



**Response by Energia to Utility Regulator  
Consultation Paper**

***Consultation on Implementation of Energy Supplier  
Codes of Practice***

**28 July 2014**

## **1. Introduction**

Energia welcomes the opportunity to respond to the Utility Regulator (UR) consultation on the implementation of energy supplier codes of practice. As Energia is not currently active in the supply of either electricity or gas to domestic customers in Northern Ireland (NI), the specific comments in this response are limited to the proposals on the Code of Practice on Complaints Handling Procedure.

Notwithstanding the focus of this response is on just one of the proposed Codes of Practice, Energia strongly urges the UR to consider a similar approach to that adopted by CER in their Supplier Handbook by producing separate Codes of Practice for domestic and non-domestic customers. We note that the UR has already adopted such an approach for the Marketing Code of Practice in NI.

In respect of the Complaint Handling Code of Practice proposals, Energia already operates under a similar Code of Practice in the Republic of Ireland (RoI), as required by the CER, with which we have an exemplary record of compliance in our complaint handling processes.

## **2. Proposals for Code of Practice on Complaint Handling Procedure**

Although not specific to this section of the consultation, Energia supports the use of minimum standards guidance for Codes of Practice. The proposed approach is similar to that employed by CER in 2012 when developing the Supplier Handbook to address many of the requirements of compliance with IME3 and, in general, the approach has delivered the requisite protections for customers while minimising the regulatory burden on suppliers. Notwithstanding this point, Energia remains concerned that Codes of Practice, such as those proposed, are enforceable under licences but can be amended or modified without the full rigours of a licence change. In effect, one may consider such a practice to be licence amendment by the back door and as such assurances would be welcome around the process to be employed in respect of future amendments to Codes of Practice.

### ***Definition of a Complaint***

The definition of a complaint proposed in the consultation paper is extremely broad and we have concerns about how such a broad definition may operate in practice. Furthermore, it is noted that there is no proposed distinction between serious complaints and potentially frivolous or vexatious claim; all are required to be reported in the same manner and all are afforded the full protections of the proposed Code.

Furthermore, in the reporting of complaints the UR have proposed “Request for information” as a possible category, which would not appear to align with the definition of a complaint, as proposed.

While the definition is considered by UR to provide a high level of customer protection, it differs from the definition employed by CER (explicit only) which can already be seen to afford a high level of protection to customers. Also, it is unclear what, if any, difference there is between the ERGEG Guideline definition and the

definition proposed by UR. If there is no material difference, it is unclear why an alternative definition has been proposed, however if it is considered to afford greater protection then this should be justified as to why there is considered to be a need to exceed the ERGEG Guidelines in the context of the NI market.

### ***Accessibility of Complaints Handling Procedure***

There are two issues that require further clarity contained in Annex 3 of the consultation paper, in relation to the accessibility of the procedure. First, the proposed text refers to the ability of a customer to ring a complaint against a current or legacy supplier. The case for the former is obvious, however, the case for the latter, while considered to be somewhat standard, it is also deemed to be appropriate to have a limitation on the period within which a customer can complain, similar to a statute of limitations. It would be appropriate to align this with the statutory requirement on suppliers to retain customers' information. The possibility for customers to raise a complaint against a supplier beyond this data would jeopardise the ability of the supplier to properly consider the complaint as internal records may have been destroyed, pursuant to data protection and best practice data management.

Secondly, Energia would question whether, in all circumstances as opposed to as a special requirement, all complaints should be progressed orally. At this stage it is suggested that this be an exception rather than a general provision of the proposed Code minimum guidelines.

### ***Transparency***

The UR has proposed a timeframe for the resolution of complaints to not be longer than three months and while, in general, Energia has no issue with this proposal, it is requested that an exception be included for circumstances outside of the suppliers' control. Specifically, there can be difficulties associated with obtaining necessary data from network companies and although the request for data is expedited in a very timely manner by the supplier, for a number of potential reasons the data may not be forthcoming within a three month period. In such a scenario, an absolute three month requirement is not considered to be appropriate and should be augmented by an appropriately worked exception clause.

### ***Effectiveness***

Energia has no comments on the proposals in Annex 3 of the consultation paper under this heading at this time.

### ***Alternative Dispute Resolution***

Energia has no comments on the proposals in Annex 3 of the consultation paper under this heading at this time.