

06 December 2018

Meadhbh Patterson
The Utility Regulator
14 Queens Street
Belfast
BT1 6ED

Dear Meadhbh,

Consultation on Consumer Protection Strategy Review and Proposed New Consumer Protection Programme (CPP).

Firmus energy Supply Ltd and firmus energy Distribution Ltd has engaged extensively with the Utility Regulator (UR) and other industry stakeholders in relation to Consumer Protection and, in particular, the recognition and treatment of vulnerable customers in its business activities. This engagement has manifested through our participation in forums such as the Gas Theft Working Group (GTWG) and the Consumer Protection Seminar in November 2018.

The issues surrounding Consumer Protection are of paramount importance in guiding firmus energy's overarching Customer Service Policy. Since 2006 firmus energy has been committed to providing a first class customer service with a view to being the market leader in the context of call handling within the energy industry. We are continually exploring new ways to improve our customer service and, as such, we welcome the opportunity to help shape the direction and content of the UR's CPP.

Redefining Vulnerable Customers in NI

Currently the firmus energy Supply and Distribution Licences define vulnerable customers as those either of pensionable age, with chronic illness, or with disability. It is now considered that this prescriptive method of defining vulnerability, is not an appropriate methodology. This is, in part, due to the recognition of unforeseen circumstances invoking vulnerability and the concept of vulnerability existing as a 'state of being' that persons can move in and out of - i.e. transient.

As part of its priority projects for the CPP, the UR has proposed a number of undertakings that relate to vulnerable customers. Specifically, these are;

- Improving early identification of customers at risk of crisis;
- Ensuring customers made vulnerable through unforeseen circumstances (e.g. bereavement or health issue) are protected; and

- Investigating and delivering Best Practice approaches by regulated companies to vulnerable consumer protection, such as (a) staff training, (b) practical measures and (c) signposting and engaging in multiagency approaches

Firmus energy supports implementing measures that will ultimately benefit vulnerable customers throughout NI, however, we would reiterate some of the concerns and considerations that we mentioned as part of our previous engagement¹ with the UR on this matter.

Gas Network Operators and Vulnerable Customers

From time to time, and as a result of network asset maintenance and replacement, Distribution Network Operators (DNOs) and their 3rd party engineering representatives may come into contact with gas supply customers. It had previously been suggested that DNO representatives may be in a position, with correct training, to recognise and report vulnerability at domestic premises. It is our opinion that this would not be an appropriate obligation for DNOs, for the following reasons:

- DNO representatives and engineers are not suitably qualified to recognise vulnerability
- DNOs do not maintain and manage customer care registers
- DNOs do not keep customer records, the gas supply company has the relationship with the customer
- Data protection (GDPR) prevents DNOs from sharing any customer related information without consent.
- To be considered vulnerable, a customer must regard themselves as vulnerable and submit their status as this accordingly
- Vulnerability remains a sensitive issue and as such there is the risk of customers taking umbrage with a DNOs actions, regardless of any altruistic intentions

In addition to DNO Engineers and 3rd party support staff, firmus energy also believes the concerns detailed above regarding the recognition and reporting of vulnerability could be applied to gas supply operational elements, such as meter readers.

Adopting Best Practice Procedures from the UK and Others

Although we have highlighted our concerns with reporting and assessing vulnerability, firmus energy is nonetheless committed to improving consumer protection. This is recently demonstrated through our affiliation and accreditation as a 'JAM Card Friendly' organisation² with approximately 50 customer facing employees registered to the scheme.

We believe that best practice processes should be explored and considered for all NI energy providers. Furthermore, we support the UR's proposal to take the lead in researching this area and welcome their intentions to facilitate seminars and workshops showcasing UK best practice processes.

¹ GTWG and Consumer Protection Seminar November 2018

² A JAM card allows people with a learning difficulty, autism or Asperger's to tell others they need 'Just A Minute' discreetly and easily - www.jamcard.org

Given the differences between the NI gas networks and those in the wider UK, it is unclear which, if any, best practice examples will be suitable for firmus energy to adopt as part of its operational day-to-day activities. Nevertheless, we can confirm our commitment to comprehensively consider all best practice suggestions proposed by energy stakeholders.

Other Priority Projects – Guaranteed Standards of Service (GSS)

Firmus energy recognises the importance the Gas Individual and Overall GSS, in terms of its impact on customers and the improved services provided by gas suppliers and DNOs. The financial penalties serve as an incentive for Suppliers and DNOs to shore up their internal processes and firmus energy has noted a significant drop in the number of GSS payments being paid to customers since the standards came into effect. Indeed, our overall performance standards are currently at 100% and the individual payments are negligible. Firmus energy will always strive to improve on their performance standards and levels of customer service, and we reiterate our support in exploring any best practice measures, proposed by the UR, that might help us achieve this objective.

The current Electricity GSS regime in Northern Ireland is set out in The Electricity (Standards of Performance) Regulations Northern Ireland 1993 which came into force on 1st January 1994. The 1993 Regulations were subsequently amended by the Electricity (Standards of Performance) (Amendment No 3) Regulations (NI) 1999 and the current standards have been in place since 1st October 1999.

Considering the standards of service have not been updated in nearly 20 years we would propose that the UR concludes its review of the Electricity GSS and amend them as soon as practicable. Whereas the natural gas networks are relevant to a proportion of the NI population, the electricity network relates to all. Given this, it is crucial that the benefits afforded by GSS to customers and energy providers are realised by the long overdue implementation of revised electricity standards.

We look forward to your final decisions on the CPP and are happy to discuss in more detail any of the comments provided.

Kindest regards,

A handwritten signature in black ink, appearing to read 'S. Miller', with a large circular flourish at the end.

Stephen Miller
Business Planning and Regulation
firmus energy