



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Code of Practice Supplier Handbook Proposed Guidelines

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### Abstract:

The Commission is proposing issuing the guidelines for the Suppliers Codes of Practice in one reference handbook for all suppliers. While compiling the handbook the guidelines were reviewed and updated where it was felt necessary.

### Target Audience:

All interested parties including suppliers.

### Related Documents:

CER Decision Paper- Customer Protection in the Liberalised Electricity Market – July 2004

<http://www.cer.ie/en/electricity-retail-market-decision-documents.aspx?article=0c8e807d-5143-4174-94b1-e3bba838ac3e>

CER Decision Paper- Marketing Code of Conduct Guidelines for Electricity Suppliers – July 2004

<http://www.cer.ie/en/electricity-retail-market-decision-documents.aspx?article=ecdcc75e-f0bd-4759-8675-c7c9825a2d76>

CER Decision Paper- Consumer Protection in the Gas Market – Suppliers Codes of Practice - September 2005

<http://www.cer.ie/en/gas-retail-market-decision-documents.aspx?article=837a83b9-5495-4fe1-8fa6-624d07f4d840>

CER Decision Paper- Services for Vulnerable customers in the natural gas and electricity industries – December 2005

<http://www.cer.ie/en/electricity-retail-market-decision-documents.aspx?article=50f6bf16-909b-479d-becb-8f9bcf3e3a58>

CER Decision Paper- Services for Vulnerable Customers in the Natural Gas and Electricity Industries – December 2005

<http://www.cer.ie/en/gas-retail-market-decision-documents.aspx?article=4762b957-8c9d-4921-bac9-d01c1046cb85>

CER Decision Paper- Codes of Practice for Customer Billing – Guidelines for Electricity Suppliers – September 2006

<http://www.cer.ie/en/electricity-retail-market-decision-documents.aspx?article=26a98c64-cabe-49e6-83c4-d9635b5f569d>

CER Decision Paper- Codes of Practice for Customer Billing – Guidelines for Gas Suppliers – September 2006

<http://www.cer.ie/en/gas-retail-market-decision-documents.aspx?article=37be9204-7c35-46cf-9eb9-ba55cb2f1b47>

CER Decision Paper- Code of Practice on Natural Gas Prepayment Meters – November 2008

<http://www.cer.ie/en/gas-retail-market-decision-documents.aspx?article=24569d4d-20d6-488a-a398-ed92bc6f2161>

Responses to this consultation should be returned by email, post or fax and marked for the attention of Liz Kavanagh at the Commission.

The Commission may publish all submissions received. Respondents who do not wish part of their submission to be published should mark this area clearly and separately or enclose it in an Appendix, stating the rationale for not publishing this part of their comments.

## **Executive Summary**

This Consultation Paper sets out guidance in a handbook to enable domestic gas and electricity suppliers to prepare their Codes of Practice or Customer Charters. It is not exhaustive, but rather describes a minimum level of service on which suppliers may wish to build further. The proposed handbook includes the previous Codes of Practice which have now been updated and reviewed during the process. A separate reports section is included along with a standard complaints template for use with future reports to the Commission.

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## **1. Background:**

The Commission for Energy Regulation requires that gas and electricity companies draw up Codes of Practice in order to protect the rights of customers in the areas of billing, complaints handling, disconnection, marketing, vulnerable customers and natural gas prepayment metering. These codes were introduced to ensure that customers could be confident of the quality of service being provided by their supplier. The Codes of Practice were originally launched in March 2007. Following on from this the Commission decided that to have the guidelines for the Codes of Practice in one Supplier Handbook would be beneficial and more practical for ease of reference.

While compiling the Supplier Handbook the Commission took the opportunity to review all the Codes and revise them where necessary. A separate reporting section has been added along with a standard complaints template for use with future reports to the Commission.

### **1.1. Legislative Basis:**

With the adoption of the EU Directives (2003/54/EC Electricity and 2003/55/EC Gas) certain requirements were placed on suppliers with respect to consumer protection. As part of the current review, the Commission examined the recently published third package of energy legislation to ensure that the current proposals are consistent with any new EU requirements. The Commission in carrying out its legislative function of protecting the interests of final customers is of the view that it is necessary for suppliers to develop Codes of Practice.

It should be noted that the obligations placed on suppliers by the Commission are in addition to any existing legal requirements that suppliers may already have in the areas of billing, marketing, data management or any other area covered by these guidelines.

### **1.2 Consultation:**

Interested parties are invited to comment on the issues raised in this paper by close of business on 19<sup>th</sup> February, 2010. The Commission regrets that it cannot undertake to provide individual responses to submissions on this paper. Responses may be published in full on the Commission's website, therefore respondents should include any confidential information in a separate annex.

Submissions on this paper should be forwarded to:

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Belgard Square North  
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Dublin 24  
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### **1.3 Next Steps:**

Following this consultation process the Commission will issue its Decision Paper. Suppliers will then be required to update their own Codes of Practice to include any changes required by the Commission and submit these to the Commission for approval. It is expected that suppliers should be in a position to implement any updates to their codes within two months of the decision paper being issued.

## **2. Key Changes to existing guidelines:**

The following are the key changes proposed to existing guidelines:

### **Code of Practice on Marketing**

- Conditions around marketing via e-mail and sms have been added including having customers explicit consent to do so within the last twelve months or informing customers that their details may be used for this purpose.
- Any changes to tariffs or terms and conditions after a promotion period must be made clear to the customer prior to signing up.

### **Code of Practice on Customer Billing**

- Supplier generated estimates must be provided using ESB Networks and Bord Gáis Networks information to ensure accuracy.
- Where suppliers receive meter reads from their customers directly, these meter reads should be forwarded to ESB Networks and Bord Gáis Networks.
- Final closing bills should be issued not later than six weeks after change of supplier.
- Points regarding the refunding of deposits to customers have been added to the section on tariffs and prices.
- Letters used to indicate a meter reading type must be explained on the bill.
- New arrears section has been added.

### **Code of Practice on Disconnection**

- Some examples of third parties that customers can be referred to have been included.
- Specific days when disconnection calls should not be made have been included.
- Clear conditions associated with the repayment of security bonds must be provided to the customer.

### **Code of Practice on Complaint Handling**

- The section on complaints handling has been extended to include how procedures should be set out and also includes additional guidelines covering:
  - Contacting a supplier with a complaint
  - Procedure for escalating complaints
  - Timescales for each stage of complaint
  - Payments for compensation or redress

### **Code of Practice on Vulnerable Customers**

- It is proposed that customers on electrical life support equipment would be protected from disconnection due to non-payment of bills in both the electricity and natural gas market.

### **Code of Practice on the Use of Natural Gas Prepayment Meters**

The decision paper which was published on 8<sup>th</sup> April 2009 on the guidelines for suppliers when developing a Code of Practice for Natural Gas Prepayment Meters has been included in the handbook.

- Minor amendment has been made to this code to ensure that suppliers do not charge a higher tariff to prepayment customers unless for debt recovery or as approved by the Commission.

### **Reporting section**

Suppliers will be required to report annually on their compliance with their Codes of Practice and Customer Charters. The report should provide information under the headings as listed in the reporting section.

Included in the reporting section the Commission has introduced a new complaints template for use with future reports. It is envisaged that the template will provide statistics on a range of uniform complaints that suppliers are receiving. The template consists of ten main key categories which then divide out into sub categories. While suppliers can change the sub categories to suit their own reporting systems the main categories will remain the same for everyone.

### **3. Outstanding Issues:**

There are a number of issues that the Commission would like to seek specific input on which may be included in the final decision on the guidelines for suppliers. These are in relation to:

1. How a complaint should be defined for reporting purposes
2. The presentation of standard information on natural gas bills

## 2.1 Definition of a complaint

The Commission has requested that suppliers report annually on the number and type of complaints which they receive; this has however led to debate over how a complaint should be defined. Different definitions of complaints exist and the Commission believes it is appropriate to give guidance to the industry on how to define a complaint for reporting purposes. A number of definitions exist at this time and these include:

- a. The expression (through various possible channels: letter, email, phone call, physical claim) of a customer's dissatisfaction and his explicit or implicit expectation for a response or resolution. 'Explicit': the customer states he is seeking some action to address his concern, even if he is not able to identify and state what action is required. 'Implicit': he requires the customer service agent to interpret that the service provided is expected to take action to deal with the problem. [CEER Customer Complaint Handling Guidelines of Good Practice 2009]
- b. Any expression of dissatisfaction made to an organisation, related to any one or more of its products, its services or the manner in which it has dealt with any such expression of dissatisfaction, where a response is either provided by or on behalf of that organisation at the point at which contact is made or a response is explicitly or implicitly required or expected to be provided.[Ofgem]
- c. The expression of dissatisfaction regarding any aspect of service through various contact channels
- d. The expression of dissatisfaction in writing only
- e. The expression of dissatisfaction in writing only which requires follow up
- f. An explicit statement by a customer that they would like to make a complaint

The Commission seeks views on what an appropriate definition would be for the purposes of reporting.
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## 2.2 Presentation of standard information on natural gas bills

Currently there is a standard presentation format for information on the MPRN, account number and other industry information for all electricity bills. This requires that information be displayed in a box on the front of the bill in a set order. With the likelihood of dual fuel billing in the coming years and the increase in customer switching, the Commission seeks views on whether it would be appropriate to develop a similar presentation for natural gas bills. The Commission believes there may be benefit in requiring information to be presented in a standard way so that customers can clearly find and identify information when they need to for billing and switching purposes.

The Commission seeks views on whether information should be presented as standard on natural gas bills and whether there would be a benefit to customers in requiring this.
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GPRN	
AC BAND	Meter NUMBER

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The Commission seeks views on what information should be provided on the profile code for gas which appears on customers' bills.

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