tool be tested with a representative sample of consumers prior to being made publicly available and would welcome the opportunity to comment at that stage. We are concerned that without these steps, and considering the implementation timescales in the proposed delivery plan, the tool may not achieve its objective of empowering consumers in their energy supplier decision making processes.

We have provided responses based on our view of what we think will be in the best interest of consumers.

We agree with the inclusion of the metrics on "Complaints", "Billing" and "Switching" as defined in the consultation document.

The metric on "Customer service" has a very narrow definition ("ease of contacting the supplier") and perhaps should be renamed to reflect this so it is not misunderstood by consumers. We are further concerned that this metric represents a subjective assessment which we feel would be better measured using the average speed of answering telephone calls as proposed in question 4.

We would support the inclusion of the "Debt Assignment Protocol" and "Safety Net for Vulnerable Customers" in the "Customer commitments" metric.

2) Do you agree that the indicative weightings are an accurate representation of the importance of each metric? If you suggest any changes, please provide an explanation and any supporting evidence.

We consider that the 30% weighting for the "Complaints" metric over-emphasises an aspect of performance which – while important – applies to a small minority of consumers who will have cause to raise a complaint with Citizens Advice or the ombudsman (whereas the other metrics apply to a much broader base of consumers). We would therefore suggest that this weighting should be reduced to 20% and the remaining metrics increased proportionately.

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?

The proposed metrics preclude the inclusion of suppliers with fewer than 150,000 customers for most metrics given the reliance on customer surveys / sampling as part of the “Customer Service” and “Billing” metrics. We would like to understand how Citizens Advice proposes to address the exclusion of smaller suppliers from the comparison tool and what information consumers will be given for them. We hope that the tool would display the metrics that can be gathered for smaller suppliers to enable consumers to perform some comparisons even if not across all the proposed metrics.

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 telephone calls? Do you agree that the suggested scope of calls between ‘9am – 5pm, Monday – Sunday’ is the appropriate timescale to capture this information? Please provide any supporting evidence for your answer.

We see value in this metric being included so long as there is a clear definition of the metric that is unambiguous and comparable across suppliers, and the results are relevant and understandable to consumers. It is also important that such a metric is updated with sufficient frequency to be representative of suppliers’ current performance. We note that the Consumer’s Association (‘Which?’) undertakes sample calls to supplier contact phone numbers (customer service and sales) to determine average call waiting times. This may provide the basis for a suitable approach for this metric.

We consider that this metric is a better representation of “ease of contacting the supplier” than that proposed for the “Customer Service” metric and would suggest that this could be substituted. The current proposal is a subjective measure based on consumer research data (and runs the risk of being distorted by media perceptions of companies performance), whereas this metric would provide a comparable objective measure.

Different suppliers have different opening hours; longer hours this can be of considerable benefit to customers who may find it hard to use the telephone during their working day. It would be useful to capture this potential benefit, either as part of this metric or separately (see question 6).

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? Please provide any supporting evidence for your answer.

It is not clear to us that consumers would find this metric useful in making decisions about their energy supplier. The industry processes developed to deal with erroneous transfers are used in situations where neither the gaining or losing supplier may be at fault (eg. if the customer has changed their mind). As such, they may not be an appropriate indicator of suppliers’ performance without a significant backstory which will impact on transparency of the metric to the energy consumer. A more appropriate metric could be suppliers’ performance in meeting targets set out in the Erroneous Transfers Customer Charter (5 and 20 day letters).

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 for consumers?

We would like to see additional metrics around customer call centre operations (for example, opening hours and where call centres are based). Consumers' interactions with their energy supplier take many forms with customer call centres being a high priority. We therefore consider it relevant to provide more information on call centre operations.

We would also wish to see a separate metric on alternative customer contact facilities covering on-line, mobile apps, etc. This should include both the functionality available (meter reads, bill payments, customer service enquiries, etc) and the ease of use. It is important that this (and other) metrics are updated with sufficient frequency to be representative of suppliers' current performance.

7) Do you agree that the scoring definitions and scoring criteria proposed are appropriate to use for the comparison tool? Please provide any supporting evidence with your response.

We agree with the proposed scoring definitions although we are concerned that the overall scoring system could be overly complex for consumers to understand. We would support a "road test" of the scoring system to confirm that it meets the needs of consumers.

The criteria for "Customer commitment" should include compliance with the relevant standards/codes. As proposed, suppliers have only to sign up to the standards/codes to achieve a score against the metrics and no consideration is taken of how well the supplier is performing. For example, the results of the annual Energy UK audits and the figures collected by Ofgem for the Debt Assignment Protocol could be taken into consideration.

With the two additional commitments proposed in question 1, we propose the following scoring criteria for the "Customer commitment" metric:

Score	Definition	Customer commitment scoring criterion
5	Excellent performance	Performing against four industry standards/codes
4	Good performance	Performing against three industry standards/codes
3	Average performance	Performing against two industry standards/codes
2	Satisfactory performance	Performing against one industry standard/code
1	Poor performance	Not performing against any industry standards/codes

In addition, the criteria for excellent performance for the "Switching" metric should be aligned with the Guaranteed Standard figure (the criterion for "excellent performance" should be "98% plus of switches in 21 days or less").

For the metrics using third party consumer research data, information must be provided within the tool to demonstrate the reliability of the data (sample size, questions asked, dates, etc).

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

We agree that rounding supplier scores to the nearest quarter score is appropriate.

9) Do you prefer the alternative scoring criteria over the initial scoring criteria set out in Section 14.1? If so, why?

We do not prefer the alternative scoring criteria. In particular, we are concerned that these alternative scoring criteria will be less clear to consumers and may damage the credibility of the tool. We would also note that a supplier's position in the relative ranking is influenced by other suppliers' performance and that the position may change as suppliers enter or leave the comparison tool. It is important that the tool measures absolute performance for each supplier and provides a record of past and present performance.

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

We agree that the proposed tool is an improvement over the existing tool but we would emphasise the need to ensure that it meets consumers' requirements. This can only be ascertained through the appropriate involvement of consumer representatives in the definition of the tool.

Scottish Power
September 2016