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Dear Sabreena

We are writing in response to the final proposals and statutory consultation following the review of the Consolidated Segmental Statements ('CSS'). This submission is non-confidential and may be published on your website.

We continue to be broadly supportive of your proposals, and constrain our comments to two narrow issues where clarification of your intentions may be helpful.

Breakdown by tariff types

As you're aware, we strongly support your desire to see separate reporting of costs, revenues and reporting by tariff type for domestic supply. This will be hugely helpful in understanding any cross-subsidies flowing between engaged and disengaged consumers, and to understand any problems arising from unsustainable pricing in the acquisition market.

We think there may be value in you clarifying the three category approach you are proposing though, as the categories can overlap. You are proposing to use the categories Prepayment Meter ('PPM'), Default, and Active Choice. Consumers paying by standard credit or direct debit can only be attributed to one of the categories, but consumers on PPMs appear to meet the descriptions for two categories (eg they will either be on a Default tariff with a PPM, or on an Active Choice tariff with a PPM). We think your intention is that all PPM customers are captured under the PPM category and not under the Default or Active Choice category instead of, or as well as, that category. You may wish to clarify this to avoid confusion among stakeholders.

The allocation of two categories (Default and Active Choice) to consumers paying by direct debit or standard credit, but only one for PPM, means you will not be able to identify any cross-subsidies between engaged and disengaged customers in the latter market in the way you could in the former. The 2014-16 CMA investigation into the energy market identified specific problems with competition in the PPM market. We recognise that at statutory consultation stage there is very little room for modifying proposals, but if you have any discretion to breakdown the PPM

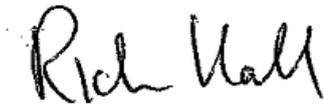
category into Default and Active Choice categories¹ this may increase the value of the information being reported.

Collation and publication of data

You highlight that suppliers provide the CSS to Ofgem in a machine readable format. This is not the case for third parties such as Citizens Advice. While the CSS are published on relevant suppliers' websites, this is usually in the format of pdf format files, making the process of extracting data from them one of manual transcription. Manual transcription is time-consuming and there is a risk of the accidental introduction of errors through the process. Moving from 6 to 24 obligated suppliers will increase that burden and risk of errors.

We therefore ask that Ofgem publish the machine readable versions it receives, preferably via a dedicated webpage. An alternative would be to require suppliers to publish them on their websites, but for users it is likely to be easier to access them all through a single website than to try to find them individually on 24 different websites.

Yours sincerely



Richard Hall
Chief Energy Economist

¹ Eg have four categories: PPM Default, PPM Active Choice, [other payment methods] Default, and [other payment methods] Active Choice.