REVIEW OF THE SUPPLIER’S HANDBOOK
DECISION AND FURTHER CONSULTATION

COVER NOTE

Reference: CER/16/288
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Closing Date: 25/11/2016
The CER regulates the activities of suppliers in the electricity and gas markets with a view to ensuring that suppliers treat customers in a fair and equitable way and that customers enjoy a high standard of service in their dealings with suppliers.

This decision on the content of the Supplier Handbook sets standards to which all suppliers must adhere to in their dealings with customers. The Supplier’s Handbook consists of individual codes of practice which cover key areas of the relationship between energy customers (domestic customers and small and medium businesses) and energy suppliers, such as marketing, sign up, billing, disconnections, vulnerable customers, complaint handling, pay as you go meters and budget controllers.

While the supplier handbook is focussed on actions that suppliers must take in their interactions with customers, there are a number of outcomes that the CER expects to happen that will provide benefits to consumers.

The requirement for suppliers to provide prompts to customers at the end of fixed-term periods, or if they have remained on the same tariff for more than three years should provide customers with the information they need to keep getting the benefits of competition in the electricity and gas markets. This will encourage them to engage with their supplier or to shop around to avail of the best offers in the market. The CER expects that suppliers will respond to this initiative by making competitive offers available to both their existing customer base as well as focussing on attracting new customers.

To help customers be confident that they are choosing the best offer available to them, the CER is requiring suppliers to include a new piece of information in their advertising material – the estimated annual bill (EAB). The EAB is designed to provide customers with an easy to understand, transparent metric by which they can compare offers from different suppliers, and therefore make the decision to move to a more advantageous offering, confident that they have made the right choice for their circumstances. This requirement, combined with the obligations to prompt passive customers, should lead to increased competition in the market and the benefits of competition going to more consumers.
The CER is also introducing stronger protections for vulnerable customers, including setting minimum standards for the identification of vulnerable customers when they sign up with a new energy supplier, and to ensure that vulnerable customers are aware of what protections are available to them when they opt to avail of a pay-as-you-go service.

The CER are introducing these measures in response to learnings from our ongoing monitoring of the retail markets. These include customer surveys, market monitoring, audits of supplier activities, ad-hoc compliance activities and independent research.

The CER is committed to ongoing monitoring of the market to ensure that these measures bring strong benefits to consumers through improved competition in the electricity and gas markets.