

Energy UK PPM Principles

Energy UK has been working with its members to explore the potential for voluntarily reviewing and expanding the five prepayment meter principles that were voluntarily agreed by each of the six largest suppliers with Consumer Focus in 2011.

These expanded prepayment meter principles (the "**PPM Principles**") are intended to address concerns in relation to customers who are, or may be, at risk of self-disconnection.

The PPM Principles outlined below apply only to domestic customers (i.e. consumers).

PPM Principles

Each supplier has independently committed to, at a minimum:

1. Use their own vulnerability checklist, as part of a comprehensive assessment process, to help determine the household's circumstances (including whether there is a serious risk to health from self-disconnection) before any new prepayment meter ("**PPM**") is installed for debt-related reasons. If PPM installation is not safe and reasonably practicable, the supplier will offer alternative payment methods.
2. Provide customers who have a new PPM installed for debt reasons with a package of support including:
 - a. PPM tariff advice, including any wider financial assistance where applicable;
 - b. Energy efficiency information including entitlement to energy efficiency measures; and
 - c. A benefits check or referral/signpost to an organisation that can provide a benefits check and/or debt advice.
3. Monitor an account, following the installation of a PPM, to establish that the customer can successfully work their PPM and top-up.
4. Review and consider measures to monitor ongoing PPM customer vending and self-disconnection following the post-installation check, including any issues following the installation of a smart PPM. Energy UK notes that use of smart metering technology will enable suppliers to more effectively identify self-disconnection
5. Take into account changes in the circumstances of households who pay by PPM. If the supplier decides that it is no longer safe and reasonably practicable for the household to have a PPM, then the supplier will exchange the meter free of charge and/or change the mode.
6. Change the mode and/or remove the PPM free of charge where a customer moves into a property with a pre-existing PPM and it is not safe and reasonably practicable.
7. Extend the 'friendly credit' period on all electricity PPMs, where the supplier deems practicable, to overnight and over Christmas and New Year public holidays.
8. Provide support and/or assistance as the supplier deems appropriate on a case-by-case basis, where the supplier is made aware that a PPM customer is off supply, or at immediate risk of self-disconnection because they are struggling to pay. While individual suppliers' processes will

vary, and will be contingent on the customer's behaviour in any event, the types of support and assistance that a supplier may provide may include:

- a. Providing discretionary credit.
 - b. Reviewing the debt recovery rate.
 - c. Signposting customers to support, including independent advice agencies (e.g. Citizens Advice, National Debtline, and Step Change) and supplier trust funds.
 - d. Further financial support, where available and deemed appropriate by the supplier.
 - e. Energy efficiency support, where available and deemed appropriate by the supplier.
9. Ensure that staff are adequately trained to deal with customers who might be at risk of selfdisconnection, including having an awareness of how changes to social security may impact upon their customers.
10. Commit to reviewing and improving communication with PPM customers. This includes:
- a) Regularly reviewing existing written communications to PPM customers to ensure customers receive appropriate signposting to support if they are having any issues with their meter, or struggling to pay.
 - b) Ensuring their websites offer PPM meter customers easy to find and simple to understand advice on what to do if they are facing difficulties in topping up their meters.
 - c) Taking advantage of face to face, web-chat or phone interactions with PPM customers to signpost them to relevant debt advice organisations and other assistance where appropriate.
 - d) Providing customers who are new to using a PPM with relevant information on how to use their meter.

The updated principles had 12 suppliers as signatories at the time of launch, October 2016: Bristol Energy, British Gas, Cooperative Energy, Ecotricity, EDF, E.ON, First Utility, Good Energy, npower, ScottishPower, SSE and Utility Warehouse. Utilita became signatories in November 2016 and Tonik Energy became signatories in July 2018. In August 2018, TOTO Energy became signatories and in November 2018, Together Energy became signatories to the PPM principles.