



An Coimisiún
um Rialáil Fónais
Commission for
Regulation of Utilities



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Spot Check of Energy Supplier Compliance

Q2, 2021

Information Paper

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Executive Summary

The Commission for Regulation of Utilities (CRU) conducts regular spot checks on energy suppliers' compliance with the requirements contained within the Electricity Supply Licence and the Natural Gas Supply Licence. The Suppliers' Handbook, and the codes of practice contained within, sets out the customer-facing obligations on electricity and gas suppliers under Condition 18 of the Electricity Supply Licence and Condition 21 of the Gas Supply Licence. This spot check focused on the Code of Practice for Vulnerable Customers.

The protection of vulnerable customers is for a core function of the CRU. The Code of Practice for Vulnerable Customers outlines several additional protections in place for customers who may require additional supports or are especially vulnerable to the loss of energy supply. It is vital that all suppliers of household customers have adequate processes in place to ensure they comply with all the requirements outlined in the Code of Practice for Vulnerable Customers.

Gas and electricity customers are classified in legislation¹ as vulnerable customers if they meet either of the following criteria:

- Customers who are critically dependent on electrically powered equipment. This includes (but is not limited to) life protecting devices, assistive technologies to support independent living and medical equipment. These customers are placed on the 'Priority Services Register'.
- Customers who are particularly vulnerable to disconnection during winter months for reasons of advanced age or physical, sensory, intellectual or mental health. These customers are placed on the 'Special Services Register'.

Additional protections – outlined in the Code of Practice for Vulnerable Customers found in the Suppliers' Handbook² – include:

- Customers on the 'Priority Services Register' may not be disconnected or deenergised at any time for reasons of non-payment of bills;
- Customers on the 'Special Services Register' may not be disconnected or deenergised during the winter months for reasons of non-payment of bills;
- If a vulnerable customer requests a PAYG meter, suppliers must ensure this service is suitable for their needs;

¹ [SI 463/2011](#)

² [CRU19138-Electricity-and-Gas-Suppliers-Handbook-2019-.pdf](#)

- Suppliers must develop additional communication formats, such as Braille, large-print, text messaging or phone calls, to meet the needs of customers with vision impairments and hearing loss.

The CRU has conducted a spot check on this topic due its important role in providing customer protection and following the publication of the 2020 CRU Consumer Survey, which highlighted low awareness of the vulnerable customer registers amongst the public.³

The spot check, which involved the fourteen suppliers currently offering gas and/or electricity supply to household customers, focused on a number of areas, including the processes in place to identify vulnerable customers at sign-up, the registration forms provided, and alternative methods of communication offered to vulnerable customers.

Several findings have been made from this spot check and the paper outlines a number of areas requiring remedial action. The most common non-compliances found concerned a failure to outline the categories of customers eligible to register as vulnerable customers at sign-up and a failure to bring the Code of Practice for Vulnerable Customers to the attention of customers at least once a year. The paper also identifies some examples of good practice identified by the CRU during the spot check which include staff training, robust processes to reduce the risk of failing to register a vulnerable customer and regular assessments of changes to the status of registered vulnerable customers.

³ [CRU Residential Electricity and Gas Market Survey Results 2020](#)

Public / Customer Impact Statement

It is a function of the CRU to ensure a high standard of protection for final customers in the electricity and gas markets.

Suppliers are obliged by legislation to comply with the conditions of their licences, and the CRU monitors licensees to ensure that they continue to comply with all the conditions and requirements of their licences.⁴

The Suppliers' Handbook also contains the minimum service requirements that all licensed energy suppliers must adhere to in their dealings with energy customers. The minimum requirements are set out in a series of codes of practice which describe all aspects of the customer journey from advertising and customer sign-up to billing, complaints and disconnection, for both non-household and household customers, including vulnerable customers.

In line with its Compliance Policy Statement⁵, the CRU conducts regular spot checks on supplier compliance to ensure energy consumers are adequately protected in all aspects of consumer interaction with energy suppliers.

This spot check focused on the Code of Practice for Vulnerable Customers. This paper lays out a number of areas requiring remedial action, followed by some examples of good practice identified by the CRU during the spot check.

⁴ Electricity Regulation Act (1999), as amended; Gas (Interim) Regulation Act (2002), as amended

⁵ [CRU/19134 – Compliance and Enforcement Policy Statement](#)

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1. Introduction

1.1 Background

The CRU is Ireland's independent energy and water regulator. The CRU was established in 1999 and has a wide range of economic, customer protection and safety responsibilities in energy. The CRU is also the regulator of Ireland's public water and wastewater system. Our mission is to protect the public interest in water, energy and energy safety.

The CRU (in its 2019-2021 Strategic Plan)⁶ has committed to continue strengthening its compliance and enforcement framework to ensure best regulatory practice in all areas of the organisation's remit.

Suppliers are obliged through Section 14 of the Electricity Regulation Act (1999), as amended, and Section 16 of the Gas (Interim) Regulation Act (2002), as amended, to comply with the conditions of their licences. The CRU conducts compliance monitoring of suppliers in this regard.

In selecting topics for audit, the CRU takes a risk-based approach by considering the potential for customer harm and potential issues identified through previous audits/investigations, customer stakeholder groups, economic developments and complaints received.

In Q2 2021, the spot check focused on the Code of Practice for Vulnerable Customers. This topic was previously audited in 2015, and covered six suppliers, with some of the main findings as follows:⁷

- Inadequate supplier staff knowledge of relevant legislation in one case.
- Registration forms used by two suppliers did not fully capture all types of vulnerability as outlined in the legislation.
- Suppliers had adopted a variety of approaches to identify vulnerable customers at sign up.
- Only one supplier had implemented a process to ascertain whether changes in the vulnerability status of an existing vulnerable customer have occurred post sign-up.
- Suppliers had put in place adequate alternative means of communication with customers with hearing and visual impairments.

Remedial requirements and recommendations were issued to suppliers at the time.

⁶ [CRU/19030a and CRU/19030b](#) – CRU Strategic Plan 2019-2021

⁷ [CER16097-Information-Note-on-the-Audit-of-Compliance-with-the-Code-of-Practice-on-Vulnerable-Customers.pdf \(cru.ie\)](#)

In 2019, the Annual Audit focused on the Code of Practice on Sign-up. Requirements in relation to the signing-up of vulnerable customers were audited, with no issues found with respect to these particular requirements.⁸ The specific areas audited were:

- Internal processes in place to ascertain if a customer is vulnerable upon sign-up.
- Sales script of the sign-up process which should inform customers of their rights as a vulnerable customer.
- Alternative steps taken during the sign-up of a vulnerable customer to a PAYG meter

While previous spot checks have therefore assessed compliance with suppliers' obligations regarding vulnerable customers, this area was selected for the Q2 2021 spot check for a number of reasons:

- The 2020 CRU Consumer Survey results highlighted low awareness of the registration categories for vulnerable customers.⁹ Awareness decreased from 2019 to 30% awareness of the Priority Services Register and just 22% awareness of the Special Services Register amongst electricity customers surveyed. In addition, the survey showed that a lack of awareness of the possibility of registering was the biggest barrier (60% who were eligible but not registered stated that they did not know it was possible to register).
- Recent feedback received from consumer stakeholder groups raised concerns in relation to suppliers' handling of vulnerable customers, particularly in relation to bill accessibility and customer awareness of the vulnerable customer registers.
- Since this area was last assessed, a significant number of new suppliers have entered the market.¹⁰ In the UK, Ofgem identified that smaller suppliers and new entrants are 'often less aware of their obligations to consumers in vulnerable situations and less prepared to respond to their needs'.¹¹ Therefore, it is thought to be timely to focus on this important area given the number of newer suppliers.

⁸ [CRU20044-Annual-Audit-of-Compliance-for-Electricity-Gas-Suppliers-2019.pdf](#)

⁹ [CRU Residential Electricity and Gas Market Survey Results 2020](#)

¹⁰ [CRU20173, Energy and Water Monitoring Report for H1 2020, p. 49](#)

¹¹ [Consumer Vulnerability Strategy 2025 \(ofgem.gov.uk\)](#)

2. Methodology

2.1 Scope

The Q2 2021 spot check focused on the Code of Practice for Vulnerable Customers. A vulnerable customer is defined in legislation 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.

Customers who fulfil the criteria of category a. above are legible for the 'Priority Services Register'. These customers must not be disconnected or deenergised at any time for reasons of non-payment of bills. Customers who fulfil the criteria of category b. above are legible for the 'Special Services Register'. These customers must not be disconnected or deenergised during the winter months for reasons of non-payment of bills.

One area examined was how suppliers identify and inform customers at sign-up. During this contact, it is important that all customers are made aware of the vulnerable customer registers and can identify if they are eligible under any of the vulnerable customer categories. To ensure customers are aware of their eligibility, at a minimum suppliers must outline the eligible categories of both registers. This is particularly important as many customers in vulnerable situations may not identify as 'vulnerable'. In some cases, vulnerability is a fluid state, and can be temporary and sporadic in nature.¹²

As well as assessing the processes suppliers have in place to identify vulnerable customers at sign-up, the spot check also examined the following:

- Whether customers are informed of the Code of Practice for Vulnerable Customers at least once per year.
- How suppliers make registration forms for both registers available to customers.
- How suppliers decrease the risk of failure to register a vulnerable customer in cases where the completed registration forms are not returned.
- Processes in place to ascertain the suitability of PAYG meters for vulnerable customers.
- How suppliers approach providing alternative methods of communications for customers

¹² [Occasional Paper No. 8, Consumer Vulnerability, FCA, 2015.](#)

who require them.

Fourteen suppliers were included in the spot check. These suppliers offer energy supply to household customers. The Code of Practice for Vulnerable Customers does not apply to non-household customers. The suppliers included in this spot check are:

1. Bord Gáis Energy
2. Bright Energy
3. Community Power
4. Ecopower
5. Electric Ireland
6. Energia
7. Flogas
8. Glowpower
9. Iberdrola
10. Panda Power
11. Pinergy
12. PrePayPower
13. SSE Airtricity
14. Waterpower

2.2 Approach

On 18th June 2021, suppliers were contacted to inform them of the spot check and were required to respond to a questionnaire focused on suppliers' processes around identifying vulnerable customers and protecting them throughout the customer journey.

Responses were due by 9th July 2021. Upon reviewing these responses, the CRU followed up with suppliers to clarify certain aspects of their responses.

In September 2021, suppliers were notified of the findings and provided with one week to respond with any observations. Suppliers must complete all remedial actions and confirm completion to the CRU.

3. Findings

3.1 Findings of non-compliance

Of the 14 suppliers assessed, six were found to have at least one non-compliance issue. Full details of all non-compliances found with the Code of Practice are provided in Annex 2.

	Identification of vulnerable customers at sign-up	Annual reminder of Code of Practice for Vulnerable Customers	Registration forms – contents and follow up
Bord Gáis Energy			
Bright			
Community Power		Non-compliant	
Ecopower			
Electric Ireland			
Energia	Non-compliant		Non-compliant
Flogas			
Glow Power			
Iberdrola		Non-compliant	
Panda Power	Non-compliant	Non-compliant	Non-compliant
Pinergy			Non-compliant
PrePay Power			
SSE Airtricity			
Waterpower		Non-compliant	

Table 1 - Summary of suppliers and areas of non-compliant findings

Following the spot check, suppliers were informed of the preliminary findings and provided with one week to respond with any representations or observations. At the time of publication, the CRU is liaising with suppliers to ensure all issues raised in relation to this spot check are addressed, with remedial actions completed satisfactorily.

4. Observations

4.1 Examples of good practice

Across the various requirements, the CRU noted several examples of good practice. Examples of these practices are outlined below.

i. Staff training

Some suppliers outlined that they have training in place to help staff identify vulnerable customers and broach the subject of vulnerability. For example, one supplier stated that staff had completed dementia friendly training and would commence JAM (Just a Minute) card training, which helps staff to understand when a customer with a learning difficulty, autism or communication barrier wishes to discreetly and easily communicate when they need more time. The CRU encourages all household suppliers to implement staff training on recognising customers in vulnerable situations and how to talk to these customers about the protections available.

ii. Raising customer awareness of the Code of Practice for Vulnerable Customers

The CRU noted a variety of approaches to informing customers of the Code of Practice for Vulnerable Customers on an annual basis. Examples of good practice included the provision of information about the code of practice on every bill, promoting the code through social media annually, and including an annual banner on bills which clearly states the eligible categories for both registers.

iii. Easy and free of charge process for registration of vulnerable customers

Many suppliers outlined that they provide a postage paid return envelope with the registration form so that customers could submit it free of charge. The CRU considers this to be good practice. Suppliers also generally make the form available on their website in addition to providing it by post if required.

iv. Reducing the risk of failing to register a vulnerable customer

Some suppliers had robust processes to follow up with customers who had stated verbally that they were eligible for vulnerable customer status but had not returned completed forms. For example, one supplier outlined a 42-day process wherein they issued a combination of SMS messages, an email and a call on set days.

A number of other suppliers noted that they did not wait until receipt of the completed registration form to update their systems and send the market message to the network. While suppliers may

need processes in place to ensure only eligible customers are included on the register, this approach reduces the risk customers failing to return registration forms and failing to be registered.

v. Assessing changes in the status of vulnerable customers

Suppliers are required to implement adequate and efficient processes to assess whether there have been changes in the status of vulnerable customers registered on their supply. This is important to assess if changes occur post sign-up. For example, an elderly customer registered on the Special Services Register for reasons of advanced age may, in time, require electrically powered medical equipment, which will render this customer eligible to be registered on the Priority Services Register

As an example of good practice in this regard, one supplier issues a letter to all vulnerable customers annually, outlining their current registration status and outlining that if the customer's circumstances have changed, they should update their status by completing the registration form, which is issued with the letter. The supplier also includes the option of contacting it by phone and references the Code of Practice.

vi. Alternative methods of communication

All suppliers stated that they could provide at least two alternative formats to communicate with vulnerable customers as required. Some suppliers stated that they provided far more.

The table below outlines the variety of formats currently offered and the number of suppliers offering them. The CRU would urge all suppliers to adopt the method of communication best suited to an individual's needs where feasible.

Format	Number of suppliers offering (at present, in the past or would accommodate)
Braille bills	7
Talking bills/telephone bills	12
Large print	10
Live webchat/chat function	4
Emailed bills	5
Redirecting communications/third party	5

5. Next Steps

Suppliers were informed of the findings of this spot check and provided with one week to respond with any representations or observations. Suppliers must complete all remedial actions and confirm completion to the CRU. At the time of publication, all suppliers had carried out or committed to carrying out the required remedial actions.

Following the completion of this spot check, the CRU will consider clarifications relating to the Code of Practice for Vulnerable Customers when revising the Suppliers' Handbook.

Annex 1

Requirement	Assessed Question
7.2.3a/b	Please outline the processes in place to identify customers for the 'Priority Services Register' and 'Special Services Register'. Please provide evidence as relevant.
7.2.3a/b	Please explain how these registers are updated.
7.2.3e	Please outline what processes are in place to ensure Priority Services Register customers are not disconnected for NPA reasons.
7.2.3f	Please outline what processes are in place to ensure Special Services Register customers are not disconnected during the winter months for NPA reasons.
7.3.2	What processes are in place to ensure that all vulnerable customers are on the most economic tariff?
7.3.3	Please provide evidence to show how customers are informed of the Code of Practice for Vulnerable Customers at least once a year.
7.4.3	How can customers access these registration forms for the Special Services/Priority Services Register? Please explain whether these forms are (a) free and (b) accessible.
7.4.4	What processes are in place to reduce the risk of failure to register a vulnerable customer in cases where the customer does not return completed registration forms?
7.5.1	Please outline the processes in place to ascertain whether there have been changes in the status of registered vulnerable customers. Please explain the significance of any change in status for how a customer would be dealt with.
7.6.3	What processes are in place to ascertain the suitability of PAYG meters for a vulnerable customer?
7.7.2	What additional methods of communication are provided to customers with vision impairments and hearing loss?
7.7.2	Please outline how many customers are facilitated with alternative communication formats and what these formats are.
7.7.3	Has the supplier engaged with accredited relevant agencies in developing alternative methods of communication? If so, please elaborate.

Table 2 - Questionnaire sent to suppliers

Annex 2

Full details of all non-compliances found with the Code of Practice for Vulnerable Customers

Section Code of Practice	in of Requirement	
7.3.4	Suppliers are required to take reasons steps to identify customers who are eligible to register as vulnerable customers. This, at the minimum, should include the following: a. Ensure that appropriate and relevant questions and information to identify vulnerable customers are included on all written and oral communications provided to customers at sign up. This includes but is not limited to sign up / registration forms, sales scripts, online sign up facilities, welcome packages, customer agreement forms etc.	
	Supplier	Breach
	Energia	In its online registration, Energia provided a box for customers to indicate if they wanted to register as a vulnerable customer. However, the categories of vulnerable customers are not outlined. Eligible customers may not be aware of the relevant categories and may not tick this box and receive a registration form. The related question included on the call script is vague as it does not outline categories of vulnerable customer.
	Panda Power	In its sign-up call script, Panda Power did not outline independent questions to assess whether the customer was eligible for the vulnerable customer registers and instead linked the questions to asking whether the customer was registered as a vulnerable customer with their current supplier. This may cause errors to be accentuated and does not take account of changing personal circumstances. In addition, Panda Power's online sign-up form did not allow customers to select the 'Priority Services Register'.

Section Code Practice	in of Requirement		
7.3.3		The Code of Practice for Vulnerable Customers must be brought to the attention of customers via written or electronic communication sent to customers at least once a year and on sign up	
		Supplier	Breach
		Community Power	Community Power had not implemented a process to fulfil this requirement.
		Iberdrola	Iberdrola had not implemented a process to fulfil this requirement.
		Waterpower	Waterpower did not provide evidence of any process to fulfil this requirement.
		Panda Power	Panda Power sends a leaflet to vulnerable customers every year to inform them of the Code of Practice for Vulnerable Customers and to inform them to contact Panda if their needs have changed. However, Panda Power does not bring attention to the Code of Practice for Vulnerable Customers to its wider customer base.

Section Code Practice	in of Requirement	
7.4.2	The CRU recommends that registration forms related to registration on the Priority Services Register do not limit customers' ability to add a type of electrically powered equipment that they may be dependent on. Appendix D includes basic template information.	
	Supplier	Finding
	Energia	Energia does not include an 'other' option for priority services. The registration form does not list any of the priority service categories as outlined in Appendix D of the Suppliers' Handbook. This may limit customers' ability to identify whether they are eligible. In addition, the registration form is entitled 'special services' despite applying to both registers, which may cause confusion.
	Panda Power	Panda Power does not allow customers to add a type of electrically powered equipment they may be dependent on. In addition, the registration form is entitled 'special services' despite applying to both registers, which may cause confusion.

Section Code Practice	in of Requirement	
7.4.4	Suppliers are required to develop and implement adequate and efficient processes to address cases where customers provide verbal notification of vulnerability but fail to complete or return completed and signed registration forms. These processes should be aimed at reducing the risk of failure to register a vulnerable customer and increasing the possibility of identifying customers who are eligible to be registered as vulnerable.	
	Supplier	Finding
	Pinergy	Pinergy did not provide evidence of any process in place to follow up with customers if they had not completed the registration forms and relied on customers to download and complete the form from its website. While this supplier does not have a high volume of vulnerable customers due to its provision of PAYG services only, it is important that all suppliers follow up with customers who have provided verbal notification of vulnerability but have not returned completed registration forms.