



National Energy Ombudsmen Network

NEON Annual Report

2017

NEON is the European network of independent, not-for-profit consumer dispute-resolution services and ombudsmen active in the energy sector. Our members have the public mandate to provide an easily-accessible and free-of-charge system to solve disputes between consumers and companies.

We work to guarantee the rights of all consumers, including the most vulnerable ones, through the promotion of public-interest, independent complaint-resolution bodies.

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Foreword by the President



An annual report is a document that looks to the past and the activities of the previous year, and that's what you'll find on the following pages. I've decided therefore to give more of an overview and a look to the future.

The value of NEON is in the sharing of information and good practice, learning from each other and supporting each other. We also take time to have mini conferences on specific topics, for example the experience of the roll out of smart meters in

different member states and the effect on consumers.

Being part of NEON also enables us to participate in key debates and projects at a European level.

Having a Secretary General based in Brussels has been key to the success of NEON. Our first, Marine Cornelis, moved on earlier this year. We are indebted to her for her commitment, foresight and hard work –she did so much to build the profile of NEON. We have been fortunate in finding a great replacement, Annette Jantzen, who has quickly established herself in the role. I am extremely grateful to both of them.

It is through their work and presence in Brussels that we are aware of key developments, are given up-to-date information through the newsletter and are able to formulate and feed-back our responses to consultations.

There are a number of key policies that will have an impact on energy consumers being formulated at the moment.

The Clean Energy Package will transform energy systems throughout Europe with the focus on digitisation, decentralisation and decarbonisation. It will bring huge benefits as users move from being consumers to “prosumers”, but also risks, and it's crucial that advice and protection is available and easy access to redress when something goes wrong. Energy is a vital public service and subject to universal service obligations. In this context users are not just consumers but citizens with democratic rights. NEON has its part to play in encouraging the protection and empowerment of energy consumers and promoting ADR in Europe.

NEON welcomes the proposals in the New Deal for Consumers, which will enable consumers to make better choices, clarify their rights and give them stronger protection. We are grateful for the dialogue we have on it with DG Justice and Consumers. In the energy sector, the New Deal must be implemented alongside the Clean Energy Package to ensure the transformed energy market functions well and enables citizens to play a full part in the energy transition, including through the access to appropriate dispute-resolution mechanisms.

It is also vital that those who are more vulnerable have the support they need so that they are not excluded as these changes take place.

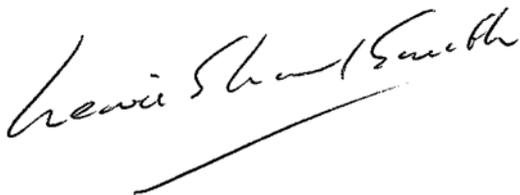
NEON is working closely with CEER and participating in its PEER initiative on research into the growth of bundled packages, where products and services of different types –often essential services like energy, water and telecommunications– are sold to consumers in a single package. While this is leading to reduced costs, it is not without risks. Regulators, ombudsman and ADR schemes, and consumer advocacy bodies must step up to the challenges brought by this new method of marketing.

This will be my final Annual Report as President as NEON. I end my term as the UK Energy Ombudsman at the end of the year 2018. The Flemish speaking Belgian Energy Ombudsman, Eric Houtman, will be replaced by the Belgian government. My thanks to him for his diligent work as our Treasurer and the part he played since the beginning in creating NEON and setting our direction. Philippe Devuyst, the Belgian French speaking ombudsman is retiring –thanks also to him for his support, and in particular for creating the NEON statutes and guiding us through the Belgian processes as NEON became a distinct legal entity at the end of 2016.

NEON has a distinct and important part to play in the energy market –independent from governments, companies and consumers, it exists to provide support to publicly-mandated ADR bodies, share best practices, challenge assumptions based on the unique knowledge we mine from complaints, and advocate improvements that will protect citizens in this vital area as well as helping the sector to be transparent and consumer-centred.

It has been a real privilege to lead NEON as its first President. I am grateful for the opportunity and wish it well for the future.

Lewis Shand Smith



Introduction

The aim of this report is to provide a comprehensive overview of the activities of NEON and its members. As in previous years, NEON has collected energy complaint data from its members and consolidated it into a global report that should allow policy makers and stakeholders to get a general overview of the main trends and issues affecting consumers in energy markets.

It should be underlined that the main dataset presented here concerns disputes or complaints, understood as “a statement of dissatisfaction with a specific trader made by a consumer to a complaint handling body” and not mere requests for information or advice, which are however also dealt with by most of NEON members. This choice is due to the fact that analysing consumer complaints is still one of the best ways to assess –and address– actual shortcomings in a given market.

As in previous years, the figures presented in this report shall be nuanced with national and regional situations, which vary greatly from one member to another, be it in terms of size, competences and data collection methods. For example, the number of complaints per number of inhabitants has to be put in the context of different national ADR systems and “complaint cultures”. In addition, despite constant experience-sharing among NEON members, the data collection process still differs from one member state to another. Therefore, this report also provides the reader with specific country reports, describing country-specific situations.

Members’ complaints data and activities feed into the NEON policy and other activities, which are presented in the last section of this report. We hope you enjoy the reading and look forward to hearing your comments!

How do consumers fare in energy markets?

Members' Complaint Handling Data

In 2017 NEON members treated almost **90 000 complaints** from European energy customers. Without taking into account Italy (for methodological reasons), **the number of complaints only increased slightly from last year**, with increases observed in the UK and France, and relatively stable numbers in the other countries and regions (and even a slight decrease in Ireland).

As in previous years, **most complaints related to invoicing and billing, followed by metering and meter-related issues.**

Slight decreases were observed in complaints related to payment problems and commercial practices. However, these global decreases should not overshadow contrasted national situations on the ground, which are described in the next section (“Country-Specific Reports”).

The complaint classification system used in this report is based on the European energy regulator's (now Council of European Energy Regulators, CEER) Guidelines of Good Practice on Customer Complaint Handling, Reporting and Classification from June 2010 and the experience of NEON members. It complements the system recommended by the European Commission for the classification of complaints and consumer issues. **A detailed explanation of the categories used in this report can be found in Annex II.**

Differences in the number of complaints and data between this report and NEON members' own reports are frequent, and due to differences in complaint classification systems. Nevertheless, all data presented here have been checked by the member concerned.

Evolution of the number of disputes per country/region

Excluding Italy, whose case classification system has changed to reflect a new energy customer protection system, **the number of complaints remained relatively stable** from 2016 to 2017.

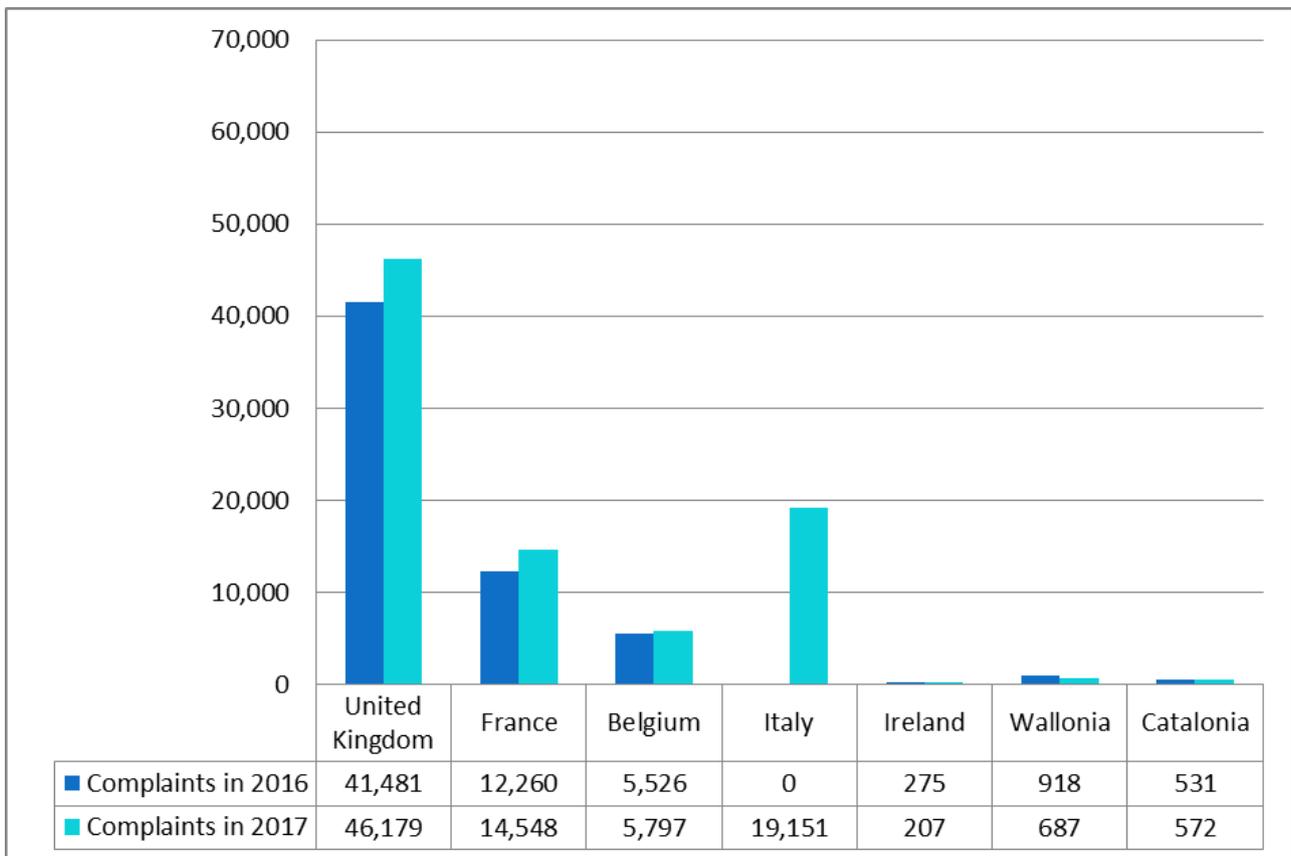


Figure 1. Evolution of the number complaints per NEON member, 2016-2017

Breakdown per type of dispute

If we look at the average share of complaints per type, **most complaints (on average 25%) related to invoicing and the bill, followed by metering and meter-related issues (on average 22%)**. While the share of complaints regarding billing only increased slightly, the share of complaints related to metering saw a stronger increase, although this increase could not be explained by any specific or trans-national situation.

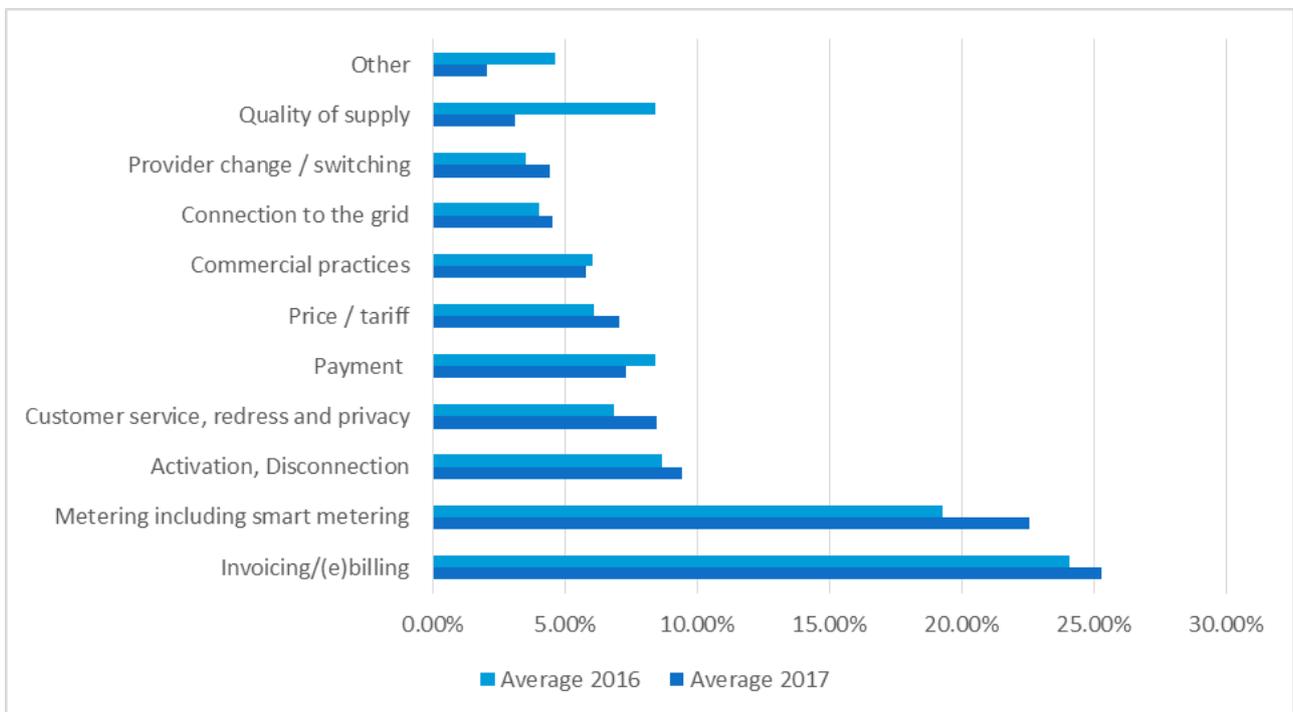


Figure 2. Average share of complaints 2017 (excl. Italy)

Figure 3 breaks down the averages shown on the previous page (Figure 2). The highest shares of complaints due to invoicing and billing were found in the UK, Ireland, Italy and Belgium (federal level). The highest shares of metering-related complaints were found in France, Belgium and Catalonia. Again, it should be noted that differences in the share of complaints are due to the specific situation on the ground but also to different complaint-classification systems.

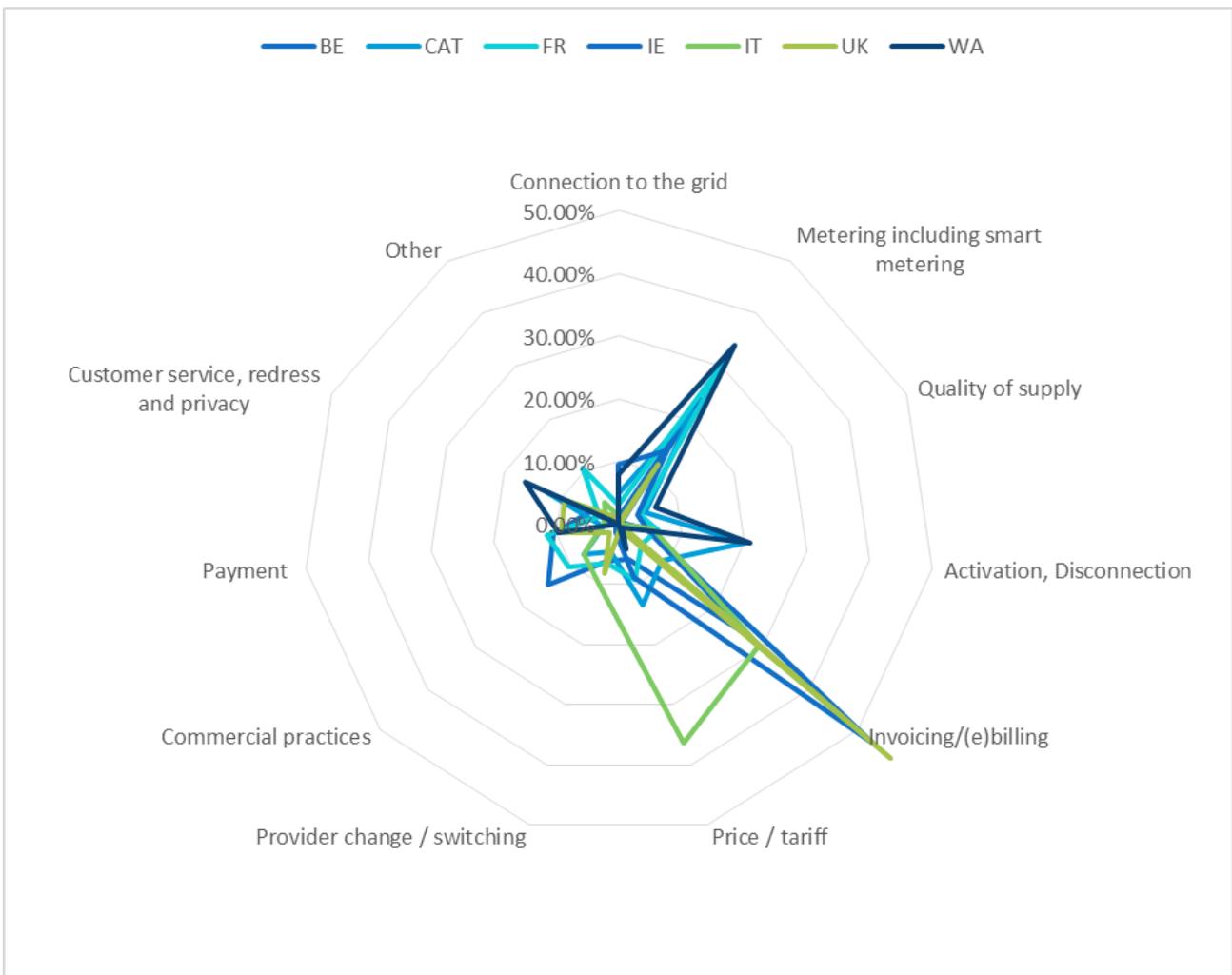


Figure 3. Percentage per type of complaint – breakdown per member

Country-Specific Reports

As last year, this year's annual report includes country-specific reports, detailing the activities of NEON members. NEON brings together a variety of different organisations, both in terms of governance, internal organisation and competences. While this renders comparisons between members and, particularly, members' data, challenging, it also makes the strength of our organisation, in which different organisations come together to work on common challenges.

As dispute-resolution bodies specialised in the energy sector, our members do not only have a comprehensive overview of the issues consumers face in energy markets, but also of the functioning of national alternative dispute-resolution (ADR) systems. This is why this year's report includes a specific box on NEON members' position in national ADR systems.

The reader should keep in mind that differences in the number and classification of complaints between this report and NEON members' own reports are due to differences between NEON and members' complaint classification systems. Indeed, the NEON classification system tries to harmonise the different national and regional systems in order to present comparable figures for all members.

After a stark increase in 2016, the number of disputes in 2017 remained relatively stable. Nevertheless, the Ombudsman points to an alarming increase in unfair commercial practices.

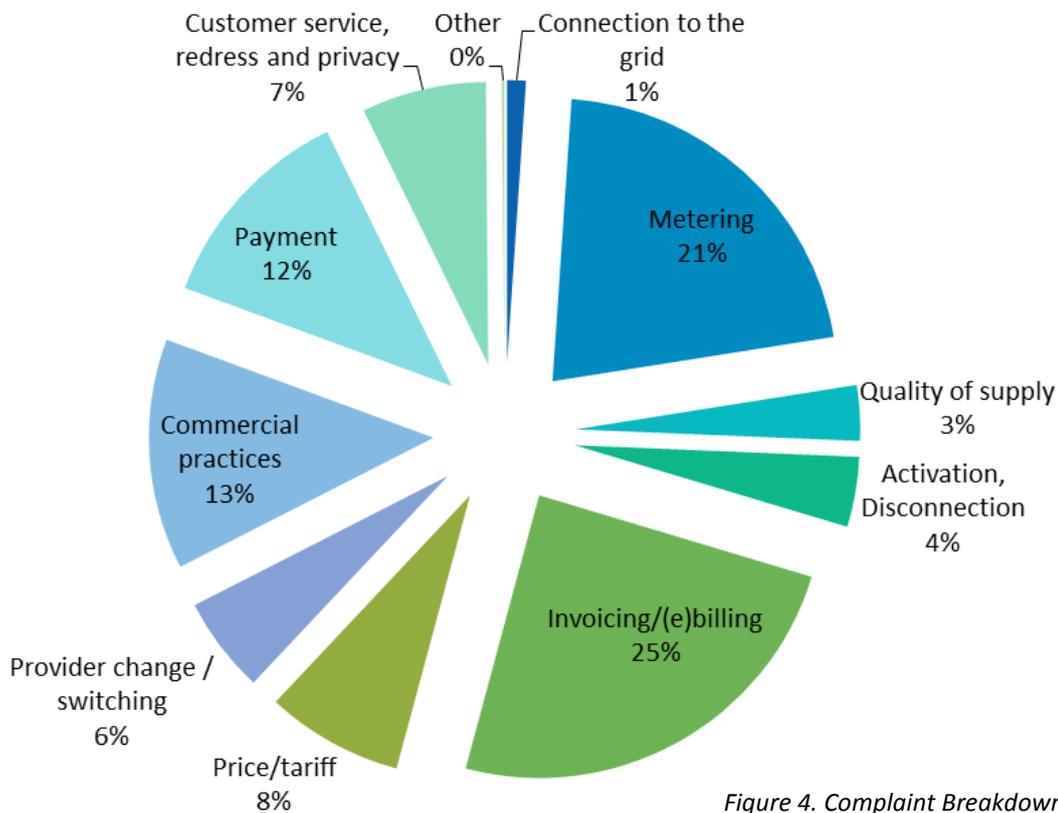


Figure 4. Complaint Breakdown 2017 – Belgium (federal level)

In 2017, the service received 5.797 complaints, of which 45% were within its terms of reference and could be treated. While, as in previous years, **most complaints concerned invoicing and metering** (with a strong increase in complaints about invoicing), 2017 has seen a notable **increase in the complaints related to commercial practices such as pre-contractual information and sales and marketing market practices**. In addition, the Ombudsman also points to an increase in the complaints related to switching and the quality of the service provided by call centres and other means of communication.

According to the Ombudsman, the **increase in complaints related to commercial practices and switching can be attributed to a series of reasons**, including: doorstep selling practices of energy contracts, which not always respect the sectors' code of conduct; the charging of fixed fees as (hidden)

termination fees when terminating the contract before its end-date, and unclear commercial “promotions” and unfair practices involving, for instance, the extension of a contract with a higher price without asking for the prior authorisation of the customer.

Finally, 97 complaints were related to **products and services offered additionally to the supply of electricity and gas** (“bundled products”), such as petroleum products, firewood and pellets, financing and insurance of installations, maintenance and repair services for heating appliances, thermostats, solar panels, batteries and energy saving tools.

Of the admissible complaints (45% of the complaints), **85% were positively resolved** via an amicable settlement. This positive resolution of the settled files resulted in a total amount of €590,985 in financial compensation, or rectifications, or an average of €277 per settled admissible complaint in 2017.

In total, the Ombudsman Service formulated **85 recommendations** relating to the following subjects:

- Charging of a fixed fee in the settlement contract as a hidden fee for termination;
- Extending the energy contracts at a higher energy price;
- Charging energy consumption in the resident’s/ owner’s name without a valid energy contract;
- The need to retroactively apply social tariffs for electricity and natural gas;
- Late invoicing of energy consumption;
- Rectifying meter data.

Concerning the charging of a fixed fee for the entire year to customers who terminate their contracts early, at the request of the Parliamentary Committee on Business issues, the Ombudsman Service formulated policy recommendation 17.011 at the end of 2017.

The Ombudsman Service for Energy noted however that the limits of the Ombudsman Service’s legal tasks concerning these disputes had been reached after the sending of non-binding recommendations to the relevant energy companies (in the absence of an amicable settlement) and the formulation of a policy recommendation to policymakers.

Despite this, the Ombudsman Service continued to question the legal nature of those hidden fees.

The Belgian Federal Ombudsman within the Belgian ADR system

The Belgian energy mediation service is a public and independent federal entity with legal personality and is **active since 2010**. It is funded through a levy collected from energy companies, and appointed by the government for a (renewable) term of 5 years. The service is competent for the management of requests and complaints related to the electricity and natural gas market and for treating any dispute between a final customer and an electricity and natural gas service provider.

Its decisions and recommendations are not binding and further legal procedures are still possible after mediation by the Ombudsman.

The service has recently been integrated under the Belgian **umbrella Consumer Ombudsman Service**, which acts as a central point of contact and brings together different sectoral ombudsmen schemes.

Belgium— Regional Level

Service régional
de médiation pour l' *Energie*

In 2017, both the number of “regular” mediation proceedings and questions remained stable, with most disputes relating to:

- Metering and meter readings
- Lack of payment procedures (under « activation / disconnection »)
- Technical issues related to connection to the grid or meter
- Support schemes for solar PV

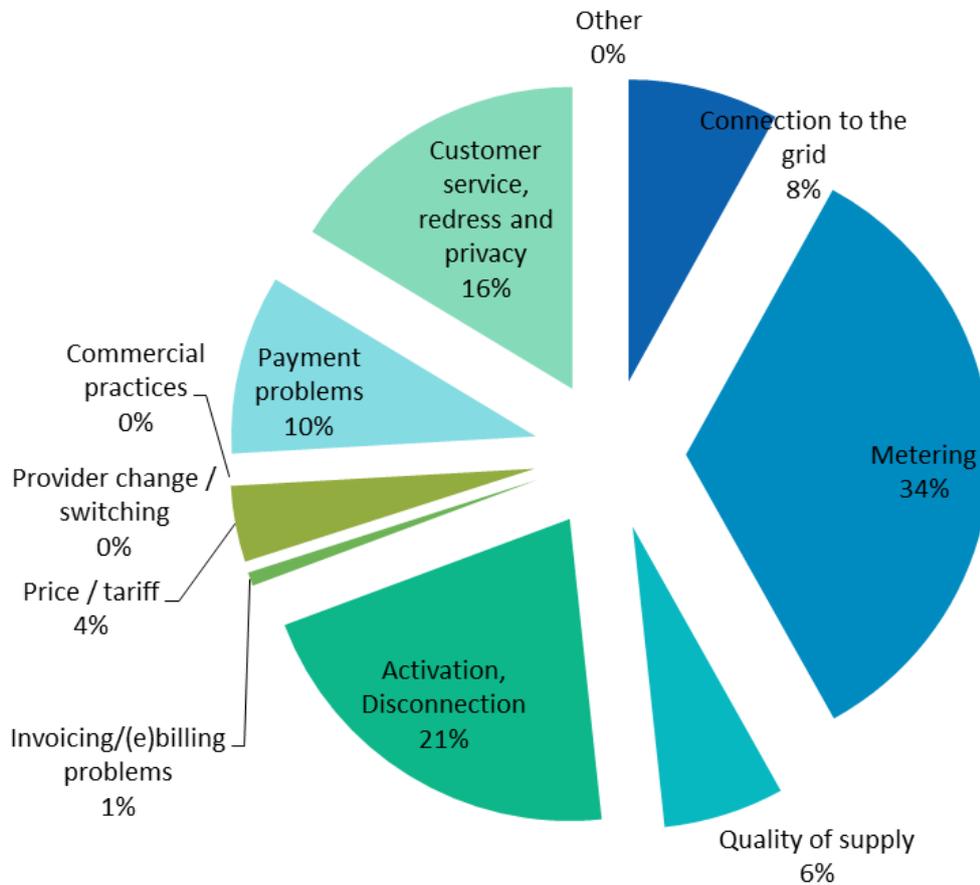


Figure 5. Complaint Breakdown 2017 – Belgium (Wallonia)

Regarding meter readings, it is foreseen that this type of complaints will diminish with smart meters being installed. Complaints related to lack of payment should also diminish, as a new procedure is being put in place by the social services.

Regarding general questions, most concern tariff issues, esp. linked to network tariffs. Those questions often look like complaints, but most can be solved by providing an explanation on why consumers need to pay that fee.

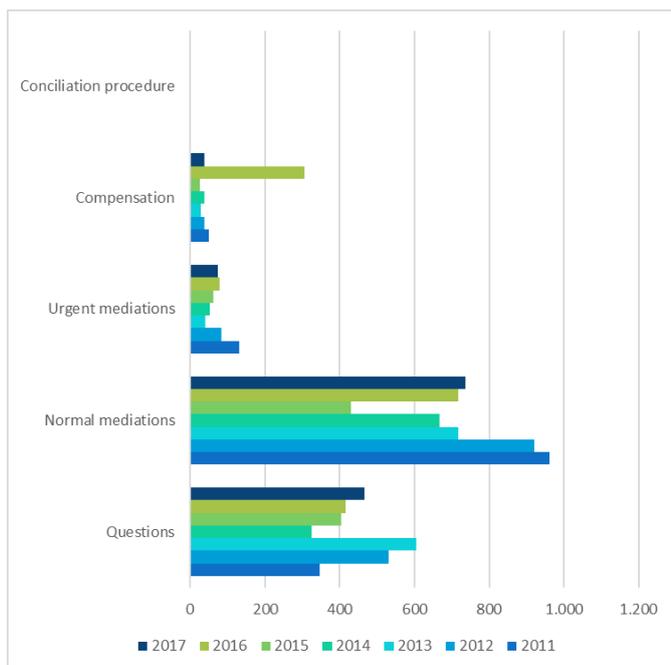


Figure 6. Evolution of cases dealt with by the regional mediation service (SRME) per type of procedure

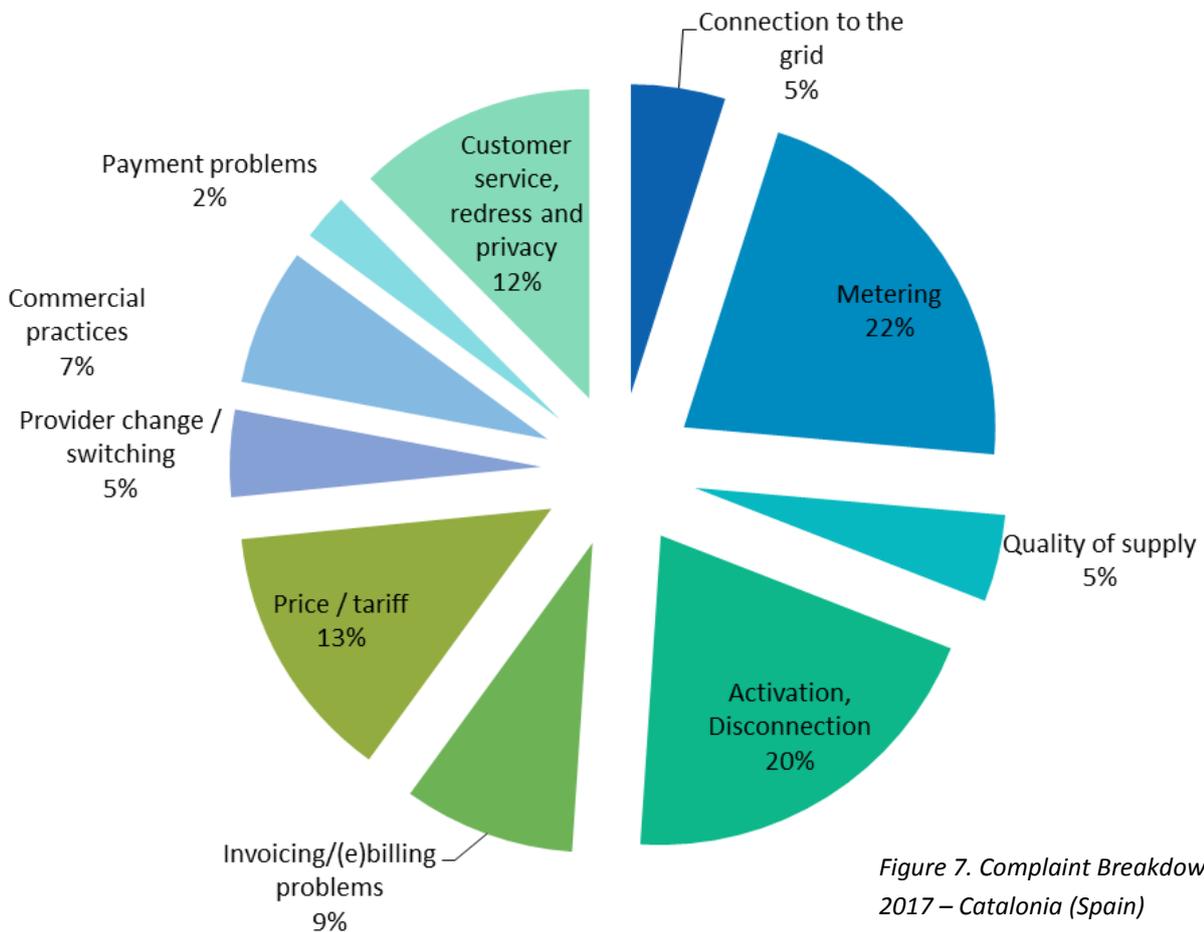
The SRME within the Belgian ADR landscape

The regional energy mediation service **was established in 2008** following a decision by the Walloon parliament. It is part of the energy regulator of the Walloon region (south of Belgium) and is in charge of complaints related to regional competences. Due to the structure of the Belgian State, competences and linked disputes are broke down between the federal and regional levels. Both levels work closely together. The Service Régional de Médiation is mostly competent for dealing with meter-related issues, payment problems, technical problems related to the connection to the grid and distribution.

The Mediation Service of the Regulator does not only deal with complaints, but also answers general questions. Disputes are mostly dealt with following the regular **investigation/adjudication procedure**, although **special procedures** are in place, namely for requests for compensation, urgent cases such as disconnections and a **conciliation** procedure, where both parties are invited on the premises of the Regulator (see figure 6). The regional mediation service is currently in the process of being certified as an ADR entity under Directive 2013/11/EU.

Catalonia

In 2017, El Síndic treated 966 cases related to energy, of which 572 were complaints (466 for electricity and 106 for gas). **The number of complaints has remained relatively stable compared to 2016**, where El Síndic received 531 complaints (out of a total of 1023 contacts).



The Síndic de Greuges de Catalunya, the Catalan Ombudsman, is the only institution member of NEON which deals with other complaints than consumer complaints related to a utility. The Ombudsman handles complaints in very different areas such as healthcare, education or public security. Thus, in 2017, the institution received 10,166 complaints and opened 281 ex-officio proceedings. Since many complaints have a collective character, the people affected by these actions have been more than 60,000, which is more than double the previous year.

After several years of ongoing growth (from 5% 20 years ago, up to over 20% in 2014 and 2015) the complaints related to consumer affairs made up 16% of the total number of complaints in 2017.

From the complaints received, the Ombudsman sees that utilities providing basic services are the source of many complaints, mainly due to the fact that these (mostly) large corporations' **customer service departments do not always propose streamlined circuits or solutions to process complaints effectively.** Complaints received also reveal **excessive billing of electricity and water** and cases of improper **operation of the meter.** This is why the Catalan Ombudsman believes it absolutely necessary to promote and encourage mediation, arbitration and other out-of-court conflict resolution systems in consumer affairs disputes.

Taking into account the complains received, the Síndic has been calling for an **appropriate implementation of the European directive on alternative dispute resolution (ADR),** namely a transposition that guarantees the role of public institutions, such as the Catalan Ombudsman, in the safeguarding the protection of fundamental rights, including the right to energy and water.

The **Catalan Ombudsman also supervises the public consumer protection services** –especially the Catalan Consumer Affairs Agency and other public institutions in charge of protecting consumer rights. The failure to respond to queries presented to the Catalan Consumer Affairs Agency, or the municipal or county consumer information offices, are the source of many of the complaints received by the Catalan Ombudsman in the area of consumer affairs. Nevertheless, the Ombudsman also notes that these services often do not have the human, material or financial resources necessary to meet citizens' demands.

Finally, another issue that has occupied the Ombudsman last year was the so-called "**Castor project**", a gas storage facility off the coast of Tarragona, in southern Catalonia. In November 2014, the Catalan Ombudsman already presented a Report to the Catalan Parliament on this project, in which he voiced the concerns of professional associations and other civil society

The Síndic within the Spanish ADR system

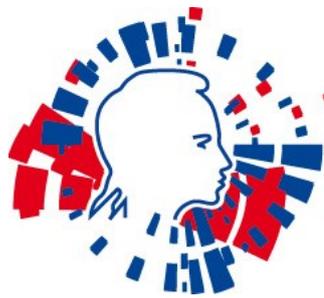
The Síndic de Greuges de Catalunya, the Catalan Ombudsman, is the only institution member of NEON that deals with more than energy and water complaints. The Ombudsman handles complaints in very different areas such as healthcare, education and public security.

The Catalan Ombudsman also supervises the public consumer protection services –especially the Catalan Consumer Affairs Agency and other public institutions in charge of protecting consumer rights.

In the area of consumer affairs, the institution maintains a cooperation with companies from the energy, telecommunications, transport, water supply and funeral services sectors and also with civil society organisations.

groups regarding seismic activity caused by the project.

In May 2017, a report prepared by the Massachusetts Institute of Technology (MIT) on the Castor offshore gas rig was published, which brought the issue back into the public eye. This report confirmed that earthquakes were caused by the injection of gas into the underground storage facility. In December 2017, a ruling by the Constitutional Court invalidated a Spanish law that paid compensation to the company that had built the rig for stopping its activities. This money was being collected by Enagás through customer bills, as determined every year by ministerial order. The Catalan Ombudsman will work to ensure that this ruling is applied and customers are not be penalized through their bills.



France

In 2017, the French Energy Ombudsman received almost 15000 complaints, representing a **19% increase** in the number of complaints received compared to 2016. The Ombudsman points at the **rise of unfair commercial practices, regular and persisting invoicing problems and the lack of transparent information** as the main reasons explaining this trend.

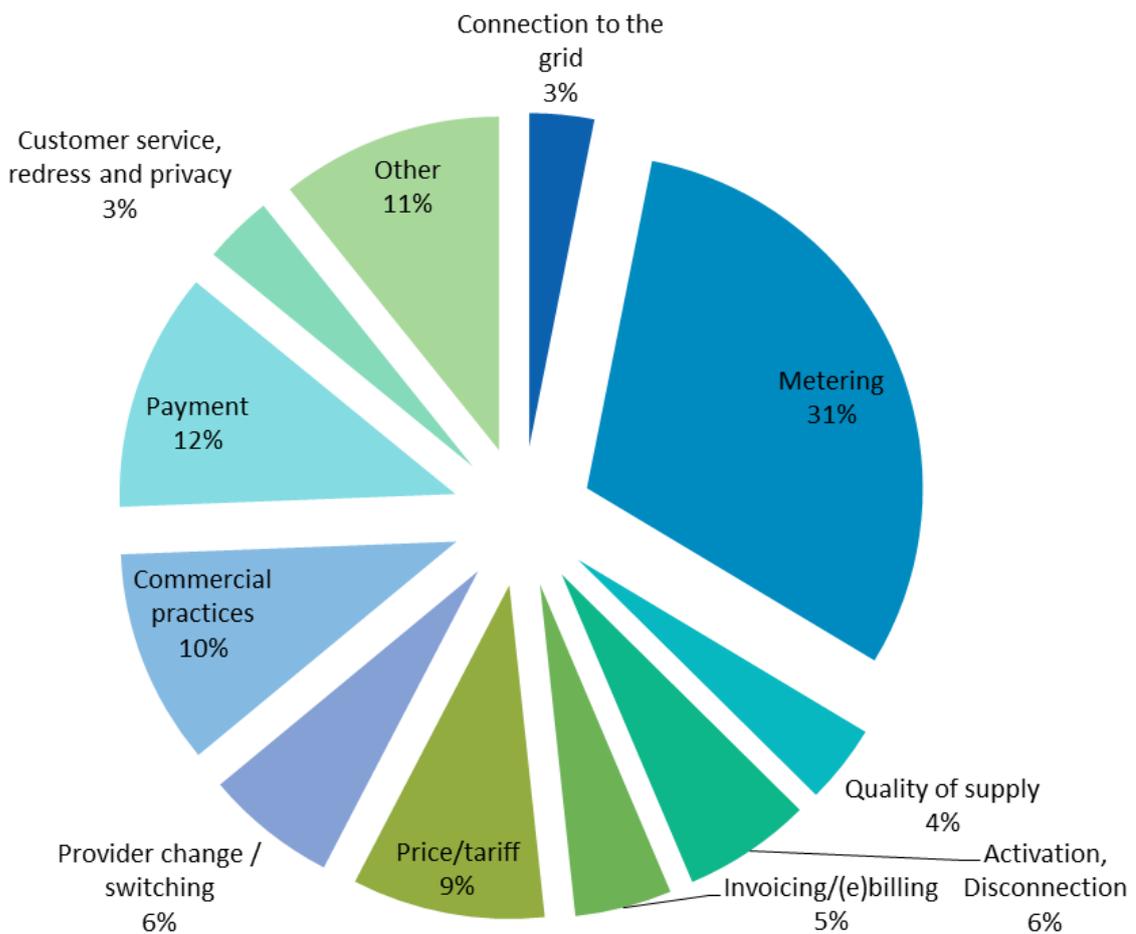


Figure 7. Complaint Breakdown 2017 – France

As in previous years, the main reason triggering customer complaints was a **disagreement on the billed consumption**, followed by complaints related to the **billing process** and the **payment of the bill**. The efficiency of the Ombudsman is once again proven by the high customer satisfaction rate: 92% of the customers having used the services of the Ombudsman would recommend them to others.

Among the main issues raised by the activity of the Ombudsman in 2017 is the topic of **unfair commercial practices**. The institution is working closely together with the French competent authorities in order to address this problem (the French Ombudsman can only intervene once a contract has been signed and thus not in complaints arising out of commercial practices).

The Ombudsman also underlines the need to increase the communication towards customers, as the **phasing out of the regulated tariffs for gas** is bound to take place quite soon, in the years to come. Today, half of French consumers still don't know that they can change supplier. In order to protect consumers, the Ombudsman calls upon French authorities to set up a supplier of last resort and to determine a "reference price" for gas to better help consumers appraise the value of market offers.

The Médiateur within the French ADR system

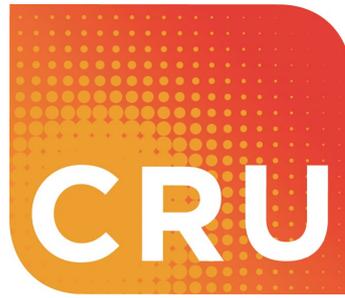
The Médiateur was created by a law voted by Parliament in 2006 and **is in operation since 2008-2009**. It is an "*Autorité Publique Indépendante*", financed through the State budget.

In France, the transposition of the ADR Directive allows companies to set up their own dispute settlement mechanisms, in addition to their complaint handling departments. The Médiateur actively cooperates with the in-house ADR entities set up by EDF and ENGIE, based on a Memorandum of Understanding that allows the Médiateur to **act as an "appeals entity"** for decisions issued by these in-house ADR entities.

While the **participation of companies in the mediation process is not mandatory**, the "naming and shaming" policy of the Médiateur is a strong way to entice companies to cooperate. In addition, since 2015, **French legislation requires that parties try to first solve the issue through ADR**, which could also be seen as an incentive for cooperation.

The Médiateur's recommendations are **not binding**: consumers can take their case to court if they wish to do so.

Ireland



An Coimisiún
um Rialáil Fónas
**Commission for
Regulation of Utilities**

The majority of complaints received by the CRU in 2017 related to invoicing and billing (53%), this was also the key area of complaints in 2016.

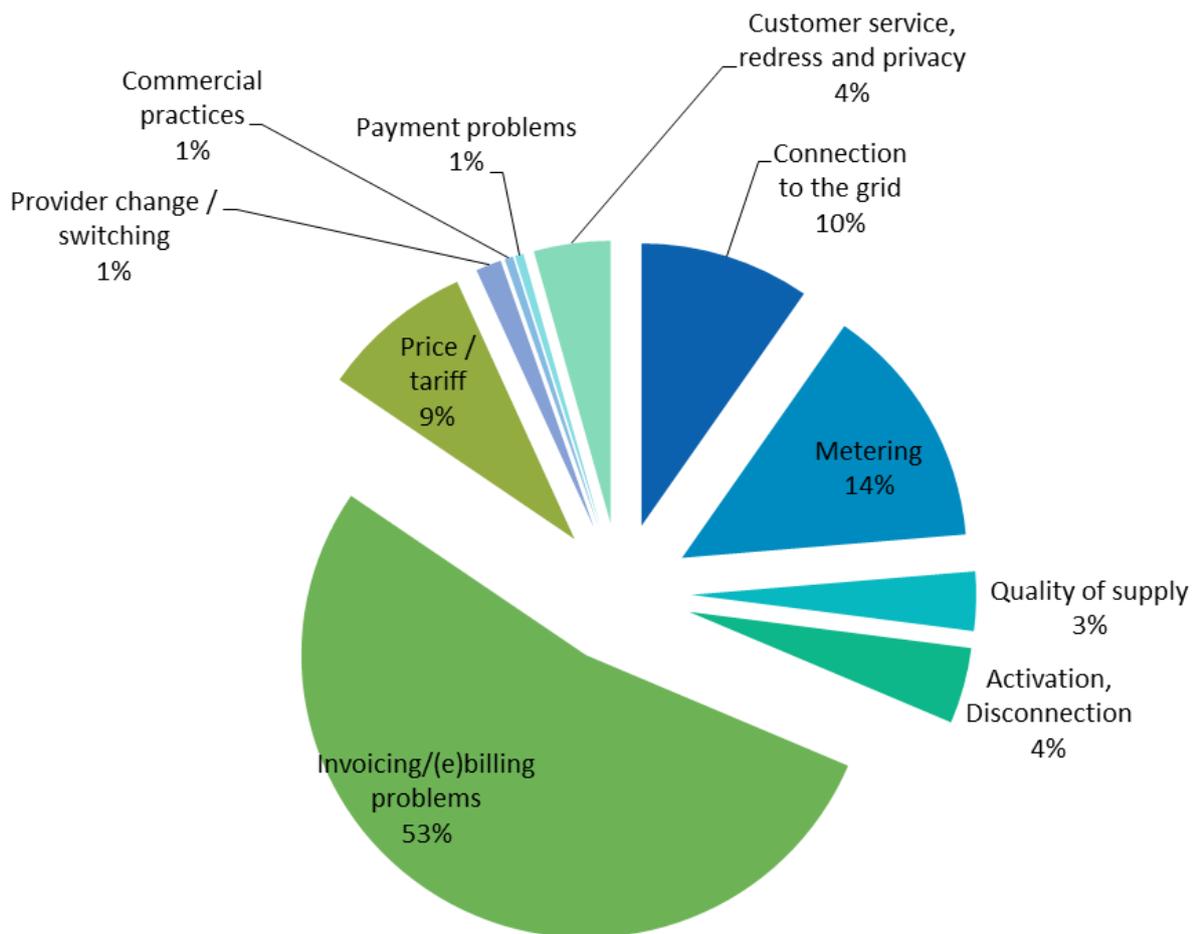


Figure 8. Complaint Breakdown 2017 – Ireland

Metering is the second highest area of complaints and has increased from 6% in 2016 to 14% in 2017. **Complaints related to prices and tariffs remained static.**

The **level of complaints has been decreasing since 2014**. A number of factors may be leading to this decrease including:

- **Supplier's commitment not to disconnect any customer who engages with them** has reduced the number of customer disconnections and has reduced the number of complaints that arise from these matters.
- **The increased number of Pay As You Go (PAYG) meters installed for customers in financial hardship has reduced the number of disconnections.** This has had an impact on the number of subsequent complaints because PAYG meters allow for a structured repayment of debt and are a tool for assisting customers with budgeting.

The CRU within the Irish ADR system

The Commission for Regulation of Utilities (CRU) is Ireland's independent energy and water regulator. The CRU has a statutory responsibility to provide a dispute resolution service to customers with an unresolved dispute with an energy supplier, energy network operator or Irish Water. The independent dispute resolution service is transparent, simple and free. This service is a key responsibility for the CRU Customer Care Team (CCT).

The CCT was set up in 2006 and have powers to issue determinations and directions to suppliers and network operators in the energy and water sector, which can include instructions to issue a refund or proportionate compensation.

Italy

Since January 2017, a **new energy customer protection system**, established by ARERA, has come into force. Since January 2017, a **customer who doesn't solve the problem by means of the complaint sent to the supplier** (because the supplier doesn't answer or the answer is unsatisfactory) **must try to solve the dispute by using the ADR procedure** run by the ARERA Conciliation Service or by the certified ADR entities or by the Chambers of Commerce before going to Court.

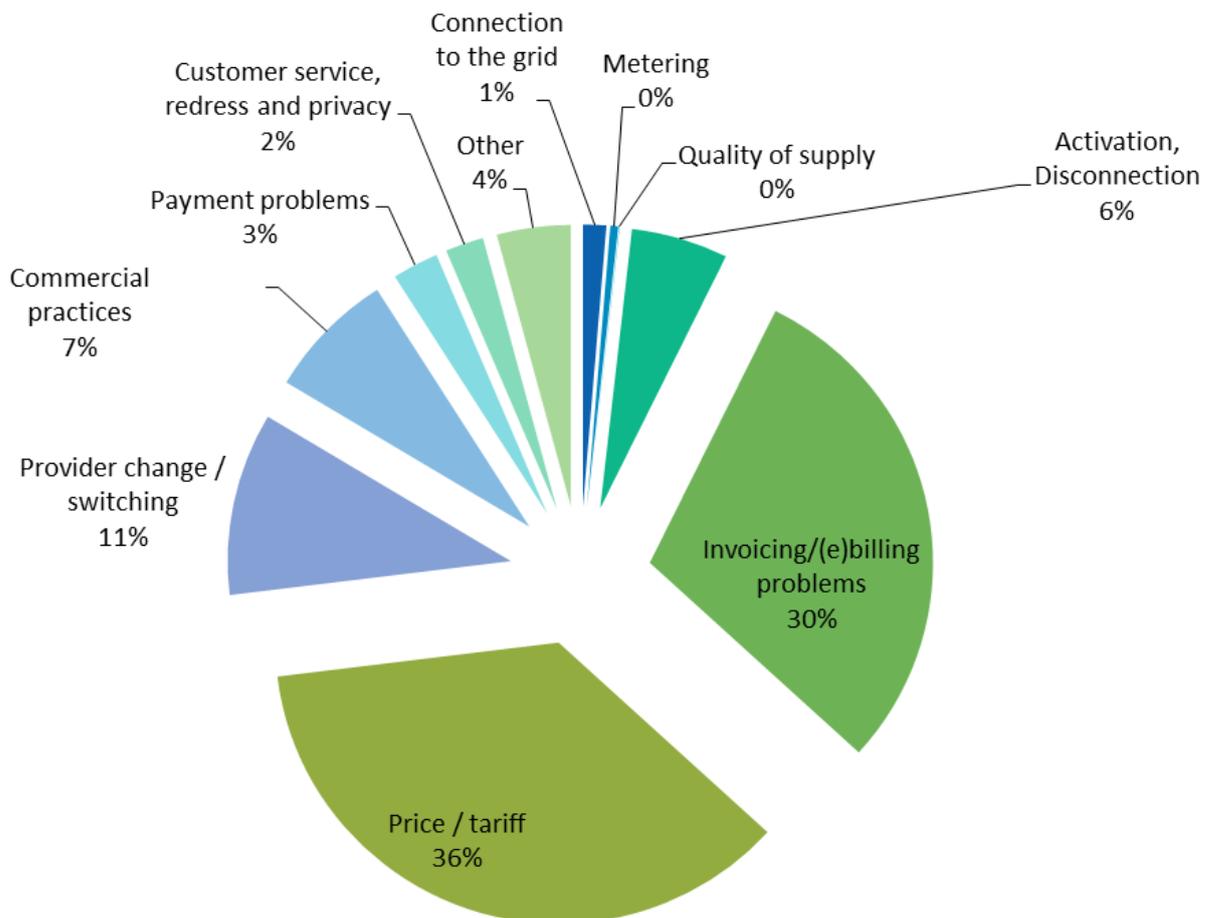


Figure 9. Complaint Breakdown 2017 – Italy

In addition, the Italian Single Point of Contact for Energy Consumers (“Sportello per il consumatore energia e ambiente”), which operates on behalf of ARERA, can resolve some kinds of disputes on specific subjects by verifying the validity of the customer's claim and consequently asking the supplier to solve the problem. This is done through their “Smart Help Service”.

Due to this change, previous data about complaints managed by ARERA are not comparable with 2017 figures, which are related to ARERA Conciliation Service and Smart Help Service.

A large part of the requests addressed by the Smart Help Service concern **requests or payments of the social “bonus”** (a discount for household customers suffering from economic hardship and, for the electricity sector alone, for customers who use life-saving electrical medical devices). In 2017, these requests **have been included under “Price/tariff”**, which globally made up 36% of requests, thus explaining the large share of tariff-related complaints in Italy.

ARERA within the Italian ADR system

The Autorità di Regolazione per Energia Reti e Ambiente (ARERA) regulates gas, electricity, waste, district heating and water. It is in charge of consumer protection, complaints treatment and ADR. Together with the Italian “Acquirente Unico”, ARERA runs the ARERA Conciliation Service and the “Sportello per il consumatore Energia e Ambiente”.

ARERA is also in charge of certifying the Italian ADR qualified entities for regulated sectors according to the ADR directive 2013/11/EU. The ARERA Conciliation Service is an ADR entity.

The ARERA Conciliation Service procedure is an **online procedure** (conciliazione.arera.it) and **free of charge**. An impartial conciliator, skilled in mediation and energy issues, brings the parties together to help them find a solution. **Suppliers and DSOs are obliged to take part in the procedure**, which must be completed within a maximum of 90 days. If the parties find a solution for the dispute, they sign a written and dated **agreement that is deemed to be enforceable before the competent Court** in case of non-compliance.

United Kingdom

As last year, the **majority of complaints related to invoicing and billing**. In part, this very large share can be attributed to the internal classification system of Ombudsman Services, but also to other factors. Thus, the very low share of complaints received in relation to the quality of supply can, at least in part, be explained by the fact that compensation in case of damage due to power cuts is enforced by the regulator Ofgem.

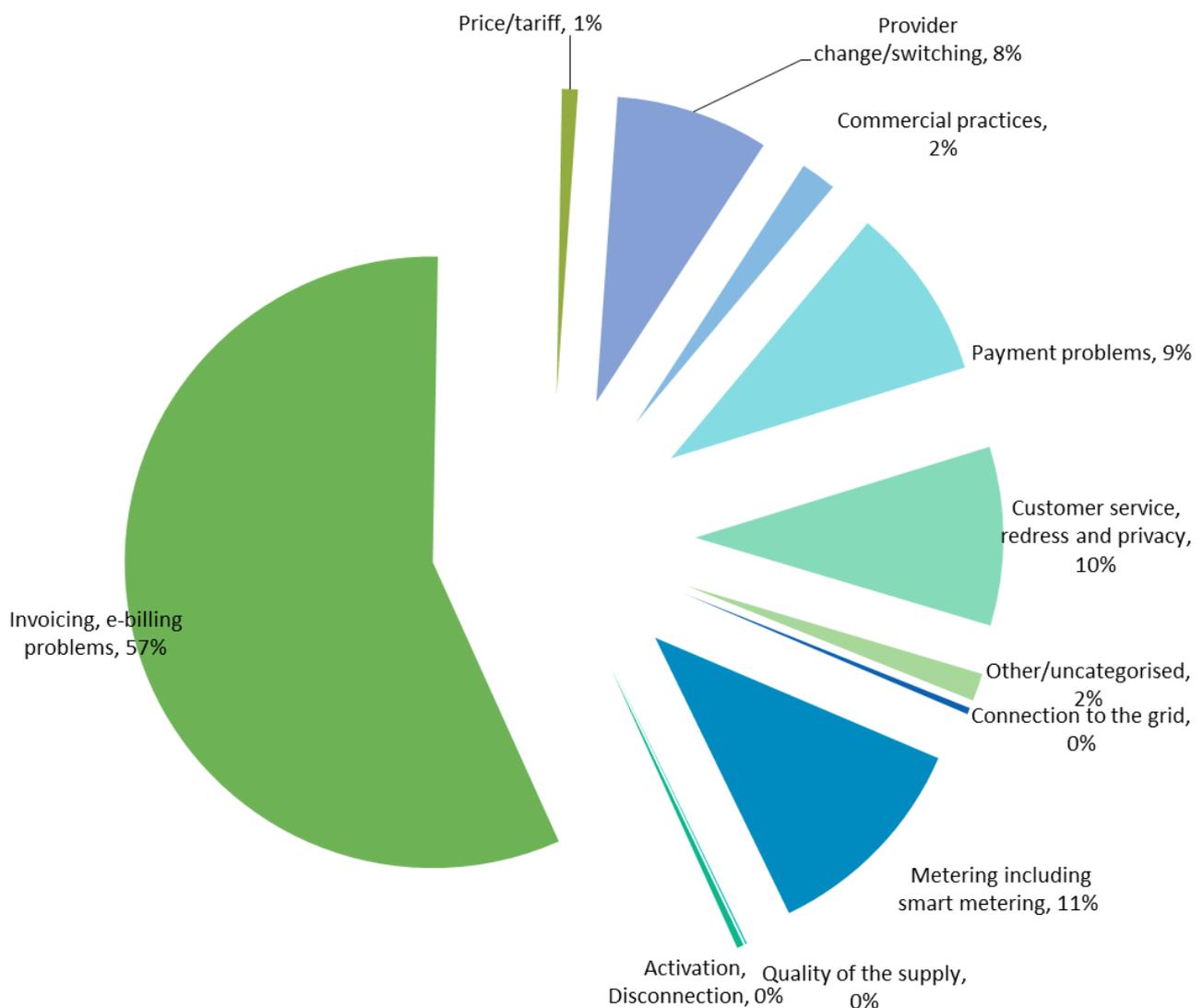


Figure 10. Complaint Breakdown 2017 – UK

In 2017, **switching replaced back-billing as the hot topic in the energy sector**. Ombudsman Services was involved in setting up the “Energy Guarantee Switch”, a voluntary code of practice aimed at encouraging best practice and consumer confidence beyond the regulatory requirements on switching.

Another major issue in 2017 was **incorrect calorific value information** entered into billing systems by several suppliers. Ombudsman Services helped the suppliers correct their mistake and determine a fair award for all affected customers, without the need for any formal action.

Finally, 2017 was the **first full year of Ombudsman Services working with Ofgem and Citizens Advice as a tripartite group**, aiming at better addressing causes of complaints and benefiting all consumers, independently of whether they have complained or not.

Ombudsman Services within the UK ADR system

The UK Ombudsman Services (OS) has operated as the **UK Energy Ombudsman since 2004-2005** and is approved by the regulator Ofgem, on behalf of the UK Secretary of State responsible for Energy. Ofgem, Citizens Advice – the support and advocacy body – and OS have signed a joint memorandum, agreeing to work together in the areas of consumer detriment and redress. A practical example of this is the joint publication of data.

Membership of the Energy Ombudsman is mandatory for suppliers and networks.

When a customer complains to a company it has eight weeks to sort it out. After that, or if the company has said it has done all it can to solve the complaint, dissatisfied customers have the right to take the dispute to the Ombudsman.

The Energy Ombudsman has 42 days to resolve the complaint. This may be through a **form of conciliation known as ‘early resolution’** or after an **investigation and report**. If the resolution is agreed by the customer, then it becomes **legally binding on the company**. The Ombudsman will usually instruct the company to make redress, including a financial payment, and may also ask a company to take steps to improve aspects of its service.

NEON Activities

NEON Meetings and Events

NEON members met four times in 2017: in Paris on the 17th of January, in Brussels on the 20th of March, in Barcelona on the 15th of June and in Warrington on 10th of October. These meetings were organized in parallel to an event on the Consumer Code and the Clean Energy for All Package (21 March, Brussels) and a workshop on vulnerable consumers (16 June, Barcelona).

The event “**Consumer Code and the Clean Energy for All Package: How to protect New Consumers?**” sought to analyse what the Clean Energy Package will impact energy consumers, from the more active ones such as prosumers and energy communities, to vulnerable consumers. The event was attended by over 50 participants, and included presentations from representatives from the European institutions (European Commission, Parliament and Economic and Social Committee) as well as a variety of stakeholders (energy companies, associations and researchers).



On the 16th of June, NEON and its member Síndic de Greuges co-organised a **workshop on energy poverty**, which analysed how energy prices, smart meters and the right to dispute resolution impact vulnerable consumers. The event counted with over 30 participants from various backgrounds (NEON members, civil society, industry, etc).

Policy



The year 2017 was largely framed by the publication of the “Clean Energy Package”, a set of legislative proposals seeking to adapt the EU energy “acquis” to the clean energy transition and keep the European Union Competitive.

In December 2016, NEON published its **position paper on the Clean Energy Package**, welcoming many of its improvements but starkly warning against weakening provisions on the right to out-of-court dispute settlement. Following this, throughout 2017 NEON representatives met with MEPS and other policy makers in order to raise awareness about the **need to keep the existing provisions on out-of-court dispute settlement**, and namely the need to keep the mention to the “ombudsman” figure, whose competences are wider than the minimum requirements defined by the ADR Directive.

In addition, as in previous years, NEON continued its **active involvement in European Commission working groups and fora**. The association was once again part of the **Citizens’ Energy Forum**, organized in London on the 30th and 31st of May 2017. In its conclusions, the Forum calls on member states to ensure that independent alternative dispute resolution schemes are available to address consumer complaints in the energy markets, including on bundled offers and new product and service providers such as aggregators, and expresses its opinion that the mandatory dispute resolution as established under the Third Energy package is maintained. NEON also sent a contribution to the **European Commissions’ Consumer Complaints Expert Group** questionnaire on harmonised complaints data.

Stakeholder Relations and Outreach

As a Brussels-based organisation, NEON aims at representing its members in European fora and liaising with relevant stakeholders in energy and consumer policy. The NEON Secretariat and its members have established a close cooperation with a large number of European associations and regularly participate in their meetings and events, in Brussels and beyond.

- ⇒ The year 2017 marked the beginning of the Council of European Energy Regulators' (**CEER**) **Partnership for the Enforcement of European Rights (PEER)**, in which NEON has taken part since its inception. PEER aims to enhance collaboration among a cross sector of authorities (including ombudsmen, sectoral regulators and consumer bodies etc.) responsible for safeguarding consumers' rights. A first workshop was organised in October on the topic of "bundled products" in the energy sector, to which NEON members contributed with their experience.
- ⇒ NEON was invited by **GEODE**, the European association of private and public energy distribution companies for both electricity and gas, to participate in its customer dialogue working group with a presentation on NEON's proposal for a Consumer Code.
- ⇒ NEON continued to be engaged in the debate around tackling energy poverty by giving a presentation at the event "Eliminating Energy Poverty Across Europe: Monitoring Progress for an Inclusive Energy Union" organised by **Public Policy Exchange** in Brussels in September.
- ⇒ NEON was represented the **European Economic and Social Committee's** "Energy Dialogue" on the "Progress, Challenges, and Civil Society Involvement in Europe's Energy Union".
- ⇒ NEON also gained visibility beyond Brussels. The NEON Secretary General was invited to give a speech at an event organized by the **Croatian Chamber of Trades and Craft** on 24-25 October in Zagreb and at an event organized by the Italian consultancy **I-Com** on big data. Finally, she opened a roundtable organised at the **Ukrainian Parliament**, with the support of the British Embassy in Kiev in December.
- ⇒ NEON was represented at the launch event of **TRAVEL-NET**, the European network of Alternative Dispute Resolution bodies handling consumer disputes in the travel and public transport sector, reaching out to ADR entities beyond the energy sector and sharing its experience as a European network.

Annex I

Raw Data

Member	Connection to the grid	Metering	Quality of supply	Activation, Disconnection	Invoicing/(e)billing	Price / tariff	Provider change / switching	Commercial practices	Payment	Customer service, redress and privacy	Other	Total
BE	148	2968	439	555	3393	1081	761	1827	1305	931	19	13479
CAT	28	123	26	115	51	77	26	41	14	71		572
FR	453	4441	556	900	679	1350	924	1519	1683	485	1558	14548
IE	20	29	7	9	110	18	3	1	1	9		207
IT	252	87	5	1058	5643	6949	2013	1414	505	418	807	19151
UK	156	5264	39	167	26308	386	3713	870	4237	4362	677	46179
WA	55	233	44	144	5	28	0	0	66	112		687
Total	1038	11659	707	2668	34495	9174	7058	4756	7160	5765	3056	87536

Annex II

NEON Complaints Classification

Connection to the Grid

- includes issues related to **connection charges, delays or the refusal to connect** the customer.

Metering and Smart Metering

- includes disputes linked to the **functioning of the meter, meter readings/estimations, meter inversion, replacement of the meter, switching of customer (due to moving, etc.), cases of consumption without a contract, mystery switches** and others.

Quality of Supply

- includes issues related to the **continuity of supply or voltage, self-generation (solar PV panels, heat pumps, etc.), cogeneration, cooperative generation, (district) heating networks** and others.

Activation/Disconnection

- includes problems with the **activation after moving in, the reconnection after a disconnection, the disconnection due to no or late payment, prepaid meters, power limiters and emergency procedures in order to (re)connect or to avoid disconnection.**

Invoicing, e-billing

- includes problems related to **unclear or unjustified invoices or (e)bills, the absence or late arrival of the invoice, difficulties accessing the invoice, issues with the monthly statement, the final invoice and debt recovery.**

Price/Tariff

- disputes cover problems with the **transparency of the price/tariff information provided (unclear, too complex), changes in the price / tariff, disputes related to social tariffs or equivalent measures, issues related to distribution and transmission levies, and other enquiries related to taxes and levies applied on the bill, such as VAT.**

Provider Change / Switching

- disputes include **delays, unwanted switches and penalties** applied when switching.

Commercial Practices

- includes issues related to **pre-contractual information (incorrect or misleading indication of prices/tariffs, misleading advertising), marketing and selling practices and contract terms** and issues with **bundled offers.**

Payment

- includes issues with **instalment plans, direct debits and administrative costs, credit notes/repayments and guarantees.**

Customer Service, Redress and Privacy

- includes problems with **call centres, the supplier's online platform, poor or no access to redress and resolution, data privacy, public service obligations and financial compensations.**

Annex III

NEON Members' Annual Reports

- **Belgium—Federal Level**
<https://www.mediateurenergie.be/fr/publications/rapport-dactivites-2017>
- **Belgium—Wallonia**
<https://www.cwape.be/?lg=1&dir=5&title=Service+de+m%C3%A9diation>
- **Catalonia**
<http://www.sindic.cat/site/unitFiles/5012/Annual%20Report%202017%20abstract.pdf>
<http://www.sindic.cat/site/unitFiles/5012/Informe%20al%20Parlament%202017%20cat.pdf>
- **France**
<https://www.energie-mediateur.fr/publication/rapport-annuel-2017/>
- **Ireland**
<https://www.cru.ie/wp-content/uploads/2018/10/CRU18235-Customer-Care-Team-Annual-Report-2017.pdf>
- **Italy**
<http://www.sportelloperilconsumatore.it/lo-sportello/numeri>
https://www.arera.it/allegati/relaz_ann/18/RAvolumell_2018.pdf