



# **Response to Utilities Regulator Consultation**

## Code of Practice for Consumers in Vulnerable Circumstances

Electricity Association of Ireland

Status: Consultation Response

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A decarbonised future powered by electricity.

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The Electricity Association of Ireland (EAI) is the representative body for the electricity industry and gas retail sector operating within the Single Electricity Market (SEM) on the island of Ireland.

Our membership comprises utilities that represent 90% of generation and retail business activities and 100% of distribution within the market. Our members range in size from single plant operators and independent suppliers to international power utilities. Our members have a significant presence in Ireland, Northern Ireland and Great Britain across the sector value chain. We represent the interests of the all-island market in all relevant jurisdictions, including the EU via our membership of the European electricity representative body Eurelectric.

We believe that electricity has a fundamental role in providing energy services in a decarbonised, sustainable future, in particular through the progressive electrification of transport and heating. We believe that this can be achieved, in the overall interest of society, through competitive markets that foster investment and innovation.

We promote this vision through constructive engagement with key policy, regulatory, technology and academic stakeholders both at domestic and EU levels.

Our ambition is to contribute to the realisation of a net-zero GHG emissions economy by 2050 or sooner, in order to limit the impact of rising temperatures. Electricity offers opportunities to decarbonise the Irish economy in a cost-effective manner.



#### Introduction:

The Electricity Association of Ireland (EAI) welcomes this opportunity to respond to this important consultation on Codes of Practice for Consumers in Vulnerable Circumstances. Our members have been supportive of protections for consumers, effectively implementing the Customer Protection Programme (CPP) initiating their own Energy Engage Code. This voluntary code of practice commits suppliers to never disconnecting a customer who is actively communicating with them and making a genuine attempt to stick to a payment plan. We have revamped the code for this winter, by signposting to customers additional supports which may be available to them and payment plans which they feel they can complete. At all times there is an understanding that as the circumstances of the customer changes, they can re-engage with their supplier to discuss their options.

The Energy Engage Code is a firm commitment by suppliers to act in the consumers best interests.

In relation to this consultation, the EAI response will focus primarily on the need for a stronger definition of vulnerable circumstances.

### **Definition of Vulnerability**

The EAI is concerned with the proposed definition of vulnerability, we strongly feel that there is no means by which suppliers can verify a consumer's vulnerability, or providing guidance to employees in call centres who will have to determine if a customer meets the criteria. The definition proposed:



'A consumer is deemed vulnerable when their personal characteristics or circumstances reduce their ability to engage effectively and achieve fair outcomes. A vulnerable consumer is significantly less able to protect or represent their interests and significantly more likely to suffer detrimental impacts on their health, wellbeing or finances.'

Whilst the statement above is true and expansive, we feel its implementation will cause an inefficient amount of case review from both suppliers and the UR. Our concern is rooted in allowing suppliers to interpret the vulnerability of consumers without a clear understanding of the compliance implications of not identifying a consumer correctly. Suppliers are keen to ensure that their customers get the support which they need and have been achieving this either through their own initiatives such as the Energy Engage Code, or through directing customers to other supports. However, additional protections, such as a protection from disconnection, for customers not clearly defined, creates a risk for our members.

In the UR decision, it is acknowledged that targeting vulnerability 'will require identification on a case-by-case basis'. This assumption is not practical as it places the onus on suppliers to seek out customers who are vulnerable. We do not see how suppliers can infer a customer's vulnerability based on the limited details they have access to (name and address). Suppliers will ensure that any definition of vulnerability is signposted and included in communications with customers, which is the extent of their remit with the proposed definition. The decision from UR should note that customers will have to reach out to their supplier and claim vulnerability.

As acknowledged in the definition 'a vulnerable consumer is significantly less able to protect or represent their interests', acknowledging the reduced likelihood of a customer reaching out to their supplier as a vulnerable consumer. The current



definition prevents suppliers from being able to use existing registers for social welfare or disabilities to reach out to customers, while also calling on consumers who are less able to represent themselves to come forward. In practice we do not see this definition achieving its purpose and should be amended to include examples of when a consumer may meet the definition. This would increase the likelihood of a customer recognising they are vulnerable and reaching out to their supplier.

### **Register of Vulnerable Customers**

EAI is supportive of a register of customers, and the two tiers proposed. Having a medically dependent register is absolutely essential as these customers need to be easily identifiable and contactable in times of crisis. The DNO and supplier should be notified if, for any reason, an outage occurs and be able to ensure that customers who are medically dependant on electricity can be reconnected first. This will require the DNO to have access to two registers, and importantly, for their staff to be able to differentiate between tier one and tier two.

Whilst we support a joint register of customers, we do not feel that this register in regard to tier two vulnerable customers will be accurate. For the issues identified above in our response to the definition of vulnerability – we feel that customers who are verified as vulnerable without a tangible metric associated will not reflect all customers who are vulnerable. We do not feel that the cohort of customers, which the definition seeks to address, will come forward and identify themselves as there are no case studies or examples which suppliers can use to signpost to customers.



Similarly, we do not feel customers experiencing transient vulnerabilities and their deregistration has been adequately addressed. Consumers may, for a time, become vulnerable due to life events, if they reach out to their supplier and request enhanced protection, what occurs when they are no longer in this vulnerable position? We do not think it is likely that customers will reach out again to remove themselves from a register. As the register can not be cross referenced with another list, such as those on disability allowance, child welfare, etc. there is no means of the supplier determining when a customers vulnerability ends.

This may distort the accuracy of the register and will need to be considered.

If you have any questions in relation to the above, please do not hesitate to contact: Jason Herbert

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