

Consultation Response

Ofgem

Self-disconnection and self-rationing final proposals – statutory consultation

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About this consultation

This statutory consultation confirms Ofgem's proposals to improve outcomes for consumers who self-disconnect, self-ration and are struggling to pay their energy bills. In August 2019, they consulted on initial policy proposals to help protect these consumers given the significant negative impacts experienced by consumers, particularly for those in vulnerable circumstances. In March 2020, Ofgem

Overview

Age UK warmly welcomes the proposals for energy suppliers to identify and support pre-payment meter (PPM) customers who are self-disconnecting. We support the requirements on suppliers to offer short-term credit but believe that Ofgem should set common minimum levels for this. We also welcome amendments to licence conditions to formalise suppliers' duties to take account of a customer's ability to pay in relation to debt issues.

We recommend that the proposed measures are in place by the start of December 2020. It is vital that customers can benefit from the new protections at the start of this winter due to the ongoing uncertainty around the Covid-19 pandemic and its associated health and financial impact on millions of energy customers. Cold homes can have a dramatic impact on health, particularly causing and exacerbating the respiratory conditions which put people at even greater vulnerability to Covid-19. The proposed changes should help provide protection, confidence, and reassurance to energy customers, particularly those in vulnerable circumstances such as those who are shielding, disabled, lack mobility, in financial difficulty or are not online. It is in the interests of all parties, including suppliers, to keep customers connected. The proposed changes will make it easier for this to happen.

The benefit of the short-term protection measures agreed by Government, Ofgem and suppliers was evidenced during lockdown and most likely helped prevent further detriment.

who are shielding and during any further periods of lockdown. Smart meters also allow trusted third parties to top-up on a customer's behalf.

Ofgem should also alter licence conditions to require suppliers to take all reasonable steps to identify and report self-rationing in smart metered customers. Ofgem and industry need to take steps to identify these customers to prevent detriment such as poor physical and mental health from living in a cold home. Dual fuel customers using electricity at consistent levels, but whose gas usage stops or slows, particularly during periods of cold weather, could indicate self-rationing.

Friendly hours and emergency credit

Whilst we support Ofgem's proposal for all suppliers to offer short-term, emergency, and 'friendly hours' credit, it is important that a minimum standard for both is set to establish consistency across the industry. Set 'friendly hours' will help those who lack mobility, are disabled, or lack transport to top-up at a retailer or those who are not online to top-up electronically. Minimum standards w9s TJETQ0e1B/F3 12 Tf1 0 0 1 240.89 537.91 Tm0 g0 G -0.024

Appendix 1

Age UK Analysis (May 2020) of [Living Cost & Food Survey 2017-18](#) (accessed 12 January 2020)
