



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

REVIEW OF THE ELECTRICITY AND GAS SUPPLIER'S HANDBOOK

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QUERIES TO:	Dana Paraschiv dparaschiv@cer.ie



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

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

www.cer.ie

CER – Information Page

Abstract: The CER is consulting on the requirements of the Electricity and Gas Supplier's Handbook. The Supplier's Handbook consists of individual codes of practice setting out minimum levels of service that licensed energy suppliers are required to adhere to in their dealings with energy customers.

This consultation paper consults on:

- The current requirements, with a view to identifying necessary changes to reflect current market conditions and ensure regulatory consistency and clarity
- The introduction of additional requirements, reflecting market and legislative developments, findings of compliance audits and compliance monitoring activities, Consumer Surveys and preliminary engagement with relevant stakeholders. In addition, this paper proposes a set of specific regulatory measures which seek to strengthen the protection of vulnerable customers and customers who have opted for a PAYG meter.
- Open consultation questions, with a view to ascertaining whether regulatory measures are required to be introduced in specific areas of the customer-supplier relationship

The review takes into account a wide range of issues including legislative and competition developments, CER findings on foot of regular audits, the outcome of preliminary engagement with relevant stakeholders and the results of Consumer Surveys.

The review of the Supplier's Handbook seeks views on these issues relating to how to enhance the current customer protection framework and deliver a set of regulatory requirements which are fit for purpose and reflective of current market conditions.

Target Audience:

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

Responses to this consultation should be returned by email, post or fax and marked for the attention of Dana Paraschiv, Electricity and Natural Gas Retail Markets, Commission for Energy Regulation, dparaschiv@cer.ie.

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

Relevant legislation:

- Electricity Regulation Act 1999 as amended
- Gas (Interim) (Regulation) Act 2002 as amended
- [S.I. No. 452 of 2004](#)
- EU Third Energy Package ([Directives 2009/72/EC](#) and [2009/73/EC](#))
- [S.I. No. 60 of 2005](#)
- [S.I. No. 463 of 2011](#)
- [S.I. No. 630 of 2011](#)
- [Energy Miscellaneous Provisions Act 2012](#)
- [Energy Efficiency Directive \(2012/27/EU\)](#)
- [S.I. No. 426 of 2014](#)

Relevant papers:

- [Electricity and Natural Gas Suppliers' Handbook \(CER 12/081\)](#)
- Audit of Compliance with the Code of Practice on Disconnections for the Domestic Sector ([CER/13/248](#))
- Audit of Compliance with the Code of Practice on Disconnections and Code of Practice on Marketing and Sign Up for the Domestic Sector ([CER/15/087](#))
- [CER Consumer Survey 2015](#)

For further information on this Consultation Paper, please contact Dana Paraschiv at the CER on 01 4000 0800 or dparaschiv@cer.ie

EXECUTIVE SUMMARY

The CER is consulting on the requirements of the Supplier's Handbook. 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 review of the Supplier's Handbook takes into account a wide range of issues pertaining to the customer – supplier interaction, including legislative and competition developments, the findings of regular compliance audits and Customer Surveys and preliminary engagement with the energy industry and customer protection agencies.

The overarching objectives of the review can be summarised as follows:

Enduring regulatory framework - deliver a customer protection regulatory framework that is enduring in the face of new market entries, the introduction of new energy deals, different marketing and advertising strategies and different business models

Increased market participation - encourage energy customers to actively engage in the energy market. Improve awareness amongst customers of available offers and make it easier and more accessible for energy customers to make better choices over their electricity and gas supply by increasing the level of accuracy, accessibility and transparency of information presented by suppliers to customers

Easy, free and accessible switching process - ensure that there are no barriers to switching energy suppliers and that switching energy supplier is free, easy and accessible to all energy customers

Adequate protection for non-participation - provide adequate levels of protection to customers who do not engage with the energy market

Strengthen protection for Vulnerable Customers - strengthen protection of vulnerable customers and customers facing financial difficulty

Regulatory clarity and consistency - enhance regulatory clarity and consistency of current requirements

Level playing field for energy suppliers - foster a level playing field for energy suppliers to promote competition and innovation for the benefit of customers.

In this consultation paper, the CER is consulting on:

- The current requirements, with a view to identifying necessary changes to reflect current market conditions and ensure regulatory consistency and clarity. Proposed amendments to existing requirements are made using the “track changes” option (written in red)
- The introduction of additional requirements, reflecting market and legislative developments, findings of compliance audits and compliance monitoring activities, Consumer Surveys and preliminary engagement with relevant stakeholders. In addition, this paper proposes a set of specific regulatory measures which seek to strengthen the protection of vulnerable customers and customers who have opted for a PAYG meter. Proposed new requirements are written in blue.
- Open consultation questions, with a view to ascertaining whether regulatory measures are required to be introduced in specific areas of the customer-supplier relationship. Some are open consultation questions and some present options for discussion on specific topics, such as increasing customers’ ability to understand and compare energy offers and maximise the level of customers’ engagement with the competitive markets.

The main issues for consultation included in the review are summarised below and addressed in detail under each Code of Practice:

The introductory section:

- i. The relationship between the Supplier's Handbook and other retail market requirements
- ii. Suppliers' representatives
- iii. Suppliers' obligation to bring the Codes of Practice to the attention of energy customers annually

Code of Practice on Marketing and Sign Up

- i. Quality and accessibility of information provided by energy suppliers to customers
- ii. Presentation of information on marketing and advertising material
- iii. Increasing customers' ability to understand and compare energy offers
- iv. retention and win-back activities
- v. Cooling off period
- vi. Doorstep checklist
- vii. Customer sign up process
- viii. Improve customer participation

Code of Practice on Billing and Disconnection

- i. Obligations arising from the Energy Efficiency Directive 27/2012/EU
- ii. Obligations arising from CER decisions that impact on the content of the information to be included on the energy bill / energy statement
- iii. Energy and non-energy related charges
- iv. Consistency, completeness, accessibility and transparency of information presented on energy bills and energy statements
- v. Customer's ability to pay

Code of Practice on Complaint Handling

- i. Monitoring of implementation of CER adjudications of complaints

Code of Practice on Vulnerable Customers

- i. Identification of vulnerable customers at sign up
- ii. Additional requirements for sign up of vulnerable customers
- iii. Registration forms
- iv. Change in the type of vulnerability

- v. Vulnerable customers on PAYG meters

Code of Practice on PAYG Metering and Budget Controllers

- i. Potential barriers to switching
- ii. Energy statements

Terms and Conditions of Supply

- i. Deemed contracts
- ii. Customer notification
- iii. Period of notice

The key proposals are summarised below and discussed in detail under 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 non-vends for vulnerable customers on PAYG meters
- Requirement to align the content and frequency of energy statement with energy bills

Pending responses received to the consultation paper, a marked up version of the Supplier's Handbook will be published at the next consultation stage.

Section 4.5 of the consultation paper related to the codes of practice for non-household customers. Given the similarities between the requirements contained in the codes of

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practice for non-household customers and those for household customers, we did not reiterate the consultation questions for household customers in this section. Pending responses received to the consultation paper, the CER will reflect new or amended requirements in the marked up version of the Supplier's Handbook, which will be published at the next consultation stage.

In conducting this review, the CER acknowledges that policy developments are also taking place under the National Smart Metering Programme, covering customer protection measures which will apply as part of the roll out of smart meters. Notwithstanding this, it is important that we proceed with the review of the Supplier's Handbook based on the following considerations: (i) the need to deliver an improved regulatory framework aimed at ensuring continuous customer protection prior to the roll out of smart meters; (ii) provide adequate levels of protection to energy customers who will not be in the position to avail of smart meters at least for a period of time for several reasons and (iii) the aim of the review is to develop customer protection policies which will endure, insofar as possible, post the introduction of smart meters.

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1. Introduction

1.1 *The Commission for Energy Regulation*

The Commission for Energy Regulation (CER) is the independent body responsible for overseeing the regulation of electricity and gas sectors in Ireland. 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 Commission'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 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 *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 Utility Regulator (UR). The Commission is working to ensure that consumers benefit from regulation and the introduction of competition in the energy sector.

1.2 *Purpose of this paper*

The CER is consulting on the current requirements of the Supplier's Handbook. This consultation paper consults on:

- The current requirements, with a view to identifying necessary changes to reflect current market conditions and ensure regulatory consistency and clarity
- The introduction of additional requirements, reflecting market and legislative developments, findings of compliance audits and compliance monitoring activities, Consumer Surveys and preliminary engagement with relevant stakeholders. In addition, this paper proposes a set of specific regulatory measures which seek to strengthen the protection of vulnerable customers and customers who have opted for a PAYG meter.
- Open consultation questions, with a view to ascertaining whether regulatory measures are required to be introduced in specific areas of the customer-supplier relationship

1.3 Structure of this paper

The consultation questions cover the five Codes of Practice applicable to household customers and the last section containing three Codes of Practice applicable to non-household customers.

Section 2.0 presents a brief overview of CER's compliance monitoring activities, including legislation underpinning the CER's customer protection duties and the current framework for customer protection.

Section 3.0 outlines the objectives and background to the review of the Supplier's Handbook.

Section 4.0 consists of consultation questions mainly in relation to household customers, grouped under individual Codes of Practice and the Terms and Conditions section.

Section 5.0 presents conclusions and next steps.

1.4 Responding to this paper

Interested parties are invited to comment on the issues raised in this consultation paper by close of business on 19 April 2016.

In responding to this paper, respondents are asked to note the following:

- A mark-up version of the of the Supplier's Handbook reflecting the proposed amendments and new requirements has not been published with this consultation paper. Pending the assessment of submissions received, the CER will publish a revised version of the Supplier's Handbook at the next stage of the consultation process
- The numbering of sections in this consultation paper does not match the numbering of the sections in the Supplier's Handbook
- The introduction of some of the proposed regulatory measures may lead to a level of duplication with existing requirements. Pending comments received and decisions taken following the consultation process, the current Supplier's Handbook will be amended accordingly, with the level of duplication kept to the minimum and the clarity and consistency of final requirements preserved
- Proposed new requirements are written in blue

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- Proposed amendments to existing requirements are made by using the Track Changes option
- Unless otherwise specified, the proposed amendments and requirements apply to both bill pay and PAYG customers
- We recommend that respondents read the Explanation of Terms included in Annex 1

As responses will be published in full on the CER's website, respondents should include any confidential information in a separate annex. Submissions to this paper should be forwarded, preferably in electronic format, to:

Dana Paraschiv

Energy Retail Markets

Commission for Energy Regulation

The Exchange, Belgard Square North

Tallaght

Dublin 24

Telephone 01 4000 0800, Email dparaschiv@cer.ie

2. Overview of CER's compliance monitoring activities

2.1. Legislation

The CER has a statutory mandate underpinned by primary and secondary legislation to protect the interests of energy customers and promote competition in retail markets. The customer protection functions and duties have been expanded significantly by statutory instruments transposing EU Directives into Irish law and the introduction of new primary legislation. A summary of the key statutory instruments and associated powers conferred on the CER is presented below.

S.I. No. 452 of 2004 strengthens energy customers' rights by placing specific obligations on suppliers in relation to the content of Customer Charter and Terms and Conditions of Supply.

Under S.I. No. 60 of 2005, the CER is required to ensure that "there is a high standard of protection for final customers in their dealings with licensed suppliers" and that "licensed suppliers who supply household customers shall each, in a form approved by the Commission, develop, publish, adhere to and keep up to date a customer charter, in respect of household customers."

S.I. No. 463 of 2011 gives further legal effect to consumer protection provisions of Directive 2009/72/EC and 2009/73/EC by strengthening the powers of the CER and imposing specific obligations on electricity and gas suppliers in relation to protection of vulnerable customers.

CER's customer protection powers were extended by the implementation of S.I. No. 630 of 2011, which requires the CER to '*monitor the level and effectiveness of market opening and the development of competition in the supply of electricity*'. On foot of these activities, the CER may take any actions necessary to (i) *prevent a distortion or restriction of competition in the supply of electricity and gas to final customers, or (ii) ensure that final customers are benefiting from competition in the supply of electricity and gas*".

The Energy Efficiency Directive 2012/27 has been transposed into Irish legislation through S.I. No. 131 and S.I. No. 426 of 2014. Inter alia, legislative requirements stipulated in S.I. No. 426 of 2014 entitle energy customers to "*receive all their bills and*

billing information for energy consumption free of charge and that final customers also have access to their consumption data in an appropriate way and free of charge” (Section 7 Part 4) and provide for appropriate information to be “made available with the bill to provide final customers with a comprehensive account of current energy costs, in accordance with Annex VII and as required in the CER’s code of practice” (Section 6(c) Part 4).

2.2. The current regulatory framework for customer protection

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 core set of protections afforded to household and non-household customers through the current arrangements can be summarised as follows:

- The **Customer Protection condition** in the electricity and gas supply licences¹ binds suppliers to adhere to the requirements of the Supplier Handbook. Under these consumer protection conditions, suppliers are required to prepare and submit to the CER for its approval the Standard Terms and Conditions of Supply, Customer Charter and Codes of Practice for household customers.
- **Standard Terms and Conditions** must be approved by the CER, based on an assessment of compliance with the Supplier’s Handbook requirements
- Each supplier must have in place a **Customer Charter** for household customers approved by the CER and which has to adhere to the requirements as set out in the Supplier’s Handbook
- Each supplier must have in place Codes of Practice in respect of:
 - **Marketing and Sign Up:** protecting customers against unwanted, unfair or misleading marketing methods and which ensures that suppliers follow an appropriate procedure when signing up a new customer

¹ Condition 18 of the Electricity Supply Licence and Condition 21 of the Gas Supply Licence

- **Billing and Disconnection:** setting out their processes in relation to billing and disconnection. It will ensure that bills, scheduled or otherwise, are accurately calculated based actual or estimated reads; that bills are regular and prompt; that a choice of payment methods are provided; that bills contain specified information; and the processes that must be followed prior to disconnection (which shall be a last resort).
- **Complaint Handling:** setting out the Supplier's complaints handling process and commitments in a step by step easy to follow process.
- **Vulnerable Customers (household customers only):** ensuring that systems and processes are in place such that registered vulnerable customers are not disconnected during the set time periods; that customer who are as critically dependent on electricity are not be disconnected; that all registered vulnerable customers are on the most economic tariff available for their chosen payment method, and that communication options are in place for customers with additional requirements in that area.
- **PAYG:** ensuring that PAYG customers are appropriately informed; defining how debt may be recovered through prepayment vends; ensuring that PAYG service is suitable for the customer; provisions for "emergency credit".
- The CER approves the design, development and implementation of **market design rules** to support new market entry in both the electricity and gas retail markets. These include, inter alia, the Change of Supplier Process (CoS) as well as all surrounding information and data transfer processes in relation to meter readings, meter works, site details etc. These market rules and the associated processes form the retail market design and are managed through industry fora consisting of CER, energy suppliers and network companies. The CER has implemented these rules as part of a wider range of regulatory measures aimed at ensuring customer protection, facilitating market entry and preserving market integrity.

- The **market monitoring framework** requires suppliers to report on a wide range of indicators, including number of switches, number of customers defaulting on standard tariffs, diversity of contracts, customers in arrears, margins etc. This provides the CER with the required degree of oversight of market conditions to ensure that we can readily identify any market issues and take any necessary action in the interests of customers.

The CER currently employs several methods to monitor compliance with requirements placed on suppliers under the aforementioned compliance arrangements, including regular and ad-hoc audits, complaints investigations, continuous engagement with network companies, customer satisfaction surveys, assessment of energy suppliers' compliance statements and assessment of suppliers' submissions under reporting requirements.

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3.1 Overarching objectives of the review

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 increase level of competition but where there still exists a number of customers who do not engage with the market. The review is aimed at ensuring that the minimum service requirements imposed on energy suppliers provide adequate safeguards to energy customers in key areas including billing, marketing and sign up, disconnections, PAYG services, as well as protection of vulnerable customers and those in financial hardship.

Finally, it is important to ensure that the reviewed requirements of the Supplier's Handbook provide a fair and level playing field for energy suppliers and also retain the scope and incentive for suppliers to innovate and compete.

The ultimate outcome of the review is a more empowered energy customer, equipped with adequate levels of support and information to select the most competitive energy deals available in the market for their energy needs. In addition, we are mindful of energy customers who may miss on benefitting from competition due to lack of engagement with the energy markets and put forward a specific set of regulatory measures needed to safeguard the interests of these customers.

The overarching objectives of the review are presented below:

- Deliver a customer protection regulatory framework that is enduring in the face of as new market entries, the introduction of new energy deals, different marketing and advertising strategies and different business models
- Encourage energy customers to actively engage in the energy market. Improve awareness amongst customers of available offers and make it easier and more accessible for energy customers to make better choices over their electricity and gas supply by increasing the level of accuracy, accessibility and transparency of information presented by suppliers to customers

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- Ensure that there are no barriers to switching energy suppliers and that switching energy supplier is free, easy and accessible to all energy customers
- Ensure that energy customers are aware of the cooling off period and that their right to avail of this process is not fettered by suppliers' business practices
- Provide adequate levels of protection to customers who do not engage with the energy market
- Strengthen protection of vulnerable customers and customers facing financial difficulty
- Enhance regulatory clarity and consistency of current requirements
- Foster a level playing field for energy suppliers to promote competition and innovation for the benefit of customers

3.2 Context for the review

The review of the Supplier's Handbook takes into account a wide range of issues pertaining to the supplier-customer interaction arising from various sources, including legislative and competition developments, the findings of regular compliance audits and Customer Surveys and preliminary engagement with the energy industry and customer protection agencies. These sources are summarised below:

The Energy Efficiency Directive 2012 (Directive 2012/27/EU)

The Energy Efficiency Directive contains requirements on metering and billing for final customers and places obligations on energy suppliers and network companies with regard to easy and free access to data on consumption.

Compliance audits

The annual audit of compliance represents an essential element of CER's compliance monitoring activities. The findings of the following audits of compliance are of relevance in the context of the review of the Supplier's Handbook:

- Audit of Compliance with the Code of Practice on Disconnections for the Domestic Sector CER/13/248

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- Audit of Compliance with the Code of Practice on Marketing and Sign Up and the Code of Practice on Disconnections Information Note CER/15/087
- Audit of Compliance with the Code of Practice on Vulnerable Customers (an information note will be published in Q1 2016)

Industry workshop - PAYG lifestyle choice meters

In early 2015, the CER conducted a workshop on specific customer facing arrangements pertaining to the PAYG lifestyle choice area. The workshop focussed on gaps identified in the last audit and took on board feed-back received from industry in relation to the need to implement consistency across suppliers for certain key processes in the PAYG lifestyle choice area, such as supplier switching process, removal and installation of the PAYG meter and charges associated with PAYG meters and customer retention practices.

Industry workshop – Vulnerable Customers

A similar workshop was held in 2014, where suppliers were asked to submit detailed information in relation to their internal policies and procedures associated with the treatment of vulnerable customers, including but not limited to compliance with the requirements of the Code of Practice on Vulnerable Customers, S.I. 463 of 2011 and reconciliation of the number and type of vulnerable customers between suppliers and network companies' registers.

Customer Surveys

The annual Consumer Survey represents a key element of the CER's market monitoring activity and examines energy customers' attitudes and experiences in the domestic and SME gas and electricity retail market. The areas of relevance to the review of the Supplier's Handbook covered in the survey conducted in 2015 include:

- Level of engagement by customers with suppliers
- Knowledge of pricing, receipt of information on price changes, understanding of billing
- Awareness of the availability of registration as vulnerable customers

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Preliminary stakeholder engagement

The CER acknowledges the importance of developing proportionate obligations that protect energy customers and are clear, consistent and achievable for suppliers. The extent to which we consult with a wide range of stakeholders when developing new policy demonstrates our commitment to developing regulatory measures that are fair, transparent, inclusive and conducive of customers' trust in energy suppliers and the CER.

The CER commenced the stakeholder engagement process pertaining to the review of the Supplier's Handbook in Q2 of 2015, where energy suppliers and customer protection organisations, including Competition and Consumer Protection Commission, MABS, St Vincent de Paul, NDA, NCBI, Energy Action, were offered the opportunity to meet individually with the CER and subsequently submit both verbally and in writing their preliminary views on the key issues to be considered in the review of the Supplier's Handbook.

A summary of comments received during the preliminary stakeholder engagement is included in Annexes 2 and 3.

The wide ranging activities outlined above have identified a number of customer impacting issues pertaining mainly to the Codes of Practice on PAYG, Marketing and Sign Up and Vulnerable Customers. An overview of the key issues is presented below, under each Code of Practice:

Code of Practice on Marketing and Sign Up

- Further clarity and consistency on requirements relating to presentation of information on energy deals
- Additional regulatory measures to aid customers in understanding tariffs structure and energy offers and taking an informed decision when comparing energy offers
- Ensure accessibility and availability of information on energy tariffs
- Increased protection for energy customers in general and vulnerable customers in particular who are signed up by door to door or telesales agents

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- Outsourcing marketing and advertising functions to third parties / suppliers' representatives and monitoring compliance of these with the requirements of the Supplier's Handbook
- Clear and consistent requirements for win-back and retention activities
 - The number, frequency and format of contacts energy suppliers may make with customers who have expressed an intention to switch to another energy supplier
 - The content of communication that suppliers may send to customers who have expressed an intention to switch to another energy supplier (i.e. invoices together written win-back or retention offers)
 - Whether a PAYG lifestyle choice electricity supplier should be allowed to engage in retention activities prior to the release of the deactivation code (this issue is specific to PAYG electricity lifestyle choice customers).

Code of Practice on Billing and Disconnection

- Reflecting suppliers' legislative obligations arising from the Energy Efficiency Directive and CER Decisions Papers on green products and fuel mix disclosure
- Ensuring that the level and structure of deposits and early termination fees do not constitute a barrier to switching
- Consistent terminology across bills, statements, Terms and Conditions of Supply, schedule of tariffs etc.
- Increased transparency in respect of allocation of payments and transfer of debt between dual fuel accounts
- Further clarity on suppliers' obligations in respect of closing customer's bills
- Measures to strengthen the protection of customers in financial hardship

Code of Practice on Complaints Handling

- Implementation of CER decision on complaints submitted by energy customers

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Code of Practice on Vulnerable Customers

- Identification of vulnerable customers at sign up
- Availability and accessibility of Registration Forms
- Suitability of PAYG meters for vulnerable customers
- Self-disconnection of vulnerable customers on PAYG meters

Code of Practice on PAYG Metering and Budget Controllers

- Strengthen the regulatory framework for PAYG customers
- Potential barriers to switching caused by specifications of PAYG meters
- Compliance of energy statements with the requirements of the Energy Efficiency Directive 27/2012/EC for energy bills and billing information

Terms and Conditions of Supply

- Terms and Conditions that may dissuade customers from switching (such as request for period of notice prior to switching or structure of charges and termination fees)

These issues are addressed in detail under relevant sections of the Supplier's Handbook and reflected in the consultation paper through proposed amendments to current requirements, the introduction of proposed new requirements and consultation questions.

4.0 Consultation question

4.1 The introductory section

Summary

In its current format, the Supplier's Handbook is structured in three parts:

Part 1: the introductory section of the Supplier's Handbook, which comprises of generic requirements regarding, inter alia, availability and accessibility of the Codes of Practice and Customer Charter to customers, suppliers' obligations under the Universal Design legislation. The majority of these requirements apply to both household and non-household customers.

Part 2: this section applies to household customers and consists of a set of requirements that suppliers must adhere to in their dealings with domestic customers. These requirements are grouped under 5 individual codes of practice and a distinct section titled Terms and Conditions of Supply, as detailed below:

- Code of Practice on Marketing and Sign Up Marketing and Sign Up
- Code of Practice on Customer Billing and Disconnection
- Code of Practice on Complaints Handling
- Code of Practice Vulnerable Customers
- Code of Practice on Pay As You Go Metering and Budget Controllers
- Terms and Conditions of Supply for Household Customers

This part also contains additional requirements in relation to the Customer Charter and suppliers' obligation to prepare and submit specific documents to the CER for approval (i.e. Codes of Practice, Customer Charter, Terms and Conditions of Supply).

Part 3: this section applies to business customers and, similar to Part 2, consists of a set of requirements grouped under 3 codes of practice, as follows:

- Code of Practice on Marketing and Sign Up
- Code of Practice on Customer Billing and Disconnections
- Code of Practice on Complaints Handling

The consultation questions in the following section refer to Part 1 as detailed above.

Objective

One of the key objectives of the Supplier's Handbook is to ensure that customer protection requirements placed on suppliers are enduring in the face of new market entries, the introduction of new energy deals, different marketing and advertising strategies, or business models. Therefore, the CER considers that the Supplier's Handbook should consist of an adequate mix of prescriptive and non-prescriptive requirements, with a view to delivering a comprehensive customer protection framework and minimising the need for ongoing regulatory intervention.

Also, while acknowledging that energy suppliers are free to enter into commercial arrangements with various parties, it is the CER's view that customers should be afforded the same level of protection in all interactions with energy suppliers, regardless of whether they engage directly with suppliers or suppliers' representatives acting on behalf of suppliers and that the onus is on suppliers to ensure that these third parties / suppliers' representatives are required to comply with the relevant requirements of the Supplier's Handbook.

Issues for consultation

- i. **The relationship between the Supplier's Handbook and other retail market requirements** – the CER is seeking views on the introduction of a set of overarching principles with a general application to both domestic and business customers

The CER is cognisant that the requirements of the Supplier's Handbook may not encompass all obligations placed on licensed energy suppliers by existing customer protection legislation and that some consumer rights are specified in other pieces of legislation (such as the cooling off period, which is stipulated in the [European Union \(Consumer Information, Cancellation and Other Rights\) Regulations 2013 \(SI 484 of 2013\)](#)).

In addition, each instance of the customer-supplier interaction is different and therefore we are mindful that a document such as the Supplier's Handbook cannot account for every possible scenario that may arise between customers and energy suppliers.

The CER is proposing the introduction of overarching principles aimed at guiding the behaviour of licensed energy suppliers when interacting with customers, whether directly or indirectly. We are of the view that suppliers' adherence to these principles in the day to day running of their business will benefit both customers and suppliers and promote customer confidence in the retail energy market. It is intended that these principles are clear, achievable, robust, durable and sufficiently high level to allow energy suppliers to pursue their business purpose and models without the burden of additional obligations.

Application and enforcement – it is intended that these requirements, which we propose to insert in the Introduction section of the Supplier's Handbook, do not relate to any specific Code of Practice but rather have a general application to all facets of the customer-supplier relationship. Given the generality of these principles, the CER regards their application as being appropriate where the requirements of the Supplier's Handbook are not sufficient to address a specific situation / aspect of the customer-supplier relationship. While the CER does not intend to conduct audits on suppliers' compliance with these principles, we are minded to treat a breach of a principle as a breach of the Supplier's Handbook and deal with it according to the process in place at the time of the breach.

- ii. **Suppliers' representatives** – the CER is seeking views on the introduction of proposed requirements aimed at strengthening the customer protection framework for customers who deal with suppliers' representatives acting on behalf of energy suppliers.

In the 2014 audit, Compliance with the Code of Practice on Disconnections and Marketing and Sign Up, the CER examined during compliance audits suppliers' arrangements with third parties. Suppliers enter into arrangements with third parties, (for example sales agents or facilitators, debt collection agencies, accredited and unaccredited website providers etc.) for various purposes, including customer acquisition, debt collection, complaints handling, energy efficiency advice. Except in very limited circumstances, i.e. accredited price comparison websites, the CER has no

remit over these third parties and, therefore, the requirements of the Supplier's Handbook do not apply to them directly.

- iii. **Suppliers' obligation to bring the Codes of Practice to the attention of energy customers annually** – the CER is seeking views on the proposal to set out a minimum standard of compliance

In line with Section 1.7 of the Supplier's Handbook, energy suppliers are required to bring the Codes of Practice "to the attention of customers at least once a year and on sign up", the findings of the audit on compliance with the Code of Practice on Vulnerable Customers indicated that suppliers have adopted different practices in this regard: annual bill inserts, statement on energy bills, links to Codes of Practice displayed on their websites. It is the CER's view that by merely displaying links to the Codes of Practice on the website, suppliers do not fulfil their obligations arising from this requirement. The intent of this requirement is to ensure that customers receive unprompted information as to the existence and location of their supplier's Codes of Practice, at sign up and once per annum thereon after.

Proposals and consultation questions

- i. **The relationship between the Supplier's Handbook and other retail market requirements** – the CER is seeking views on the introduction of a set of overarching principles with a general application to both domestic and business customers

Principle 1 Compliance with retail market design rules and market monitoring requirements

Suppliers are required to comply with CER rules and requirements of the market monitoring framework and the central market design.

Principle 2 Compliance with customer protection legislation

Suppliers are required to ensure that the Codes of Practice, Customer Charter and Terms and Conditions of Supply are compliant with current customer protection legislation and CER decisions.

Principle 3 Fair, honest, transparent, reasonable and professional behaviour

Suppliers, their representatives, agents and any third parties with whom suppliers enter into commercial arrangements with or authorise to act on their behalf, are required to behave and conduct all customer impacting activities in a fair, honest, transparent appropriate, reasonable and professional manner. They should not exploit or seek to exploit customers' credulity, vulnerability or inexperience. Suppliers should not engage in any activity that would cast aspersion on or discredit their competitors.

Principle 4 Consistency of terminology

Suppliers are required to ensure and maintain consistency, accuracy, clarity and transparency of information across all means of written and oral communications with customers. This includes but is not limited to definitions, terms, words used in bills, statements, terms and conditions of supply, schedule of tariffs and charges, marketing and advertising material.

Principle 5 Internal systems, processes and procedures conducive to compliance with customer protection measures and adherence to the overarching principles

Suppliers should not implement internal systems, processes and procedures which will:

- i. Cause undue delay or add complexity to processes including but not limited to switching energy suppliers, cancellation of a switch during the cooling off period, refunding monies owed to customers, unduly complex complaints handling processes.
- ii. Unfairly discriminate between customers taking different services
- iii. Remove or limit the customer's ability to manage their own energy account. Suppliers are obligated to facilitate customers in financial difficulty to nominate a third party to represent them, including third parties such as MABS, recognised charity organisations or a Social Welfare representative. This represents an obligation placed on suppliers when dealing with customers in financial difficulty and also a right given to such customers in that particular context. This requirement should not be interpreted as giving suppliers the right to become or seek to become customers' nominated representatives in order to handle specific

energy related actions (i.e. switching supplier, cancelling a switch, availing of the cooling off period).

Principle 6 Minimise the extent of disconnections for non-payment of account and self-disconnections

Energy suppliers should conduct their business in such a way that minimises the number of self-disconnections and disconnections for non-payment of account and carry out disconnections for non-payment of account as a last resort².

Principle 7 Customer's nominated representative

Energy suppliers or their representatives may not represent customers in any matters arising from the supplier-customer relationship. Supplier's representative means any person or company directly or indirectly authorised to represent the supplier in its dealings with customers. This includes but is not limited to sales agents, debt collection agencies, customer service agencies etc.

Question 1

Respondents are invited to comment on the introduction of a set of overarching principles to govern the customer-supplier relationship. Should these principles apply to both household and non-household customers? Do you agree with the proposed requirements? What other requirements should be considered? Please outline reasons for agreement or disagreement.

- ii. **Suppliers' representatives** – the CER is seeking views on the introduction of proposed requirements aimed at strengthening the customer protection framework for customers who deal with suppliers' representatives acting on behalf of energy suppliers.

² We note that this requirement is already stipulated in Section 6.9.2 of the Code of Practice on Billing and Disconnection. It is proposed that this requirement is removed from Section 6.9.2 and will apply to all Codes of Practice.

Proposed requirement - Suppliers' Representatives

- i. A supplier's representative means any person or company directly or indirectly authorised or contracted to represent the supplier in its dealings with customers*
- ii. Where suppliers enter into any arrangements with third parties for activities that involve contact with energy customers (including but not limited to: marketing and advertising, customer acquisition, debt collection, complaints handling, energy efficiency advice), suppliers must ensure that the third parties adhere to the relevant requirements of the Supplier's Handbook. Any breaches of this code by a third party will be considered a breach by the Supplier represented by the errant third party.*
- iii. Suppliers must put in place and follow procedures which are appropriate for the selection and oversight of those who are employed or engaged in roles which might involve or will involve contact with customers for the purpose of activities as detailed at point i) above*
- iv. Suppliers must provide or procure appropriate training for all third parties who contact customers on their behalf for the purposes of activities as detailed at point i) above. This training should include, but not be limited to, training about suppliers' relevant obligations under the Supplier's Handbook.*
- v. Suppliers will ensure that as a minimum the training will:*
 - a) Take into account the knowledge and skills necessary to fulfil the role.*
 - b) Take into account changes in the energy market and to products/services, legislation and regulations.*
 - c) Provide training on the recognition and treatment of vulnerable consumers.*
 - d) Include defined monitoring procedures to ensure consistency of training delivery and compliance with the relevant requirements outlined in the Supplier's Handbook*
 - e) Be effective and up to date*
 - f) Contain details including but not limited to:*
 - The role of the CER*
 - Relevant terms and conditions of energy supply contracts*

- *Relevant principles of consumer protection law.*
- *Customer cancellation process.*
- *The procedure for handling customer complaints.*
- *The consequences of mis-selling or deliberately giving false information to a customer or any other such breach of relevant requirements of the Supplier's Handbook*

Question 2

Respondents are invited to comment on the proposed requirement. Do you agree with the proposed amendment? Please outline reasons for agreement and disagreement.

- iii. **Suppliers' obligation to bring the Codes of Practice to the attention of energy customers annually** – the CER is seeking views on the proposal to set out a minimum standard of compliance

We are proposing to amend the current requirement to introduce a minimum standard across all suppliers in respect of the method/s employed by suppliers to discharge this obligation.

"1.7 Copies of the Codes of Practice must be available to any person who requests them in an appropriate format and must be brought to the attention of customers with or on the energy bill or the energy statement/s at least once a year and on sign up".

Question 3

Respondents are invited to comment on the proposed amendment. Do you agree with the proposed amendment? Please outline reasons for agreement and disagreement.

Question 4

Respondents are invited to comment on whether the current requirements of the introductory section (i.e. Introduction, Application and Approval Process) require updating.

4.2 Supplier's Customer Charter

Summary

This section of the Supplier's Handbook requires suppliers to develop a Customer Charter for domestic customers, offering at least 5 set service guarantees arising from their Codes of Practice and setting out compensation and refund arrangements which apply if service guarantees are not met. Suppliers are required to submit their Customer Charter to the CER for approval.

Objective

The service guarantees mentioned above are an indication of suppliers' commitment to providing energy customers with a high quality service.

The main objective relevant to this area is to ensure that the legislative obligations placed on suppliers in SI 60 of 2005 relating to the Customer Charter are captured in the Supplier's Handbook.

Issues for consultation

In view of the fact that the legislative obligation to develop a Customer Charter is fully reflected in this section of the Supplier's Handbook and that suppliers' Customer Charters are approved by the CER, we do not consider necessary to introduce additional requirements in this section at this time.

Proposals and consultation questions

Respondents are invited to express their views on whether this section requires updating.

Question 5

Respondents are invited to comment on whether the current requirements of this section require updating. Should other requirements be considered for inclusion? Please provide arguments to substantiate your point of view.

4.3 Codes of Practice for Household Customers

The following sections seek respondents' view on proposals grouped under each code of practice for household customers.

4.3.1 Code of Practice on Marketing and Sign Up

Summary

The Marketing and Sign Up Code consists of requirements related to two major areas of customer-supplier interaction, namely (1) marketing and advertising activities and (2) the sign up process. The obligations included in this Code require suppliers and their agents to adopt a transparent and fair approach to the marketing of their products and services and to their customer acquisition practices. Suppliers are further obligated to ensure that the marketing material used is easy to understand, accurate, specifies clearly the product being marketed and the period it covers. The requirements pertaining to the Code of Practice on Marketing and Sign Up also cover presentation of information on promotions, presentation of information on tariffs, customer contact in person or via electronic communication (i.e. email, telephone) and customer sign up processes.

Objective

Customers who choose to engage with the market to benefit from competition are invariably faced with a variety of energy offers, presented by suppliers in various formats as part of their marketing campaigns. To select the offer that best suits their energy needs, customers need to be able to understand *and compare* offers and ultimately make an informed decision as to which offer is best for them. In addition, it is imperative that the customer sign up process is fair, transparent, honest and provides the customer with the key terms and conditions of the energy product they are signed up to.

In this context, the overarching objective of the requirements set out in the Marketing and Sign Up Code can be summarised as follows:

- Complete, accurate, clear and easy to understand information provided to customers. This applies to information presented to customers through marketing and advertising campaigns (i.e. advertisements for energy offers), as well as information presented to the customer at the point of sign up
- Enhance customers' awareness and understanding of the cooling off period and ensure that energy suppliers provide customers with an easily accessible cancellation process
- Increase customers' ability to understand and compare energy offers and the key terms and conditions of the product to which they sign up to
- Fair, and transparent sign up process

Issues for consultation relevant to marketing and advertising

The issues raised in this section have been identified through a range of compliance monitoring activities (such as compliance audits and consumer surveys) and engagement with various stakeholders. These issues are detailed in Section 3.2 Context for the Review. Given the large number of issues addressed in this section, we consider useful to group the proposed requirements and associated consultation questions under relevant headings, as follows:

- (i) **quality and accessibility of information provided by energy suppliers to customers** – the CER is seeking respondents' views on proposals aimed at simplifying customers' access to suppliers' tariffs and ensuring a high quality standard for the information provided by energy suppliers to customers through marketing and sign up material
- (ii) **presentation of information on marketing and advertising material** – the CER is seeking respondents' views on the introduction of minimum requirements for information contained in marketing material (such as brochures, leaflets, radio and TV advertisements)
- (iii) **increasing customers' ability to understand and compare energy offers** – the CER is seeking respondents' views on the introduction of specific requirements aimed at helping energy customers to compare energy offers

- (iv) **retention and win-back activities** – the CER is seeking respondents' views on the introduction of minimum standards for suppliers' retention and win-back activities

Proposals and consultation questions

- (i) **quality and accessibility of information provided by energy suppliers to customers**

Proposed requirement 1

"Suppliers must ensure that the information provided to customers either in writing or verbally through marketing and advertising campaigns is:

- a. complete, accurate, transparent and not misleading in terms of information that is provided and omitted*
- b. specifies clearly the offer / product being marketed*
- c. communicated in plain and accessible language*
- d. relates to the products or services which are appropriate to the customer to whom it is directed*
- e. fair in both term of its content and format of presentation"*

Question 6

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement? Please outline reasons for agreement and disagreement.

Proposed requirement 2

Currently, suppliers are required to *"publish all publically available tariffs for household customers on their website"*. While all suppliers adhere to this requirement, the CER is concerned that some tariff pages are more difficult to locate than others. In order to ensure that customers have rapid and easy access to this information, we are proposing to amend the current requirement as follows:

“Suppliers are required to publish all publically available tariffs for household customers on their website. Suppliers should ensure that the tariff page bears a self-explanatory title such as Current Tariffs, includes all publically available tariffs and is easily identifiable and accessible on the home page of their website”.

Question 7

Respondents are invited to comment on the proposed requirement. Do you agree with this requirement? Please outline reasons for agreement and disagreement.

Proposed requirement 3

We are proposing to introduce an additional requirement asking suppliers them to notify the accredited price comparison websites with regard to the launch of a new energy offer / product and changes in energy tariffs. The purpose of this requirement is to ensure that accredited price comparison websites receive this information in a timely manner so that it may be included in price comparison calculations.

“Suppliers are required to communicate changes in publically available tariffs and the launch of publically available energy offers to accredited price comparison websites. The notification should be sent in sufficient time to allow the accredited price comparison websites to include the changes in price comparison calculations in accordance with the principles of the accreditation framework for price comparison websites.”

Question 8

Respondents are invited to comment on the proposed requirement. Do you agree with these requirements? Please outline reasons for agreement and disagreement.

(ii) presentation of information on marketing and advertising material

Before we discuss the proposed requirements, we are asking respondents to note that throughout the following sections, we refer to “energy tariffs” and “energy offers” as distinct terms. The distinction between these terms is explained in Annex 1.

Having reviewed the current regulatory requirements related to the presentation of information on promotions (Sections 5.6.1 and 5.6.2 of the Suppliers' Handbook), we consider that the minimum level of information that suppliers are currently required to display on marketing and advertising material is not sufficient to enable energy customers to understand and compare energy offers.

We are asking respondents' views on the introduction of minimum requirements in terms of information that suppliers are required to include on marketing and advertising material, including but not limited to suppliers or suppliers' representatives website, brochures, leaflets, posters, banners, radio and TV ads etc. We have set out below a number of proposed requirements. Respondents are asked to note that some of the proposed requirements are already (partially) covered in the Supplier's Handbook.

Proposed requirement 1

- a) *Reference to all charges applicable to the offer (i.e. standing charge, prepayment charge) and where to access these charges*
- b) *The estimated average annual bill associated with that promotion based on CER estimated annual consumption figures, inclusive of energy related discounts, cash-back, refund of cash on customers' bills. This figure should be displayed on all advertising material, regardless of the means of dissemination.*
- c) *This figure should include all energy costs, together with PSO, carbon tax, VAT and all other applicable charges and levies. Non-energy related elements, such as loyalty points, vouchers, free or discounted services/products must not be included in this figure.*
- d) *Where the offer presents (information on) one element of the tariff (i.e. the unit rate or the standing charge), the offer must also present information on all the other components of the tariff. The information must be in the same font and size and presented in the same location*
- e) *Where the offer involves discounts or savings presented either in percentages or actual amount, the information must disclose how the discounts / savings apply*
- f) *The validity period for the offer*
- g) *Reference to early termination fees, where applicable*

h) Reference that T&Cs apply and how to access the T&Cs

The Supplier's Handbook already includes a requirement related to comparisons based on customers' actual annual consumption. This requirement is contained in Section 5.7.1 (h) Presentation of Information on Tariffs. However, we consider that some amendments are required to render this requirement adequate for application to comparison of energy offers/promotion. The proposed amendments are highlighted below:

Proposed requirement 2

"Any comparisons ~~between tariffs~~ must be based on the customer's actual annual consumption or ~~an~~ approved annual consumption figures and include all other applicable charges (i.e. variable and fixed charges, such as standing charges, prepayment charges, levies, taxes) and energy related discounts (such as cash backs or cash refunds) but exclusive of non-energy related elements (such as loyalty points, vouchers, free or discounted products or services). ~~the applicable fixed charges (standing charges/levies)~~. Any discounts that expire in less than one year should be identified in any comparison".

Question 9

Respondents are invited to comment on the proposed requirements. Do you agree with these requirements? Are there other requirements that we should consider for inclusion in this section? Please outline reasons for agreement and disagreement.

(iii) increasing customers' ability to understand and compare energy offers

Suppliers use a wide range of advertisement formats and very often some of these are based on comparisons between suppliers' tariffs or offers. For example, some advertisements include unequivocal statements such as: "cheaper/cheapest", "unbeatable dual fuel offer", "the best electricity offer on the market", which may have a strong impact on energy customers. Some of the features of an energy offer are energy related and should result in clear reductions on the amount that customers pay for their energy bills, i.e. cash back, once off discounts. Other features may not be energy related per se and their cash value may vary depending on the monetary value

attributed to them by suppliers, third parties or customers themselves (i.e. vouchers, loyalty points, products or services). This may cause difficulties to customers who engage with the market in terms of ability to understand such offers and compare them with their current energy bill in order to ascertain whether the advertised energy offers constitute a more suitable option for their energy needs.

Moreover, the findings of the Consumer Survey 2015 indicated, inter alia, that *"29% of electricity customers and 18% of gas customers state that they had a small degree or no understanding of offers"*.

The CER is asking respondents' views on a range of options to increase customers' ability to understand and compare energy bills:

a) Provide customers with a clear and easy to understand basis for undertaking comparisons between energy offers

We consider an appropriate basis to be the estimated annual average energy bill using CER estimated consumption figures³. By adopting this basis, statements claiming a leading positions (such as "cheapest/best/unbeatable) will have to be based on a comparison between the estimated annual average energy bills for all energy offers available on the market at the time when such a claim is made. This argument follows up on the proposed requirement detailed at point (ii) above, where we proposed that suppliers must include the estimated average annual bill associated with an energy offer/promotion based on CER estimated annual consumption figures when presenting information on marketing and advertising material.

Under this proposal it could be considered, for example, the option of asking suppliers to display the estimated annual average energy bill (plus non-quantifiable features such as loyalty points with a supplier's third party) in a prominent position on all marketing and advertising material.

In presenting this option, we acknowledge that the CER estimated consumption figures may not be representative for all customers' energy consumption patterns, however,

³ 5,300kWh per annum (electricity consumption) and 13,800 kWh per annum (natural gas consumption)

this will provide both suppliers and customers with a consistent basis for comparison of energy offers.

b) Simplifying the structure of the energy tariff

An underlying reason behind customers' inability to compare energy offers may be a poor understanding of the components which constitute the totality of the bill (i.e. the unit rate, the standing charge, the prepayment charge where applicable, the PSO/carbon tax, the VAT). An argument may be made that by reducing the number of components of the energy tariff may make comparison of energy offers easier. One example would be limiting the number of components of the energy tariff to two: a variable component, which depends on consumption, and a fixed component, which does not vary with consumption.

In presenting this proposal, we recognise the importance of balancing the average customer's need for simplicity, clarity and ability to understand and compare energy offers with the ensuring that the regulatory measures that we put in place do not hinder competition, tariff innovation and energy suppliers' ability in general to develop energy offers that may prompt customers to engage with the market.

c) Comparison with customers' own current energy plan

Under the proposed requirement, where presenting an energy offer, door to door and telephone sale agents would have to provide customers with a comparison based on their own current tariffs. We note that a similar requirement has been implemented by the Utility Regulator in Northern Ireland in respect of energy offers which claim to save money to customers.

Given the practicality challenges posed by this proposal, it may be considered that, where no information or adequate information is available, the door to door or sale agent will use CER approved estimated annual consumption figures.

Question 10

Respondents are invited to comment on the options put forward to increase customers' ability to understand and compare energy offers, as detailed at a), b) and c) above.

Do you have a preferred option or combination of options

What other options should we considered?

Please provide arguments to substantiate your viewpoint.

(iv) Requirements related to win-back and retention activities

As part of their marketing campaigns, suppliers may engage in retention or win-back activities, with a view to gaining back customers who have expressed their intention to switch or have already switched to another supplier. In general, suppliers become aware of customer's intention to switch to another supplier via an electronic communication (market message) received from the Meter Register System Operator (electricity market) or Gas Point Register Operator (gas market) in accordance with retail market design processes approved by the CER. Upon receipt of this notification, some suppliers engage in win-back and retention practices whereby they attempt to contact the customer with a view to offering a new energy plan that would prompt the customer to change his/her mind with regard to switching to another energy supplier. Typically, these attempts are initiated during the 14 days cooling off period, during which the customer has the right to change his/her mind and cancel the switch. These activities vary from supplier to supplier and may include phone calls, offers sent via post or email or domicile visits.

Below we are proposing a set of proposed requirements and consultation questions which seek to address the issues identified through the Audit of Compliance with the Marketing and Sign Up Code and the workshop on PAYG lifestyle choice meters. We are asking respondents to note that, unless otherwise specified, these proposed requirements apply to both bill pay and pre pay customers.

Proposed requirement 1

When engaging in win-back and retention activities suppliers must comply with the relevant requirements set out in the Code of Practice on Marketing and Sign Up.

Proposed requirement 2

When attempting to re-acquire a previous customer who is currently registered with another supplier, a supplier is required to treat this as a new sign up and adhere to all relevant requirements outlined in the sign up process.

Proposed requirement 3

When retaining a customer who has expressed an intention to switch to another supplier but has not yet initiated the switch, a supplier is required to adhere to all relevant requirements outlined in the sign up process.

Proposed requirement 4

This is in relation to the number, frequency and format of contacts an energy supplier may make with a customer who has expressed an intention to switch to another energy supplier. Suppliers have adopted different approaches in terms of format (including written letters, emails, telephone calls, unsolicited calls to customers' domicile or a combination of these), number of unsuccessful attempts, that is the number of times a supplier tries to contact a customers before communication is established between the parties (ranging from 2 to 8 attempts) and frequency of attempts to contact customers (from 2 days to 4 days between attempts).

We are asking respondents to comment on whether the CER should consider introducing specific regulatory measure to limit the number, frequency and format of attempts for win-back/retention purposes or consider a principle based approach, where regulations indicate how suppliers should treat customers as opposed to prescribing the number, frequency or format of these contact attempts. Another option would be to introduce regulations which combine the rule/prescriptive based and principle based approach. This option will include a prescriptive element, for example a maximum limit imposed on the number of telephone calls that suppliers are allowed to make as well as

a principle based element, where obligations are placed on suppliers in terms of the conduct adopted when engaging in retention / win back activities.

In light of the above arguments, we are inviting respondents to comment on the following questions:

Question 11

Respondents are invited to comment on the following questions:

- i. Do you think that specific customer protection measures should be introduced to limit the number, frequency and format of suppliers' attempts to contact a customer for retention /win-back activities? Should a principle based approach be used for customer protection purposes in this case or would a combination of principle and rule based be more appropriate?
- ii. Where a rule based approach is preferred, please comment on what is the most appropriate number, frequency and format of attempts to contact customers for retention/win-back purposes?

Proposed requirement 1

This is in relation to the provision of information to customers who have expressed an intention to switch to another energy supplier. Some suppliers, upon becoming aware that a customer wishes to switch to another energy supplier, present the retention/win-back offer together with the invoice that the customer would have to pay if the switch is completed. Typically, the retention/win-back offer consists of cash-back in return of signing up a new fixed term contract and the invoice is based on early termination or end of contract fees (such as removal of the PAYG meter). We are proposing to introduce a requirement aimed at ensuring that the information presented to customers who have expressed an intention to switch is accurate and consistent with the information provided to the customer at sign up.

"Suppliers must ensure that the information provided to customers who intend to terminate the contract of supply or have terminated the contract of supply is accurate, unambiguous and consistent with the information provided at sign up and presented in other relevant documents (such as suppliers' website)."

Question 12

Respondents are invited to comment on the proposed requirement. Do you agree with this requirement? Please outline reasons for agreement and disagreement.

Proposed requirement 2

This proposed requirement refers specifically to lifestyle electricity PAYG customers. We are asking respondents to note from the outset that due to technical specifications of the PAYG meter, customers who opt for a lifestyle choice electricity PAYG meter require a deactivation code if they want to switch electricity suppliers. Currently, this deactivation code is generated and issued by the current supplier, typically upon verbal request addressed by the customer who wishes to switch to another electricity supplier. In this situation, the customer is faced with having to consider retention/win-back energy offers from the current supplier while still awaiting the release of the deactivation code in order to complete the switch. This may be regarded as applying undue pressure on the customer and unfairly influencing his/her decision to proceed with the switch to another supplier. Another argument is that this approach leaves lifestyle electricity PAYG customers in a worse off position than bill-pay customers, as they do not require a deactivation code to complete the switch.

Question 13

We are inviting respondents to comment on whether specific regulatory measures are required to prevent PAYG lifestyle suppliers from combining the provision of the deactivation code with any retention or win-back activities. Please outline reasons for agreement and disagreement.

Question 14

Respondents are further invited to comment on whether we should consider additional requirements for inclusion in this section. What should these requirements address and what is the most appropriate wording for such requirements?

Issues for consultation pertaining to the customer sign up process

Similar to the issues relating to suppliers' marketing and advertising activities, the issues raised in this section have been identified through a range of compliance monitoring activities and engagement with the industry and relevant customer protection agencies. These issues are detailed in Section 3.1 Background to the Review. Given the large number of issues addressed in this section, we consider useful to group the proposed requirements and associated consultation questions in this section under relevant headings, as follows:

- (i) **Cooling off period** – the CER is seeking respondents' views on whether door-to-door selling agents should leave a Cancellation Form with customers upon completion of the sale
- (ii) **Doorstep checklist** – the CER is seeking respondents' views on the proposed amendments to the Door Step Checklist, aimed at increasing customers' understanding of the energy deal / product offered to them
- (iii) **Customer sign up process** – the CER is seeking respondents' views on the proposed amendments to the sign up process
- (iv) **Improve customer participation** – the CER is seeking respondents' views on proposals aimed at increasing customers' engagement in the energy markets

Proposals and consultation questions

Having reviewed the requirements for customer sign up in view of the customer rights Directive 2011/83/EU, we are proposing a number of new requirements which seek to ensure that customers are provided with sufficient information, in an appropriate format and timeline, to allow them to consider the terms and conditions of the energy product they are signing up to and also avail of the cooling off period.

(i) Cooling off period

The European Directive on consumer rights (Directive 2011/83/EU) applies to door to door sales of goods and services, including gas and electricity and is aimed at protecting customers in respect of purchasing goods and services away from business

premises. The Directive was incorporated into Irish law by the European Union (Consumer Information, Cancellation and Other Rights) Regulations 2013 (SI No. 484/2013) with effect from 13 June 2014.

The Directive stipulates, inter alia, that customers who purchased a service or products away from the business premises of the seller has a 14 days cooling off period, which entitles them to change their mind and cancel the purchase (unless the customer waives his/her right to the cooling off period by asking that the service begins immediately). Here we note the Competition and Consumer Protection Commission [requirement](#) in relation to the obligation to provide the customer with a cancellation form *"if a salesperson representing a tradesperson calls to your home (or workplace) uninvited, and if the goods you buy will cost you €50 or more, then you must be given a written cancellation form and a cancellation notice"*.

We are proposing to include an additional requirement in the Customer Sign Up process, which sees suppliers' door to door sales agents having to leave a cancellation form with the customer, together with the doorstep checklist, upon completion of the sales pitch. We believe that this will give customers more confidence in door to door sales and also make it easier for customers to avail of the cooling off period. The content and format of the Cancellation Form should be in line with relevant legislation on consumer rights.

Question 15

Respondents are invited to comment on the proposed requirement which will see suppliers' door to door sale agents having to leave a Cancellation Form with the customer, together with the Doorstep Checklist, upon completion of the sales pitch.

(ii) Doorstep checklist

In addition, we have brought some amendments to the requirements of the Doorstep Checklist, with a view to increasing the transparency of information contained therein. We view the Doorstep Checklist as a key document in the customer sign up process, as it gives the customer the opportunity to go through the most important aspects of the energy offer and the associated terms and conditions of supply.

We are cognisant that the proposed amendments see an increase in the number of questions that the door to door sale agents will have to actively confirm that customers understand prior to signing up for an energy offer. However, we need to ensure that customers are given sufficient information to enable them to make an informed decision and the customer-door to door agent interaction while going through the Doorstep Checklist is a very good opportunity for customers to be made aware of the most important aspects of the energy offer they wish to avail of.

In addition, and taken into consideration the differences between bill pay and pre pay energy offers (i.e. change of supply process, supply interruptions, associated charges etc.), we consider that the content of the Doorstep Checklist should reflect these differences and therefore propose that distinct Doorstep Checklists should be used, one for bill pay energy offers and one for prepay energy offers. The revised Doorstep Checklist for bill pay energy offers is included in Annex 4; the revised Doorstep Checklist for prepay energy offers is included in Annex 5. We are asking respondents to note that the rationale behind some of the proposed changes to Doorstep Checklist are explained further in the consultation paper, in the sections relating to the Code of Practice for Vulnerable Customers and the Code of Practice for PAYG Meters.

Question 16

Respondents are invited to comment on the proposed amendments to the Doorstep Checklists for bill pay and pre pay energy offers, as detailed in Annex 4, respectively 5. Do you agree with the suggested amendments? Please outline reasons for agreement and disagreement.

(iii) Customer Sign Up process

Having revised the current requirements placed on suppliers when signing up a customer, we are proposing amendments to the requirements set out in Section 5.8 Customer Sign Up of the Suppliers' Handbook. These amendments are outlined below:

"5.8.1 In addition to requirements set out above, when signing a customer up the supplier must:

- a) *Ensure that the customer understands which supplier they are opening an account with. Explain how the customer's existing account will be closed and the new account will be opened. Include an explanation that any remaining balance will be dealt with by the previous supplier, that existing payment arrangements may change and that if they are in receipt of free gas/electricity allowances the steps they will have to take to ensure their allowances continue.*
- b) *Confirm that the person opening the account has the authority to open an account at the premises in question. Suppliers and their representatives cannot be "nominated representatives" of the customers. Confirm that the person opening the account is to be the named account holder or is the nominated representative of the person to be the named account holder. A supplier may not open an account without the permission of the person who is to be the named account holder or their nominated representative.*
- c) *Where a joint account is to be opened, the supplier should confirm with any other named person on the account that they wish to be named as soon as possible after the initial account opening.*
- d) *Provide a simple method for customers to add a third party contact to their account.*
- e) *Go through products available and explain the charges associated with them, including but not limited to tariff components (such as unit rate, standing charge, and other fixed charges), early termination fees and, where applicable, deposit and any other charges related to the energy product / offer that the customer signs up to. The presentation of these charges must be in line with relevant requirements outlined in the Code of Practice on Marketing and Sign Up.*

e) f) Explain any discount associated with the chosen product and how this will be applied and duration for which it will apply.

f) g) Confirm that the customer understands that they are switching to a specified product with a specified payment method. Any difference in charges due to a particular payment method must be explained.

g) h) _____

h) i) Explain how the customer will be billed, including billing frequency and format. Explain how the customer can make payment against the bill and any budgeting options available.

i) j) Explain how long the contract applies for or whether the contract is evergreen. If the contract is for a fixed period of time, explain all charges that apply after the expiration of the fixed term contract. Explain any changes in tariffs after the expiration of the fixed term contract (for example, changes in the unit rate). Where changes in conditions are not known at the time of sign up, the customer must be informed in writing, by post or email, of these changes no less than 30 days in advance of their coming into effect.

~~j) k) Explain any deposit or charge associated with the product being chosen. Where appropriate, suppliers should make customers aware of any social arrangements available in relation to energy related matters (i.e. deposit) deposits e.g. through the Community Welfare Officer, etc.~~

~~k) l) Ensure that details of how a customer's account information may be used with respect to debt flagging is clearly set out on the sign up form and within the sign up process. Explain how a debt flag may be raised against the customer's account.~~

~~l) m) _____ Provide the customer with a copy of the terms and conditions of supply, contract and the rates that apply to the product they are signing up to. Where a customer is not provided with a copy of these documents at the point of sign up, key terms must be highlighted and explained to the customer and copies of these documents must be sent to the customer in a timeframe that allows the customer to consider their contract and still avail of any cooling off period that applies. The Terms and Conditions of Supply, contract of supply and all applicable charges~~

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must be sent to the customer in writing, by post or by email where not provided at sign up. -if they so wish.

~~m)n) Explain any penalty that may apply if the customer does not meet the terms of the contract~~

~~n)o) Provide the customer with details of any cooling off period that applies and how to go about cancelling their request to switch supplier within that cooling off period (in line with existing legislation).~~

~~p) Refer the customer to the suppliers' Code of Practice and explain how to access these Codes.~~

~~q) In addition to the above, where the sale is completed by a door-to-door agent, the customer must be provided with written information on all charges applicable to the energy offer that the customer is signed up to, together with a Cancellation Form and the Doorstep Checklist.~~

~~r) Where a door-to-door sale has been completed, suppliers must retain records in auditable format for no less than 12 months of material evidence related to the sale, including but not limited to: schedule of charges, any documents signed by the customer (such as customer agreement forms), the brochure presenting the energy product / offer that the customer was signed up to, any comparisons made with other tariffs.~~

Additional sign-up requirements applicable to customers who are signed-up to a PAYG meter, both financial hardship and life-style choice. These requirements are in addition to the requirements outlined above:

a) Provide information related to any action / interaction that the customer needs to undertake / perform to enable the completion of the Change of Supply (for example obtaining a deactivation code, password, giving a specific period of notice)

a)b) Provide adequate and sufficient information in plain and accessible language on the use of the emergency credit, friendly credit, the period when the supply of energy will not be cut off, what happens at low credit, conditions under which disconnection will occur.

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b)c) When signing up a vulnerable customer

- i. a clear statement of the regulatory measures that the CER has put in place to ensure protection of vulnerable customers from disconnection for non-payment of account
- ii. a clear statement of the customer's understanding that they are no longer protected by these measures after the installation of a PAYG meter
- iii. clear and easy to understand information on the use of the emergency credit, friendly credit, period when the supply of energy will not be cut off, what happens at low credit, conditions, conditions under which disconnection would occur

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Question 17

Respondents are invited to comment on the proposed amendments to Section 5.8 of the Customer Sign Up. Do you agree with the proposed amendments? Please outline reasons for agreement and disagreement.

(iv) Improve customer participation

In deregulated energy markets, there are still customers who have never switched or switched only once and that there are specific groups of customers less likely to actively engage with the market to benefit from competition or competitive offers. In relation to this, it may be said that customers who have been on the same tariff or a non-discounted tariff for a prolonged period of time may be considered as possible indicator of non-engagement with the market.

One of the main objectives of this review is to increase energy customers' engagement in the market so that they can benefit from competition, either by switching to a new energy supplier or securing a better energy deal with their current supplier. In this context, we note the findings from the [2015 CER Consumer Survey](#), which indicate, inter alia, that:

- *Awareness of the offers currently on the market is low across both electricity and gas domestic markets, with circa half of the domestic respondents claiming not to be aware of any offers such as unit price*

discounts for fixed term contracts, percentage reductions, and loyalty scheme benefits

- *The typical behaviour by both electricity and gas customers is to automatically continue on with their supplier when the initial 12 month contract has expired, especially if they have not switched in past 12 months (58% for electricity and 47% for gas).*

We are asking respondents' views on a number of options aimed at improving awareness amongst customers that they do have a choice and what exercising this choice may mean for them and also protect the interests of energy customers who do not engage with the competitive market.

a) Notice before the expiry of a fixed term contract

Under current requirements (10.2.1 (f)) of the Supplier's Handbook, when the customer is signed up to a fixed term contract *"this must be highlighted to the customer and the terms and conditions must set out what arrangements will be put in place for the customer on the expiration of that term"*. Typically, these arrangements consist of customers being "rolled over" on a standard unit rate, which is higher than the discounted unit rate. In this context, it is safe to say that customers may not remember the expiry date of these contracts and may benefit from a reminder from their current supplier that their current energy deal is approaching the expiry date (for example 30 to 45 days), as this may prompt them to re-engage with the energy market to seek a new competitive energy offer. In commenting on this option, the respondents are invited to express their views on the most appropriate informational content of this notice which may include, for example:

- the date when the fixed term contract is due to expire
- the charges (i.e. unit rate, standing charge etc.) which will apply after the expiry of the fixed term contract
- the estimated difference in Euro amount between the previous average annual bill and the next average annual bill based on past year consumption

- reference to the fact that no early termination fees apply if they wish to switch to another supplier after the expiry date of the fixed term contract
- additional information on the availability of electricity / gas supply offers and how they may obtain information about such offers/plans

b) Annual prompt

Under this option, customers who have been on the same tariff or a non-discounted tariff for at least 3 years on an annual basis will receive an "annual prompt" (i.e. a written notification from their current supplier). As with the option at point a) above, respondents are invited to comment on the content of the "annual prompt", which may include, for example:

- information on the availability of electricity / gas supply offers and how they may obtain information about such offers/plans
- the estimated difference in Euro amount between the previous annual bill and next annual bill based on past year consumption and cheapest current energy tariff available from the current supplier
- reference to the fact that no early termination fees apply if they wish to switch to another supplier after the expiry date of the fixed term contract
- Details about the accredited price comparison web sites
- Details the customer will require to make a switch

c) Availability of energy offers to existing customers

Under this option, all energy deals offered by one supplier will be available equally to potential customers as well as its existing customers. This option may be regarded as akin to introducing a tariff non-discrimination requirement on energy suppliers.

In commenting on this option, we are asking respondents to consider the following:

- The impact of such an option on the development of competition in deregulated energy markets and whether the imposition of such requirement may remove the incentive for customers to exercise choice and curtail the need among suppliers to offer better value for money

- The sufficiency of the combined measures implemented by the CER through customer protection initiatives and market monitoring aimed at protecting customers who do not engage with the market

d) Passing on discounts associated with billing format and method of payment

The CER notes that some customers may be supplied under a fixed term contract which includes, inter alia, discounts for billing format (i.e. e-billing) , payment method (i.e. direct debit) and a discounted unit rate. Upon the expiry of the fixed term contract, the customer is rolled on to the supplier's standard unit rate and *some* suppliers discontinue the discounts for the method of payment and billing format where the customer continues to pay by direct debit and receive an e-billing.

Under this option, customers who continue to pay by direct debit and receive an e-billing will continue to benefit from discounts associated with these conditions.

In providing views on this option, we are asking respondents to take into account the following:

- The tariff structure and level and format of discounts vary amongst suppliers, where some suppliers allocate distinct discounts for the method of payment and billing format (i.e. x% off the standard unit rate for direct debit and y% off the standard unit rate for e-billing) and others allocate a once-off discount off the standard unit rate.
- One of the requirements of the Third Package (Directives 72/2009/EC and 73/2009/EC) obligates suppliers to offer *"a wide choice of payment methods, which do not unduly discriminate between customers and "any difference in terms and conditions shall reflect the costs to the supplier of the different payment systems"*.

Question 18

Respondents are invited to comment on the above options to improve customer participation and protect customers who do not engage with the market.

Do you have a preferred option or combination of options?

What other options should we consider to maximise market participation?

What other options should we considered to protect customers who do not engage with the energy markets?

Please provide a rationale to substantiate your view point.

4.3.2. Code of Practice on Customer Billing and Disconnections

Summary

The Code of Practice on Billing and Disconnections sets out specific obligations that energy suppliers must adhere to in respect of billing and disconnection of household energy customers. The Code of Practice on Billing places specific obligations on suppliers regarding, inter alia, presentation of information on bills and closing of energy accounts. In accordance with the Code of Practice on Disconnections, suppliers are required to offer customers assistance in managing their bills and treat disconnections for non-payment of account as the last resort. Suppliers are further required to follow strict requirements in terms of minimum number of notifications to customers prior to disconnection and the content of the disconnection notice.

Objectives

Billing is a key area of interaction between energy customers and suppliers. The main objective of an energy bill is to provide information to the consumer about the quantity of energy that has been consumed during a specific period and the amount due for payment. Suppliers may use the energy bill, or the energy statement in the case of prepaid energy, for several other purposes, such as providing customers with useful information regarding making complaints, dealing with arrears, reference to Codes of Practice, energy efficiency, comparisons of current energy consumption with the amount of energy consumed during the same period in the previous year. The energy bill has become an important tool for customers to understand energy consumption and tariffs and make certain decisions based on the information contained in the energy bill, such as whether to shop around for a better energy offer.

Suppliers' obligations in respect of the information contained in the energy bill and provision of information to customers on energy consumption are also set out in legislation (Part 4 of S.I. 426, which transposed the Energy Efficiency Directive 27/2012/EC into Irish law). In this context, the main objectives of the Billing Code of Practice may be summarised as follows:

- Customers receive prompt and regular scheduled energy bills / statements and avail of a choice of billing formats and payment methods, including but not limited to cash payment and paper billing
- Suppliers use an approved methodology for estimation of energy consumed where actual consumption data is not available
- The information contained on the energy bill / statement provides customers with clear and accurate explanation as to how their bill was derived
- The information contained on the energy bills / statement complies with relevant legislative requirements

The Code of Practice on Billing and Disconnection also sets out specific processes that suppliers are required to adhere to when dealing with customers in arrears due to genuine financial hardship, including disconnection procedures.

In relation to disconnections for non-payment of account, the key objectives of the code include:

- Ensuring that suppliers conduct their supply business in a manner that minimises the number of disconnections for non-payment of account
- Ensuring that suppliers implement a reasonable escalation process which will be followed prior to any request to disconnect the customer for non-payment of account

Issues for consultation pertaining to billing

The issues for consultation highlighted in this section have been identified through a series of activities undertaken by the CER, including annual audits, consumer surveys, stakeholder engagement and market monitoring activities. These issues are detailed in Section 3.1, Background to the Review. Given the high number of issues addressed under this Code, we have grouped the proposed requirements and associated consultation questions under relevant headings, as follows:

- (i) **Obligations arising from the Energy Efficiency Directive 27/2012/EU** - the CER is seeking respondents' views on how to reflect the legislative

requirements arising from the Energy Efficiency Directive in the relevant sections of the Code of Practice on Billing and Disconnection

- (ii) **Obligations arising from CER decisions that impact on the content of the information to be included on the energy bill / energy statement** - the CER is seeking comments on how to reflect the decision to show the rolling twelve months consumption figures on energy bills / statement in the relevant sections of the Code of Practice on Billing and Disconnection
- (iii) **Energy and non-energy related charges** - the CER is seeking comments on whether minimum regulatory measures are required in respect of the format and level of energy and non-energy related charges (such as deposit and fees levied on customers at the end of service)
- (iv) **Consistency, completeness, accessibility and transparency of information presented on energy bills and energy statements** – the CER is seeking comments on proposals aimed at increasing the level of transparency of information presented on energy bills / statements

Proposals and consultation questions

- (i) **Obligations on energy suppliers arising from the Energy Efficiency Directive 2012/27/EU**

Part 4 of S.I. 426 of 2014, which transposed the Energy Efficiency Directive 27/2012/EC into Irish Law, sets out obligations on energy suppliers to ensure that:

- “(a) to the extent that information on the energy billing and historical consumption of final customers is available, it be made available, at the request of the final customer, to an energy service provider designated by the final customer;*
- (b) final customers are offered the option of electronic billing information and bills and that they receive, on request, a clear and understandable explanation of how their bill was derived, especially where bills are not based on actual consumption;*
- (c) appropriate information is made available with the bill to provide final customers with a comprehensive account of current energy costs, in accordance with Annex VII and as required in the CER’s code of practice;*

(d) at the request of the final customer, the information contained in these bills shall not be considered to constitute a request for payment. In such cases, the CER shall ensure that suppliers of energy sources offer flexible arrangements for actual payments;

(e) information and estimates for energy costs are provided to consumers on demand in a timely manner and in an easily understandable format enabling consumers to compare deals on a like-for-like basis”.

In addition, S.I. 426 of 2014 stipulates that *“final customers receive all their bills and billing information for energy consumption free of charge and that final customers also have access to their consumption data in an appropriate way and free of charge”.*

Annex VII of the Energy Efficiency Directive 2012/27/EU sets out minimum requirements for billing and billing information, as follows:

1.1. Billing based on actual consumption

In order to enable final customers to regulate their own energy consumption, billing should take place on the basis of actual consumption at least once a year, and billing information should be made available at least quarterly, on request or where the consumers have opted to receive electronic billing or else twice yearly. Gas used only for cooking purposes may be exempted from this requirement.

1.2. Minimum information contained in the bill

Member States shall ensure that, where appropriate, the following information is made available to final customers in clear and understandable terms in or with their bills, contracts, transactions, and receipts at distribution stations:

(a) current actual prices and actual consumption of energy;

(b) comparisons of the final customer's current energy consumption with consumption for the same period in the previous year, preferably in graphic form;

(c) contact information for final customers' organisations, energy agencies or similar bodies, including website addresses, from which information may be obtained on available energy efficiency improvement measures, comparative end-user profiles and objective technical specifications for energy-using equipment.

In addition, wherever possible and useful, Member States shall ensure that comparisons with an average normalised or benchmarked final customer in the same

user category are made available to final customers in clear and understandable terms, in, with or signposted to within, their bills, contracts, transactions, and receipts at distribution stations.

1.3. Advice on energy efficiency accompanying bills and other feedback to final customers

When sending contracts and contract changes, and in the bills customers receive or through websites addressing individual customers, energy distributors, distribution system operators and retail energy sales companies shall inform their customers in a clear and understandable manner of contact information for independent consumer advice centres, energy agencies or similar institutions, including their internet addresses, where they can obtain advice on available energy efficiency measures, benchmark profiles for their energy consumption and technical specifications of energy using appliances that can serve to reduce the consumption of these appliances.

In this context, we note that in the Decision Paper CER/11/057 Customer Protection in the Deregulated Energy Markets, the CER decided that rolling twelve months consumption figures are to be provided on the back of customers' energy bills.

Proposed requirement 1

"Suppliers are required to ensure that final customers receive all their bills and billing information for energy consumption free of charge and that final customers also have access to their consumption data in an appropriate way and free of charge".

Proposed requirement 2

"Suppliers are required to provide the following minimum information in or with the bills/billing information for energy consumption:

- i. Current actual prices and actual consumption of energy;*
- ii. Comparisons of final customers' current consumption with consumption in the previous billing intervals (at least the same period in the previous year), preferably in a graphic form;*

iii. *Contact information for organisations where final customers can find more information (e.g. on techniques/technologies to save energy, comparative end-users profiles, etc.);*

iv. *Where possible and useful, comparisons with an average normalised or benchmarked final customer in the same user category”*

Proposed requirement 3

“Suppliers are required to inform their customers in a clear and understandable manner of contact information for independent consumer advice organisations where they can obtain appropriate objective and impartial advice on available energy efficiency measures, benchmark profiles for their energy consumption and technical specifications of energy powered appliances that can serve to reduce the consumption of these appliances. Suppliers are required to provide their customers with this information when sending Terms and Conditions of Supply, changes to the Terms and Conditions of Supply, on energy bills and websites.”

Proposed requirement 4

Having reviewed Section 6.1.7 of the Code of Practice on Billing and Disconnection, we are proposing amendments aimed at enhancing clarity and consistency of the requirement.

“Suppliers must provide a choice of billing formats to customers, which must include paper billing. Suppliers must provide a choice of payment methods, which must include cash payment. Where there is a difference in terms and conditions specific to each billing or payment format, such difference shall reflect the costs to the supplier of the different payment offers. Where a supplier offers electronic billing to customers, a customer must opt into this type of billing format unless specified at sign up in the supplier's terms and conditions of supply”.

Proposed requirement 5

Having reviewed sections 6.6.3 and 6.6.5 of the Code of Practice on Billing and Disconnection, we are proposing specific amendments aimed mainly at ensuring that

the requirements reflect suppliers' obligation to provide customers with bills and billing information free of charge. The proposed amendments are outlined below:

*"6.6.3 A supplier may request a closing meter read from a customer in order to close their account. However, a supplier may not keep a customer's account open billing the customer **indefinitely** for continued consumption where the customer has made contact to close their account but has been unable to provide a meter reading. The Supplier shall not levy any charges or penalties where the customer is unable to provide meter readings. The supplier should put in place a process for addressing this which may include following their normal procedure for properties with no registered occupant or actively engaging with the customer until a satisfactory outcome is reached before closing the account."*

"6.6.5 Where a customer has switched supplier or closed their account the final closing bill or statement will be issued not later than six weeks from the effective date of the change of supplier or account close taking place. The final bill/statement shall include information about any credit due to the customer and how this will be refunded. Any credit due to the customer should be refunded no later than 2 months from the date when the account was closed by the customer. The refund method must be reasonable, transparent and free of charge. Where a replacement meter reading is issued to the supplier after the final bill has been issued, this will be dealt with as an exception to this requirement."

Question 19

Respondents are invited to comment on the proposed new requirements and amendments to current requirements. Do you agree with the introduction of these requirements and the proposed phrasing? Please outline reasons for agreement and disagreement.

(ii) Obligations on energy suppliers arising from CER decisions that impact on the content of the information to be included on the energy bill / energy statement.

The Decision Paper CER/15/205 Regulation of Green Source Products in the Electricity Retail Market sets out the CER's decision with regard to the regulation of green source products in the electricity retail market. In that paper, the CER decided, inter alia, that additional information as to a customer's own fuel mix will not be placed on the bill but will be available through the supplier's website, telephone service and, by request, in hard copy. It was further decided that all suppliers who offer green source products will have to make changes to the energy bills or statements to reflect this decision. In addition, the decision paper notes that the requirement will remain on suppliers that information on promotional materials regarding fuel-mix and associated environmental impact information should use the same basic format as that required to be made available in or with bills to final customers.

We are proposing to introduce the following requirement in this section to reflect the decision outlined in CER/15/205 as well as SEM/11/095, which requires energy suppliers to publish their fuel mix figures on customer bills on an aggregate basis:

Proposed requirement 1

"Suppliers are required to present information related to their fuel mix figures and green source products on energy bills and other means of communication with customers in accordance with relevant CER decisions and guidelines".

Question 20

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement and the proposed phrasing? Please outline reasons for agreement and disagreement.

(iii) Energy and non-energy related charges

Deposit

The Supplier's Handbook sets out clear obligations on suppliers to '*explain any deposit or charge associated with the product being chosen*' (Section 5.8(l) of the Marketing and Sign Up Code) and how the refund of the deposit (Section 6.3.4 of the Customer Billing and Disconnection Code).

In line with own credit control policies, suppliers may request customers to pay a deposit in situations such as sign up and reconnection. In practice, suppliers may choose not to request a deposit where, for example, customers opt to pay by direct debit or have opted to avail of a PAYG meter. Currently, the Supplier's Handbook does not contain specific requirements regarding the amount of money that suppliers may request customers to pay as deposit and therefore the deposit that customers may be asked to pay varies from supplier to supplier, depending on their credit control policies.

We consider that additional requirements should be introduced to ensure that customers are treated fairly and the amount requested by suppliers as deposit is reasonable and does not constitute a barrier to customers availing of a preferred energy tariff.

Question 21

Respondents are invited to comment on the following:

- i. Are additional requirements needed to regulate the amount that suppliers request customers to pay as security deposit for sign up or reconnection? Should these requirements be based on a specific model/formula or guidelines issued by the CER?
- ii. Should customers who opt to avail of a PAYG meter be required to pay a smaller security deposit or any security deposit at all?
- iii. Are there are other issues that we need to consider in relation to the security deposit?

Fees applicable during and at the end of the energy supply contract

Part of the energy supply service, suppliers may charge a range of fees, including:

- Early termination fees, where customers decide to switch energy suppliers while supplied under a fixed term contract. This varies from supplier to supplier and may be a fixed amount per annum or it may depend on the number of days remaining in the contract.
- An additional fixed charges (such as prepayment charge) in addition to the unit rate and standing charge
- Meter replacement charge
- Keypad replacement charge
- Meter removal charge

In giving these examples, we note that:

- Some of these charges may not be incurred in certain circumstances (for example, where the customer makes arrangements for the removal of the PAYG meter after switching to another energy supplier)
- Suppliers are required to bring all applicable charges to the attention of the customer before sign up and a breach of this requirement will lead to an increase in the cooling off period to up to 12 months, which gives the customer the right to cancel the contract without incurring any penalties.

The CER is of the firm view that suppliers must bring all charges related to the supply of energy, whether applicable during the service or at the termination of contract, to the attention of customers at sign up, so that the customer can make an informed decision with regard to whether a specific energy offer / product suits their energy needs. Furthermore, suppliers must ensure that these charges / fees are accurate, transparent and presented in a manner consistent with other relevant documents (such as bills or energy statements, schedule of charges, terms and conditions of supply).

Proposed requirement 1

Suppliers are required to ensure that all charges relevant to the supply of energy, applicable during and at the termination of the energy supply contract, are brought to the attention of the customer in writing, by post or email, at sign up. These charges must be presented in a manner consistent with other relevant documents (such as energy bills / statement, schedule of charges, terms and conditions of supply).

Question 22

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement and the proposed phrasing? Please outline reasons for agreement and disagreement.

(iv) Consistency, completeness and transparency of information presented on energy bills and energy statements

Consistency of terminology on energy bills and energy statements

In accordance to Section 6.4.1 *"information is required to be presented on bills under the same names as presented in tariff schedules"*. We are of the view that this requirement merits rephrasing in order to provide greater clarity to the actual meaning and intent of the rule. Under this obligation, suppliers must ensure that the definitions, terms, names, word, terminology etc. used in the Terms and Conditions of Supply, including schedules of tariffs and charges, are the same as presented on the bill. The intent of this rule is to provide customers with clear, transparent and consistent information on all documents that they may have to refer to from time to time, such as bills, notices, Terms and Conditions of Supply.

Furthermore, in accordance with this rule, we expect suppliers to ensure that the words used to identify a charge are given their literary meaning, for example: meter removal fee means a fee to remove the meter and cannot mean a fee to replace or repair the meter. In view of the above, we are proposing to rephrase this requirement as follows:

Proposed requirement 1

“Suppliers are required to ensure and maintain consistency, clarity and transparency of information in energy bills / statements, terms and conditions of supply, schedules of tariffs and charges”.

Question 23

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement and the proposed phrasing? Please outline reasons for agreement and disagreement.

Dual fuel billing

The audit of compliance with the Code of Practice on Disconnections for Domestic Customer (Information Note CER/15/087) found instances of non-compliance in relation to transfer of debt between dual fuel accounts and information provided on disconnection notices to dual fuel customers. Having reviewed the current requirements outlined in section 6.5.4, the CER considers that additional regulatory measures and amendments to existing ones are required to increase the level of transparency of information that suppliers are required to provide to dual fuel customers. The proposed amendments and new requirements are set out below:

Proposed requirement 2

“6.5.4 Where a supplier offers a dual fuel account, it must be clear to the customer how payment is allocated against the account for gas and/or electricity. The supplier must make it clear to the customer how their account will be managed in the event that the customer does not pay their bill in full. This will, as a minimum, include

- i. How any part-payments will be allocated and, specifically whether they will be allocated against a specific fuel or against an overall balance on the account. How payments are allocated should be set out clearly on sign up and shown on the customer's account statement.*
- ii. If applicable, how any transfer of arrears between accounts will be carried out*

6.5.5 *In the event of non-payment or part-payment and where the supplier has commenced the disconnection process, all relevant requirements set out in the Code of Practice on Customer Billing and Disconnection must be followed in relation to each of the fuels on the account.*

6.5.6 *Where the account is operated based on a single balance rather than separate accounts, with separate disconnection processes, and the supplier has commenced the disconnection process, the customer must be given the opportunity to nominate the fuel against which they are to be disconnected first. This should be in writing and should be included at the minimum in the number of attempts that suppliers are required to make in writing in order to contact the customer during the disconnection process, in line with Section 6.11.2 (a) of the Code of Practice on Customer Billing and Disconnection.*

Question 24

Respondents are invited to comment on the proposed amendments and new regulatory measures. Do you agree with the introduction of these amendments and new regulatory measures? Please outline reasons for agreement and disagreement.

Question 25

Respondents are further invited to comment on whether we should consider additional requirements for inclusion in this section. What should these requirements address and what is the most appropriate wording for such requirements?

Issues for consultation pertaining to disconnection for non-payment of account

- (i) **Guidelines/minimum requirements in respect of customers' ability to pay** - the CER is seeking respondents' views on whether minimum requirements or guidelines should be issued for suppliers to ensure that they take the customer's ability to pay into account when agreeing debt repayment arrangements

Proposals and consultation questions

- (i) **Customers' ability to pay**

Section 6.8.2 of the Billing and Disconnection Code requires suppliers to *"take account of the customer's ability to pay when agreeing any repayment arrangement, by credit or prepayment meter and confirm with the customer that arrangements are manageable"*.

We note here that Ofgem published "[Key principles for taking ability to pay into account](#)" (2010) that energy suppliers are required to adhere to ensure that they actively and effectively take customer's ability to pay into consideration in setting debt repayment arrangements.

In the context of customer's ability to pay, we would like to highlight the following examples:

- The potential difference in treatment of customers in financial hardship that may arise where the installation of a PAYG meter for financial hardship may not be possible.

Suppliers are required to assist energy customers in genuine financial hardship in making a payment plan for the repayment of the debt and also offer these customers the option of having a PAYG meter installed as a tool to manage debt prior to disconnecting the customer for non-payment of account.

Under current regulations, a maximum of 25% of a single vend under a PAYG service may be attributed to debt recovery. However, in some cases, the installation of the PAYG meter is not possible for various reasons, such as: the customer may not be able or capable of using a PAYG meter, the customer may not have the authorised permission to have a PAYG meter installed on the premises, or the installation of the PAYG meter may not be technically feasible. In these situations, suppliers seek to

agree a repayment plan with the customer for the recovery of monies owed. Given that suppliers assess customers in arrears on a case-by-case basis according to each customer's circumstances, the repayment arrangements (i.e. the frequency and size of the repayment) may vary from customer to customer. It may be argued that customers who avail of a PAYG meter to manage their debt benefit of a certain level of stability afforded by the debt recovery rate (i.e. 25% of each top up) and will not lose supply as long as they continue to top up. On the other hand, customers who cannot avail of a PAYG meter to manage their debt may be under pressure to agree repayment arrangements with their supplier which are beyond their financial capability to honour and ultimately break these agreements, which may result in loss of supply.

- The appropriateness of suppliers requesting customers in arrears to make an upfront payment of a portion of the debt prior to the installation of a PAYG meter for financial hardship

We note that some suppliers seek to recoup a portion of the debt in a once off payment in cases where the customer agreed to the installation of a PAYG meter as a debt recovery tool. In this context, we are asking respondents to give us their view on whether guidelines or minimum requirements should be introduced to ensure consistency across suppliers for taking customers' ability to pay into account when setting debt repayment arrangements. An example of such guidelines would be:

- Maximum 25% of the monthly bill allocated to repay outstanding debt
- Customers not having to pay a portion of the outstanding amount when they agree to the installation of a PAYG meter

Question 26

Respondents are invited to comment on whether principles, guidelines or regulatory measures are required for suppliers to comply with to ensure that they take customer's ability to pay into consideration in setting debt repayment arrangements. If yes, what should such requirements include? Please outline reasons for agreement and disagreement.

Question 27

Respondents are invited to comment on whether the current requirements of this section require updating. Should other requirements be considered for inclusion? Please provide arguments to substantiate your point of view.

4.3.3 Code of Practice on Complaint Handling

Summary

Under the requirements outlined in the Code of Practice on Complaint Handling, energy suppliers are required to provide customers with an easy process to deal with their complaints. In addition, the Code sets out the minimum level of information suppliers must include in their Codes of Practice on Complaint Handling. S.I. 463 of 2011 mandates the CER to provide energy customers with a dispute resolution process to resolve customers' complaints about suppliers

Objectives

The main objective of the Code of Practice on Complaint Handling is to ensure that the minimum standards that suppliers are required to adhere to are adequate and sufficient to deliver a transparent and inexpensive complaint handling process for energy customers.

Issues for consultation

- (i) **Monitoring of implementation of CER adjudications of complaints** – the CER is seeking respondents' views on the introduction of a timeframe for the implementation of CER decisions to complaint resolutions

Proposals and consultation questions

Under S.I. 463 of 2011, the CER is mandated to provide energy customers with a dispute resolution process to resolve customers' complaints about suppliers. The CER communicates the outcome of complaints resolutions to customers and suppliers, together with an instruction to implement the decision and associated timelines. The proposed additional requirement places an obligation on energy suppliers to respond to the CER decision within 3 weeks of the date of the decision, confirming that the decision has been implemented. The proposed requirement is reflected below:

Proposed requirement 1

"Suppliers are required to respond to the CER decision to a complaint resolution within three weeks from the date of the decision confirming that the CER decision has been implemented".

Question 28

Do you agree with the proposed requirement? Please outline reasons for agreement and disagreement.

Question 29

Respondents are invited to comment on whether the current requirements of this Code necessitate updating. Are there additional requirements that we should consider for inclusion? Please provide reasons to substantiate your view point.

4.3.4 Code of Practice on Vulnerable Customers

Summary

The Code of Practice for Vulnerable Customers sets out requirements that suppliers must adhere to when dealing with vulnerable customers⁴.

In line with legislative requirements stemming from this statutory instrument, the CER has implemented strict regulatory measures for suppliers as well as network companies to protect vulnerable customers who have financial difficulties in paying their energy bills. According to these obligations, *“customers registered as critically dependent on electricity (as set out in a) above) may not be disconnected for non-payment of account. Customers registered as particularly vulnerable to disconnection during winter months (as set out in b above) may not be disconnected for non-payment of account in winter months (1st November – 31st March)”*. These requirements are reflected in Section 8.3 General of the Code of Practice on Vulnerable Customers.

Section 8.4 sets out requirements in relation to collection of vulnerable customers data by suppliers and the obligation to *“maintain a priority services register for customers who are registered under (a) above and a special services register for customers who are registered under (b) above. Suppliers must also record the customer’s vulnerable status in the central database held by the Gas Point Registration Operator or the Meter registration System Operator”*.

Under requirements detailed in Section 8.5, suppliers are obligated *“to put in place alternative communication formats for customers who have additional requirements not catered for within Universal Design”*.

⁴ A vulnerable customer is defined in [SI 463 of 2011](#) as *“a household customer who is—(a) critically dependent on electrically powered equipment, which shall include but is not limited to life protecting devices, assistive technologies to support independent living and medical equipment, or (b) particularly vulnerable to disconnection during winter months for reasons of advanced age or physical, sensory, intellectual or mental health”*.

Objectives

The CER has a statutory obligation to ensure that *"the specific needs of vulnerable customers are taken into account in— (a) the provision of its own services to household customers, and (b) coming to any decision or determination which impacts on household customers."*⁵

The objectives of the Vulnerable Customers Code of Practice may be summarised as follows:

- Raise awareness amongst customers of the possibility to register as a vulnerable customer on the Priority Services Register or the Special Services Register and suppliers' Code of Practice on Vulnerable Customers
- Ensure that suppliers have implemented adequate and sufficient processes to allow for the identification and registration of vulnerable customers on the appropriate register in line with legislative requirements
- Protect vulnerable customers against disconnection for non-payment of account in accordance with relevant legislative requirements
- Ensure that customers with additional communication needs (for example, visually or hearing impaired) avail of alternative means of communication
- Provide vulnerable customers with an easy method to register a third party on their account
- Ensure that vulnerable customers are afforded additional care and consideration when signed up to energy products / offers

Issues for consultation

The list of issues addressed in this section reflect feed-back from customer protection agencies submitted during the preliminary stakeholder engagement, the outcome of a Vulnerable Customers workshop held by the CER with the industry and suppliers in 2014 and the Audit of Compliance with the Code of Practice on Vulnerable Customers conducted in 2015. The issues for consultation are grouped under the following headings:

⁵ Section 3 Consumer Protection Obligations, S.I. 463 of 2011

- (i) **Identification of vulnerable customers at sign up** – the CER is seeking respondents' comments on the introduction of proposed regulatory measures to ensure that suppliers actively seek to identify vulnerable customers during the sign up process
- (ii) **Additional requirements for sign up of vulnerable customers** – the CER is seeking respondents' comments on whether specific requirements are required for the sign up of vulnerable customers, in addition to the existing and proposed requirements set out in the Code of Practice on Marketing and Sign Up
- (iii) **Registration forms** – the CER is seeking respondents' comments on the content and format of forms used to identify and register vulnerable customers
- (iv) **Change in the type of vulnerability** – the CER is seeking respondents' comments on whether specific regulatory measures should be introduced to ascertain the appropriateness of registration
- (v) **Vulnerable customers on PAYG meters** (both financial hardship and life style choice) – the CER is seeking respondents' comments on the introduction of additional regulatory measures to enhance protection of vulnerable customers who have agreed to the installation of a PAYG meter
 - Suitability of PAYG meters for vulnerable customers
 - Monitoring of non-vends for vulnerable customers
 - Change in category of vulnerability

Proposals and consultation questions

(i) Identification of vulnerable customers at sign up

SI 463 of 2011 obligates energy suppliers to *“take reasonable steps to identify household customers who should be included on a Priority Services or Special Services Register”*.

The findings of the Audit of Compliance with the Code of Practice on Vulnerable Customers (conducted in 2015) indicated that suppliers have adopted different practices to the measures taken to identify vulnerable customers at sign up, such as:

- Including *specific questions* at the sign up stage (i.e. online sign up process, telephone scripts, Customer Agreement Forms) aimed at ascertaining whether the customer is eligible to register on the Priority Services Register or the Special Services Register
- sending Vulnerable Customers registration forms with the Terms and Conditions of Supply
- a combination of both practices

Having assessed the variation in suppliers' methods applied to identify vulnerable customers at sign up, the CER considers it appropriate to introduce minimum requirements in relation to the identification of vulnerable customers. In this regard we have already proposed to introduce an additional question in the Doorstep Checklist for both bill pay and prepay energy offers. This will see door to door sales agents having to confirm whether the customer is eligible to register as a vulnerable customer. In addition to this, we are proposing the following minimum requirements to identify vulnerable customers. We consider that the proposed requirements as outlined below will increase awareness of the Vulnerable Customers Code of Practice amongst energy customers and also ensure that vulnerable customers are identified at sign up as well as after sign up.

Proposed requirement 1

Suppliers are required to take reasonable steps to identify customers who are eligible to register as vulnerable customers. This, at the minimum, should include the following:

- i. Ensure that appropriate and relevant questions and information are included on all written and oral communications provided to customers at sign up, included but not limited to sign up / registration forms, telephone scripts, online sign up facilities, welcome packages, customer agreement forms etc. Suppliers are required to ensure that the information and questions provided to customers in relation to eligibility for registration as vulnerable customers is in accordance with relevant legislative requirements and instructions issued by the CER.*

- ii. *Ensure that a specific reference to the Vulnerable Customers Code of Practice is included on or with **each energy bill and/or statement** sent to customers and on the suppliers' website*

Question 30

Do you agree with the proposed requirements? Are there additional requirements that we should consider for inclusion here? Please outline reasons for agreement and disagreement.

(ii) Additional requirements for sign up of vulnerable customers

In the review of the Marketing and Sign Up Code, we proposed amendments to current requirements, the content of the Doorstep Checklist and the introduction of new requirements with regard to the customer sign up process, aimed at increasing customers' understanding of the energy deal / product offered to them. In this context, we note that some suppliers have implemented quality control processes, whereby phone calls are made to all customers aged 66 or over within the cooling off period, to ascertain whether the customer is satisfied with the sign up process and the product they signed up to.

Question 31

Respondents are invited to comment on whether additional requirements should be introduced for the sign up of vulnerable customers. If yes, what should these requirements provide for? Please outline reasons for agreement and disagreement.

(iii) Registration forms

Currently, suppliers are required to use two separate forms for the registration of customers on the Priority Services Register or the Special Services Register. A template for each of these forms is provided in Annex B of the Supplier's Handbook. The key aim of the registration forms is two-fold: (a) provide customers with adequate information regarding types of vulnerability and electrically powered medical equipment

and (b) enable suppliers to register customers accordingly on either or both registers, as mentioned above.

Firstly, the CER is seeking respondents' views on whether two forms are necessary to achieve this purpose or the same can be achieved by using one form.

Question 32

Respondents are invited to comment on whether it is appropriate to use one registration form for the identification and registration of vulnerable customers, as required under S.I. 463 of 2011. Please outline reasons for agreement and disagreement. Respondents are further invited to comment on whether a standardised registration form or forms should be developed and used by all suppliers for the identification and registration of vulnerable customers.

Secondly, the CER is proposing to introduce a requirement aimed at ensuring that the content and format of the registration form/s reflect the legislative requirements as set out in S.I. 463 of 2011.

Proposed requirement 1:

"Suppliers must ensure that the registration form / s used for the registration and identification of vulnerable customers comply with relevant legislative requirements and CER instructions."

Question 33

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement and the proposed phrasing? Please outline reasons for agreement and disagreement.

Lastly, we are proposing to introduce a requirement aimed at increasing the level of accessibility and availability of registration forms to vulnerable customers. Under the proposed requirement, suppliers must ensure that the process that vulnerable customers must follow to receive, complete and return completed registration is easy and free of charge.

Proposed requirement 2

Suppliers are required to provide customers with an easy and free of charge process for registration as vulnerable customers. At the minimum, suppliers must ensure that customers have a free and easy way to access, receive, complete and return registration forms.

Question 34

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of this requirement and the proposed phrasing? Please outline reasons for agreement and disagreement.

(iv) Change in the type of vulnerability

Due to various reasons, such as the passage of time, it is possible for changes to occur in the status of a vulnerable customer. For example, an elderly customer registered on the Special Services Register for reason of age may, in time, require electrically powered equipment. In this case, the customer is also eligible to register on the Priority Services Register. The findings of the 2014 Audit of Compliance with the Code of Practice for Vulnerable Customers indicated that one supplier intends to implement a process whereby written notifications are sent to vulnerable customers to verify if they are on the appropriate register.

Question 35

Respondents are invited to comment on whether additional requirements should be introduced to ascertain the status of vulnerable customers and ensure that they are registered on the appropriate register. If yes, what should these requirements provide for? Please outline reasons for agreement and disagreement.

(v) Vulnerable customers on PAYG meters (both financial hardship and life style choice)

Suitability of PAYG meters for vulnerable customers at sign up and post sign up

As stated previously, customers may avail of a PAYG meter either as a debt management tool, for debt recovery purposes, or as a personal choice. It is possible that vulnerable customers may agree to the installation of a PAYG meter in either of these scenarios. In this case, a vulnerable customer is no longer covered by the protection measures against disconnection for non-payment of account put in place by the CER due to the potential for self-disconnection when credit runs out.

To protect customers in general and vulnerable customers in particular, the CER set out regulatory measures⁶ obligating suppliers to *“assess the suitability of prepayment meters/budget controllers for a given customers (especially customers who may be vulnerable or have an impairment which could impact on their ability to use the technology)”*. The Audit of Compliance with the Code of Practice on Vulnerable Customers examined suppliers' processes and procedures implemented to fulfil their obligations under this requirement. The findings of this audit, which will be published in Q1 of 2016, indicated, inter alia, that suppliers have adopted different approaches to assessing the suitability of PAYG meters for vulnerable customers. In light of this, the CER is seeking respondents' views on whether guidelines / principles are required to ensure consistency in the criteria used by suppliers to determine whether a PAYG meter is appropriate for use by customers registered as vulnerable.

Question 36

Respondents are invited to comment on whether principles, guidelines or regulatory measures are required to ensure consistency in the criteria used by suppliers to assess suitability of PAYG meters for vulnerable customers.

⁶ Section 9.3.2 of the Code of Practice on Pay As You Go Metering

As stated at point (iv) above, it is possible that changes occur in the type of vulnerability for a vulnerable customer. Some changes, such as the customer being critically dependent on electrically powered equipment, may render a PAYG meter unsuitable for use. In addition to existing and proposed requirements aimed at increasing customers' awareness of suppliers' Code of Practice for Vulnerable Customers, the CER is seeking respondents' views on whether specific regulatory measures should be introduced to enhance protection of those vulnerable customers for whom a PAYG meter may no longer be safe to use. One such regulatory measure would be a requirement on energy suppliers to establish a system of communication with vulnerable customers on PAYG meters, where measured and considerate attempts are made to ascertain whether the PAYG meter is still suitable to use.

In developing such guidelines or regulatory measures, it is important to balance two objectives: not to restrict choice to vulnerable customers, including their ability to avail of a PAYG meter as a way to manage bills and minimise the impact of self-disconnection where vulnerable customers are protected under legislation (i.e. protection against disconnection for non-payment of account).

Question 37

Respondents are invited to comment on whether specific regulatory measures should be introduced to ensure **continuous** assessment of suitability of PAYG meters for vulnerable customers (i.e. post sign up). What should these regulatory measures involve? Please outline reasons for agreement and disagreement.

Self-disconnection of vulnerable customers on PAYG meters

The CER is mindful that there can be occasions where no vends are recorded at a premises due to the fact that the customer residing at these premises may not have sufficient funds to buy gas or electricity top-ups. To increase the level of protection of vulnerable customers who may also face financial difficulties, the CER is proposing to introduce additional rules aimed at ensuring that suppliers implement an adequate process of communication, where active, sustained and genuine efforts are made to

offer appropriate assistance to vulnerable customers who may not have sufficient funds to buy gas and electricity top-ups.

Proposed requirement 1

Suppliers are required to implement an adequate and effective process of communication with vulnerable customers who do not top-up regularly. Suppliers are further required to take reasonable steps to establish communication with these customers, through written and non-written notifications (such as letter, email, SMS, telephone calls). The written notifications must provide customers, at the minimum, with information on how to access emergency credit and contact details for recognised support agencies (such as MABS, the Department of Social Protection, recognised charities).

Question 38

Respondents are invited to comment on the proposed requirement. Do you agree with the introduction of such a requirement? Is the requirement formulated appropriately? Please outline reasons for agreement and disagreement.

Question 39

Respondents are invited to comment on whether the current requirements of this Code necessitate updating. Are there additional requirements that we should consider for inclusion? Please provide reasons to substantiate your view point.

4.3.5 Code of Practice on PAYG Metering and Budget Controllers

Summary

The Code of Practice on PAYG Meters outlines obligations placed on suppliers in relation to the treatment of energy customers who opt to have a PAYG meter installed, for financial hardship and life style choice. It includes, inter alia, minimum information requirements that suppliers must include in their Codes of Practice on PAYG Meters, such as: information on how to operate the PAYG meter and purchase top ups or access emergency credit, frequency of energy statements, maximum debt recovery rate and credit refund policies.

Objectives

The main objective of the Code of Practice on PAYG Meters is to deliver an adequate and efficient protection framework for PAYG customers. In this context, the guiding principle underpinning this objective is to ensure that the characteristics of prepaid energy, the specifications of the PAYG meter and suppliers' PAYG terms and conditions do not constitute barriers to switching and do not leave PAYG customers in a worse off position than bill pay customers

Issues for consultation

- (i) **Potential barriers to switching** – the CER is asking respondents' views on whether certain specifications of the PAYG meter may cause undue delay or add complexity to the change of supply process.
- (ii) **Energy statements** – the CER is seeking respondents' comments on proposed requirements aimed at aligning the content and frequency of energy statements for PAYG customers with those for bill pay customers, in accordance with the requirements of the Energy Efficiency Directive 27/2012/EC for bills and billing information.

Proposals and consultation questions

(i) Potential barrier to switching

Under this heading we would like to address the issue of the deactivation code – this is specific to lifestyle electricity PAYG customers. Due to technical specifications of the PAYG meter, life style electricity PAYG customers require a deactivation code if they want to switch electricity suppliers. The deactivation code is released upon request by the supplier the customer is moving away from.

The deactivation code

As stated previously, customers who avail of an electricity lifestyle choice PAYG meter require a code in order to switch electricity suppliers. Currently, this deactivation code is generated and issued by the current supplier, typically upon verbal request addressed by the customer who wishes to switch to another electricity supplier. In this scenario, the customer depends on the current supplier to facilitate the switching process by releasing the deactivation code. An argument may be made that this leaves lifestyle electricity PAYG customers in a worse off position than bill-pay customers, who do not require a deactivation code or any interaction with the current supplier to complete the switch. Furthermore, it may be argued that, in some cases, customers may be left open to unfair treatment by the current supplier, who may delay the release of the deactivation code. We have partially addressed this issue in the review of the Marketing and Sign Up Code (see proposals and consultation questions in Section 4.3.1). In addition, we are further proposing the introduction of three requirements, one requiring suppliers to introduce further relevant information in their Code of Practice for PAYG Meters; the others two requirements relate to the format and timing of the release of the deactivation code. The proposed requirements are outlined below:

Proposed requirement 1

"9.2.1 Suppliers must provide the following information to customers, at the minimum at sign up and in the Terms and Conditions of Supply:

Where applicable, clear and transparent explanation about any actions/interactions that the customer /customer's representative and /or the supplier/their representatives are required to initiate/effect/perform/undertake in order to complete the switch to another energy supplier and how to retrieve relevant information for these actions/interactions".

Question 40

Do you agree with the introduction of the proposed requirement? Please outline reasons for agreement and disagreement.

Proposed requirement 2

Typically, suppliers become aware of a (PAYG) customer's intention to switch to another supplier via a market message (electronic communication similar to an email) forwarded by the MRSO / GPRO as part of a suit of market messages sent during the change of supply process. Suppliers may not release the deactivation code until they manage to establish communication with the customer and present the retention/win-back offer, which may cause delays in the completion of the switching process. It is the CER's view that the delayed release or withholding of the deactivation code constitute a barrier to switching and may dissuade customers from completing the switch. This, in turn, has a negative impact on customers' ability to engage with the competitive market and on their trust in energy suppliers. We are minded, therefore, to impose strict obligations on suppliers to compel them to release the deactivation code in a specified and auditable timeframe and format. This, in our opinion, is best achieved by linking the release of the deactivation code to the receipt of a specific market message sent to the supplier by the MRSO during the change of supply process. This will provide clarity to both customers and suppliers as to the timeframe for the release of the deactivation code and provide the CER with an accurate and verifiable base for monitoring suppliers' compliance with relevant requirements. We are minded to develop a market process which will link the release of the deactivation code, or indeed any other

action/interaction that suppliers must take to enable customers to complete the switch to another energy supplier, to the current design of the retail electricity market. It is further proposed that this document is integrated into the current retail market design through appropriate channels.

"Where applicable, suppliers must undertake/conduct/perform any action/interaction necessary to enable the completion of the Change of Supply process in line with relevant market design processes associated with this requirement. Suppliers are further required to record and maintain auditable evidence in respect of such actions / interactions and retain such evidence for a period of at least 12 months. Such action / interaction must be separate and distinct from any win-back / retention marketing activities.

Question 41

Do you agree with the introduction of the proposed requirement and the associated method of implementation as outlined above? Please outline reasons for agreement and disagreement.

(ii) Energy statements

Typically, PAYG customers do not receive bills as they prepay for electricity and/or gas. Under existing requirements, suppliers are required to issue a statement to PAYG customers detailing the customer's annual consumption and top-up payments (i.e. vends) at least once per year. Notwithstanding the fact that an energy bill and an energy statement are distinct documents with distinct purposes, it is the CER's view that PAYG customers are entitled to receive billing information of the same quality and frequency as bill pay customers. The minimum requirements for billing and billing information set out in Annex VII of the Energy Efficiency Directive 27/2012/EC must be provided to all energy customers, regardless of the whether they are bill pay or prepay customers. Furthermore, the Energy Efficiency Directive 27/2012/EC states that *"billing information should be made available at least quarterly, on request or where the consumers have opted to receive electronic billing or else twice yearly"*. To reflect the legislative

requirements of the Energy Efficiency Directive in the Code of Practice on PAYG Meters, we are proposing to amend section 9.2.1 (c) as follows:

"c) The frequency and content of statements or bills which the supplier will issue. This must include a statement, at least quarterly, on request or where the customer has opted for to receive electronic billing, or else twice yearly, least annually, in relation to the customer's consumption and payments made. Suppliers are required to ensure that the content of energy statements / energy bills sent to PAYG customers comply with the minimum requirements for billing and billing information as set out in the Code of Practice for Billing and Disconnection and relevant legislation.

Question 42

Do you agree with the introduction of the proposed requirement? Please outline reasons for agreement and disagreement.

Question 43

Respondents are invited to comment on whether the current requirements of this Code necessitate updating. Are there additional requirements that we should consider for inclusion? Please provide reasons to substantiate your view point.

4.4 Terms and Conditions of Supply for Household Customers

Summary

This section of the Supplier's Handbook sets out requirements in the form of minimum level of information that suppliers must include in their Terms and Conditions of Supply.

Objective

The requirements set out in this section play a key role in ensuring that customers are provided with clear and comprehensive information regarding the terms and conditions of energy supply.

Issues for consultation

- (i) **Deemed contracts** - the CER is asking respondents to comment on the most appropriate way to reflect the CER decisions in respect of deemed contracts in the Terms and Conditions of Supply section
- (ii) **Customer notification** – the CER is asking respondents' views on proposals aimed at ensuring that customers receive notifications for changes in terms and conditions of supply through appropriate means of communication
- (iii) **Period of notice** – the CER is asking respondents' views on proposals aimed at ensuring that suppliers' Terms and Conditions of Supply do not include clauses that deter customers from switching

Proposals and consultation questions

(i) Deemed contracts

Decision Paper [CER/14/779](#) sets out the CER's decisions in respect of deemed contracts in gas and electricity markets. Relevant decisions outlined in that paper were transposed into legislation through a statutory instrument ([S.I. 603 of 2015](#)). The intent of the proposed requirements outlined below is to reflect suppliers' obligations arising from the aforementioned decision paper and SI 603 of 2015 in the Terms and Conditions section of the Supplier's Handbook.

Proposed requirement 1

"Suppliers are required to include a separate section dealing with Deemed Contracts in their Terms and Conditions of Supply. At the minimum, this section should include the following information:

- a. The definition of deemed contract*
- b. A statement of the rights and obligations of customers supplied under a deemed contract*
- c. A statement that customers supplied under a deemed contract are free to enter into a contract of supply with the current supplier or with another supplier*
- d. The charges applicable under a deemed contract*

Question 44

Do you agree with the introduction of the proposed requirement? Are there other requirements that we should consider for inclusion in this section? Please outline reasons for agreement and disagreement.

(ii) Customer notification

In line with requirements set out in Section 10.2.1 h) and i), suppliers are obligated to include in their Terms and Conditions of Supply information regarding the means by which the customer will be notified of any change in *"terms and conditions of supply, including 30 days notice in advance of those changes taking effect and the existence of the right of withdrawal where there is a material change to the terms and conditions"* and in *"tariffs, including 30 days notice in advance of those changes taking effect"*. In order to bring regulatory clarity to the above requirements and ensure that customers receive notifications related to changes in terms and conditions of supply in a timely and appropriate fashion, we are proposing to bring the following amendments:

"h) the means by which the customer will be notified of any change in terms and conditions of supply, including 30 days notice in advance of those changes taking effect

and the existence of the right of withdrawal where there is a material change to the terms and conditions. *Notifications must be in writing, either by post or by email*";

"i) the means by which the customer will be notified of any change in tariff, including 30 days notice in advance of those changes taking effect unless the customer has signed up for a more flexible arrangement. *Notifications must be in writing, either by post or by email.*"

Question 45

Do you agree with the introduction of the proposed requirement? Are there other requirements that we should consider for inclusion in this section? Please outline reasons for agreement and disagreement.

(iii) Period of notice

The CER notes that some suppliers require customers to provide notice in writing prior to switching, regardless of whether customers are in a fixed term contract. In accordance with legislation, energy customers are entitled to a free and easy switching process. Therefore, it is the CER's view that suppliers' terms and conditions of supply should not include clauses that would add complexity or unnecessary delay to the switching process. This view is reflected in proposed requirement 5 in Section 4.1. In addition, the CER is proposing to introduce the following requirement:

Proposed requirement 1

Suppliers must ensure that the terms and conditions of supply do not cause undue delay or add complexity to processes including but not limited to switching energy suppliers, cancellation of a switch during the cooling off period, refunding monies owed to customers, unduly complex complaints handling processes.

Question 46

Do you agree with the introduction of the proposed requirement? Please outline reasons for agreement and disagreement.

Question 47

Respondents are invited to comment on whether there other requirements that we should consider for inclusion in this section? Please provide rationale to substantiate your view point.

4.5 Consultation questions on the requirements of the Supplier's Handbook for suppliers to non-household customers

Summary

The last section of the Supplier's Handbook sets out requirements that suppliers are required to adhere to in their dealings with non-household customers. This section comprises 3 Codes of Practice, as follows: Code of Practice on Marketing and Sign Up, Code of Practice on Billing and Disconnection and Code of Practice on Complaints Handling.

Objective

The CER has a statutory mandate underpinned by primary and secondary legislation to protect the interests of energy customers, both residential and commercial. The objectives outlined in relation to each code of practice for residential customers are generally applicable to commercial customers. In this context, the CER is mindful that small and medium businesses often display similar behaviour in terms of interaction with energy suppliers and engagement with energy markets as domestic customers.

Issues for consultation

Given the similarities between the requirements contained in the codes of practice for non-household customers and those related to household customers, we have not reiterated the consultation questions for household customers in this section. Pending responses received to the consultation paper, the CER will reflect new or amended requirements in the Codes of Practice for non-household customers and incorporate them in the revised version of the Supplier's Handbook, which will be published at the next consultation stage.

5.0 Conclusion and Next Steps

The CER has reviewed the requirements included in the Supplier's Handbook, covering Codes of Practice and Terms and Conditions of Supply. Pending responses received, a marked up version of the Supplier's Handbook will be published at the next consultation stage.

6.0 Annexes

ANNEX 1

EXPLANATION OF TERMS

№	TERM	EXPLANATION (this is intended as an explanation of the term aimed at aiding readers' understanding of the consultation paper and not a legal / regulatory definition)
1.	Customer representatives / third parties	Any person or company authorised or contracted by the customer to represent them in their dealings with energy suppliers. This includes but is not limited to private individuals, Money Advice and Budgeting Service, recognised charities, representatives of the Department of Social Protection.
2.	Energy tariff	<p>Currently, the energy tariff consists of either two or three components, as follows:</p> <ul style="list-style-type: none"> • a variable component (currently known as the unit rate). This component varies with consumption and may be a standard unit rate or a discounted unit rate. Typically, discounts are offered based on the method of payment or billing format • a fixed component (currently known as the standing charge). This component is a fixed amount per annum and does not vary with consumption

		<ul style="list-style-type: none"> • an additional fixed component (currently known as the prepayment charge). This component currently applies for PAYG life style choice meters. It is also a fixed amount per annum and does not vary with consumption <p>PSO, carbon tax and VAT fall outside the scope of this paper and do not vary from supplier to supplier.</p>
3.	Energy offer / deal	<p>In addition to the two or three tariff components, energy offers also include additional features such as cash-back, loyalty points or vouchers with third parties (such as supermarkets), free or discounted products or services (such as boiler services, energy efficiency products).</p> <p>The terms energy "offer" and "deal" are used interchangeably throughout this document.</p>
4.	PAYG customer	<p>A customer who pays for their energy in advance, by purchasing top ups (credit) from a local shop or online</p>
5.	PAYG service / prepayment service	<p>Gas or electricity supplied on a pre-paid basis (see PAYG customer)</p>
6.	PAYG meter / budget controller / prepayment meter	<p>A PAYG electricity or gas device installed in a customer's home to measure their energy usage – installed in series with the existing ESB Networks or Gas Networks Ireland meter (which is still used for settlement as the meter of record).</p>

7.	PAYG for financial hardship	<p>Currently, gas and electricity customers may avail of a PAYG meter in one of the following situations:</p> <p>(i) Financial hardship, where a customer cannot pay the energy bills due to financial difficulties. In this case, suppliers are required under obligations set out in the Code of Practice on Billing and Disconnection to offer a PAYG meter as a budgeting method to assist these customers with managing their arrears. These PAYG meters are owned and managed by the networks companies (ESB Networks and Gas Networks Ireland) and the cost of installation is socialised.</p>
8.	PAYG life style choice	<p>(ii) Lifestyle choice, where a customer opts for a PAYG meter as a personal choice. The cost of installation of these meters is born by the customer. In electricity, these meters are owned and managed by suppliers; in gas, Gas Networks Ireland owns and administers these PAYG meters.</p>
9.	Prepayment meter / service	PAYG meter / service
10.	Suppliers' representatives / third parties	Any person or company directly or indirectly authorised or contracted by

		suppliers to represent them in their dealings with customers. This includes but is not limited to price comparison websites, group switching websites, persons or companies offering energy efficiency advice or products / services, debt collection companies, marketing and advertising companies.
11.	Vulnerable Customers	A vulnerable customer is defined in SI 463 of 2011 as "a household customer who is—(a) critically dependent on electrically powered equipment, which shall include but is not limited to life protecting devices, assistive technologies to support independent living and medical equipment, or (b) particularly vulnerable to disconnection during winter months for reasons of advanced age or physical, sensory, intellectual or mental health".

ANNEX 2

SUMMARY OF COMMENTS RECEIVED FROM ENERGY SUPPLIERS DURING THE PRELIMINARY STAKEHOLDER ENGAGEMENT FOR THE REVIEW OF THE SUPPLIER'S HANDBOOK

- The overall current structure of the Supplier's Handbook comprising separate codes of practice and whether this structure could be changed to improve the flow of in the description of the roles, responsibilities and commitments of suppliers and customers. Also, additional clarity with regard to what suppliers' processes are required to be detailed in the Codes of Practice
- Inclusion of detailed regulatory requirements covering the PAYG lifestyle sector
- Additional clarity in all areas where more than one interpretation is possible
- Consideration of the [Energy Engage Code](#) requirements and possible suitability for inclusion of key provisions in the Supplier's Handbook
- Expanded sections on presentation of information on promotions and tariffs, providing additional clarity on comparisons in relation to tariffs and offers, including greater consistency and clarity around what "misleading" means in relation to marketing and advertising of energy offers
- Stronger principles that seek to prevent any party from pre-empting, frustrating, delaying or adding extra cost to a customer during the change of supply, cool-off and cancellation processes

ANNEX 3

SUMMARY OF COMMENTS RECEIVED FROM CUSTOMERS PROTECTION ORGANISATIONS DURING THE PRELIMINARY STAKEHOLDER ENGAGEMENT FOR THE REVIEW OF THE SUPPLIER'S HANBOOK

- Regulatory measures to protect vulnerable customers who are at risk of being signed up by door to door agents to products with terms and conditions that they may not understand
- Monitoring self-disconnections and financial hardship to be classed as a type of vulnerability, with special tariffs for vulnerable customers
- Methods to increase awareness of eligibility to register as a vulnerable customer
- Some customers, including vulnerable customers, are not aware of suppliers' Codes of Practice and Customer Charter. Suppliers may provide a summary of these by way of a bill insert or other means, which should be easy to understand and accessible to all customers
- Suppliers outsourcing customer acquisition and debt collection functions to third parties
- Options for customers who may not benefit from discounted offers because they do not switch, or do not have direct debit facilities or do not have access to broadband
- Structure of payment plans for credit meter customers to mirror debt recovery rate set up on PAYG meters for financial hardship (i.e. max 25%). Also, additional clarity around recovery of debt from customers who have accepted a PAYG meter
- Increase awareness amongst customers about the Energy Engage Code and the importance of engaging in communication with the supplier
- Suppliers to be proactive in offering energy efficiency advice to customers with a view to reducing consumption
- Requirement for suppliers to adopt SWIFT 9 standard in all communications (i.e. bills, letters, website etc.) to ensure that customers are provided with information that is clear, transparent and easy to understand

ANNEX 4

REVISED DOORSTEP CHECKLIST FORMAT FOR HOUSEHOLD CUSTOMERS ONLY - BILL PAY ENERGY

Suppliers are free to brand the checklist, however the checklist should state the following as is:

Bill Pay Energy Door to Door Sales Checklist

The Commission for Energy Regulation requires all suppliers to give you a copy of this checklist before you sign up.

Please read each question

Did the sales agent ~~tell you:~~

- a) ~~Who~~ they are representing working for and show you an identity card?
- b) ~~Explain about~~ the energy deal / products on offer?
- c) Enquire as to whether you are eligible to register as a Vulnerable Customer?
- d) Provide you with information about all charges that apply to this offer / product, including: standard unit rate, standing charge and, where applicable, prepayment charge~~the key terms and conditions of supply?~~
- e) Explain how any discounts will apply~~how long the contract applies for?~~
- f) Explain how you will be billed, such as paper bill or electronic bill?~~how you will be billed? By post, email~~
- g) Tell you how to pay the bill, such as payment in cash or by direct debit? How about any budgeting options such as level pay?~~how to make payments and about budgeting options? By direct debit, over the counter?~~
- h) If you need to pay a deposit and how much the deposit may be?~~if you need to pay a deposit?~~
- i) Tell you how long the contract applies for and of there are any changes that apply to the terms and conditions of supply after the expiry of the contract, such as different rates, billing and payment charges and other charges?~~if there are any penalty charges – and how these would apply?~~
- j) Explain to you what penalty charges apply of you terminate the contract prior to the expiry date?~~how to cancel your contract if you change your mind?~~

- ~~k) Explain to you how to cancel the contract if you change your mind? Did you receive the Cancellation Form?how your existing account will be closed and your new account will be opened~~
- ~~k)l) Explain how your existing account will be closed and your new account will be opened? Did they explain how any existing arrears will be dealt with?~~
- ~~l)m) Give you a copy of the Terms and Conditions of Supply or explain how these will be sent to you? The Terms and Conditions of Supply must be sent to you in writing, either by post or by email~~
- ~~— Give you a copy of the energy rates which apply with this energy offer/product?~~
- ~~— Confirm that you have read and understood the Doorstep Checklist?~~
- ~~— Did the agent:~~
- ~~m) Give you a copy of your contract and the rates that apply to your account or explain how these will be sent to you?~~
- ~~n) Confirm that you have read and understood this checklist?~~

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ADDITIONAL QUESTIONS FOR DUAL FUEL ENERGY OFFERS/PRODUCTS

In addition to the above questions, did the sales agent

- ~~a) Tell you whether the supplier uses a single balance or separate balances for each fuel?~~
- ~~b) Explain how payments will be allocated?~~
- ~~c) Explain the disconnection procedure for each fuel in case of non-payment of account?~~

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If you believe our agent has acted inappropriately or you would like to confirm any aspect of your new account you can contact our customer services team: INSERT SUPPLIER CONTACT DETAILS

If you are dissatisfied with the manner in which our sales agent has presented the energy offer/product or treated you during the sales pitch you can contact our customer service team: INSERT SUPPLIER CONTACT DETAILS

ANNEX 5

REVISED DOORSTEP CHECKLIST FORMAT FOR HOUSEHOLD CUSTOMERS ONLY - PREPAY ENERGY

Suppliers are free to brand the checklist, however the checklist should state the following as is:

Energy Door to Door Sales Checklist – Prepay Energy

The Commission for Energy regulation requires all suppliers to give you a copy of this checklist before you sign up.

Please read each question carefully. If you do not feel comfortable answering YES to all the questions below please ask the door to door sales person to provide you with the relevant information again.

Did the agent:

- a) Tell you who they are representing and show you an identity card?
- b) Explain the energy offer/product on offer?
- c) Enquire as to whether you are eligible to register as a vulnerable customer? If you are eligible to register as a vulnerable customer and wish to have a PAYG meter installed, the sales agent is required to ask you to sign a written statement that you understand that you may not be covered by certain protection measures in place for vulnerable customers.
- d) Provide you with information about all the charges that apply with this offer/product, including unit rate, standing charge and prepayment charge?
- e) Explain how any discounts will be applied?
- f) Explain how you will be charged for energy and how to ensure that there is sufficient credit in the PAYG meter so that the electricity/gas supply is not cut off?
- g) Tell you that the electricity/gas supply will be cut off if you run out of credit?
- h) Explain to you how to access Emergency Credit?
- i) Tell you if you need to pay a deposit and how much the deposit may be?
- j) Tell you how long the contract applies for and of there are any changes that apply to the terms and conditions of supply after the expiry of the contract, such as different rates, billing and payment method or other charges?

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- k) Explain to you what penalty charges apply if you terminate the contract prior to the expiry date?
- l) Explain how to cancel the contract if you change your mind? Did you receive the Cancellation Form?
- m) Give you relevant information about specific actions/interaction that you may have to initiate/perform if you decide to switch to another energy supplier (for example obtaining a deactivation code, password, giving a specific period of notice)
- n) Explain how your existing account will be closed and your new account will be opened? Did they explain how your current arrears will be dealt with by your current supplier?
- o) Give you a copy of the Terms and Conditions of Supply or explain how these will be sent to you? The Terms and Conditions of Supply must be sent to you in writing, either by post or email.
- p) Give you a copy of the rates that apply with this energy offer/product?
- q) Confirm that you have read and understood this checklist?

If you like to confirm any aspect of your new account you can contact our customer service team: INSERT SUPPLIER CONTACT DETAILS

If you are dissatisfied with the manner in which our sales agent has presented the energy offer/ product or treated you during the sales pitch you can contact our customer service team: INSERT CONTACT DETAILS