



CER Consults on Measures to Protect and Empower Energy Customers

The Commission for Energy Regulation (CER) regulates electricity and gas markets with a view to ensuring that customers benefit from competition. The CER is currently consulting on proposals and options which are designed to enhance customer protection, particularly for vulnerable customers. In addition, these proposals are intended to make it easier for customers to shop around and find the deal that's best for them.

This consultation reflects rapidly evolving competition in energy markets, with new entrants, innovative products, services and offers by suppliers and the growth of lifestyle choice pay as you go (PAYG) services. In summary the proposals include:

- New principles that apply to all facets of customer-supplier interaction,
- Specific requirements for:
 - marketing and advertising material,
 - the customer sign up process,
 - ascertaining when a customer is eligible to register as a vulnerable customer,
 - PAYG services for vulnerable customers,
- Options to increase customer participation in the energy markets,
- Options to increase customers' ability to understand and compare energy offers.

These proposals are drawn from CER's ongoing work; including:

- Market monitoring and reporting;
- Annual CER audits of supplier and day-to-day compliance monitoring;
- The annual consumer survey carried out by the CER;
- Analysing energy consumer complaints to the CER's Customer Care Team;

- Industry Workshops on themes such as Pay As You Go meters;
- Engaging with consumer representative bodies through the Consumer Stakeholder Forum;
- Formal and informal discussions with industry and stakeholder groups

All relevant stakeholders and customers are encouraged to respond by 19 April 2016.

Background

The Commission for Energy Regulation (CER) is the independent body responsible for overseeing the regulation of electricity and gas sectors in Ireland. The CER has a legislative obligation to protect the interest of energy customers and promote competition in retail energy markets.

Under its legal mandate, the CER is responsible for implementing energy specific customer protection measures. This has been done to date through the development of requirements and guidelines for energy suppliers and network companies, reflected in several documents including Standard Terms and Conditions of Supply, Codes of Practice and Customer Charters, as detailed in the Supplier's Handbook, gas and electricity supply licences and market design rule.

The Supplier's Handbook sets out minimum service requirements that suppliers must adhere to in their dealings with energy customers. It comprises individual Codes of Practice which cover all key areas of customer – supplier interaction, such as marketing and sign up process, billing, disconnection, PAYG meters and vulnerable customers. These rules are in place to ensure that customers enjoy a high standard of protection when interacting with energy suppliers.

The CER is conducting a review of the Supplier's Handbook in order to ensure that the minimum service requirements imposed on energy suppliers provide adequate safeguards to energy customers in key areas of interaction with energy suppliers and strengthen the protection measures for vulnerable customers and those in financial hardship.

In undertaking this review the CER is committed to developing policies that focus on the needs of all energy customers and deliver an improved protection framework, fit for purpose in deregulated energy markets with an increased level of competition. The CER recognises

that there still exists a number of customers who do not engage with the market and wants to increase the level of customer engagement.

Finally, it is important to ensure that the reviewed requirements of the Supplier's Handbook are fully reflective of current market conditions and provide a fair and level playing field for energy suppliers.

The key proposals included in this review are summarised below and discussed in detail in the relevant sections of the consultation paper:

- The introduction of a set of overarching principles with general application to all facets of customer-supplier interaction, aimed at guiding the behaviour of energy suppliers when interacting with customers, whether directly or indirectly
- The introduction of minimum requirements for marketing and advertising material
- The inclusion of new requirements in the customer sign up process
- Range of options to increase customer participation in the energy markets
- Range of options to increase customers' ability to understand and compare energy offers
- The inclusion of specific questions to ascertain whether a customer is eligible to register as vulnerable customer in the sign up process
- Requirement for continuous assessment of suitability of PAYG meters for vulnerable customers
- Requirement to monitor the pattern of credit top-ups for vulnerable customers on PAYG meters
- Requirement to align the content and frequency of energy statements with energy bills

The period of consultation for the review is 8 weeks. The CER welcomes energy customers' comments on the proposals put forward in the consultation paper by close of business on 19 April 2016. These comments may be sent to Dana Paraschiv, Retail Markets, Commission for Energy Regulation, dparaschiv@cer.ie.