Commission for Energy Regulation

Energy Customers Team

Annual Report for 2010

CER 11/175
To: Mr. Pat Rabbitte, T.D. Minister for Communications, Energy and Natural Resources

In accordance with the requirements set out in S.I. 452 of 2004 and S.I. 60 of 2005, the Commission is pleased to present its third report on the number and type of complaints received from customers, their resolution and the service levels provided by suppliers in respect of the period 1st January 2010 to 31st December 2010.

This report also outlines the additional activities of the Commission’s Energy Customers Team during 2010.

Dermot Nolan
Chairperson
Foreword

The Commission’s Energy Customers Team has a number of functions with respect to consumer protection. It is responsible for providing an independent complaints resolution service, monitoring the way in which suppliers operate and also setting minimum guidelines for suppliers to follow in relation to set aspects of their business. Within the Commission the Energy Customers Team (ECT) is also the first point of contact for domestic and small business customers either directly or via the [www.energycustomers.ie](http://www.energycustomers.ie) website.

The main focus for the ECT in 2010 was the management of customer contacts and dispute resolution. Contacts per month increased from just under 100 in January to 200 in June and peaked at just over 260 in November. During 2010, the ECT spoke with or corresponded with almost 2000 customers in relation to their queries and complaints about the energy industry. Of those customers, 231 had complaints that required formal dispute resolution including full investigation involving a supplier or network operator. Following full investigation 33% of cases referred to the ECT were upheld. More detail on type of contacts we receive are examined by relevant supplier, category type and outcome in the body of this report.

In addition to the provision of information in response to queries and investigation of complaints, the ECT remit also covers monitoring the behaviour of the suppliers and network operators and responsibility for developing guidelines, where needed, to improve the levels of service to customers. In 2010 the ECT consulted on and issued new guidelines in the areas of budget controller provision in electricity and the disconnection of customers by gas and electricity suppliers.

As the ECT has seen sustained increases in the number of customers making contact on a daily basis, the key priority in 2011 for the ECT is the management of ongoing customer contact.

Dermot Nolan
Chairperson
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1. Introduction

This report summarises the work undertaken by the Commission’s Energy Customers Team (ECT) in 2010. The ECT was established in 2006 to provide a complaint resolution and information service directly to small business and domestic customers. Since its establishment the ECT has worked to make information more freely available to electricity and natural gas customers and to assist customers who experience difficulties within the market. Included in this report are details on the type of work the ECT carried out during 2010 and of the number and types of complaint dealt by the ECT in 2010.

1.1. The Role of the Commission for Energy Regulation & the Energy Customers Team

The Commission has a statutory responsibility to provide a complaint resolution service to customers with an unresolved dispute with their supplier or network operator. The ECT provides this service in a transparent, free and easy to use way for domestic and small business customers. When a customer has completed their supplier or network operator’s internal complaint process, and is still not satisfied that their complaint has been adequately considered, the ECT will investigate the matter on their behalf. Following investigation, the Commission has the power to direct suppliers and network operators to award compensation or to resolve the complaint in a set fashion if the customer’s complaint is upheld.

In addition, the ECT website, www.energycustomers.ie provides clear information to empower customers to make informed choices as competition develops in the energy markets. It includes information on how to switch, energy suppliers’ Codes of Practice and also explains how to handle problems with bills, connection to the electricity or natural gas network and other energy supply related issues. If a customer cannot find the information they are looking for on the website they can contact the ECT by phone, email or in writing and the ECT will provide a response directly.

As well as responding to customer queries and complaints, the ECT uses information gained through its investigations to provide input to industry policy development and to raise consumer issues with suppliers and network operators for the long term benefit of the electricity and gas markets.

1.2. The Structure of the Energy Customers Team (ECT)

The ECT is part of the Commission’s Safety and Customer Affairs Division. By the end of 2010 the team consisted of 1 Manager, 1 Analyst, 1 Customer Complaints Co-ordinator and 1 Customer Care Officer.
2. Operational Work

The operational work of the ECT is carried out over the phone, by email and in writing. In 2010, 1930 customers made contact with the ECT to raise a complaint or to request information or advice regarding the natural gas and electricity markets.

Of these, 1004 made initial contact over the phone, with 921 customers choosing to raise their issue in writing by email, fax or letter. While the ECT handles queries over the telephone, customers who wish to forward a complaint for formal investigation must put their complaint in writing. In 2010, 85% of those who referred their case to the Commission for formal investigation made initial contact in writing.

Following initial customer contact with the ECT, in order to best manage customer contacts, each contact is categorised by the ECT. In 2010 the ECT logged contacts under six categories:

1. Complex Complaints – These are complaints formally sent to the Commission against a supplier or network operator which require full investigation. Prior to investigation a customer must have completed their supplier or network operator’s full complaints handling process.

2. Standard Complaints – These are complaints which are forwarded to the Commission which do not necessarily require investigation as they may be in relation to a policy decision or a tariff decision. In these cases, while the customer may have a valid complaint to make, an investigation is not necessary to establish the root cause of the problem.

3. Information Requests – These contacts generally involve customers asking for information on aspects of how the market works.

4. Coordinated Complex Complaints – These are complaints which are received by the Energy Customers ECT but investigated and followed up by another team within the Commission. These are usually complaints received from large industrial customers as the Energy Customers ECT is geared to domestic and smaller business customers.

5. Return to Supplier – This type of contact is from a customer who has either mistaken the Commission for their supplier or who has contacted the Commission for advice regarding their complaint prior to completing their supplier’s complaints handling process. In these cases the ECT would talk through the complaint with the customer and go through the process they need to follow with their supplier. The customer would also be advised of the Commission’s complaint handling process should they need to refer their complaint for investigation at a later stage.

6. Refer to Third Party – From time to time a person may contact the Commission regarding an issue outside the Commission’s remit. In these instances the person would be referred to the most appropriate body for their issue.
Table I: Contact Category & Number of Contacts Logged 2010 v.s. 2009

<table>
<thead>
<tr>
<th>Contact Category</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complex Complaint</td>
<td>231</td>
<td>262</td>
</tr>
<tr>
<td>Co-ordinated Complex Complaint</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>Standard Complaint</td>
<td>342</td>
<td>467</td>
</tr>
<tr>
<td>Information Request</td>
<td>287</td>
<td>265</td>
</tr>
<tr>
<td>Refer to 3rd Party</td>
<td>63</td>
<td>48</td>
</tr>
<tr>
<td>Return to supplier</td>
<td>999</td>
<td>869</td>
</tr>
<tr>
<td>Total</td>
<td>1930</td>
<td>1925</td>
</tr>
</tbody>
</table>

Graph I: Contacts Logged in 2010 by Category

Accessing the ECT Service

While there were almost 2000 customer contacts in 2010, it is worth remembering that this represents only a small percentage of the total customers supplied with electricity and natural gas. It is essential that customers can access the service offered by the ECT when they need to escalate a complaint or they require information. The ECT provides energy customers with a one-stop-shop for decisions on unresolved complaints and information about the energy industry. To ensure that customers can access the ECT Service, suppliers are required to include contact details for the ECT on the back of their bills.
2.1. Complex complaints

While complex complaints account for only 12% of contacts logged in 2010, they make up the majority of the ECT case workload. By their nature they require close scrutiny and a number of contacts with the complainant, the relevant utility operator, and in some cases 3rd parties, before a final adjudication on the matter in dispute is made.

In 2010 the ECT logged 231 complex complaints. This showed a slight reduction when compared to 2009. Of the complaints logged, electricity billing, which accounted for 41% of the complaints raised, was the biggest issue facing customers. This is somewhat higher than 2009, when 29% of complex complaints were related to this issue. Billing complaints generally refer to issues such as direct debits being deducted inappropriately, calculations being incorrect and bills being unexpectedly large. Billing complaints also account for the largest category of gas related complaints.

Meter issues in gas and electricity accounted for 19% of complex complaints investigated in 2010. These complaints usually require a meter to be tested to ensure that it is functioning correctly and they arise when a customer receives a very large bill that is out of line with previous estimates and cannot be explained by meter reading history at the property or a change in consumption behaviour.

While switching complaints account for only 6% of complex complaints received, as competition develops in the natural gas and electricity markets, it becomes essential to monitor this area more closely. The Commission will be recording all switching related complaints and contacts separately in 2011 with a view to reporting on this area separately in the 2011 Annual Report.

Graph II: Complex Complaints Logged by Type in 2010 as Percentage
2.2. Standard complaints

Standard complaints are referred to the ECT by customers who are unhappy with a general practice or a decision that has been made. In general, the majority of these complaints can be addressed quickly as no investigation is required prior to issuing a response. This type of contact includes complaints regarding deposits, estimated meter readings, fees for disconnection or reconnection, fees for network connections, customer inability to get through to supplier by phone and complaints regarding Commission decisions. The ECT aims to respond to these contacts within three days of receipt.

The ECT received 342 standard complaints in 2010. It can be seen in the chart below that electricity billing and account issues accounted for the highest number of standard complaints. This reflects the pattern seen in complex complaints, with electricity customers making up the majority of the ECT’s contacts.

Electricity network issues also accounted for a high number of contacts, with 24% of standard complaints being electricity network related.

**Graph III: Standard Complaints Logged by Type in 2010 as Percentage**

2.3. Information Requests

As well as assisting customers who are experiencing difficulty with their supplier or network operator, the ECT provides information directly to customers on a wide range of topics. The ECT received 267 direct requests for information in 2010. The requests received varied greatly and ranged across requests for CER Papers or CER policy decisions, supplier contact details, information on specific tariffs, details regarding the PSO levy, carbon tax, help with suppliers automated phone services, and how to submit customer meter reads.
In addition to customers contacting the ECT directly, the Commission had over 16,000 visitors to its customer website www.energycustomers.ie, in 2010. The customer website provides a range of information starting with how to get connected and going through the steps of how to switch supplier, how the market operates and it also provides information on what to do if something goes wrong.

2.4. Refer to 3rd Party

The ECT receives a small number of contacts every year from customers in relation to issues which are not regulated by the Commission. In 2010, 63 members of the public contacted us regarding a variety of issues including the positioning of telephone poles, the price of liquefied petroleum gas (LPG) and the role of the Commission for Communication Regulation (ComReg). In these instances the ECT explains to the customer who they need to get in touch with and provides them with contact details if they are available.

2.5. Return to supplier or network operator

The majority of contacts received in 2010 fell into the “return to supplier or network operators’ category”. In total, 999 customers made contact with the ECT in relation to queries and complaints they had under this category. Where a customer wishes to make a complaint, but has not yet raised this with their supplier or network operator a member of the team will go through the complaint with them and will talk the customer through the complaints process. The customer is provided with the contact details they need in order to make their complaint with the appropriate supplier or network operator and is
advised that if they are not satisfied with the resolution proposed, once the complaints process is completed, that they can then refer their complaint to the ECT.

This category also captures customers who have made contact with the ECT in error but are in fact looking for their supplier. On occasion, customers will call the ECT helpline number but are looking to query a specific aspect of their bill or account. In these circumstances, if we can assist we will provide the appropriate information, however if this is not possible the correct contact details are provided to the customers so they can gain the assistance they require.

2.6. Customer contacts logged in 2010 v.s. 2009

While, overall, there is very little difference between the number of ECT customer contacts in 2010 and 2009, at totals of 1930 and 1925 respectively, there were some specific changes in the pattern of contacts. In 2009 there was a peak in customer contacts towards the end of February and the beginning of March due to specific media coverage relating to energy bills. While, in 2010, the January to May contact figures were generally as expected there was a sustained month-on-month rise in customer contacts, from June to December.

In comparison to 2009, 2010 Complex Complaints reduced by some 13% and Standard Complaints by 37%, Information Requests increased by 8%, Refer to 3rd Party rose by 24% and Return to Supplier increased by 13%.

Graph V: Customer Contacts Opened 2010 v.s. 2009

The ECT complaint resolution remit is for the escalation of complaints that a customer is unable to resolve with their supplier or network operator. Consequently before a customer raises a complaint with the ECT the complaint must have completed the customer’s supplier’s or network operator’s complaint process.

Given that the number of customers referred back to their suppliers complaints process in 2010 far exceeded the number of complex complaints investigated by the ECT, the
Commission considers that a large number of those customers that were returned to their supplier to complete their suppliers complaint process resolved their complaint without the intervention of the ECT.

Graph VI: Comparison of Logged Contacts 2010 v.s. 2009 by Contact Category

It is clear that the volume of complaints from electricity customers greatly outweighs the volume from natural gas customers, however this is explained by the customer numbers in each case. While there are 2,225,621 electricity customers there are only 646,902 natural gas customers, that is an approximate ratio of 1:3.5; the percentage of contacts based on customer numbers is 0.05% of electricity customers and 0.04% of natural gas customers, which are very similar and relatively low.

The variation between 2010 and 2009 is most marked in CER Issues and Non-CER Issues with increases of 35% and 52% year-on-year respectively. CER issues relate to customer queries/complaints that relate to Commission policy decisions, the role of the Commission in regulating the energy industry, electricity generation and electrical and natural gas safety.

Non-CER Issues include, but are not restricted to, queries regarding liquid petroleum gas (LPG), commercial issues with gas installers, tree cutting by ESB networks and ESB networks installation of poles and pylons. Non-CER Issues covered some 23% of customer contacts in 2010 and 15% in 2009. As the role and services of the ECT becomes more widely known both CER and Non-CER issues would be expected to increase.

Between 2010 and 2009 complaints raised in relation to the electricity network operator decreased by 22% and the gas network operator complaints decreased by 45%; as the number of queries relating to both electricity and gas networks is relatively low, there is no clear pattern in the decreases. Complaints about electricity suppliers rose by 12% and complaints about gas supply decreased by 52%. The 12% rise in complaints relating to electricity suppliers may be due to the number of domestic electricity customers switching supplier.
2.7. Contacts compared year-on-year

Graph VII: Opened Contacts 2010 v.s. 2009

When a comparison is made between 2010 and 2009, contact numbers for January 2010 were at very similar rate to January 2009. However, as has been explained earlier, media coverage in late February and early March 2009 regarding energy bills lead to a peak in calls, letters and e-mails in both February and March 2009, predominantly related to billing queries. By April 2009 customer contacts were starting to reduce to expected levels averaging between 120 -130 contacts per month. This trend continued into 2010 with an average of 110 contacts being made from January to May.

2.8. Increasing contacts from June to December 2010

As more customers become aware of the role of the ECT in dealing with complaints and information requests it would be expected that the numbers of customers contacting us would increase. From June 2010 onwards the ECT saw the level of contact increase significantly when compared to the same period in 2009. The level of contacts increased by over 61%, from 863 in 2009 to 1395 in 2010, for June to December, with a peak of 266 contacts in November. There was no one issue that contributed to this sustained increase in customer contact which has continued into 2011.

2.9. Comparison of contacts closed during 2010 by supplier

The chart below shows the breakdown of contact by supplier, with the greatest total number of these customer contacts being attributable to Airtricity. For the Complex and Standard Complaints three suppliers appear most prominently in the graph, ESB Electric Ireland (ESB EI) BGE (Bord Gáis Energy) and Airtricity.
Where Complex Complaints are concerned 86 Complex Complaint contacts referred to ESB EI, 81 to BGE and 46 to Airtricity, or in percentage terms, it is 37%, 35% and 20% respectively.

Table II: Complex and Standard Complaints by Supplier

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Complex Complaints</th>
<th>Standard Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESB CS</td>
<td>86</td>
<td>93</td>
</tr>
<tr>
<td>BGE</td>
<td>81</td>
<td>58</td>
</tr>
<tr>
<td>Airtricity</td>
<td>46</td>
<td>116</td>
</tr>
<tr>
<td>Energia</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Flogas</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>

It is, however, more informative to look at this data from the point of view of percentages of complex and standard complaints versus the percentage of customers supplied, the other suppliers have been included below for completeness.

As per the table above, the vast majority of complex and standard complaints in 2010 were regarding ESB CS, BGE and Airtricity, however there was a substantial variation across these companies when one considers the number of customers that are supplied by these three suppliers. Where it may be expected that ESB EI would be involved with the majority of complaints, as they supply the greatest number of customers, this is not always the case. It can be seen from Graph IX below that Airtricity are involved in 20% of the complex complaints and 34% of standard complaints whereas they supply 15.4% of the customers.
The graph, above, for percentage of customers supplied and the percentage of Complex and Standard Complaints per supplier shows the relationship between the percentage of complaints against a supplier when compared to their percentage of total customer numbers.

The same outcome can be seen when the percentage of complaints logged against the three largest suppliers, ESB CS, BGE and Airtricity, is compared with the percentage of customers that they supply, as in Graph X below:

It is clear that here is a divergence between the percentage of customers and the percentage of complaints when the Airtricity figures are examined. While they supply 15% of the customers, 31% of the complaints logged are related to them.
2.10. **Analysis of complex complaint outcomes**

Once complex complaints have been investigated and the ECT considers that all available information has been provided, a decision is issued on whether the complaint is upheld or not upheld. This decision may include the payment of compensation if this is deemed appropriate and any decision issued by the Commission is binding on the supplier or network operator involved.

The ECT issued 214 decisions in 2010. The Commission is heartened to note that in the majority of cases it was found that the actions of the supplier or network operator, prior to the customer forwarding their case to the ECT for examination, were appropriate. Only 36% of cases referred to the ECT were upheld.

The relationship between upheld and not upheld cases is looked at in more detail in Graph XI below, which shows that for all suppliers and ESBN less than 40% of the complaints examined by the ECT were upheld.

**Graph XI: Upheld / Not Upheld by Supplier / Network Operator**
3. Case Studies

The following case studies represent a sample of the complaints received by the Commission in 2010. They provide an outline of the complaints received, the investigation undertaken and the outcome/finding of the complaint. They serve to illustrate the range and individual nature of complaints. We have selected one complaint that was upheld and one complaint that was not upheld for each supplier against whom complaints were raised. These case studies also show that while a customer may contact us with a complaint against their supplier or network operator, when the investigation is carried out the root cause of the problem may be attributable to a different party. It is also the case that while the cause of a problem may lie with the network operator, in many cases the supplier must also form part of the solution for their customer by agreeing to a payment plan for any outstanding balance on the customer’s account. The Commission welcomes suppliers’ flexible approach to assisting their customers even when the root cause has been due to a network issue.

3.1. Airtricity Complaint – Not upheld

A landlord contacted the ECT regarding a bill he had received from Airtricity for a rental property. When his tenant left, the tenant had provided the landlord’s name to Airtricity as a contact for the property. The landlord felt that he should not be held responsible for any consumption at the property as he had not opened an account with Airtricity.

The investigation

The ECT examined all information available for the property and established that Airtricity had attempted to make contact with the landlord on a number of occasions to have an account opened.

While the landlord had not opened an account, he had made no arrangement for electricity at the property. In continuing to consume energy at the property following the departure of his tenant, he had acted as if he had a contract. As such, the landlord was liable for consumption at the property.

The decision

The customer’s complaint was not upheld. It was the position of the Commission that the landlord had made no attempts to open an account for the property with any supplier of electricity. As the landlord and owner of the property he had a responsibility to ensure that an account was opened or that the supply was disconnected to ensure no consumption took place.

3.2. Airtricity Complaint – Upheld

A customer made a complaint regarding the repeatedly poor customer service provided by Airtricity in relation to a series of problems with her electricity account.
During the course of making her complaint, the customer received a number of letters and e-mails from Airtricity stating that there were arrears on her account, administration fees had been added, her direct debit payments had not completed the system and she would be penalised for not payment of her bills. Despite the fact the customer should not have received credit control follow up while making her complaint, the customer responded to all letters and emails appropriately.

During a number of calls between the customer and Airtricity’s customer care team, mostly initiated by the customer, various solutions were proposed by Airtricity. However, while many solutions were discussed and promised, including various undertaking by Airtricity to provide for the setting up of direct debit solutions, none of the proposed solutions were implemented. In addition explanations of why the situation had arisen changed during the course of the complaint process. The customer was not satisfied that their complaint and issues had been addressed appropriately. The customer then decided to raise the complaint with the Commission.

*The investigation*

The customer had raised her initial complaint in April 2010 when she received a letter about an increase in her monthly Budget Payment Plan\(^1\).

Unfortunately when the customer’s monthly budget payment was too low to cover her bills (because future consumption was under-estimated in calculating the budget payment amount) this lead to the customer making all the agreed payments and still being in arrears when her meter was read. Airtricity notified the customer that her monthly payment needed to be increased to avoid her account going into arrears. The customer believed that as she had made all the monthly payments that were agreed as calculated by Airtricity, that she could not be in arrears. While she was willing to pay whatever amount was owing on her account Airtricity was unable to satisfy the customer with their explanation of why the arrears had arisen and why her direct debits, to her budget payment account, were cancelled.

The ECT established that the customer’s complaint that her complaint had not been addressed appropriately was legitimate through examining the correspondence between the two parties. Airtricity had accepted that the customer had a valid complaint and had proposed a €20 good will gesture to the customer in recognition of their errors.

Based on the length of time taken to address the customer’s issues and the level of contact the customer had to maintain during the complaint the Commission considered the offer of €20 to be inappropriate. It was clear that the customer had continuously attempted to contact Airtricity to resolve her complaint but had not received an appropriate level of customer service.

\(^1\) Airtricity’s Budget Payment Plan allows the customer to pay the same amount each month, but these payments do not necessarily cover all the electricity consumed by the customer.
The decision

The customer’s complaint was upheld. Based on the number of times the customer had contacted Airtricity and the level of service received during her attempt to resolve the complaint the Commission awarded the customer €350. Of this €200 was used to clear the customer’s outstanding account balance and the remainder was issued to the customer as a cheque.

3.3. Bord Gáis Energy Complaint – Complaint Not Upheld

A customer contacted the ECT because he had received a large bill for natural gas covering the period September 2006 – June 2009. When he raised the complaint with BGE it was discovered that his account had been classified incorrectly and as a result bills had not been issued to him.

When BGE discovered the error they calculated what was owed and issued a bill to him for in excess of €5,000. BGE tried unsuccessfully to contact the customer in relation to the bill before issuing it. When the bill was received the customer made a complaint to BGE. The customer’s complaint centered on the meter reading used to start his bill and whether he should be liable for the consumption at the property.

The investigation

The ECT examined all information provided by BGE and the customer. The ECT confirmed that the meter reading used to bill the customer was an actual reading taken from the meter by Bord Gáis Networks. As this was the case, the ECT did not accept the customer’s revised reading.

It was confirmed that the customer was residing in the property for the full time that the gas was being consumed and had made no contact with BGE to query why he did not receive bills.

The ECT also looked at the proposal BGE had made to the customer prior to him raising a complaint with the ECT. BGE had offered to reduce the bill by €700 and put in place a payment plan for the remainder over a long period of time.

The decision

The customer’s complaint was not upheld. The Commission considered the proposal made by BGE prior to the complaint being referred to the ECT to be appropriate under the circumstances. The customer was liable to pay for the natural gas he had consumed while resident in the property; however, he was also entitled to receive bills.

3.4. Bord Gáis Energy Complex Complaint – Complaint Upheld

A customer contacted the ECT because she had received a large bill for in excess of €1,200 for her residential property. She believed that this amount was due to a bill for a rental property of hers being transferred to her home account. She had made her
complaint to BGE but was not satisfied that she had received an appropriate response from them.

**The investigation**

The ECT examined the information forwarded by the customer and BGE and established that while the customer’s name had been added to her rental property for a short period of time, that only €33 due to standing charges had accrued on that account and this had not been added to her home bill.

On further examination, it was discovered that the reason the customer had received a large bill was because BGE had failed to issue three bills to the customer for gas consumed. This was due to a technical problem with the BGE billing system which caused the customer to receive no bills.

**The decision**

The customer’s complaint was upheld. The Commission accepted that the bill the customer received was due to consumption at her home residence and that although she had not received bills, as she had consumed the gas she was liable to pay for it. However, as BGE had failed to issue bills to her she was entitled to three payments under the BGE customer charter for breach of their Code of Practice on Customer Billing. This led to the customer receiving a reduction in her bill of €105.

### 3.5. ESB Customer Supply [now ESB Electric Ireland] – Complaint Not Upheld

A customer contacted the ECT because he had received two solicitors letters from ESB Customer Supply setting out that legal follow up would be taken if he did not settle his account. The customer disputed the letters as he had made payment in full and believed that it was inappropriate to receive them. ESB Customer Supply had offered a resolution to the customer but he believed that he should receive further compensation to cover legal fees.

**The investigation**

The ECT established that the customer had received two letters inappropriately from the in house legal team of ESB Customer Supply. When the customer had paid his bill, the billing team had failed to cancel the credit control follow up on the customer’s account.

Both letters clearly provided details to make contact in order to avoid further action being taken. The customer chose not to make contact and flag that he had made payment against the account. The customer had instead chosen to take legal advice in relation to the letters.

During the course of investigating the customer’s complaint ESB Customer Supply had apologized to the customer and offered an award of €100 in compensation to him.
The decision

The ECT did not uphold the customer’s complaint. While the letters should not have issued to the customer, there was a clear process for the customer set out in the letters to avoid follow up. Had the customer made contact on receipt of the first letter he would not have received any further contact. The ECT considered the award to the customer of €100 to be appropriate compensation for the error on ESB Customer Supply’s part.

3.6. ESB Customer Supply [now ESB Electric Ireland] – Complaint Upheld

A customer made contact with the ECT as he had received a large bill in 2009 from ESB Customer Supply for in excess of €10,000. When he made his complaint to ESB Customer Supply they told the customer that the bill was due to a clock over occurring on his account during a period when his bills were being estimated in 2003. This meant that the customer’s meter had reached 9999 and gone back to zero. ESB Customer Supply maintained that the customer’s bills had been estimated and that they did not take this clock over into account. The customer was not satisfied with the response received from ESB Customer Supply as he believed he should not be billed for this amount of electricity.

The investigation

The ECT investigated this complaint with both ESB Networks and ESB Customer Supply as the issue was in relation to the customer’s meter. When examining all of the information available it was established that the customer’s meter readings had been estimated for an extended period of time up until 2005. While two meter readings had been taken at the property in 2003 and 2004 as these were out of line with expected meter readings they were rejected by ESB Networks.

ESB Customer Supply maintained that ESB Networks had failed to identify a clock over on the customer’s meter and believed this should be applied to the customer’s account.

ESB Networks accepted that there was a problem with meter reading at the customer’s property but as they could not verify that a clock over had occurred they would not be applying this to the customer’s account.

The decision

The ECT reached a decision to uphold the customer’s complaint. While ESB Customer Supply had made valid points in relation to the clock over, as ESB Networks had not allocated this to the customer’s account or billed ESB Customer Supply, the ECT was of the view that ESB Customer Supply were not entitled to bill the customer for this. ESB Customer Supply were directed to remove the charges associated with the clock over from the customer’s account.

3.7. ESB Networks Complaint – Complaint Upheld

A customer contacted the ECT to make a complaint about ESB Networks. She had contacted ESBN when her electricity supply failed in December 2009. It was established
that there was a problem with the underground cable and it would be necessary to dig up the footpath/road outside the house to fix the fault. A temporary fix was made and ESBN indicated that they would be back in a few days to repair the cable.

In January 2010 when the customer returned home she discovered that her cobble-lock driveway had been dug up and left in a state of disrepair. No attempt had been made to contact her in advance to let her know the work was taking place.

Two attempts had been made by ESBN to reinstate the driveway to its original condition, however the customer did not accept the standard of work carried out. The customer referred her complaint to the ECT as she felt that she should be provided with a new driveway to resolve the matter.

The investigation

The ECT confirmed that the reason for digging up the customer’s driveway was that a faulty cable had to be worked on. While ESB Networks have the right to carry out work such as this, they are required to reinstate the property to a similar standard to what had originally existed.

The ECT confirmed that the driveway had not been reinstated to the same standard as had existed prior to the works taking place.

Although ESB Networks had initially told the customer that they would not cover the cost of reinstating her driveway, she was subsequently offered €1000 towards her costs. The ECT did not consider this a sufficient payment to cover the cost of having the driveway repaired.

The decision

The Commission upheld the customer’s complaint. ESB Networks were directed to ensure that the work was carried out in full.

3.8. ESB Networks Complaint – Complaint Not upheld

A customer made a complaint to the ECT when she received a bill for more than €5,000 from ESB EI. Between 2007 and 2009 the customer had received estimated bills. When requested, the customer had submitted meter readings in September 2008 and April 2009. When the customer had received another request for a meter reading in October 2009 it was established that the customer’s meter readings in September 2009 and April 2009 had been incorrect and this led to the large bill being generated. The customer felt that as her meter had not been read she should not have to pay the outstanding bill.

The investigation

The ECT considered the reason for the large bill being generated. While the customer had received no meter readings from ESBN, she herself had submitted incorrect readings, which had increased the problem.
The terms of the customer’s contract provided for this situation and set out that the customer would be liable for any consumption at the property. It was also confirmed that there was no dispute over the functioning of the meter and that the amount billed was reflective of the customer’s usage.

The ECT also established that throughout the complaints process prior to referring the complaint to the ECT, the customer had been offered a 40% discount and a payment plan for the outstanding balance.

**The decision**

The customer’s complaint was not upheld. The customer had consumed the electricity and was therefore liable to pay the outstanding bill. In addition, the customer had been offered a significant discount. The Commission considered the resolution proposed by ESBN to be appropriate under the circumstances.

### 3.9. Energia Complaint – Complaint Upheld

A business customer made contact with the ECT about a complaint regarding the Maximum Import Capacity (MIC) at their property and the charges being levied on them for using more electricity than the capacity of their connection. This complaint was initially made against ESBN as the customer felt that their MIC should have been higher and that ESBN should be responsible for this. The customer’s MIC was set at 88 kVA, however the requirement was for 200 kVA. The customer felt that the charges should not apply to their account.

**The investigation**

The ECT established that the reason the MIC was set at 88kVA was because this was the MIC level the customer had requested when applying for a connection. As the customer is responsible for requesting the MIC for their property, ESBN had not acted inappropriately by not increasing this as the customer’s requirements increased.

However, when the ECT sought confirmation that the charges applied to the customer were correct, ESBN confirmed that as the customer was classed as a DG5 business that no charges applied to the account.

The ECT then examined the information received from Energia and established that Energia had incorrectly classed the customer as a DG6 customer. This meant that when the customer exceeded the MIC for their property, charges were automatically generated on the account.
The decision

The customer’s complaint was upheld. The Commission directed Energia to refund the charges incorrectly paid by the customer, in excess of €34,000. In addition, a sum was awarded to the customer to cover the length of time the issue had gone on.

3.10. Energia Complaint – Complaint Not upheld

A business customer made contact with the ECT to complaint in relation to their property being disconnected and the decision by Energia not to continue supplying the property. The customer felt that she had received poor customer service and that Energia should not have disconnected her property.

The investigation

The ECT examined all information regarding the customer’s account. It was confirmed that over a period of 14 months the customer had been written to on nine separate occasions as her bills were not being paid.

Energia had entered into a number of payment plans with the customer which had not been met and following a final notification of disconnection the customer’s property had been disconnected.

Although the customer had made payment following disconnection, Energia had decided they did not wish to supply the customer and advised the customer to seek an alternative supplier.

The decision

The customer’s complaint was not upheld. The Commission was of the view that Energia had followed their disconnection process and provided the customer with a number of chances prior to requesting final disconnection. As an independent supplier, Energia is not required to serve customers and therefore can choose not to supply a customer.
4. **Additional work of the ECT**

During 2010, while the ECT focused on maintaining the operational service to customers, the ECT also used the information received through complaints to develop new guidelines in the area of customer disconnections and electricity budget controllers. In addition to developing new guidelines the ECT hosted a number of consumer clinics and continued to meet with consumer representative groups to identify ongoing issues that customers face and to ensure that knowledge of the ECT is provided to customers.

4.1. **Information Provision & Consumer Clinics**

The ECT hosted three consumer clinics in February and March where customers could meet members of the ECT and discuss ongoing issues they may have in relation to their energy supply. These clinics were also aimed at actively providing information to customers and promoting awareness of [www.energycustomers.ie](http://www.energycustomers.ie)

The ECT also continued to distribute the Commission’s consumer leaflets to appropriate agencies to assist with advising customers of their rights and what to do if they experience a problem.

4.2. **Consumer Protection**

The protection of consumers in the Irish energy industry falls within the remit of the ECT on behalf of the Commission. Codes of Practice are published papers, which detail the minimum level of service energy companies are obliged to provide to energy consumers. Two of these papers were published in 2010.

4.2.1. **Code of practice on disconnection of electricity and natural gas customers**

Disconnection, in this code, refers to de-energisation / locking of a customer meter for non-payment of electricity or natural gas bills and the re-energisation / unlocking once the customer has made provision for the payment of their energy bill.

Guidelines for Code of Practice on Disconnection were published by the Commission on 29th November 2010, it may be accessed on the CER website as CER 10/217.

4.2.2. **Code of practice on the use of Budget Controllers for electricity consumers**

Budget Controllers are secondary meters. They are installed by ESB Networks, on behalf of Electricity suppliers, in the homes of domestic electricity customers who are in financial difficulties in order that they may pay for their electricity in instalments, via the purchase of €5.00 credit top-ups at designated vendors. They do not replace the customer’s standard meter, which continues to record electricity consumption and upon which the customer’s bill is based. However they do provide a method by which customers may pay their bill by regular instalments via the purchase of the €5.00 cards.
The Commission has set out its decision on guidelines for the use of Electricity Budget Controllers in CER/10/203\(^2\). Suppliers are required to develop codes based on these guidelines. The Code must clearly indicate a commitment to the guidelines as a minimum level of service to their customers.

\(^2\) CER/10/203 Guidelines for Budget Controllers, Decision Paper published on 29\(^{th}\) November 2010 is available on our website at [www.cer.ie](http://www.cer.ie)

3 Budget Payment Plans allow the customer to budget for their energy requirements