## **Communications Workshop**

Demand Flexibility Service - 20th October 2022



### Introducing the team





Laura Parkes Consumer Strategy Manager

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**Guest Speaker** Will Johnstone Senior Policy Researcher Citizens Advice



## Agenda

- Introduction to Demand Flexibility Service
- Communication principles
- Consumer protection Led by Citizens Advice
- Consistency in communications messaging Interactive Session
- Discussion and summary
- Close



## Introduction to the Demand Flexibility Service



## Background to Demand Flexibility Service

- The Demand Flexibility Service (DFS) has been developed as part of a range of tools designed to help manage the electricity system this winter
- DFS will allow consumers, as well as industrial and commercial users, to be incentivised for voluntarily reducing their electricity demand at peak times
- Earlier this year, ESO ran a trial with Octopus Energy, where we successfully proved the proof of concept for a demand flexibility service
- Collaboration across the energy industry and consumer groups has enabled this new service to be developed



## How the service works – a simplified view

**ESO** provides signal to suppliers and aggregators

Suppliers and Aggregators in turn ask consumers to voluntarily reduce demand and receive payment following delivery Consumers voluntarily reduce demand at times specified and are rewarded

Additional background information on the DFS

DFS web pages which includes key information, links to previous webinars and QAs -

Demand Flexibility Service | National Grid ESO

DFS consultation information - EBR Article 18 Demand Flexibility Terms and Conditions | National Grid ESO

Consumers participating in demand side flexibility services can:

- Contribute to system security
- Reduce overall costs of managing the system
- Reduce carbon emissions
- Reduce the cost of their own bills
- Speed up the transition to a smart, flexible energy system



## Aims of this workshop

To facilitate industry to build consumer confidence in the new service

- Move to communications principles for marketing communications
- Shared understanding of consumer protections
- Consistency in messaging to make it simple for customers



## **Communications principles - DRAFT**

- Clear and simple language Target communications with the right level of information and avoid jargon and acronyms. Ensure that your comms and marketing is accessible to all
- 2. Responsible Tell people why we need the service but don't scaremonger
- **3. Honesty** Don't over promise on incentives or how often we think the DFS service may be called upon
- 4. Clarity Be clear who can take part and what they need to do. Provide an understanding of what is appropriate to turn down and when. Customers need a smart meter and opted in for half hourly data consent, and must opt in per event

- Be consistent with your tips the target you need to reach is equivalent to x loads of washing etc – <u>see CSE link</u>
- 6. Extra support There are people who may be struggling and need extra support. Please signpost them to where they can access help
- 7. Share information Please inform the ESO when your services will be live so we can publish 'Approved Providers' on the website and share this with consumer groups
- 8. Support the ESO Demand Flexibility Service BUT please make it clear that whilst the ESO is the facilitator of the DFS, the agreements are between the provider (you) and the customer



### **Consumer protection**

Will Johnstone - Citizens Advice





## **Consumer Protection and the Demand Flexibility Service**



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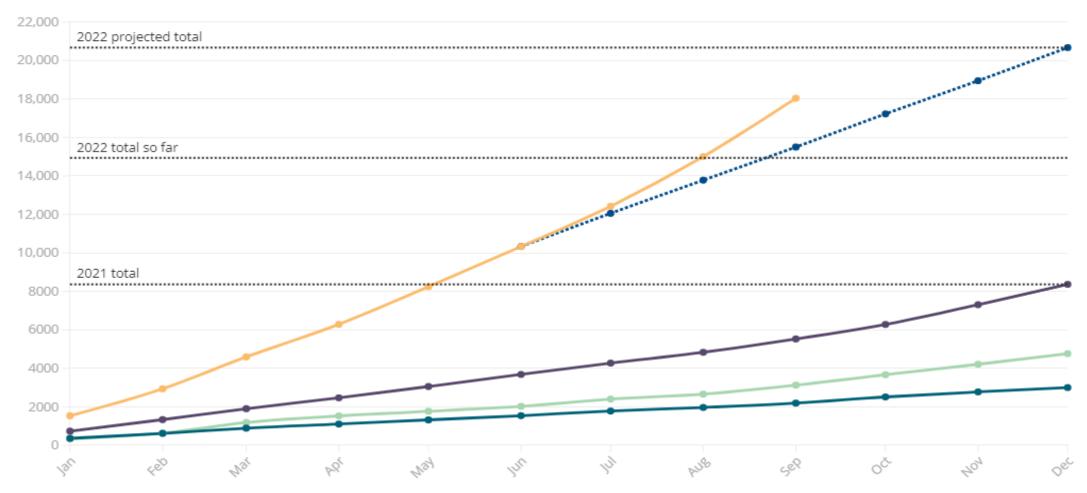
## Our view on the service

- We want this winter's demand flexibility service to be a success.
- Demand flexibility needs to play an important role in a net zero energy system, by supporting the grid to run more efficiently on more renewable energy and helping people to save money.
- There are risks of harm to consumers and these must be prevented and mitigated as much as possible.
- The way that suppliers communicate with their customers about the service is likely to have a significant impact on the success of the service, and requires acknowledgement that some can't engage effectively.

### What data we use

As well as data from the Citizens Advice Service, we use data from suppliers, the Energy Ombudsman and from social media to monitor the market

Data from Citizens Advice	Consumer service	Anonymised data from our energy <b>consumer service</b>	
	Extra Help Unit	Data collected monthly from the EHU	
	Local Citizens Advice	Cases highlighted from our local offices through Evidence Forms. These are used by advisers to highlight issues that are of particular of concern, or becoming increasingly common.	
Data from suppliers	Direct complaints	Suppliers are responsible for providing Ofgem and Citizens Advice with monthly and quarterly reports. This covers the numbers of complaints received, complaints by category, and total customer accounts. We carry out regular analysis comparing direct complaints to third-party contacts.	
	Request for Information (RFI)	Collected quarterly from suppliers via a Formal Information Request (under Section 24 of the Consumers, Estate Agents and Redress Act 2007). This includes data on: call centre wait times, email and social media response times, bill accuracy and timeliness, and switching, debt and disconnections.	
Data from other stakeholders	Ombudsman data	Data on domestic cases for the OS:E, based on a monthly report to suppliers showing cases accepted. This is collected quarterly and includes cases accepted by OS:E, where the consumer has been unable to get their complaint resolved for more than eight weeks.	
Data from social media	Twitter	We regularly monitor tweets sent to energy companies using software called Method52	
	Other social media	The team also checks other sites such as TrustPilot, Google reviews, and internet forums	



citizens

advice

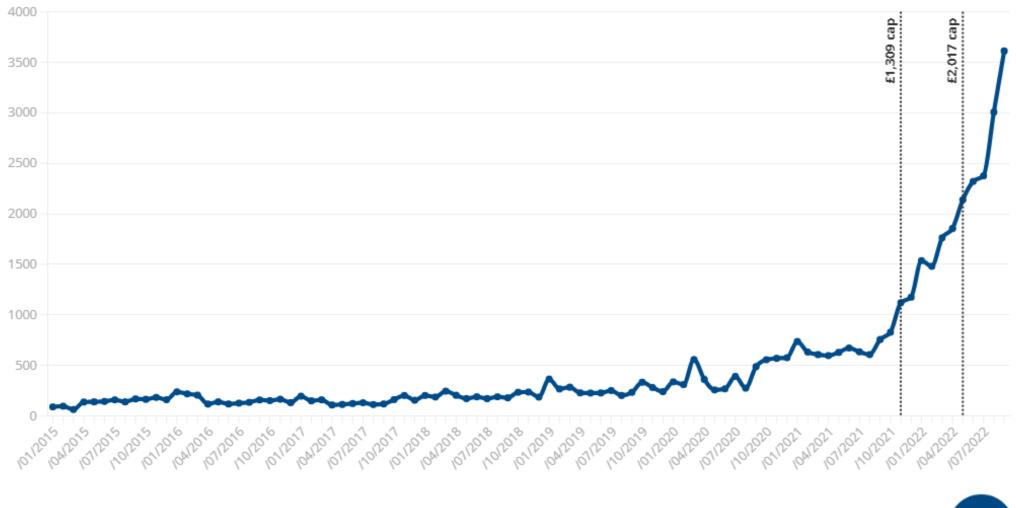
#### Cumulative number of people we've seen who've been unable to top up their prepayment meters each year

■ 2022 (Projection) ■ 2022 ■ 2021 ■ 2020 ■ 2019

Data for England Wales. 2022 projection based on average monthly cases in the first 6 months of 2022 (1st January to 31st June). Due to changes in the way we count this metric, we have slightly revised the monthly figures for the most recent release.

#### The number of people we've seen who can't afford to top up their prepayment meter each month

Can't afford to top up prepayment meter

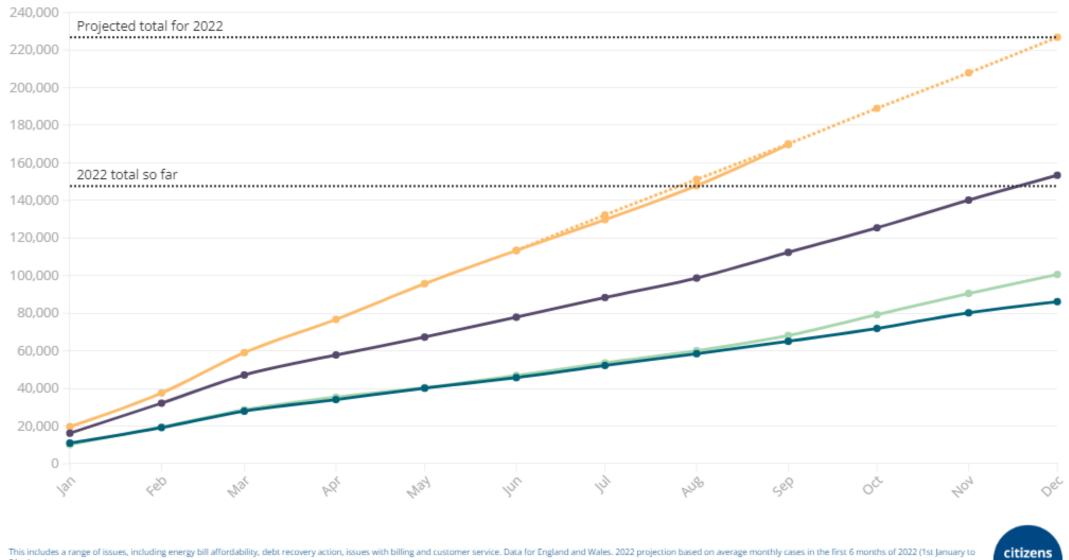


Source: data is from Local Citizens Advice offices and the Citizens Advice Consumer Service. Data on prepayment self-disconnection/unable to top up meter was only collected from April 2015.

citizens advice

#### Cumulative number of people who we've helped with energy issues each year

#### 2022 2022 (Projected) 2021 2020 2019



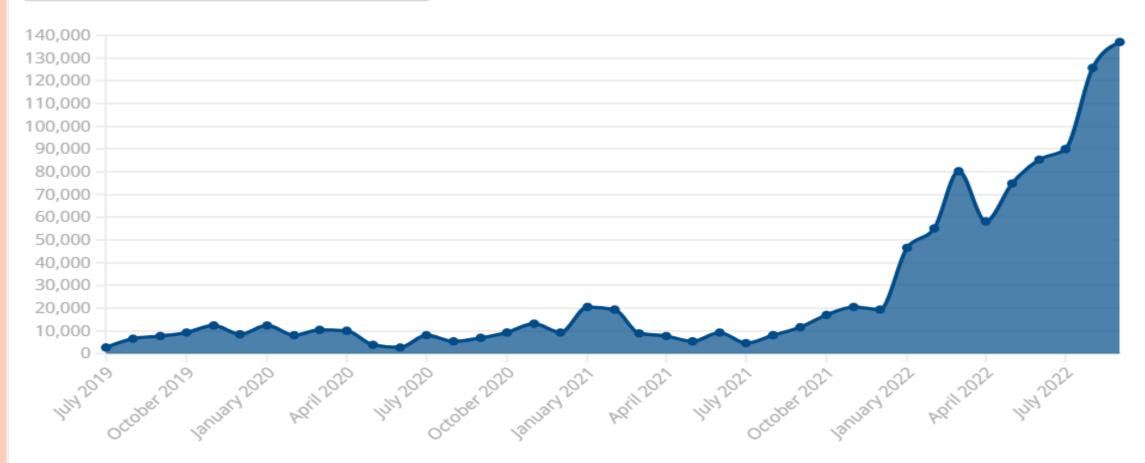
This includes a range of issues, including energy bill affordability, debt recovery action, issues with billing and customer service. Data for England and Wales. 2022 projection based on average monthly cases in the first 6 months of 2022 (1st January to 31st June).

advice

Due to changes in the way we count this metric, we have slightly revised the monthly figures for the most recent release.

#### Top 5 cost of living webpages

Grants and benefits to help you pay your energy bills 🔻



Grants and benefits to help you pay your energy bills

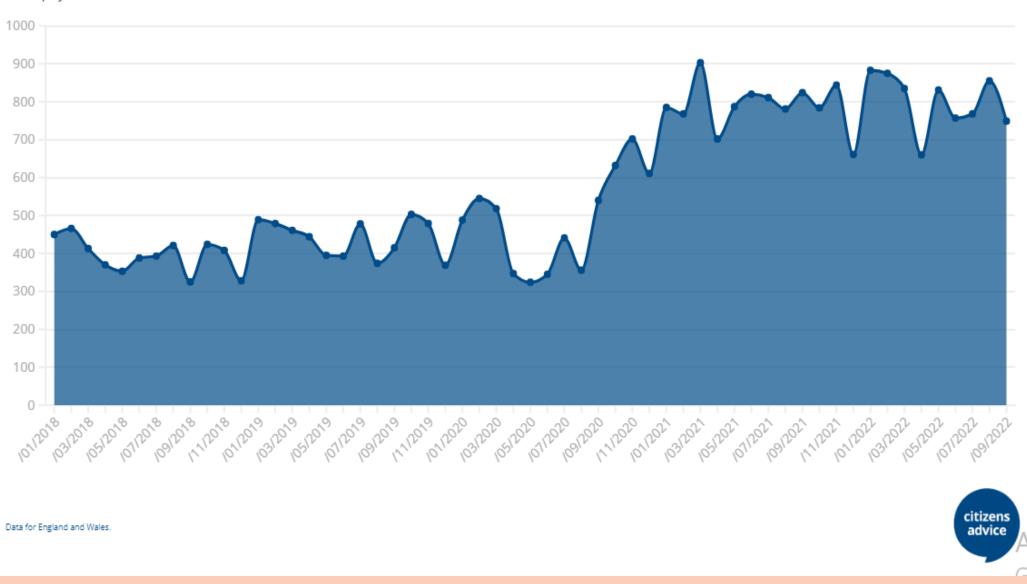
Personal Independence Payment (PIP) is a disability benefit that helps disabled people with the additional costs they face. Delays and difficulties with this benefit system have long been a significant challenge for our clients.

citizens advice

#### The number of people we are helping with selected energy debt collection issues every month

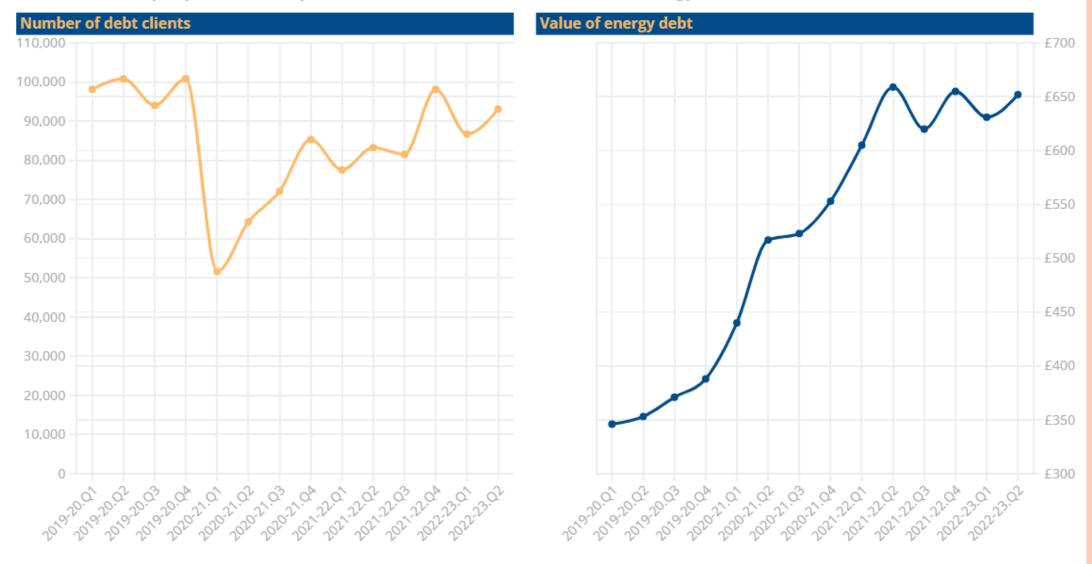
#### Prepayment meter installed for debt

#### Prepayment meter installed for debt



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#### The number of people we've helped with debt issues and the value of energy debt

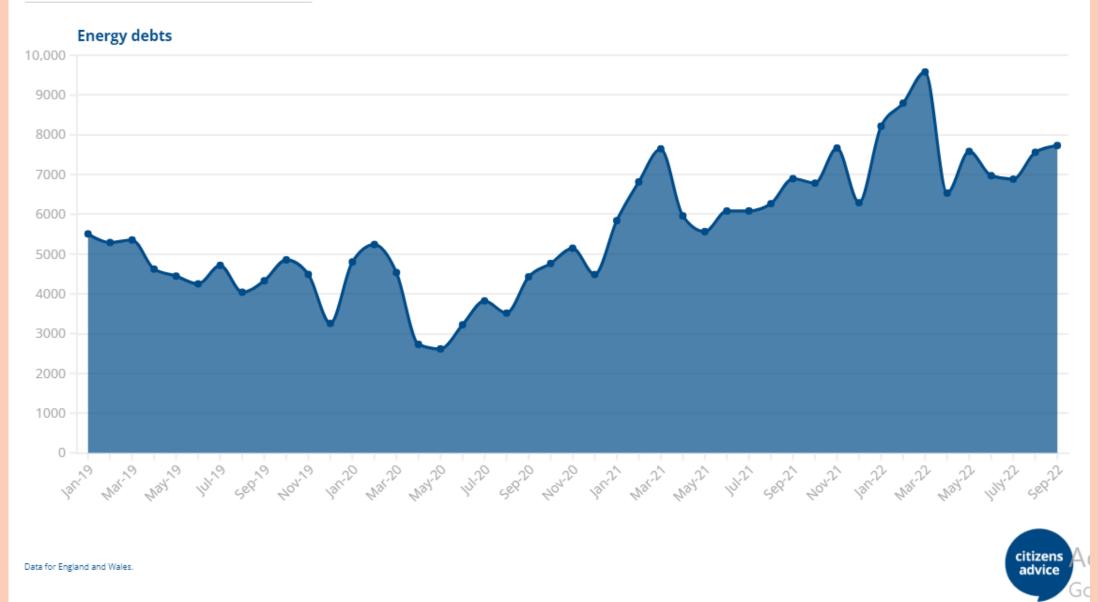




#### The number of people we are helping with different debt issues every month

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Energy debts



### **Key learnings**

- Summer 2022 has been very hard for people, on a par with winter conditions from previous years
- Support announced so far has made a difference, but only enough to slow the pace of people needing help
- It's likely to get much worse this winter, with households struggling financially, rationing energy, and taking extreme measures to save money

## **Protections and reassurances**

- Suppliers should provide information and support to help customers who are willing to engage to do so and to do so accurately
- Offers should be backed up with ongoing customer support, information and advice
- **Customers need to feel reassured that they won't lose out** by taking part whether that's financially, by losing energy supply, by signing up to something they didn't fully understand, or by having their data used in ways they're not happy with.
- For people to get involved with smart energy products and services, they need to feel confident about what they're signing up to, know where to go for help and what to do if things go wrong, and have control of their own data.

## **Principles and recommendations**

- Customers should not be discouraged from using energy when they need to be clear if there are actions customers aren't expected to take.
- Service needs to be inclusive by design but with a risk-assessed approach if targeting or other approaches are appropriate to ensure consumers remain protected.
- **Groups should not be excluded by default** if the right support and engagement could enable them to be involved safely.
- Advice and incentives should have regard to safety advice

## **Thank You**



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## **Consistency in communications**



### Please join our Mural board

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☆	Question 1. What are the areas consumers need consistent messaging on to	
	build confidence in the Demand Flexibility Service?	
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## Next steps

- The slides from this communication workshop will be available on the <u>Demand Flexibility Service</u> webpage
- The final communication principles will be published on the website by the end of the week
- We intend to issue a briefing note to consumer groups once the service is live. Please let us know if you would like to be included on this mailing list
- We'll create a form for you to let us know when you are ready to participate in the Demand Flexibility Service. This list of approved providers will be published on our website

box.esoconsumer@nationalgrideso.com



# Thank you

