

Customers can have greater confidence in the accuracy of their energy bills as a result of the voluntary industry Billing Code. This sets out commitments that participating suppliers are rigorously audited against. The results of the Billing Code audit for 2015 show that two suppliers attained the highest 'Gold' award while two others achieved Bronze which recognises efforts they have made to comply with the Code. A 'Gold' award means a supplier is fully compliant with all areas of the Code.

## Audit results

	Award	Number of Suppliers	Suppliers
	Gold	2	British Gas & EDF Energy
	Silver	0	-
	Bronze	2	E.ON & ScottishPower

Note: RWE npower was part of the 2015 Billing Code audit but did not achieve a rating due to billing system issues.

## General findings

The annual audit shows that, in the majority of cases, suppliers are able to bill customers properly and have robust processes and controls in place. The auditors found many areas of good practice particularly when it came to meter-reading and back billing. PwC found the Billing Code framework helped suppliers to identify issues before they became a serious problem.

Tina Tietjen, the Independent Chair of the Billing Code said:

"The Billing Code is a thorough assessment of suppliers' policies, procedures and practices using an independent and rigorous audit process. Making the audit public marks a big step forward for the Billing Code. The five members participating this year are to be congratulated for their willingness to learn from the audit and for their agreement to place the results in the public domain. This demonstrates a move to greater transparency by suppliers, a move all customers should welcome."

Dave Reeman, PwC said:

"PwC undertook a robust review of the processes and controls in place at each member to assess their ability to comply with The Code. The move to publish the results of compliance is a significant step forward for the Code. This demonstrates the importance with which participating members view the Code and the desire for more in the industry to sign up to its commitments. This was reflected in the positive attitude with which suppliers all supported the audit process and the desire to improve their processes to enhance their customers billing experience."

## Performance

Participating energy suppliers are judged against five key commitment areas: switching, meter reading, energy bills & statements, payments, and backbilling. The commitments are broken down into 18 areas for the audit. The audit matrix is used by companies internally for self-assessment which they use to drive improvements in their own billing processes and controls.

## The commitments

	Suppliers promise to:
Switching	<p>use an agreed meter reading to open and close accounts; and</p> <p>provide customers with the information needed during the switching process.</p>
Meter Reading	<p>obtain a meter reading on a regular basis, at least every two years; and</p> <p>use a valid meter reading to improve the accuracy of your bill/ statement; and</p> <p>provide a range of information in a variety of different ways to make sure that all customers can understand the importance of reading their meter.</p>
Energy Bills & Statements	<p>make sure charges on the bill accurately reflect current tariffs and that, when there is a change to the tariff, customers are charged correctly for the energy they used; and</p> <p>send energy bills or statements in a simple format so that customers can understand how the bill is worked out; and</p> <p>send an estimated bill based on: typical amounts of energy used in the past; average amounts of energy used; or what supplier believe will be used if an actual reading is not available; and</p> <p>make it clear on the bill if an actual or estimated meter reading was used to calculate the bill; and</p> <p>provide an energy bill or statement in line with the agreed billing schedule; and</p> <p>clearly communicate with the customer on the bill, statement, or other forms of communication if there is a price increase or reduction; and</p> <p>make sure they check unusually high or low bills before sending them out; and</p> <p>use an accurate reading if provided by a customer to produce a revised bill or statement and to do so, if asked, within 10 working days.</p>
Payments	<p>will take all reasonable steps to make sure monthly direct debit payments are set at the right level and review accounts proactively to make sure payments cover total energy use; and</p> <p>offer a range of payment plans to assist with the payment of an outstanding bill; and</p> <p>refund promptly any amount owed in relation to customers' energy bills, in line with the terms and conditions of the contract; and</p> <p>issue new prices to update your meter automatically when you make a payment to your prepayment meter.</p>
Back Billing	<p>not ask customers to pay any extra for energy used - and for which through the suppliers' fault no accurate bill was received - if more than one year has elapsed before the bill is produced.</p>

## The Billing Code

The Billing Code aims to drive improved standards of performance and to provide a common framework around which energy suppliers can build better processes and controls. Current members of the Code are: British Gas, EDF Energy, E.ON, RWE npower, and ScottishPower. Other companies may follow the principles of the Code but are not included because, as non-members, their practices are not audited.

## The Billing Code Board

The Billing Code Governing Board is responsible for overseeing the management, administration and governance of the Code. The Board also has the power to admit other energy suppliers to Code membership. Each Code member (i.e. British Gas, E.ON, EDF Energy, RWE npower and ScottishPower) has appointed a senior representative to sit on the Board. Other representatives on the Board include the Independent Chair, who reports directly to the Energy UK Retail Committee, and the Code Manager (Head of Operations, Energy UK).

## The Auditors

PwC audit the Billing Code. This is the first year PwC has carried out the audit.



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