

Energy market investigation Provisional decision on remedies

Having spent the winter advising vulnerable consumers on how to save money on their energy bills (primarily through switching tariff or supplier) as part of the Big Energy Saving Network I wish to make a few comments on the above document. I have not read it in detail and am basing my comments on my general understanding.

1. Introducing competition between Price Comparison Websites will be a step backwards and make the whole process of switching more timely and complicated. The present system means it is possible to switch in 10 minutes, especially if you get used to using a PCW that you like. This is what I have been telling my clients, as once they have switched to a fixed tariff (as many did), they need to be able to switch for themselves once the tariff ends in order to get the best deal for them. Complexity is what prevents people from switching. No-one wants to have to go to several sites in order to compare deals. The present system works very well and is quick and easy to use.

2. I welcome the improvements for people using meters. Their current position is completely unacceptable, especially as many tenants have no choice except to be on a meter.

3. I am not in favour of removing the restrictions on the number of tariffs. This will just add more complexity and the customers I have been working with will not understand the different tariffs.

4. I think there are some suggestions in the document about the way in which energy companies communicate tariff information? I would like to point out an observation from looking at many companies' bills. The requirement to let customers know if they could be on a cheaper tariff is adhered to, but the way in which the information is displayed appears to be designed to distract the customer from the important information. For example, a customer on the SVT may read the first paragraph informing them that they are on the cheapest tariff 'of that type' (sometimes even beginning with the word 'congratulations!'). My observations indicate that many customers will not bother to read the next paragraph (often in a separate box) explaining what they could save by moving to a fixed rate tariff. I found most people I spoke to did not look at their bills, especially if they have an online account. My recommendation is that energy companies should be required to email customers this information separately to draw attention to it.

Liz Charles, Fuel Poverty expert for Durham Community Action

