



An Coimisiún  
um Rialáil Fóntas  
**Commission for  
Regulation of Utilities**

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# Annual Audit of Compliance for Electricity & Gas Suppliers 2017

## Information Paper

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## Executive Summary

The Commission for Regulation of Utilities (CRU) conducts regular audits of electricity and gas suppliers to monitor compliance with the requirements contained in the Electricity and Gas Suppliers' Handbook. The Suppliers' Handbook acts as the 'rulebook' for all interactions between suppliers and customers and contains minimum requirements which suppliers must adhere to. This is an important element of the CRU's responsibility to protect consumers by ensuring that suppliers have in place processes and procedures which meet the requirements of the Suppliers' Handbook.

For 2017, the CRU made the Code of Practice on Complaint Handling for household customers the focus of the annual audit. The Code of Practice on Complaint Handling details a set of requirements which suppliers must have in place when managing a complaint raised by their customer. The Suppliers' Handbook defines a complaint as *"the expression (through various possible channels, letter, email, phone call, physical claim) of a customer's dissatisfaction and his/her explicit expectation for a response or resolution."*

The Suppliers' Handbook requires suppliers to establish an *"easy process for customers to use when they are experiencing difficulties with their electricity/gas supply. The Code of Practice must set out the supplier's complaints handling process and commitments in a step by step easy to follow process."* The Code of Practice on Complaint Handling also stipulates that suppliers have processes in place outlining:

- how a customer can raise a complaint,
- forms of redress or compensation available
- complaints raised by third parties,
- procedures for escalating and resolving complaints and timescales associated with same.

Moreover, suppliers are also required to have in place arrangements for referring a complaint to the CRU's Energy Customers Team.

The CRU undertook a two-step process in its approach to auditing compliance with the Suppliers' Handbook. Firstly, the CRU circulated a questionnaire<sup>1</sup> to suppliers operating in the market as of July 2017 requesting that they demonstrate how they meet all of the requirements contained in the Code of Practice on Complaint Handling. Suppliers were requested to submit their responses accompanied by documentary evidence to the CRU within 3 weeks. The CRU also requested that suppliers submit a list of complaints raised in the month of December 2016 in Meter Point Registration Number (MPRN) and Gas Point Registration Number (GPRN) format. These numbers are unique codes, used for both electricity and gas, which are assigned to your connection and meter.

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<sup>1</sup> See Appendix A for the questionnaire used in the audit

The second step in the process was site visits undertaken by the CRU to supplier offices. On each site visit, the CRU randomly selected 4 MPRN and GPRNs from the lists provided by suppliers and requested that suppliers step through each complaint on their IT systems. On every occasion, the CRU used the same process to map each complaint back to the requirements contained in the Suppliers' Handbook to determine if suppliers were compliant with the Code of Practice on Complaint Handling. In some instances, when suppliers were not in a position to provide the relevant information to the CRU on the day, the CRU followed-up with suppliers to request more evidence following the site visit.

Over the course of the audit process, the CRU found no breach of the Code of Practice on Complaint Handling for household customers by any electricity or gas supplier. All suppliers could demonstrate through their responses to the questionnaire and on the site visits compliance with the requirements of the Code of Practice on Complaint Handling.

Suppliers were able to demonstrate, with evidence, through their codes of practice easy processes for customers to raise a complaint. Further, suppliers outlined clear procedures for accepting complaints raised by recognised agencies and third parties acting on behalf of customers.

Suppliers also demonstrated compliance with the requirement to provide customers with a minimum two channels (by post and telephone) to raise a complaint. The CRU notes a number of additional channels which are now being made available to customers. For example, several suppliers now accept complaints raised via social media (e.g. Facebook, Twitter, etc.) and instant messenger (webchat) and the CRU is encouraged that timescales for resolving complaints are being adhered to through these additional channels.

Not all suppliers have formal processes in place to handle complaints from customers whose first language is not English and customers who have additional communication requirements. Evidence of best practice in these instances was provided by Electric Ireland who makes available a text telephone service to those customers who are hard of hearing.

All suppliers demonstrated clear escalation procedures and processes and also could demonstrate provision of contact information for the CRU's Customer Care Team in their respective codes of practice.

The CRU is encouraged that suppliers are currently meeting their obligations under the Code of Practice on Complaint Handling. However, the CRU does recommend one action for electricity and gas suppliers to consider going forward.

The CRU recommends that all suppliers evaluate ways of improving communication processes for those customers whose first language is not English and those who have additional communication requirements. The emergence of new and innovative methods e.g. webchat, social media, etc. should be harnessed in this regard. The CRU encourages suppliers to engage with consumer interest groups regarding improving methods of communication with this cohort of customers.

The CRU will continue to monitor suppliers' compliance with Suppliers' Handbook and conduct regular audits to ensure that suppliers are meeting their obligations to energy consumers.

## **Public Impact Statement**

The Electricity and Gas Suppliers' Handbook sets out obligations on electricity and gas suppliers under Condition 18 of the Electricity supply licence and Condition 21 of the Natural Gas Supply Licence. Electricity and gas suppliers are required to comply with these obligations when preparing terms and conditions of supply, Codes of Practice and Customer Charters and conducting their electricity and gas supply business.

The obligations outlined in the Suppliers' Handbook are not exhaustive but rather describe the minimum level of service that electricity and gas suppliers are required to adhere to in their dealings with energy customers.

The CRU monitors suppliers' compliance with the Suppliers' Handbook through regular audits. This is an important responsibility of the CRU to ensure that customers are afforded appropriate protections when dealing with electricity and gas suppliers.

For 2017, the CRU audited compliance with the Code of Practice on Complaint Handling. Suppliers were required to demonstrate that they were compliant with all obligations under this code and had in place the appropriate processes and procedures when customers raise a complaint. All suppliers demonstrated clear escalation procedures and processes and also could demonstrate provision of contact information for the CRU's Customer Care Team in their respective codes of practice on complaint handling. The CRU found no breach in compliance with the requirements as stipulated in the Code of Practice on Complaint Handling in the Electricity & Gas Suppliers' Handbook (2012).

# Table of Contents

<b>1. Introduction.....</b>	<b>5</b>
1.1 The Commission for Regulation of Utilities.....	5
1.2 Electricity & Gas Suppliers’ Handbook – Auditing Compliance.....	5
1.3 Related Documents .....	6
<b>2. Compliance Audit 2017 - Approach .....</b>	<b>7</b>
2.1 Scope.....	7
2.2 Process .....	8
<b>3. Compliance Audit 2017 - Findings .....</b>	<b>9</b>
3.1 Raising a Complaint.....	9
3.2 Forms of Redress and Compensation Available .....	9
3.3 Complaints from Third Parties .....	10
3.4 Resolving or Escalating a Complaint .....	10
<b>4. Conclusions .....</b>	<b>11</b>
4.1 Overall Findings .....	11
4.2 Recommendations .....	12

# 1. Introduction

## 1.1 The Commission for Regulation of Utilities

The Commission for Regulation of Utilities (CRU) is Ireland's independent energy and water regulator. The CRU was originally established as the Commission for Energy Regulation (CER) in 1999. The CER changed its name to the CRU in 2017 to better reflect the expanded powers and functions of the organisation.

The CRU has a wide range of economic, customer protection and safety responsibilities in energy and water.

The CRU's mission is to regulate water, energy and energy safety in the public interest. The work of the CRU impacts every Irish home and business, by ensuring safe, secure and sustainable energy and water supplies at a reasonable cost. The sectors we regulate underpin Irish economic competitiveness, investment and growth, while also contributing to our international obligations to address climate change.

The CRU is guided by six key strategic goals which are that the short and long run interests of the public are protected by ensuring:

- energy and gas are supplied safely
- the lights stay on
- the gas continues to flow
- a reliable supply of clean water and efficient treatment of wastewater
- consumer prices for energy and water are fair and reasonable
- regulation is best international practice

## 1.2 Electricity & Gas Suppliers' Handbook – Auditing Compliance

The Electricity and Gas Suppliers' Handbook (the Suppliers' Handbook CER/12/081)<sup>2</sup> sets out obligations on electricity and gas suppliers under Condition 18 of the Electricity supply licence and Condition 21 of the Natural Gas Supply Licence. Electricity and gas suppliers are required to comply with these obligations when preparing terms and conditions of supply, Codes of Practice and Customer Charters and conducting their electricity and gas supply business. Suppliers are also required to submit their terms and conditions and codes of practice to the CRU for approval.

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<sup>2</sup> <https://www.cru.ie/wp-content/uploads/2012/07/cer12081.pdf>

The obligations outlined in the Suppliers' Handbook describe the minimum level of service that electricity and gas suppliers are required to adhere to in their dealings with energy customers.

The CRU, in line with its statutory responsibility to protect consumers, carries out audits of electricity and gas suppliers in order to ensure that they are compliant with the requirements specified in the Suppliers' Handbook. The approach to the supplier audits involves checking compliance against a particular requirement or code in the Suppliers' Handbook. Any instances of non-compliance by a Supplier will be addressed by the CRU and noted in the published Information Paper.

## 1.3 Related Documents

The following documents may be useful:

- [CER/12/081 Electricity and Gas Supplier Handbook 2012](#)
- [CER/17/060 Electricity and Gas Supplier Handbook 2017](#)
- [CER/17/052 Audit of Compliance with Deposit Requirements in Electricity and Gas Supplier Handbook 2016](#)

## 2. Compliance Audit 2017 - Approach

### 2.1 Scope

The CRU carries out regular audits of electricity and gas suppliers in order to ensure compliance with the requirements set out in the Suppliers' Handbook. In previous years, compliance focussed on certain requirements with regard to disconnections, deposits, etc.

For the 2017 audit, the CRU focussed on compliance with requirements regarding the Code of Practice on Complaint Handling for household customers. This particular code sets out minimum requirements which suppliers must adhere to when handling complaints from a customer. A complaint is defined in the Suppliers' Handbook as *"the expression (through various possible channels, letter, email, phone call, physical claim) of a customer's dissatisfaction and his/her explicit expectation for a response or resolution. The term explicit denotes that the customer states he/she is seeking some action to address his concern, even if he/she is not able to identify and state what action is required."*

Moreover, requirements also specify a number of processes which suppliers must have in place in dealing with a complaint from a customer. For example, suppliers must have arrangements in place for customers to raise a complaint and complaints received from third parties acting on behalf of the customer. In addition, suppliers must have a clear process of escalation in place in the event that a customer is not satisfied having completed the first stage of the complaint process.

Suppliers are also obligated to communicate clear timescales for resolving the complaint to the customer accompanied by any company standards and payments for failure to respond within the set timeframe. The suppliers' code of practice on complaint handling must also outline the process for escalation to the CRU and provide contact information for the CRU Customer Care Team.

The Suppliers' Handbook has recently undergone a significant review over the course of 2016-17 with an updated version coming into force in Q4 2017. For the purposes of this audit however, compliance was sought in-line with the previous version of the Suppliers' Handbook (2012)<sup>3</sup>.

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<sup>3</sup> The Code of Practice on Complaint Handling for household customers in the 2017 Suppliers Handbook remains relatively similar to that in the 2012 version. The only areas of change are the following:

1. Electronic communication is now included as a minimum means of contact for a customer to escalate a complaint;
2. Suppliers are required to respond to the CRU's Final Decision to a complaint resolution within three weeks from the date of the Final Decision, confirming that the CRU's Final Decision has been implemented.

## 2.2 Process

The CRU adopted a two-step process for auditing compliance with the Code of Practice on Complaint Handling:

- i. The first step taken by the CRU was to circulate a questionnaire<sup>4</sup> to all electricity and gas suppliers live in the market as of July 2017. This questionnaire asked suppliers to demonstrate, with documentary evidence, how suppliers currently meet the requirements contained in the Code of Practice on Complaint Handling. Suppliers were given a 3 week timeframe to issue a response to the CRU accompanied by the requested documentary evidence.

In tandem, suppliers were asked to submit to the CRU a list of all complaints (in MPRN and GPRN format) raised by customers in the month of December 2016. MPRN and GPRN numbers are unique codes, used for both electricity and gas, which are assigned to your connection and meter.

- ii. Following receipt of the lists of MPRNs and GPRNs, the CRU scheduled site visits with all electricity and gas suppliers live in the market. On each site visit, the CRU selected at random 4 MPRNs and GPRNs from the lists provided. Suppliers were then asked to step through the nominated complaint and demonstrate compliance with the requirements set out in the Code of Practice on Complaint Handling on their live IT systems. The CRU followed a consistent step-by-step process and asked a specific set of questions on each site visit. On a number of occasions, the CRU followed up with suppliers following the audit and requested additional evidence which was not provided during the site visit.

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<sup>4</sup> See Appendix A for questionnaire issued to electricity and gas suppliers

## **3. Compliance Audit 2017 - Findings**

### **3.1 Raising a Complaint**

The Suppliers' Handbook requires suppliers to establish an “*easy process for customers to use when they are experiencing difficulties with their electricity/gas supply. The Code of Practice must set out the supplier's complaints handling process and commitments in a step by step easy to follow process.*” Specifically, the code of practice on complaint handling must also ensure that customers have a number of channels open to them to raise a complaint with their supplier. At a minimum, customers should have the opportunity to raise a complaint via telephone or by post.

Over the course of the site visits, the CRU selected at random a number of complaints from the list of MPRN and GPRNs provided by suppliers. The majority of these complaints were raised via telephone or via email by customers and all suppliers were found to be compliant with this section of the code of practice on complaint handling.

Some suppliers provide channels of communication for those customers whose first language is not English. This is done primarily by way of multi-lingual assistance provided through supplier call centres.

For those with additional communication requirements, evidence of best practice in this regard was provided to the CRU from of Electric Ireland who makes a text telephone service available to customers with hearing impairments, details of which are provided on the customer's bill. SSE Airtricity also informed the CRU that they are currently trialling a video chat (e.g. Skype) for customers.

The CRU was also provided with evidence of a number of additional channels currently open to customers to raise complaints which were not required under the Suppliers' Handbook. For example, several suppliers are now accepting complaints submitted via social media and via instant messenger (webchat) applications on their respective websites. This was noted by the CRU.

### **3.2 Forms of Redress and Compensation Available**

The Code of Practice on Complaint Handling contained in the Supplier's Handbook stipulates that electricity and gas suppliers undertake to provide to the customer with a satisfactory explanation of their issue, an apology or some form of redress as appropriate in the event a customer raises a complaint. The Suppliers' Handbook obligates suppliers to include this requirement in their respective codes of practice on complaint handling.

Over the course of the site visits, the CRU selected at random a number of complaints from the list of MPRN and GPRNs provided by suppliers. The CRU observed a number of instances where an apology was provided to the customer. In addition, the CRU also observed instances where a form or redress was also made to the customer. Examples were primarily by way of credit to the customer's bill or a credit issued to the prepayment meter in the case of Pay-As-You-Go (PAYG) customers. However, in other instances, payment was made by way of a cheque.

### **3.3 Complaints from Third Parties**

Section 13.2.2 of the Suppliers' Handbook states that electricity and gas suppliers must accept complaints from "*recognised agencies or third parties who are confirmed as acting on behalf of the customer.*" This is an important protection afforded to customers who may not be in a position to navigate the complaints process with their supplier and require assistance from a family member, third party agency, etc.

The CRU requested information from suppliers on their respective approaches to accepting complaints raised by third parties. Some suppliers take different approaches in terms of verifying the complaint in order to be compliant with data protection legislation however all suppliers do have a process in place and therefore were not found to be in breach of the element of the Code of Practice on Complaint Handling which stipulates that suppliers must accept complaints from recognised agencies and third parties.

### **3.4 Resolving or Escalating a Complaint**

The Suppliers' Handbook obligates suppliers to have in place a process for "*escalating complaints if the customer remains dissatisfied having completed the first step in the complaints process.*" Furthermore, suppliers are also required to have a "*minimum of one level of escalation beyond the first point of contact in the complaints process for customers who believe their complaint has not been dealt with appropriately.*" Over the course of the audits, the CRU observed a number of different processes for resolving and escalating a complaint. The primary interaction between customer and supplier observed by the CRU throughout the audit process was by of telephone and email and no supplier was found to be in breach of the 10 day timescale for resolution or 2 month timeframe for more complex complaints. The CRU did observe a small number of instances where complaints were not resolved within the 2 month timeframe, however in all cases this is due to the supplier not being in a position to establish contact with the customer which the Suppliers' Handbook allows for.

A number of suppliers demonstrated elaborate IT systems and processes for escalating complaints internally identifying teams and key points of contacts in the process chain. Some suppliers demonstrated less formal processes in place with more direct lines of escalation. In some cases, the contrast observed by the CRU can be attributed to market share and therefore a smaller number of complaints which are dealt with by smaller suppliers. The CRU found no breach under this requirement during the audit process.

All suppliers provided evidence of the resolution actions and charter payments provided in their respective codes of practice. In addition, all suppliers could demonstrate provision of the CRU's contact information in their respective codes in the event the customer is not happy with the resolution from their supplier. The CRU observed instances where the CRU's Customer Care Team contact information was provided proactively to a customer over the telephone and via email.

## 4. Conclusions

### 4.1 Overall Findings

Over the course of the audit process, the CRU found no breach of the Code of Practice on Complaint Handling for household customers by any electricity or gas supplier. All suppliers could demonstrate through their responses to the questionnaire and on the site visits compliance with the obligated requirements of the Code of Practice on Complaint Handling.

Suppliers demonstrated evidence through their respective codes of practice easy processes and step-by-step guides for customers to raise a complaint. Further, suppliers outlined clear procedures for accepting complaints raised by recognised agencies and third parties acting on behalf of customers. The CRU noted steps taken by suppliers in verifying the identity of the customer and obtaining the customer's consent in these instances.

Further, suppliers demonstrated compliance with the requirement to provide customers with a minimum two channels (by post and telephone) to raise a complaint. The CRU notes a number of additional channels which are being made available to customers over and above the requirements in the Suppliers' Handbook. For example, several suppliers now accept complaints raised via social media (e.g. Facebook, Twitter, etc.) and instant messenger (webchat). The CRU is encouraged by the emergence of new and innovating channels for customers to communicate with their supplier and reaffirms that timescales for resolving a complaint also apply to these channels.

Not all suppliers have processes in place to handle complaints from customers whose first language is not English and customers who have additional communication requirements. Evidence of best practice in these instances was provided by Electric Ireland who makes available a text telephone service to those customers who are hard of hearing. Although not a specific requirement in the Code of Practice on Complaint Handling, the CRU recommends that all suppliers evaluate ways of improving ways of communicating with those customers whose first language is not English and those who have additional communication requirements. The emergence of new and innovative methods e.g. webchat, social media, etc. should be harnessed in this regard. The CRU encourages suppliers to engage with consumer interest groups regarding improving methods of communication with this cohort of customers.

All suppliers demonstrated clear escalation procedures and processes and also could demonstrate provision of contact information for the CRU's Customer Care Team in their respective codes of practice. The CRU was also provided with evidence of provision of the CRU's contact information in specific cases on the site visits.

To conclude, the CRU found no breach of the code of practice on complaint handling. The CRU will continue to monitor suppliers' compliance with Suppliers' Handbook and conduct regular audits to ensure that suppliers are meeting their required obligations to energy consumers. Any Supplier failing to meet their required obligations in relation to the Supplier handbook will be named in the published Audit Information Paper.

## 4.2 Recommendations

The CRU recommends that all suppliers evaluate ways of improving ways of communicating with those customers whose first language is not English and those who have additional communication requirements

## Appendix A – Audit Questionnaire

Please provide documentary evidence when completing the questionnaire for submission to the CRU.

<b>Question No.</b>	<b>Section</b>	<b>Question</b>	<b>Comment</b>
1.	7.1.1	How does your organisation classify and categorise a complaint?	
2.	7.2.1	Please provide details as to the [easy] process your organisation has in place for customers to use when experiencing difficulties? Details should not only cover interactions with the customer but also your internal review processes (e.g. steps for internal escalation).	
3.	7.2.2	Please provide an overview of the processes your organisation has in place to manage complaints made by recognised agencies and third parties on behalf of a consumer.	
4.	7.2.2	Please provide details as to the processes your organisation has in place for when a complaint requires liaising with a Network Operators (ESB Networks or Gas Networks Ireland).	
5.	7.2.3 (a)	In those instances where a complaint is resolved. Please provide details of how your organisation undertakes to provide the customer with a satisfactory explanation of their issue, an apology or some form of redress.	
6.	7.2.3 (b)	Please provide details regarding communication arrangements in place for customers who have additional communication requirements and those whose first language is not English.	

7.	7.2.3 (c)	What process does your organisation have in place to escalate customer complaints which require further resolution? And how is this information provided to the customer?	
8.	7.2.3 (d)	Please provide evidence on how your organisation informs the customer making a complaint on the timescales they should expect to be met for each stage in their complaint handling. <i>To include details on response times, any company standards and payments for failure to respond within the set time.</i>	
9.	7.2.3 (d)	Please outline cases in the complaints process which your organisation would accept as an exception to warrant a final answer issuing to the customer in excess of two months.	
10.	7.2.3 (e)	What processes does your organisation have in place to inform the customer making a complaint that, in such cases where the supplier has not resolved a complaint, the customer can contact the CER for resolution? How is the customer provided with the CER's contact information, and at what stage(s) of the complaint is this information provided?	
11.	7.2.3. (f)	Please provide details of the arrangements in place in your organisation for making charter and /or compensation payments to a customer; including details of when such payments may be due, the time limit in which the customer should receive payment and the form this payment takes (i.e. Credit on the bill or a cheque etc.).	
12.	7.2.4	In such instances where a customer has completed your complaint handling procedure and is still dissatisfied, what are the processes in place to issue a written notification to the customer outlining the following:	

		<ul style="list-style-type: none"> <li>➤ The closure of the customer’s complaint (Please provide an overview of the content of such written notices)</li> <li>➤ The timeframes associated with issuing the written notice</li> <li>➤ Information on the CER Customer Care Team</li> </ul>	
<b>13.</b>	7.2.5	Please provide details of the process in places in your organisation to suspend monies that are subject of a dispute, and the follow up actions in relation to these monies.	
<b>14.</b>	7.2.6	Where not captured in your answers to the earlier questions, please provide an overview of any differences in the complaint handling procedures currently in place in your organisation for different categories of domestic customers.	

## Appendix B – Site Visits

Site visits undertaken by the CRU		
Date	Supplier	Location
31 July 2017	<i>Electric Ireland</i>	EI offices. Santry, Dublin.
2 August 2017	<i>Panda Power</i>	Panda Power offices. Ballymount, Dublin.
10 August 2017	<i>Pinergy</i>	Pinergy offices. Clonskeagh, Dublin.
14 August 2017	<i>Energia</i>	Power NI offices. Belfast, NI.
15 August 2017	<i>SSE Airtricity</i>	SSE offices. Leopardstown, Dublin.
17 August 2017	<i>PrePay Power</i>	PrePay Power offices. Leopardstown, Dublin.
18 August 2017	<i>Bord Gáis Energy</i>	BGE offices. Warrington Place, Dublin.
25 August 2017	<i>FloGas</i>	Flogas offices. Drogheda, Co. Louth.
N/A	<i>BE Energy</i> (Response to questionnaire received. Not active in the market in December 2016 and therefore considered out of scope for site visit).	N/A