



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Decision on CER Accreditation Framework for Price Comparison Websites

DOCUMENT TYPE:	<b>Decision Paper</b>
REFERENCE:	<b>CER 11/144</b>
DATE PUBLISHED:	8 <sup>th</sup> August 2011
RESPONSES TO:	<a href="mailto:fotoole@cer.ie">fotoole@cer.ie</a>

*The Commission for Energy Regulation,  
The Exchange,  
Belgard Square North,  
Tallaght,  
Dublin 24.*

[www.cer.ie](http://www.cer.ie)

## CER – Information Page

**Abstract:** The document outlines the CER's decision on the principles to be met by price comparison websites in order to receive accreditation from the CER. It also sets out the CER's decisions the auditing processes to ensure that accredited websites continuously meet the required standards.

### **Target Audience:**

This paper is for the attention of members of the public, the energy industry, consumers and all interested parties.

### **Related Documents:**

- Consultation on Accreditation Process for Price Comparison Websites [CER11085](#)
- Roadmap to Deregulation - [CER10058](#)
- Gas Roadmap Decision Document [CER11071](#)
- Decision Paper on Deregulation of Domestic Markets – [CER11041](#)
- Customer Protection in the Deregulated Electricity Market [CER11057](#)

For further information on this decision paper, please contact Fergus O'Toole ([fotoole@cer.ie](mailto:fotoole@cer.ie)) at the CER.

## Executive Summary

The deregulation of the electricity retail market means there is no longer a benchmark regulated price from which other suppliers can offer discounts. The Gas Roadmap Decision Document set out the criteria under which revenue and price controls should be removed, creating the path to full deregulation of the gas retail market. In addition many suppliers are making dual offers for gas and electricity. This suggests that there is likely to be an increase in the range and complexity of tariff offerings from suppliers.

Price comparison websites that are easy to use and trusted by consumers are a valuable tool in delivering cost savings to consumers, reducing confusion about tariff offerings and promoting competition. The CER is of the view that independent companies are best placed to offer such a service as they have the expertise and experience in developing customer friendly interfaces and software. However these websites must provide reliable, accurate and unbiased information. In its decision paper on Customer Protection (CER11057), the CER set out its decision to establish a framework for the accreditation of price comparison websites and this paper sets out the CER's proposed principles for accrediting and auditing price comparison websites.

The CER is of the view that accreditation should provide credibility to the website and instil consumer confidence in the service. As this service will form part of the consumers overall switching experience, it is of paramount importance that consumers have a positive experience using price comparison websites and that a switch delivers the expected cost savings. The CER has consulted on the principles to be applied to accredited price comparison websites and this document sets out the CER's decisions. The following are the principles on which accreditation will be assessed:

1. **Independence and Impartiality** – a website must not be owned by or affiliated with any electricity or gas supplier. In addition the manner in which information is presented on the price comparison website must adhere to certain principles of impartiality.
2. **Inclusion and Presentation of Tariffs** - it is essential that any accredited website provides consumers with as complete as possible a picture of the tariffs available and principles have been proposed for how tariff information is presented.
3. **Calculation of Price comparisons**- it is essential that the calculation of any price comparisons gives impartial results that provide consumers with clear and accurate information. The CER has set out a number of principles to ensure that this is the case.

4. **Accuracy and Frequency of Tariff Updates** – The CER has proposed a number of principles which require website providers update their website regularly make every effort to have the most up to date and accurate tariff information for price comparisons.
5. **Website Filter Options and Results** – Consumers must have a reasonable set of criteria to filter tariff results. Results received should be comprehensive, accurate and ordered in the most appropriate manner. In order to ensure that this is the case the CER has proposed a number of principles.
6. **Green Tariffs** – As some suppliers are currently offering tariff products labelled “green”, the CER has set out principles for how green tariffs should be treated on accredited price comparison websites.
7. **Website Management** – It is essential that an accredited website provider must maintain control over the management of the website, including the tariff information and comparison calculator. Therefore the CER has proposed certain principles to ensure that this is the case.
8. **Consumer Information and Accessibility** – Accredited websites must be accessible and understandable for all energy consumers. Several principles have been proposed to ensure that accredited websites are as user friendly and accessible as possible.
9. **Customer Service Ratings** – The CER has proposed that any accredited website wishing to assign ratings to suppliers based on customer service must first seek approval from the CER on the methodology used to assign ratings.
10. **Customer Care** - Accredited websites must be consumer focused and should provide a link to [www.energycustomers.ie](http://www.energycustomers.ie), the CER’s website for electricity and natural gas consumers.

In order to ensure that accredited websites continue to adhere to the set of principles of the accreditation framework the CER will audit the websites on a regular basis, through annual reports, regular audits and ad hoc audits as necessary.

With regards to the annual audit accredited websites are required to employ an independent auditor to conduct an audit of their compliance with the accreditation framework.

In addition to the annual report the CER will conduct additional audits initially on a biannual basis. A pre-defined checklist has been drawn up and will be published on the CER website. The audit will consist of a series of tests,

including dummy price comparisons, to ensure the price comparison website is adhering to the principles of the accreditation framework.

Finally the CER may conduct ad hoc audits under certain circumstances e.g. a customer complaint. The results of all audits will be published by the CER and this paper has set out a number of proposals for how the CER will treat any infringements identified in the audit process. The CER will classify infringements of the principles as being either minor or major infringements and a list of what will be considered to fall under each is set out and illustrated in the audit checklist included in Annex 1.

With regards to major infringements, the CER will engage with the provider to understand the reason and seek immediate resolution of the issue. Failure to address the issue may result in the CER revoking the provider's accreditation. The CER will also engage with providers when minor infringements are found and seek to have the issues resolved. If a minor infringement is not resolved or if a website provider is found to have several minor infringements within a defined period, then the CER will consider it as a major infringement and will deal with that situation accordingly.

If the CER is of the view that the infringement cannot be rectified, accreditation may be revoked. The website provider will then have two days to remove all references to accreditation from their website and the CER will issue a public statement to this effect. Alternatively, if the CER is not satisfied with the timeline for resolution set out by the website provider, accreditation may be temporarily suspended.

The application process and costs have been set out. A draft application form has been attached to the consultation paper and the completion of this process will require a detailed document demonstrating compliance with all of the principles for accreditation, a copy of the business plan and an application fee of €254.

The CER received a total of five responses to the consultation and Section 6 of this document addresses the concerns and issues raised by respondents. Below is a list of the issues raised:

- Use of Basic Energy Product for Comparisons
- Provision of Tariff Information
- Green Tariffs
- Third Party Platform Usage
- Customer Service Ratings
- Categories of Customers Included
- Dual Fuel Markets
- Compliance with Advertising Standards
- Suitability of Price-only Comparison

- Advertisements from Energy Suppliers
- Tariffs Expiring within One Year
- End of Year Payments
- Link to [Energycustomers.ie](http://Energycustomers.ie)
- Customer Care
- Annual Audit
- Audit Checklist
- Naming Conventions
- Commission

This document sets out the CER's decision around the principles of accreditation for price comparison websites as well as the audit processes for accredited sites. The CER believes that price comparison websites will be a useful tool for consumers to review available offers and ensure that they make the best choice when selecting their tariff. Therefore the CER would now like to invite interested parties to complete and submit the application form.



## Table of Contents

Executive Summary .....	3
1.0 Introduction .....	9
1.1 The Commission for Energy Regulation .....	9
1.2 Purpose of this paper.....	9
1.3 Background Information.....	9
1.4 Comments Received .....	11
1.5 Structure of this paper .....	12
2.0 Accreditation Framework .....	13
2.1 Introduction.....	13
2.2 Independence and Impartiality.....	13
2.3 Inclusion and Presentation of Tariffs.....	14
2.4 Calculation of Price Comparisons.....	15
2.5 Accuracy and Updating Tariffs.....	17
2.6 Website Filter Options and Results.....	17
2.7 Green Tariffs.....	18
2.8 Website Management.....	19
2.9 Consumer Information and Accessibility .....	20
2.10 Customer Service Ratings .....	20
2.11 Customer Care .....	21
2.12 Data Protection .....	21
3.0 Audit Process.....	23
3.1 Introduction.....	23
3.2 Annual Audit .....	23
3.3 Regular Audit.....	24
3.3.1 Ad Hoc Audit .....	24
3.4 Audit Results .....	24
3.4.1 Annual Audit .....	25
3.4.2 Regular Audits.....	25
3.5 Website Provider Obligations .....	25
4.0 Revocation of Accreditation .....	27
4.1 Introduction.....	27
4.2 Major Infringements.....	27
4.2.1 Revocation of Accreditation.....	28
4.2.2 Suspension of Accreditation .....	28
4.3 Minor Infringements.....	28
4.3.1 Repeated Infringements .....	29
4.4 Other Infringements .....	29
5.0 Application Process and Costs .....	30
5.1 Introduction.....	30
5.2 Application Process .....	30
CER will commit to the following:.....	30
6.0 Consultation Responses .....	31
6.1 Consultation Issues .....	31

7.0 Decision and Next Steps.....	40
7.1 Decision.....	40
7.2 Application .....	40
7.2 Future Reviews.....	40
Annex 1 – Regular Audit Checklist.....	41



## 1.0 Introduction

### 1.1 The Commission for Energy Regulation

*The Commission for Energy Regulation* ('the CER') is the independent body responsible for overseeing the regulation of Ireland's electricity and gas sectors. The CER was initially established and granted regulatory powers over the electricity market under the *Electricity Regulation Act, 1999*. The enactment of the *Gas (Interim) (Regulation) Act, 2002* expanded the CER's jurisdiction to include regulation of the natural gas market, while the *Energy (Miscellaneous Provisions) Act 2006* granted the CER powers to regulate electrical contractors with respect to safety, to regulate to natural gas undertakings involved in the transmission, distribution, storage, supply and shipping of gas and to regulate natural gas installers with respect to safety. The *Petroleum (Exploration and Extraction) Safety Act, 2010*, expanded the CER's safety functions into the upstream petroleum sector. The *Electricity Regulation Amendment (SEM) Act 2007* outlined the CER's functions in relation to the Single Electricity Market (SEM) for the island of Ireland. This market is regulated by the CER and the Northern Ireland Authority for Utility Regulation (NIAUR). The CER is working to ensure that consumers benefit from regulation and the introduction of competition in the energy sector.

S.I. No. 450 of 2010, European Communities (Internal Market in Electricity) Regulations, 2010 outlined the functions of the CER in relation to the monitoring and regulation of electricity retail markets.

### 1.2 Purpose of this paper

The purpose of this paper is to inform the public and the CER's stakeholders with regard to the principles for the accreditation of price comparison websites as well as the audit processes to be implemented in order to ensure that any accredited websites maintain the standards set out in the accreditation process.

### 1.3 Background Information

In April, 2010, the CER published its Roadmap to Deregulation<sup>1</sup> which set out the framework for how and when the retail business and domestic electricity markets would be deregulated. At the same time the CER published its first quarterly competition review<sup>2</sup>, which found that the all business markets would be

---

<sup>1</sup> Roadmap to Deregulation - [CER10058](#)

<sup>2</sup> Competition Review Q1 2010 - [CER10059](#)

deregulated on the 1<sup>st</sup> October 2010. The CER also concluded that the domestic electricity market was not yet ready for deregulation as Electric Ireland's forecast market share remained above the 60% threshold. On 4<sup>th</sup> March 2011 the CER published its final assessment<sup>3</sup>. The CER decided that Electric Ireland could set its own electricity prices for domestic consumers from 4<sup>th</sup> April this year, without prior CER approval.

This means there is no longer a regulated electricity price from which other suppliers can offer discounts. In addition many suppliers have dual offers for gas and electricity, which has led to an increase in the range and complexity of tariff offerings from suppliers.

One of the key objectives of regulation is to promote and secure effective market competition in the interests of consumers. In addition the 3<sup>rd</sup> Package<sup>4</sup> requires Member States to ensure that all domestic consumers have a right to be supplied with electricity at "reasonable, easily and clearly comparable, transparent and non-discriminatory prices". The CER is concerned that an increase in the range and complexity of tariff offerings could confuse consumers. This is something we are keen to avoid as consumers may be put off from switching or may not be able to easily compare offers.

In the recent consultation on consumer protection<sup>5</sup> the cost of energy was identified as the primary driver for switching in Ireland and in the GB market. This was confirmed in the 2011 Consumer Survey<sup>6</sup> which found that saving money was the main reason for switching. The survey highlighted that consumers want comparable pricing information and contract terms. The 2010<sup>7</sup> survey indicated that consumers were more likely to switch if prices could be easily compared and the survey also found that 78% of switchers' bills reduced by the amount they expected. This is not surprising as, at that time, independent suppliers were undercutting the regulated unit rate tariff by a set percentage. However, with an increase in the range and complexity of tariff offerings, the 2011 survey found that the percentage of switchers who found their bill reduced by the amount they expected had reduced to 72%.

While there has not been competition in the domestic gas market for as long a period as in the electricity market, the growth of dual fuel products means that competition is likely to increase and intensify over the next few years. The issues around tariff complexity applies to both the electricity and gas markets and

---

<sup>3</sup> Decision Paper on Deregulation of Domestic Markets – [CER11041](#)

<sup>4</sup> Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC

<sup>5</sup> Consumer Protection in the De-regulated Electricity Market - CER Consultation [CER10241](#)

<sup>6</sup> Findings from 2011 research on attitudes and experience in the domestic electricity market in Ireland – [CER11061](#)

<sup>7</sup> Findings from 2009/2010 Research on Residential and Business Attitudes and Experience of the Electricity Market Across the Island of Ireland - [CER10084](#)

therefore the accreditation framework set out in this document applies to both markets.

The CER considers that a tariff comparison tool will be a useful mechanism in assisting consumers to compare the range of products and services available in the market. The CER is of the view that independent companies are best placed to offer such a service as they have the expertise and experience in developing the interfaces and software that consumers can understand. However these websites must provide reliable, accurate and unbiased information. This is why the CER consulted<sup>8</sup> on the principles for accrediting and auditing price comparison websites. Following that consultation this document outlines the CER's decision on the principles to be met by price comparison websites in order to receive accreditation from the CER. It also sets out the CER's decision on for conducting of the auditing process to ensure that accredited websites continuously meet the required standards. Any company offering a price comparison website can apply to become accredited by the CER provided that they meet all the necessary principles and accede to regular auditing to ensure the compliance is maintained.

A price comparison website that is well used and trusted by consumers will be a valuable tool in delivering cost savings to consumers, reducing confusion and promoting competition. The CER recognises the limitations of price comparison websites, as not all consumers will have access to the internet and will investigate other means to provide consumers information on the range of tariffs available.

### ***1.4 Comments Received***

The CER received five responses to the consultation paper ([CER1085](#)). Submissions were received from the following organisations:

- Bonkers Money Limited
- Electric Ireland
- Endesa Ireland
- Energia
- Uswitch.com

The CER has published each of the responses received alongside this decision paper. The issues raised in these responses are addressed in Section 6.

---

<sup>8</sup> Consultation on Accreditation Process for Price Comparison Websites [CER11085](#)

### ***1.5 Structure of this paper***

- **Section 1 - Introduction**
- **Section 2 - Accreditation Framework**
- **Section 3 - Audit Process**
- **Section 4 - Revocation of Accreditation**
- **Section 5 - Application Process and Costs**
- **Section 6 - Consultation Responses**
- **Section 7 - Decision and Next Steps**
  
- **Annex 1 - Regular Audit Checklist**

## **2.0 Accreditation Framework**

### ***2.1 Introduction***

The CER considers that it is absolutely essential that consumers receive a fair and transparent service from accredited websites. Price comparison websites will form part of the consumer's overall switching experience and therefore it is of paramount importance that consumers have a positive experience using price comparison websites and that a switch delivers the expected cost savings.

Accreditation entitles a price comparison website to use the CER logo on its website and to advertise its accreditation. The CER will insert links to accredited websites from the CER website. Accreditation will provide credibility to the website provider and instil consumer confidence in the service. In order to ensure that this is well placed the price comparison website must comply with all of the principles set out in this section.

The following set of principles with which price comparison websites must comply with to become accredited.

### ***2.2 Independence and Impartiality***

The primary obligation on any website accredited by the CER must be that it is independent and impartial. This means that the website must not be owned or affiliated with any electricity or gas supplier. Therefore in terms of the commercial arrangements that a website provider enters into and the manner in which information is presented on the website the following set of principles must be met in order for a website provider to become accredited:

#### Principles for independence and impartiality:

1. The website provider must be independent of any gas or electricity supplier or of any company that is an affiliate of any gas or electricity supplier. The website provider must inform the CER of any change in ownership or commercial interest which might impact on its independence and impartiality.
2. The information and data presented on the website must be impartial and not favour any particular electricity or gas supplier. Any information or price comparison results must not be presented in a manner which may directly or indirectly bias a consumer's decision.
3. Results must be presented in terms of lowest price, unless the consumer chooses to search by other criteria.

4. The website provider can enter agreements with suppliers to receive commission for switches carried out from their website, but this must not interfere with the delivery of independent and impartial price comparison results and information. In addition to this, the website providers must clearly identify on the website that it receives commission or payment from suppliers.
5. Where a consumer cannot automatically switch online to their chosen supplier directly through the provider's website, the provider must not recommend an alternative supplier.
6. The advertisements from energy suppliers, their agents, affiliates, or brands operating under the licence of a supplier must not be displayed on the home/main page or on the energy price comparison pages of the service provider's website.

### **2.3 Inclusion and Presentation of Tariffs**

The main purpose of the price comparison website is to provide a tool for consumers to assess the tariff options available to them and enable them to make an informed decision. Therefore it is essential that any accredited website provides consumers with as up to date and accurate a picture of the tariffs available as possible. With regards to the presentation of tariffs and price comparisons, the following set of principles apply:

#### Principles for tariffs and price comparisons:

1. The website provider must endeavour to include all tariffs offered by licensed suppliers that are available to the consumer, when presenting comparison results. If information on a tariff is publicly available then it must be included by the website providers.
2. The website provider must use one year as its default time period for price comparisons, in line with the requirement, set out in the decision on Customer Protection<sup>9</sup>, for suppliers to show annual consumption on each bill issued. However they may provide the option for consumers to shorten or lengthen the period of time to conduct the comparison.
  - Standing charges must be shown as an annual charge, not as a daily or monthly charge. This approach must also be applied to any other fixed charge included in a supplier's tariff.
3. With regards to tariff offerings that expire within the comparison period of one year (or alternative period chosen by the consumer) the following principles apply:
  - If it is not possible to calculate savings over the comparison period, including the details of the tariff that a consumer will be transferred to

---

<sup>9</sup> Customer Protection in the Deregulated Electricity Market [CER11057](#)

once the initial tariff offered expires, then the website provider may provide details of the tariff, however a warning message must alert the consumer to this fact.

- If the estimated savings are subject to a tariff that expires within the chosen time period, but the full cost for the period can be compared then the website provider may provide details of the tariff, however a warning message must alert the consumer to this fact.
- The warning message for the two options must include as a minimum:
  - The date that the tariff is due to end
  - That the consumer will therefore be transferred to a different and possibly more expensive tariff after that date (further cost information on the new tariff should also be provided)
  - That the total cost provided in the comparison has taken into account a combination of the initial tariff rates up to the expiry date and the subsequent tariff rates after that date.

#### Additional notes on the inclusion and presentation of tariffs

1. Where gas and electricity tariffs are offered in a dual fuel bundle, the gas and electricity prices must be shown separately, with details provided on the additional components of the tariff such as Direct Debit or eBilling.
2. The unit price for electricity and/or gas must be displayed as well as the annual standing charge and any other fixed charge included in a supplier's tariff.
3. Details of non-cash offers should be listed separately to the gas and electricity base prices.
4. The website provider must make all reasonable endeavours to obtain, update and ensure the accuracy of all data displayed on its website covering all licensed suppliers' tariffs.

## **2.4 Calculation of Price Comparisons**

It is essential that the calculation of any price comparisons gives impartial results that provide consumers with clear and accurate information. This allows them to assess what the best tariff for their needs is, promoting competition and switching. In order to ensure that website providers calculate price comparisons in a way that provides this information to consumers, accredited websites must adhere to the following principles:

Principles for website calculation of price comparisons:

1. When making a price comparison calculation the website provider must not include the following factors;
  - introductory sign up offers, one-time discounts/special offers or other promotional discounts that last for less than the duration of the tariff,
  - discounts that apply to other services that a supplier may add to a product offering,
  - non-price offers,
  - for a comparison period of 12 months: any one-off payment after the first 12 months of a consumer's supply start date or after any subsequent 12 month period.
2. When making a price comparison calculation the website provider should include the following factors in their calculations;
  - recurring discounts that are paid automatically: for paying by a certain method (e.g. monthly Direct Debit); dual fuel discounts; online discount; compulsory paperless billing discounts
  - fixed charges (e.g. a fixed monthly membership fee)
3. The CER reserves the right to review any new form of discount and issue accredited website providers direction as to how such discounts should be treated.
4. The website provider must display the details of a consumer's current tariff in the results page. This should be based on the information the consumer has entered. These details should include:
  - current supplier's name
  - current tariff name
  - unit rates / standing charges
  - current payment method
  - all discounts that are included in the calculation of the current tariff
  - estimated current spend (€) per annum
  - estimated current usage in kWh for gas and / or electricity per annum
5. The website provider should indicate to consumers if they are likely to incur a termination fee by switching from their current tariff.
6. The website provider should clearly indicate any tariff option that includes a fixed term contract or termination fee.
7. When comparing nightsaver tariffs a consumption split of 50% day and 50% night must be used (based on RMDS Standard Load Profile for domestic nightsaver).
8. The website provider should emphasise to consumers the importance of entering accurate information in order to get the best comparison and should encourage consumers to input their annual consumption figures in order to do this.

- Where a consumer is unable to provide their annual consumption figure the website provider must use an average annual figure of 5,300kWhs for electricity and 13,800kWhs for gas.

## ***2.5 Accuracy and Updating Tariffs***

It is essential that consumers using an accredited price comparison website are given as up to date and accurate information on tariffs as possible. Website providers must therefore ensure that they regularly update their databases in line with the points set out below.

To ensure that website providers use the most up to date and accurate tariff information for price comparisons accredited websites must adhere to the following set of principles:

### Principles for website accuracy and updating of tariffs:

1. Website providers must update their tariff database on a regular basis to ensure that price comparisons are as accurate as possible. The date the tariffs were last updated must be stated on the website.
2. All tariffs offered by licensed suppliers that are publicly available should be included on the website and where possible new tariffs/suppliers should be added to the price comparison website within two working days of the details and confirmation of the effective date being made public.
3. A new tariff cannot be included on the website that has a lead time in excess of four weeks of it being available to consumers.

## ***2.6 Website Filter Options and Results***

It is essential that when a consumer uses an accredited price comparison website they have a reasonable set of criteria to search by and that the results they receive are comprehensive, accurate and ordered in the most appropriate manner.

Therefore in order to ensure that the website provides appropriate filter options and results accredited websites must adhere to the following set of principles:

### Principles for website filter options and results:

1. Taking into account any relevant filters selected by the consumer, the results page of the price comparison list must provide (on a single page) all tariff options, with the cheapest tariff presented first. Where there are more than ten tariff options, at least the first ten must be shown on the first page and the

website must also give consumers the option to view all other tariff options beyond the initial list.

2. Accredited website providers must include VAT in all rates shown and the final price comparison results and clearly indicate that this is the case.
3. The results page should clearly show the requirements of each tariff option for example; payment method, dual fuel, expiry date, etc.
4. A service provider may provide filters so that consumers may search results based on the different types of tariff available or other criteria, for example green tariffs, but these must be opt-in options only.
5. A website provider may provide a filter option in the search page so that the results show only those tariffs to which the consumer can switch by using the online links on the price comparison website. In order to do this the following must be included:
  - There must be a clear statement in a prominent position at the top of the results page explaining that only those tariffs to which the consumer can switch online through the service provider's site are displayed on the results page.
  - There must be an option on the results page for the consumer to expand the results to show all tariffs. This should be easy to do and not involve the consumer having to re-enter details or return to a previous page.
  - This must not be the default position.
6. The website provider must clearly explain the potential impact to consumers who select an opt-in filter, so that consumers are fully aware of the bearing and limitations this may have on the results.

## **2.7 Green Tariffs**

With regards to the treatment of tariff products labelled "green", accredited websites must adhere to the following set of principles

### Principles for green tariffs:

1. Tariff offerings labelled "green" by suppliers must be included in price comparisons.
2. A website provider may offer a filter for tariffs that suppliers define as green.
3. If a consumer chooses to use a filter to search for green tariffs then the website provider must list the tariff results in line with the principles set out

above. They must also provide information on the green credentials claimed by the supplier.

## ***2.8 Website Management***

Accreditation websites must maintain control over the management of the website, including the tariff information and comparison calculator.

To ensure that this is the case accredited websites must adhere to the following set of principles:

### Principles for website management:

1. The website provider must retain full control over the information content of the website and over the presentation of that content.
2. If the website is maintained by a third party the website provider will be held responsible for ensuring that the third party complies with the principles for accreditation.
3. The price comparison website may not be maintained by a third party that also manages another accredited price comparison website.
4. The use of accredited price comparison platforms on third party websites must be pre-approved by the CER. In addition the use of CER accreditation logo may only be used on third party websites where accompanied by the accredited websites logo and where it is clear to whom the accreditation applies.

### Additional Notes on Website Management

1. Where an accredited website's price comparison platform is used on third party websites then all the principles of accreditation will be applied to that site and will be incorporated into all auditing processes. If the comparison platform on the third party website does not comply with the principles of accreditation then the rules around revocation of accreditation will apply to the primary website and any subsidiary websites.
2. Accredited websites must employ the services of an independent auditor each year to conduct a full review of their compliance with the principles of accreditation. Where accredited websites price comparison platform is used on third party websites then the annual audit must incorporate these third party websites and review of their compliance with the principles of accreditation.

## **2.9 Consumer Information and Accessibility**

Accredited websites need to be accessible and understandable for all energy consumers. Therefore the website provider must include an explanation of the various terms used on the website and ensure that information is presented in a clear and understandable manner.

To ensure that this is the case accredited websites must adhere to the following set of principles:

### Principles for consumer information and accessibility:

1. The website provider must provide consumers with an explanation of the different payment methods shown on the website:
  - Standard credit by cash/cheque
  - Direct Debit
  - Prepayment
  - Any other payment methods included
2. Where possible on the site the website provider must use plain English, this applies in particular to any explanatory text.
3. Website providers should adopt Universal Design in all customer communications and front line services no later than 1<sup>st</sup> January 2012.
  - Website pages and all attachments and functionality should be designed to meet the relevant accessibility guidelines from the W3C World Wide Web Consortium.
4. The website provider should endeavour to make the website understandable and accessible to all energy consumers.
5. The website provider must provide links to the relevant Terms and Conditions that apply to each of the tariffs listed on the website.

## **2.10 Customer Service Ratings**

The CER is aware that in other jurisdictions price comparison websites may apply ratings to energy suppliers based on their customer service and therefore there is the strong possibility that website providers may want to incorporate such a feature into their websites in Ireland.

The CER does not want to discourage innovation on the part of website providers and therefore will not be over prescriptive at this stage as to how such ratings would be incorporated into a price comparison website. However, it is important

that any methodology used to measure customer service levels is reasonable and fair, hence accredited websites must adhere to the following set of principles:

Principles for website customer service ratings:

1. Website providers may assign ratings to a supplier's performance and invite the consumer to consider quality of service issues as a comparison criteria.
2. Where a website provider does wish to assign such ratings they must first seek approval from the CER on the methodology used to assign ratings. This is to ensure that the methodology is reasonable and applied in an impartial manner.

## **2.11 Customer Care**

All accredited websites should be consumer focused and have established effective customer care procedures.

Accessing an accredited website may be a consumer's first source of information regarding tariffs and suppliers; therefore it is essential that the websites should inform consumers of their rights. In order to ensure that website providers do this they must adhere to the following set of principles:

Principle for website customer care:

1. The website provider must provide a link to [www.energycustomers.ie](http://www.energycustomers.ie), the CER's website for electricity and natural gas consumers, and this must be displayed in an appropriate position on the website as well as a short explanatory text to be set out by the CER.
2. The website provider should establish effective customer care and complaints handling procedures.

## **2.12 Data Protection**

Price comparison websites that are easy to use and trusted by consumers are valuable tools in delivering cost savings to consumers; reducing confusion and promoting competition. It is therefore of the utmost importance that accredited websites handle consumer data appropriately. Accredited websites must adhere to the following set of principles where customer data is captured:

Principle for data protection:

1. Notwithstanding the provisions of this framework, service providers are bound by all relevant legislation, including Data Protection legislation with regards to the use of customer information.

## **3.0 Audit Process**

### **3.1 Introduction**

This section sets out the auditing procedure that the CER view as being appropriate and necessary to ensure that accredited websites continue to meet the principles of accreditation and maintain the highest standards. Accredited websites will have to report on their compliance on an annual basis and in addition the CER will conduct regular audits primarily covering tariff information and comparisons.

### **3.2 Annual Audit**

In the consultation document the CER set out two proposals for the annual audit or review. The first required accredited website to employ the services of an independent auditor to conduct the annual audit of the provider's compliance with the principles of accreditation, the second proposal, instead required accredited websites to report to the CER on an annual basis.

Having considered the issue further and taking into account the consultation responses received the CER has decided that the first option is the most appropriate approach to ensure compliance with the principles of accreditation and is in line with the approach taken in other jurisdictions.

Therefore in order to retain their accreditation website providers will have to employ the services of an independent auditor each year to conduct a full review of their compliance with the principles of accreditation. With regards to the annual report the following applies:

- The cost of conducting the annual report is to be borne by the accredited website.
- The annual audit must be conducted by auditor approved by the CER. Accredited website providers must seek approval from the CER on their choice of auditor in advance of conducting the audit.
- Accredited websites must also seek approval from the CER for the audits terms of reference.
- The annual report must incorporate any third party websites where an accredited websites price comparison platform is used and report on its compliance with the principles of accreditation.
- The annual audit must be conducted and the report submitted to the CER within three months of the anniversary of accreditation.
- Following the submission of the auditor's report accredited websites must provide any additional information that the CER requests.

### **3.3 Regular Audit**

The regular audit will be undertaken by the CER and will examine all accredited websites. The CER will conduct regular audits twice per annum.

Annex 1 of this document contains the checklist to be used in the regular audit and is based on the final principles of accreditation. The CER will review each accredited website to ensure that they meet all of the points on the checklist. In addition the CER will run a number of dummy price comparisons to ensure that the results and data provided adhere to all the necessary principles.

This checklist will be available on the CER website and the CER may amend this checklist to take account of market developments. The CER is aware that changes to the checklist may have implications for accredited websites or require amendments to their websites, therefore the CER will notify all accredited website of any changes. Where necessary the CER will allow sufficient time for website to make any required changes to their websites before changes to the checklist come into effect.

#### **3.3.1 Ad Hoc Audit**

In addition to the regular audit the CER may conduct ad hoc audits at any time during the year. An ad hoc audit may be carried out for any of the following reasons:

- Where concerns have been raised that an accredited website has breached any of the principles of accreditation.
- Where a new product or service is launched by a supplier or by a website provider.
- Any other circumstances in which the CER deems it necessary to conduct an audit to ensure website providers are complying with all the principles of accreditation.

### **3.4 Audit Results**

The CER is conscious of the potential that price comparison websites have in further developing competition in electricity and gas retail markets. As part of this it is imperative that consumers are confident in the impartiality of and in the search results provided by accredited websites. Therefore the CER is committed to full transparency in the accreditation and auditing process.

### **3.4.1 Annual Audit**

As set out in Section 3.2, accredited websites are required to hire independent auditors to undertake a review of their compliance with the accreditation principles and submit a report to the CER on an annual basis. In order to ensure there is full transparency in the process and to guarantee consumer confidence, the CER intends on publishing these reports. The exception may be where there is confidential information in which case certain sections of the report may not be published. However the onus will be upon the website provider to demonstrate to the CER why any sections should not be published.

Where practicable, the CER will publish the report along with the results of the next regular audit. However, if the CER is undertaking further investigation or has requested additional documentation on the annual report this may be postponed.

### **3.4.2 Regular Audits**

The CER will publish the results of all regular audits undertaken. Annex 1 of this paper shows the checklist, based upon the principles set out in this consultation document. As part of the published audits the CER will include a version of this checklist indicating whether the accredited website was deemed compliant with each principle. It is envisaged that this would be published within six weeks of the audit.

Further to his checklist, the CER may include any additional notes regarding compliance or additional checks undertaken.

## ***3.5 Website Provider Obligations***

In order to receive accreditation from the CER all website providers must commit to full co-operation with all audit processes. This entails:

- A declaration of compliance, which will be included as part of the application process for accreditation.
- The website provider must supply an annual independent audit within three months of the anniversary of receiving accreditation.
- The website provider must comply with all annual reviews as well as all regular and ad hoc audits conducted by the CER.
- Website providers must provide the CER with any information relevant to the accreditation principles requested.
- Website providers must provide information to the CER in a timely manner.

- Meeting with the CER, where requested, to discuss any queries or issues the CER may have with regards to the accreditation process.

In conducting any audits and in dealing with all matters regarding accreditation the CER will endeavour to minimise the impact on the website provider's time and resources. However, if the CER decides that a website provider is not providing all relevant information in a timely manner the CER may deem this to be a breach of the accreditation principles and that it be dealt with under the approach set out in Section 4 of this document.

## **4.0 Revocation of Accreditation**

### **4.1 Introduction**

The purpose of the annual and regular audit process outlined is to ensure that websites adhere to the accreditation principles. Therefore this section will address how the CER will address situations where an accredited website is found not to be in compliance with any of the principles.

When auditing accredited websites, the CER will classify infringements of the principles as being either minor or major infringements. This section sets out what constitutes each of these and how they will be treated.

### **4.2 Major Infringements**

The checklist in Annex 1 sets out the accreditation principles which will be reviewed during regular audits. A number of the principles are of particular importance and as such a breach of these would be viewed as being a major infringement of the accreditation principles.

The checklist items whose non-compliance would be deemed a major infringement are as follows:

- Independence from any gas or electricity supplier or affiliate.
- Information and data presented on the website must be impartial.
- Results must be presented in terms of best price.
- Identification on the website that commission or payment is received from suppliers.
- The website must not recommend an alternative supplier where a consumer cannot automatically switch online to their chosen supplier.
- No advertisements from energy suppliers may be displayed on the home page or on the energy price comparison pages.
- The website provider must manage and control the website and use its own tariff database and calculator.
- The website provider must retain full control over the information content and presentation. If managed by a third party, then the third party may not manage another accredited price comparison website.
- Where the price comparison website is used on a third party website approval must be given by the CER.
- Results pages must clearly show the requirements of each tariff option.
- Approval must be given by the CER on the methodology used to assign customer service ratings.
- There must be a clear indication of any tariff option that includes a fixed term contract or termination fee.

- A link to [www.energycustomers.ie](http://www.energycustomers.ie) must be displayed in an appropriate position on the website.
- Any decision by the Data Protection Commissioner that found the website provider in breach of Data Protection Legislation.

Should the CER find that an accredited website is in breach of any of the above, the provider will be contacted immediately. Where possible the provider must address the issue with immediate effect. If this is not possible then an explanation must be provided to the CER why this is the case and a timeline for resolution set out.

#### **4.2.1 Revocation of Accreditation**

If the CER is of the view that the infringement cannot be rectified this may result in the revocation of the accreditation. Under such circumstances the CER will notify the provider that the accreditation has been revoked. The website provider will then have two days to remove all references to accreditation from their website. In addition any references to accreditation in any advertising or other forms must cease with immediate effect.

Following the formal revocation of accreditation of any website provider the CER will issue a public statement to this effect.

#### **4.2.2 Suspension of Accreditation**

Alternatively, if the CER is not satisfied with the timeline for resolution set out by the website provider, accreditation may be temporarily suspended. Under such circumstances the CER will notify the provider that the accreditation has been suspended. In line with the procedure for revocation of the accreditation the website provider will have two days to remove all references to accreditation from their website as well as ceasing to make any references to accreditation in any advertising or elsewhere.

In order to remove the suspension the website provider must write to the CER providing evidence that they are fully compliant with the accreditation principles.

### ***4.3 Minor Infringements***

The CER considers the infringements set out above as being of a serious nature and as such there is a need to immediately address them. In addition to these a range of minor infringements are set out in the regular audit checklist which will be treated in a less urgent manner.

If the CER, in conducting an audit or annual review, finds that a website provider has made a minor infringement of the accreditation principles it will list this in its report. In addition CER will also formally notify the website provider and ask them to make the necessary changes to address the infringement.

The CER must be informed by the website provider of the actions they will undertake to rectify the situation and the planned timeline for action. Depending on the circumstances the CER may conduct an ad hoc audit to ensure that the minor infringement has been rectified, or alternatively it may be checked at the next audit.

#### **4.3.1 Repeated Infringements**

The CER will publish the audit checklist as part of all audit results, showing any infringements of the accreditation principles and providing any necessary details. The following is how the CER will treat repeated infringements:

- If a website provider is found to have infringed on a particular principle for two consecutive audits then they will receive a formal warning from the CER stating that a third infringement will be treated as a major infringement and dealt with accordingly.
- If a website provider is found to have six infringements within a one year period then they will receive a formal warning from the CER stating that any further infringements will be treated as a major infringement and dealt with accordingly.

#### **4.4 Other Infringements**

As set out above the CER views price comparison websites as forming part of the consumer's overall switching experience and therefore extremely important in terms of consumer confidence.

In addition to the above list of infringements, the CER also reserve the right to revoke accreditation where an accredited website is found to have breached any relevant legislation and thereby bringing into disrepute the accreditation process.

## **5.0 Application Process and Costs**

### **5.1 Introduction**

In order to receive accreditation website providers are required to complete the application process with the CER. This process will allow the CER evaluate whether the provider fully adheres to all of the principles set out in the accreditation framework. The following sections sets out the process and costs involved in making an application.

### **5.2 Application Process**

All applications for the accreditation of price comparison websites must be made directly to the CER. All applications from price comparison websites must include the following:

- A detailed document demonstrating compliance with all of the principles for accreditation.
- A copy of the business plan.
- The application fee of €254.

The CER will publish the application form alongside on its website, which applicant can download and complete. It is intended that this form, by providing a more detailed set of requirements, will provide guidance to applicants on what is required.

The CER's will use the principles for accreditation as the basis for assessing any applications for accreditation. With regards to the application process the CER will commit to the following:

1. CER will acknowledge all applications within 7 working days of receiving them. The acknowledgement will include a phone number and a named contact for enquiries.
2. CER will process all applications as quickly as possible and keep applicants advised of progress.

## 6.0 Consultation Responses

The CER received a total of five written submissions during the consultation period. The responses are published in full on the CER website. This section highlights some of the key points which were raised and provides the CERs view on each of the issues, which include:-

- Use of Basic Energy Product for Comparisons
- Provision of Tariff Information
- Green Tariffs
- Third Party Platform Usage
- Customer Service Ratings
- Categories of Customers Included
- Dual Fuel Markets
- Compliance with Advertising Standards
- Suitability of Price-only Comparison
- Commission
- Advertisements from Energy Suppliers
- Tariffs Expiring within One Year
- End of Year Payments
- Link to Energycustomers.ie
- Customer Care
- Annual Audit
- Audit Checklist
- Naming Conventions

### 6.1 Consultation Issues

#### 6.1.1 Use of Basic Energy Product for Comparisons

##### **Respondents' Comments**

One respondent proposed that each supplier should offer one basic energy product and that this should be used by accredited websites as a basis for price comparison.

##### **CER View**

The CER does not agree with this proposal as such a comparison would not reflect the range of products available to consumers. Further to this it may not give an accurate result in terms of providing consumers with information on the lowest priced product available.

## **6.1.2 Provision of Tariff Information**

### **Respondents' Comments**

One respondent stated that in order to guarantee customers had the most up to date information suppliers should be required to provide accredited websites with accurate tariff information.

Two other respondents presented an opposing view stating that suppliers should not be obliged to submit tariff data to accredited websites. In their view suppliers may not always want to have tariffs published on such websites and therefore suppliers participation on accredited websites should be voluntary. The respondents stated that supplier should be allowed to exercise commercial judgement with respect to inclusion on price comparison websites both in general and in relation to specific sites.

### **CER View**

The CER has taken on board the respondents views and given considerable thought to what is the most appropriate course of action. As there are a limited number of suppliers in the Irish retail gas and electricity markets and given the fact that suppliers currently publish all domestic tariff offerings on their websites, the CER is of the view that there is no need to obligate suppliers to provide accredited websites with tariff information. Websites should be able to source domestic tariff information relatively easily by monitoring supplier's websites.

The CER would like to see the same level of transparency for small business tariffs and hopes that this will develop in future.

The CER will consult shortly on the details of a revised market monitoring framework. Suppliers will be required to provide detailed information to the CER on the range of tariff offerings. This will enable the CER to assess if a comprehensive service is available to customers that are using accredited price comparison services. Should the CER find that consumers do not have access to a comprehensive and transparent service; mandatory reporting of the full range of offers via accredited websites may be introduced

## **6.1.3 Green Tariffs**

### **Respondents' Comments**

One respondent stated that where a supplier uses the percentage of renewable sources to differentiate its green product from other offers then this should be reflected in the fuel mix disclosure on customer bills. Another respondent sought a definition from suppliers of what is meant by "Green" tariffs.

### **CER View**

The CER is currently reviewing the treatment and labelling of fuel mix disclosure by suppliers. As a result no final position has yet been taken on this issue.

However, the CER would like to highlight the fact that the principles of accreditation regarding green products will be amended where necessary to reflect any future decisions in this area taken by the CER.

#### **6.1.4 Third Party Platform Usage**

##### **Respondents' Comments**

Two respondent sought clarification on whether accredited websites would be able to use their comparison platform to third party websites in order to drive traffic. It was stated that where a third party website is managed by an accredited price comparison website, then accreditation text and logo of the primary website may be used where the systems and calculations used to make comparisons remain the same.

##### **CER View**

The CER has stated previously that price comparison websites are a valuable tool in raising consumer awareness and driving switching rates. Therefore we see no issue with accredited websites using their platform on third party websites, provided that all the principles of accreditation are met. However accredited websites must seek approval from the CER before undertaking such action. In addition the use of CER accreditation logo may only be used on third party websites where accompanied by the accredited websites logo and where it is clear to whom the accreditation applies.

Finally where and accredited websites price comparison platform is used on third party websites then all the principles of accreditation will be applied to that site and will be incorporated into all auditing process. If the comparison platform on the third party website does not comply with the principles of accreditation then the rules around revocation of accreditation will apply to both the primary website and any subsidiary websites.

#### **6.1.5 Customer Service Ratings**

##### **Respondents' Comments**

One respondent proposed a methodology for the use of customer service ratings as a comparison criterion. Another respondent stated that the inclusion of customer service ratings may result in suppliers being subject to arbitrary ratings that may not reflect their compliance with the relevant regulatory Codes of practice and licence conditions.

##### **CER View**

The CER notes the concerns of respondents, and does not wish to enable a process that facilitates unfair or arbitrary commentary about individual suppliers. However customer service is an important non price differentiator that is used in comparison websites in other jurisdictions. It is an important consideration for domestic and business customers alike. Therefore the CER does not have a view

on the proposal at this time, but will give due consideration to any methodology proposed by an accredited website.

It is important to state that in considering any proposed methodology for customer service ratings the CER will ensure that there is a sound and fair approach to how suppliers are rated. Accredited websites will not be allowed use customer service ratings with prior approval from the CER and where a methodology is approved; a full explanation must be included on the website.

### **6.1.6 Categories of Customers Included**

#### **Respondents' Comments**

One respondent sought clarification on what customers are to be included in price comparison websites and suggested that only domestic markets should be included.

#### **CER View**

The CER notes the respondent's comments and while we agree that the price comparison websites will primarily be used by domestic consumers we also see the potential benefits for business customers and in particular small business customers. Therefore the CER would like to clarify that the principles for accreditation apply to all energy price comparisons made by accredited websites.

### **6.1.7 Dual Fuel Markets**

#### **Respondents' Comments**

One respondent felt that by stating the development of dual offers means that there is likely to be an increase in the range and complexity of tariff offerings from suppliers, the CER was contradicting the approach adopted in the decision on the Gas deregulation Roadmap.

#### **CER View**

The CER does not see any contradiction in this statement. While we do recognise that there is likely to be an increase in tariff complexity, in part due to the dual fuel offers made by suppliers, we do not agree with the concept that the gas and electricity markets can be considered the one product market. As stated in the decision paper on Roadmap for Deregulation in the Non-Daily Metered Retail Gas market<sup>10</sup> there is no dual fuel market in the conventional sense i.e. that one product can be readily substituted for the other by the consumer to meet the same basic need, at least on any significant scale.

The CER does recognise however, that with increasing competition and the potential growth in dual fuel products, there is the potential that there may be a

---

<sup>10</sup> Proposals on a Roadmap for Deregulation in the Non-Daily Metered Retail Gas Market – [CER11071](#)

need to re-evaluate our position at some stage in the future. The CER will continue to closely monitor market developments in this area and adjust our position as appropriate.

### **6.1.8 Compliance with Advertising Standards**

#### **Respondents' Comments**

One respondent sought assurance that accredited websites would comply with the Advertising Standards Authority of Ireland's (ASAI) rules and guidelines in relation to such sites. In addition they stated that accredited websites should comply with both domestic and EU-wide regulations, not least the European Communities Misleading and Comparative Marketing Communications Regulations (2007).

#### **CER View**

The CER notes that notwithstanding the provisions of this framework, service providers are bound by all relevant legislation.

While it is not within the CER's remit to enforce these standards we will consider any breaches of such standards under the audit process and if necessary withdraw accreditation.

### **6.1.9 Suitability of Price-only Comparison**

#### **Respondents' Comments**

One respondent highlighted the fact that with the changing market dynamics of competition and evolving tariff offers a focus on price-only comparisons may not result in the optimal choice for consumers. Suppliers may compete on of non-price differentiators including customer and energy services as well as alternative contracts, such as long-term affinity contracts.

#### **CER View**

Consumer research has shown that to date, price is the key differentiator for most customers. Therefore the CER considers that the most appropriate means for accredited websites to make comparisons is on a cost basis and have therefore structured the principles of accreditation accordingly. We also recognise that customers may have other priorities such as customer service ratings or the environmental impact of different tariffs and have made accommodations for this in the principles. The market will continue to develop and suppliers are likely to introduce new tariff or offers over time. The CER will regularly review the principles of accreditation to ensure they remain relevant and where necessary we will amend the principles to account for new market developments.

### **6.1.10 Commission**

#### **Respondents' Comments**

One respondent stated that accredited websites should not have to specifically identify supplier from whom they receive commission. In their view identifying the specific suppliers does not further protect the consumer and may affect consumer perception of independence

#### **CER View**

Having considered the matter further the CER agree with the respondent and while we believe it is important to inform customers that accredited websites receive commission for switches completed through their site, there is limited value in providing information on which suppliers they receive commission for.

### **6.1.11 Advertisements from Energy Suppliers**

#### **Respondents' Comments**

One respondent, supported the CER's proposed restriction on advertisements from energy suppliers appearing on any energy price comparison pages. However, they did express the view that such advertisements should be permitted on non-energy related pages including the homepage where the homepage is not the energy comparison page.

#### **CER View**

As stated in the document the primary obligation on any website accredited by the CER must be that it is independent and impartial. The presence of advertisements from energy suppliers on accredited websites may compromise the perception of independence and impartiality, therefore the CER has not altered this principle.

### **6.1.12 Tariffs Expiring within One Year**

#### **Respondents' Comments**

One respondent stated that the treatment of tariffs that expire within one year should be amended. In their view unless a tariff that expires in less than a year has a clearly stated price change, then comparison calculations should be based on an annual assessment of that tariff's current prices. Their rationale for this is that many tariffs that do have expirations do not guarantee to change in price and many standard tariffs may change in price at any time.

#### **CER View**

Having considered this issue the CER has decided to allow websites to provide details of the tariff where it is not possible to calculate savings over the

comparison period. However a warning message must alert the consumer to this fact.

### **6.1.13 End of Year Payments**

#### **Respondents' Comments**

One respondent stated that tariffs which offer discounts or rebates at the end of a twelve month period are common in other jurisdictions and if such offers were introduced in Ireland then these discounts should be included in the calculations.

#### **CER View**

The CER does not agree with the respondent's proposal. The rebate or discount at the end of the twelve month period is dependent upon the customer staying with the supplier. Therefore it is not a guaranteed price and a comparison including the discount may be unclear or misleading for the customer. The website may however indicate in some other way that in addition to the rate quoted they will receive discount/rebate at the end of the period.

### **6.1.14 Link to Energycustomers.ie**

#### **Respondents' Comments**

One respondent stated that the inclusion of the link to energycustomers.ie in each area where the accreditation logo is used may prove cumbersome and provide user experience constraints to a website operator.

#### **CER View**

The CER agree that the requirement to place a link to energycustomers.ie anywhere the CER logo is used as a sign of accreditation may not be necessary. However the CER considers that it is very important to that customers are made aware of the website and therefore the link must be displayed in an appropriate position on relevant sections of the accredited website, such as the front page and/or in customer care/complaint section of their website?

### **6.1.15 Customer Care**

#### **Respondents' Comments**

One respondent felt that accredited websites should have a duty to consumers using their website and that a customer query response time should be mandated. In addition it was suggested that the websites duty of care to the consumer should run from the time of switch to the time the customer goes on supply with their new supplier.

#### **CER View**

As set out in the principles of accreditation all accredited websites should be consumer focused and have established effective customer care procedures. The CER believes that accredited website have a duty of care to customers using

their website. However the CER does not intend to mandate the rules and timelines around accredited websites customer care procedures.

### **6.1.16 Annual Audit**

#### **Respondents' Comments**

With regards to the question what approach to have for the annual audit one respondent favoured accredited websites having to report to the CER on an annual basis. Another respondent favoured the proposal for an independent audit to be undertaken annually, stating that they considered this to be the only transparent, practical and appropriate approach to this issue.

#### **CER View**

As set out in the principles of accreditation the CER has considered the issue further and taking into account the consultation responses received the CER has decided that accredited websites must employ the services of an independent auditor to conduct the annual audit of the provider's compliance with the principles of accreditation. In the CER's view this is the most appropriate approach to ensure compliance with the principles of accreditation and is in line with the approach taken in other jurisdictions.

### **6.1.17 Audit Checklist**

#### **Respondents' Comments**

One respondent asked the CER provide accredited websites with an updated version of the audit checklist whenever any change is made as this will help them ensure adherence to the principles of accreditation.

#### **CER View**

The CER is aware that changes to the checklist may have implications for accredited websites or require amendments to their websites, therefore the CER will notify all accredited website of any changes. Where necessary the CER will allow sufficient time for website to make any required changes to their websites before changes to the checklist come into effect.

### **6.1.18 Naming Conventions**

#### **Respondents' Comments**

One respondent commented on the way suppliers currently name tariff offerings. They stated that in some cases newly priced tariffs are launched with the same names as older versions that have different prices and this can cause confusion when running comparisons. They suggested that a naming convention be adopted to reduce this confusion and allow consumers to easily compare their tariff with those currently available in the market.

**CER View**

CER note this comment with interest. A number of steps have already been taken to enable easier comparison, such as the decision to include consumer's consumption over the past twelve months on the back of bills. This consultation may not be the most appropriate place to consider such a proposal, but the CER will consider it as part of the upcoming consultation on the Suppliers' Handbook on the Codes of Practice.

## **7.0 Decision and Next Steps**

### ***7.1 Decision***

This document has set out the CER's decision around the principles of accreditation for price comparison websites as well as both the audit process for accredited sites.

### ***7.2 Application***

The principles for accreditation along with the audit checklist and the application form have all been published on the accreditation section of the CER website. The CER believes that price comparison websites will be a useful tool for consumers to review available offers and ensure that they make the best choice when selecting their tariff. Therefore the CER would now like to invite interested parties to complete and submit the application form.

### ***7.2 Future Reviews***

The principles set out in this decision document will be reviewed by the CER on an ongoing basis to ensure that they remain up to date and take account of new market developments. Therefore it is envisaged that the CER will undertake a formal review after one year with further reviews carried out as needed.

# Annex 1 – Regular Audit Checklist

## Accreditation Compliance Report

	Frequency	Infringement	Compliant
<b>1 - Independence and Impartiality</b>			
a - Independent of any gas or electricity supplier or affiliate	Annual	Major	Yes/No
b - Information and data presented on the website is impartial	Regular	Major	Yes/No
c - Results should be presented in terms of best price	Regular	Major	Yes/No
d - Identification on the website that commission or payment is received from suppliers	Regular	Major	Yes/No
e - Does not recommend an alternative supplier if a consumer cannot automatically switch online to chosen supplier	Regular	Major	Yes/No
f - No advertisements from energy suppliers displayed on the home page or on the energy price comparison pages	Regular	Major	Yes/No
<b>2 - Tariffs and Price Comparisons</b>			
a - Includes all publicly available tariffs offered by licensed suppliers	Regular	Minor	Yes/No
b - Default time period set as one year	Regular	Minor	Yes/No
c - Rules around tariff offerings that expire within the comparison period	Regular	Minor	Yes/No
d - Gas and electricity base prices shown separately in a dual fuel bundle	Regular	Minor	Yes/No
e - Details of non-cash offers listed separately to base prices	Regular	Minor	Yes/No
<b>3 - Calculation of Cost Comparisons</b>			
a - Cost comparison calculation does not include:			
a1 - Introductory sign up offers, one-time discounts/special offers or other promotional discounts	Regular	Minor	Yes/No
a2 - Discounts that apply to other services	Regular	Minor	Yes/No
a3 - Non-price offers	Regular	Minor	Yes/No
a4 - Any discount paid beyond comparison period	Regular	Minor	Yes/No
b - Recurring discounts that are paid automatically are included	Regular	Minor	Yes/No
c - Fixed charges included	Regular	Minor	Yes/No
d - Details of a consumer's current tariff displayed on the results page	Regular	Minor	Yes/No
e - Any termination fee customers will incur by switching from their current tariff shown	Regular	Minor	Yes/No
f - Clear indication of any tariff option that includes a fixed term contract or termination fee	Regular	Major	Yes/No
g - Importance of entering accurate information in order to get the best comparison highlighted to consumers	Regular	Minor	Yes/No
<b>4 - Accuracy and Updating Tariffs</b>			
a - Date the tariffs were last updated stated on the website	Regular	Minor	Yes/No
b - Where possible new tariffs/suppliers added within two working day	Regular	Minor	Yes/No
c - Tariffs with lead time in excess of four weeks are not be included	Regular	Minor	Yes/No
<b>5 - Website Filter Options and Results</b>			
a - The results page lists at least 10 tariff options, with the cheapest presented first	Regular	Minor	Yes/No
b - Includes VAT in the final costs	Regular	Minor	Yes/No
c - Consumers given the option to view all other tariffs beyond the initial page	Regular	Minor	Yes/No
d - Results page clearly shows the requirements of each tariff option	Regular	Major	Yes/No
e - Filters offered to search results based on the different types of tariff as opt-in only	Regular	Minor	Yes/No
f - If filter available to show only tariffs to which the customer can switch by using the online links on the website, then:			
e1 - A clear statement in a prominent position at the top of the results page explaining what is shown	Regular	Minor	Yes/No
e2 - An option on the results page to expand the results to show all tariffs	Regular	Minor	Yes/No
e3 - This must not be the default position	Regular	Minor	Yes/No
g - Impact of selecting an opt-in filter fully explained	Regular	Minor	Yes/No
<b>6 - Green Tariffs</b>			
a - Tariff offerings labelled green by suppliers included in cost comparisons	Regular	Minor	Yes/No
b - Filter offered for tariffs that suppliers define as green	Regular	Minor	Yes/No
c - Methodology used to list green tariffs included	Regular	Minor	Yes/No
<b>7 - Website management</b>			
a - Website provider manages and controls website and uses its own tariff database and calculator	Annual	Major	Yes/No
b - Website provider retains full control over the information content and presentation	Annual	Major	Yes/No
c - Cost comparison website maintained by a third party? If so:			
c1 - Third party may not manage another accredited cost comparison website.	Annual	Major	Yes/No
d - Approval given by CER where price comparison platform is used on 3rd party websites	Regular	Major	Yes/No
d1 - CER accreditation logo on 3rd party websites accompanied by the accredited websites logo	Regular	Minor	Yes/No
<b>8 - Consumer Information and Accessibility</b>			
a - Explanation of the different payment methods shown	Regular	Minor	Yes/No
b - Plain English used	Regular	Minor	Yes/No
c - Website pages meet international best practice for accessibility	Regular	Minor	Yes/No
d - Website understandable and accessible to all energy consumers	Regular	Minor	Yes/No
<b>9 - Customers Service Ratings</b>			
a - Approval from the CER on the methodology used to assign customer service ratings	Regular	Major	Yes/No
<b>10 - Customer Care</b>			
a - A link to <a href="http://www.energycustomers.ie">www.energycustomers.ie</a> displayed in an appropriate position on the website	Regular	Minor	Yes/No
<b>11 - Data Protection</b>			
a - Compliant with Data Protection legislation	Regular	Major	Yes/No