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1.0 Billing

1.1

C received a very high bill for electricity use. Letters were sent which the Supplier acknowledged receipt of but failed to act on. This was considered poor customer service. It was established that the Supplier had two meters near C's property and C could not establish which meter was the correct one. Eventually the meter was changed but the Supplier maintained the original billing for some time. This was further poor customer service as was the Supplier's failure to act proactively. The Supplier accepted that it had failed to act and amended the billing providing an explanation as to how it had calculated the new bill.

The Supplier was required to provide a letter of apology in respect of the poor customer service experienced in this case, confirm the details that it held for C and to provide the direct contact details for a representative that now has ownership of this issue. The Supplier was also required to provide a goodwill gesture, in the form of a credit to C's account and confirm the current balance of this account.

1.2

C received a high final bill from the Supplier and complained. The Supplier advised it was correct. C continued to complain and the Supplier confirmed it had been incorrectly calculated. C received debt collection notices due to the incorrect bill. The Supplier produced a correct final bill and assured C their credit file had not been affected.

The Ombudsman was disappointed with the Supplier's actions in this instance and was concerned that C may have been faced with debt collectors. The Ombudsman was of the opinion that a shortfall in customer service had occurred. The Ombudsman required the Supplier to make a goodwill payment and write a letter of apology.

1.3

C's credit meter was exchanged for a prepayment meter. C asked for a final statement and paid the amount stated by the Supplier. However, it was subsequently identified that the balance cited had not included charges for the final quarter, up to the meter exchange date. This resulted in a debit balance, which the Supplier failed to send to the prepayment meter. On receipt of C's cheque, the Supplier incorrectly credited the payment twice, which resulted in a false credit balance showing on the meter. C used the credit balance. However, the Supplier subsequently identified its error and sent a debt to C's meter in order to recover the incorrect credit amount and the shortfall from the original balance. It did not inform C of its actions. C contacted it, as credit purchased was not showing on the meter. The Supplier informed C of the debt, which C disputed. It agreed to investigate the account, but failed to take any action or explain the reasons for the debt to C.

The errors made by the Supplier regarding the incorrect credit, and its failure to communicate with C or respond to C's complaint were considered to be reflective of a shortfall in customer service. It was also noted that the Supplier had failed to apply an agreed credit adjustment to C's account. It was required to send a letter of apology, confirm any remaining debt on the meter had been removed and any overpayments made by C had been refunded, confirm it had actioned the credit adjustment previously agreed and provide a payment as a gesture of goodwill.

1.4

C complained that the Supplier failed to set up C's gas account for eleven months. C had called and sent letters to the Supplier but received no actual written explanation or resolution. The Supplier said that it had not received all information to allow it to set up the gas account correctly.

The Ombudsman said that the Supplier did need to wait for relevant information before setting up an account but was concerned that the Supplier failed to resolve the problem for such a lengthy period of time. This was viewed as poor customer service. The Ombudsman was also concerned that the Supplier failed to respond to C's written letters. The Ombudsman required the Supplier to set up the gas account. The Supplier was also required to award a nominal goodwill payment and send C a letter of apology.

1.5

The Supplier failed to administer the account in an effective manner using incorrect readings and meter numbers over a prolonged period. This caused a large debit balance to accrue on the account. The Supplier failed to schedule C's direct debit payments at an appropriate level to cover consumption. The Supplier then provided a large refund to C that was not actually due.

The Ombudsman considered the previous goodwill gesture was reasonable settlement to the billing issues however required a further award in light of the customer service issues raised. The Ombudsman required the company to offer C a payment plan and issue a formal letter of apology.

1.6

The Supplier failed to recalibrate the meter for three years that caused a large arrears balance on the account to accrue. C complained about the situation and requested the balance be removed however the Ombudsman welcomed the Suppliers reduction of the balance in goodwill and offer of a payment plan. The Ombudsman concludes C experienced a poor level of customer service. In summary required the Supplier to maintain the offer of a payment plan to collect through the key meter; and to issue a formal letter of apology for the inconvenience caused.

1.7

The Supplier failed to administer the account accurately and charged C using 4 digits reads rather than on the 5 digit readings C provided the company. The Supplier failed to read the meter in accordance with License Condition 17 and the Ombudsman considers this was not in the interest of C's safety. Due to the Supplier's billing error it applied the two year back billing Code of Practice, but there was a delay in the company taking this action. The Supplier failed to act on C's requests when questioning the accuracy of the bills and on doing so it failed to meet its Guaranteed Standard aim.

In summary the Ombudsman requires the Supplier to make a further goodwill credit to the account in recognition of the costs incurred, inconvenience, customer service issues raised and possible overcharges from the old meter; pay compensation for failing to answer C's billing enquiry within five working days; Offer C a payment plan taking into account C's ability to pay; and to issue a formal letter of apology including a detailed explanation of how the calculation of the back billing credit was made, including clarification of the figures used.

1.8

C said that the Supplier billed C incorrectly as it held the incorrect meter details. C called the Supplier and sent letters of complaint but received no resolution. The Supplier said that C's meter had been changed prior to C moving into the property. This information had not been updated to the Supplier which was the reason for the incorrect billing. The Supplier proposed a nominal goodwill payment and a 10% reduction of the outstanding balance.

The Ombudsman said that C had received poor customer service from the Supplier as it failed to resolve the complaint for approximately eight months. The Ombudsman however concluded that the proposed offer from the Supplier was a reasonable resolution. The Supplier was required to send C an amended bill, credit C's account with the proposed goodwill, contact C to arrange a payment plan and send C a letter of apology.

1.9

C complained to the supplier about a large bill being received when they had a prepayment meter. This was due to the meter not being recalibrated, although the supplier suggested it had visited without being able to gain entry on a number of occasions. This was disputed by C who complained about the supplier failing to notify them in writing if there was a problem.

It was concluded that the supplier was entitled to receive some form of payment, following the Energy Retail Associations comments about back-billing. It was welcomed that the supplier had agreed to reduce this as a gesture of goodwill, but it was proposed that goodwill reduction should be increased in full consideration of all information. Confirmation of this was to be sent in writing with a letter of apology.

5.0 Billing - Inaccurate Invoices

5.1

C complained that bills from the Supplier were incorrect. C called the Supplier and sent letters of complaint but received no response or resolution. The Supplier said that it did hold the incorrect details and was attempting to resolve the problem.

The Ombudsman said that based on the information provided C had received inadequate and poor customer service from the Supplier. The Supplier failed to resolve the problem with the account even though nine months previously it was noted that the address had been missed up with a similar address. The Ombudsman required the Supplier to contact C to discuss the complaint, ensure the correct account and meter details were held, re-bill C for usage, award a nominal goodwill payment and send a written letter of apology.

5.2

C complained that the Supplier sent C estimated bills. C disputed the bills with the Supplier as the meter readings were incorrect. C sent letters to the Supplier and made numerous calls. C said that C had eventually received amended bills but complained that the Supplier would not compensate C for the inconvenience caused.

The Ombudsman said that it was evident from the information provided that C had received poor customer service from the Supplier. The Supplier failed to resolve the incorrect bill issue for approximately six months and also failed to keep C informed. The Ombudsman required the Supplier to award a nominal goodwill payment, ensure that C's credit rating had not been affected and send a letter of apology.

6.0 Billing - Inaccurate Meter Reading

6.1

C queried a bill from the Supplier and provided a meter reading. It was found that the meter reading was lower than previous readings the Supplier had received and an appointment was arranged for C's meter to be checked, but the engineer failed to attend. A further appointment was also missed. C complained and provided further readings to the Supplier, which agreed to arrange a further appointment. It did not do this, but agreed not to charge C for usage until the meter reading was in line with the reading taken on C's move in to the property. It also credited C's account in acknowledgement of the failed appointments and the call costs C had incurred. C remained unhappy with the Supplier's offer.

The Supplier's failure to fully explain why no further meter accuracy tests had been arranged was considered to be reflective of a shortfall in customer service. Its failure to reply to C's correspondence was also noted. However, the goodwill gesture provided by the Supplier's was considered to be generous and it was noted that an accurate bill had been sent to C. The Supplier was required to apply a further small credit as a gesture of goodwill in consideration of the time taken to resolve the complaint and the inconvenience caused.

6.2

The Supplier failed to read C's meters on combined fuel contract for six months and failed to implement C's readings. C contacted the Supplier and requested repayment of apparent surplus on account. The Supplier refunded balance and then discovered it had failed to bill updated gas readings on last two bills leaving large balance. C changed the Supplier when refund was obtained and was shocked to receive very large final bill. The Supplier then submitted final bill in which the component gas usage at different price levels did not add up to the printed total. The Supplier failed to explain this error in telephone calls and in two letters. The Supplier was also informed C was very elderly, chronically sick and with a wife in residential care, but failed to enter C on Priority Service Register as required under S26.4 of its licence. Despite failing to resolve outstanding query on addition errors, the Supplier escalated dispute by instructing solicitors to litigate without any previous warnings to C. The Supplier also failed to provide case notes to ENSO within the prescribed time despite numerous requests for the case file.

The Ombudsman found that there had been serial breaches of the ERA code of practice to provide clear, accurate and informative bills. That the Supplier had breached the ERA code of practice with regard to vulnerable customers and had also breached S26.4 of its licence. The Ombudsman also found that the Supplier's unwarranted implementation of litigation before it had resolved the errors on the account was serious misconduct and also breached S26.4 of its licence. The Ombudsman recalculated the final bill to correct the error of additional and awarded a goodwill payment for the Supplier's series of failures and its misconduct in litigating.

8.0 Billing - Lack of Information

8.1

C disputed the rates at which gas and electricity had been charged. The Supplier changed C's tariff to match the rates C cited. C continued to dispute the rates. The Supplier changed C's tariff twice more, but C remained dissatisfied. C also complained the Supplier had varied Direct Debit payments, although the agreed tariff was price protected and deducted a payment prior to the agreed payment date.

It was noted the Supplier had provided c with generic information about its chargeable rates when C's supply transferred to it. It was considered C had misunderstood the

terms of the electricity tariff. However, it was noted the Supplier did not respond to C's letters, therefore, the misunderstanding continued, and the confusion was compounded by the changes made to C's tariff, which the Supplier did not communicate to C. The Supplier's failure to meet the terms of the Direct Debit Guarantee Scheme was also noted. It was required to send a letter of apology, apply accredit as a gesture of goodwill and confirm the tariff details on each of C's energy accounts. A recommendation was also made for the Supplier to review the information it provided to new customers and for it to review the procedures it had in place to ensure it met the requirements of the Direct Debit Guarantee Scheme.

11.0 Billing - No Bill Received

11.1

C complained that the Supplier failed to set up a gas account and send C a bill for fifteen months. C called the Supplier and sent letters without resolution. The Supplier said that the account could not be set up as it had not received the correct information from previous supplier.

The Ombudsman said that the Supplier's failure to resolve the problem for fifteen months was unacceptable and constituted poor customer service. The Ombudsman required the Supplier to set up the account and bill C. The Supplier was then required to reduce the balance and award a nominal goodwill payment to C.

13.0 Billing - Payment Method

13.1

C complained the Supplier increased DD payments without providing adequate notification of the change. The Supplier agreed to refund the difference between the original DD amount and the increased amount. However, the Supplier sent the refund to the wrong address. The recipient informed the Supplier of the error and returned the refund, but the Supplier reissued the cheque to the wrong address again. C complained and the Supplier acknowledged the error and sent a third cheque to the right address. However, C also complained that even though the account was paid by DD, the Supplier sent demands for payment and threatened to disconnect C's services. The Supplier agreed to investigate, but the issue was not resolved. C raised further issues, but the Supplier did not reply.

The Ombudsman noted C did not receive notification of the Supplier's intention to increase DD payments, but was satisfied the payment the Supplier had already made as a gesture of goodwill was reasonable. However, a recommendation was made for the Supplier to review the procedures it had in place for notifying customers about changes to their DD payments. The Supplier's failure to reply to C's letters, provide a breakdown

of the account or prevent further demands for payment being sent to C was considered to be reflective of a shortfall in customer service. The Supplier was required to send a letter of apology, apply a credit as a gesture of goodwill, provide an explanation of the credits it had applied to the account and confirm C's credit rating had not been affected.

14.0 Billing - Quality of Customer Service

14.1

C complained of poor customer service after transferring gas and electricity services to the Supplier. There were a number of instances of such poor customer service found during the investigation, which ranged from incorrect billing to letters being sent to somebody that did not live at C's address. The Supplier accepted that there had been poor customer service and offered a goodwill gesture payment which C refused. The amount requested by C was considered unreasonable although the amount offered by the Supplier was increased.

The Supplier was required to provide a letter of apology in respect of the poor customer service provided and to provide a goodwill gesture, in the form of a cheque.

14.2

C disputed bill with the Supplier when it was established that C's boiler was faulty and had used gas not consumed by C. C continued to dispute the bill with the Supplier but the Supplier maintained that C remained liable to pay the bill as the fault was not reported prior to the bill being sent.

The Ombudsman said it was clear that C had been billed for gas consumption used due to a fault. It was also clear however that the Supplier was not able to repair the fault until C reported the problem after receipt of the disputed bill. It was therefore understood why the Supplier maintained that C remained liable. As an amicable resolution the Ombudsman required the Supplier to reduce the debt by 50% as goodwill. The Supplier was also required to award a nominal goodwill payment.

26.0 Transfer - Incorrect Billing

26.1

C asked Supplier to transfer two accounts. Supplier transferred the electricity account, but the gas account did not transfer. Supplier stated this was due to an incorrect Meter Point Reference Number (MPRN) being used. Despite C's and energywatch' intervention the account did not transfer.

The Ombudsman required supplier to provide an apology for poor customer service levels and in recognition provide goodwill payment and to ensure that the appropriate action was taken to transfer the gas account to supplier.

26.2

C complained that the supplier had over charged them, but that an accurate bill could not be produced as C's meter was faulty. The supplier investigated and liaised with C's new provider and the Meter Readers. It accepted that C's average consumption was set too high, but the reading used to close C's account was the one used by the new supplier.

The Ombudsman considered the new reading used by the new supplier may have been an estimate, but as this was the figure both companies were using, the over charging was likely to be minimal. However, the supplier was required to recalculate the final bill using this figure and account for the reduced average consumption. It was required to make an apology for the shortfall in customer service and for the referral to a debt collector, which could have been suspended. The supplier was also required to provide a goodwill payment a contribution to C's costs.

45.0 Sales - Erroneous Transfer

45.1

C noted that the Supplier had transferred gas and electric accounts without authority to for this. This happened as a result of a sale representative completing a transfer form which was misread. After this was brought to the Supplier's attention it was accepted that the accounts should not have been transferred and the Supplier said it would transfer the accounts back to the original supplier under the erroneous transfer process. The Supplier failed to do this which was noted as further poor customer service. The account was transferred to the original supplier but it was noted that the account had been passed to the Supplier's debt collection process. As the debt was still in the name of the subscriber that asked the Supplier for the service it was noted that this process should not result in any negative impact on C's credit history but it was felt that the Supplier should confirm this. The Supplier cleared the gas and electric accounts which meant that three months use of both services had been enjoyed. This was considered appropriate and of greater value than any goodwill gesture that might have been required.

The Supplier was required to provide a letter of apology and to confirm that no damage has been caused to any credit reference file held in relation to C.