



CUT YOUR ENERGY BILLS

1/4

of members surveyed struggle to understand how much they owe when reading energy bills

28%

Npower's customer satisfaction score in our survey – the worst of all energy suppliers

£1,200

Average annual energy bill in the UK

4,000 +

Number of energy tariffs on the market

Money to burn



£1,200 a year should buy more than confusing energy bills and poor service

Nobody likes receiving household bills, so finding a bill that is unintelligible just adds insult to injury.

According to your responses in the latest Which? Switch satisfaction survey, it's energy bills that cause the most pain.

On average, you're three times more likely to find gas and electricity bills difficult to understand than other bills you receive regularly, such as water, mobile phone and credit card bills. So it's little surprise that around a quarter of members surveyed said they struggle to understand how much they owe their energy suppliers when looking at bills.

OUR RESEARCH AND SCORING

In May and June 2009, we surveyed Which? online panel members about energy suppliers. We received 3,357 responses for gas and 3,957 for electricity, which are combined in scoring. Scores are based on overall satisfaction and likelihood to recommend to a friend.

And it's also no surprise to find the big six energy suppliers getting some of the worst customer satisfaction scores we've seen overall – even lower than the worst banks rated last month (Sept, p64).

Npower at the bottom

EDF and Npower were rated the lowest for bill clarity – and Npower performed particularly poorly for bill accuracy, value for money and customer service. It has come last in all previous utilities surveys.

Our results follow December's £1.8m fine for Npower – from regulator Ofgem – for mis-selling contracts. The company was also told to repay £1.2m to gas customers who'd been overcharged after it changed the way it calculated monthly payments.

Plain English

Clearer bills are required across the board. When we asked the Plain English Campaign to look at a selection of bills, experts found them peppered with 'gobbledygook and technical jargon' (see p19).

EDF and Npower energy bills are particularly confusing for members

Which? says

Ofgem has responded to consumer complaints, and our own campaigning, by saying that bills should be 'clear and easy to understand', but it should go further.

We want Ofgem to insist on summary boxes, containing the key information needed to understand consumption and costs – they're commonplace on other bills that you find easier to understand.

We also remain disappointed that Ofgem has done little to make tariffs easier to compare – there are more than 4,000.

And it's not just billing that's an issue – just as in our 2008 survey, customer service and value for money can be pretty poor. For the third survey running, overall satisfaction with the 'big six' suppliers ranges from mediocre to abysmal.

Customers – who now pay on average £1,200 a year to heat and power their homes – deserve better, so we want the companies, Ofgem and government to raise their game drastically.

Best suppliers



Stuart rates
the bundled
services
of Utility
Warehouse

Utility Warehouse **75%**

Customer service ★★★★★

Accuracy of bills ★★★★★

Ease of understanding bills ★★★★★

Value for money ★★★★★

Utility Warehouse (UW) takes top place for satisfaction with energy services for the third year running. While UW's landline, broadband and mobile deals are competitively priced, for gas and electricity you'll pay around 20% more than with the cheapest supplier on the market.

However, customers with a UW landline (£9.90 monthly line rental) can offset higher energy charges with free landline calls to the UK and abroad (10 popular destinations, including Australia, Canada and the US) using their UW home phone.

You'll need to be a member of UW's 'discount club' (from £1.73 a month) and take at least four services (for example, gas, electricity, landline and broadband) to get free calls at all times.

One of our survey respondents, Stuart Kilmarin, told us: 'The customer service from Utility Warehouse is excellent and the more utilities you take, the more you save. I also like getting one bill for everything as it makes it easy to keep tabs on the cost of running your home.'

(Sample size: 90)



Ebico **66%**

Customer service ★★★★★

Accuracy of bills ★★★★★

Ease of understanding bills ★★★★★

Value for money ★★★★★

A newcomer in our last survey, tiny Ebico proves that size isn't everything, with another strong performance.

If you're uncomfortable with companies making large profits as rising bills push more people into fuel poverty (spending more than 10% of income on basic lighting and warmth), Ebico offers an alternative.

The not-for-profit company says that it reinvests all its resources into providing energy at the same price to all its 50,000 customers, irrespective of how they pay their bills.



Ebico has just one gas and one electricity tariff. While it lags behind the online direct debit tariffs from the big suppliers, it's very competitively priced for prepay customers and those that choose not to pay by direct debit.

Ebico customer Phil Bale said: 'The pricing is simple to understand and I'm reassured that it puts affordability before profits. This is important to me as I don't want the stress of constantly checking prices and switching.'

(Sample size: 32)



Phil likes Ebico because it
puts affordability first

SPECIAL OFFER

Money Saving Handbook For advice on how to save money on many of your household bills, order the **Money Saving Handbook** for just £9.99 (normal price £10.99), including free p&p. Call 01903 828 557 and quote code MSW1009 and ISBN 978 1 84490 048 0. Offer ends 30 October 2009.



SAVE ON YOUR ENERGY BILLS

Nine in ten respondents in our survey said that they've found changing supplier easy. Six in ten who had switched said that they did so using a free service.

Which? Switch (formerly Switch with Which?) our free, impartial switching site, lets you

compare prices and see suppliers' satisfaction ratings. Visit www.whichswitch.co.uk for more.

On average, those who used Which? Switch last autumn saved £257 on their annual energy bills.



Room for improvement



Lesley says SSE's customer service is good – once you get through

Scottish & Southern Energy 52%

Customer service: ★★★★★

Accuracy of bills: ★★★★★

Ease of understanding bills: ★★★★★

Value for money: ★★★★★

Scottish & Southern Energy (SSE) has consistently been the best performing of the 'big six' suppliers in our utility surveys. SSE incorporates Scottish Hydro Electric, Southern Electric (SE), SWALEC and online-only Atlantic Electric & Gas.



Lesley Lovell has experience of SE that typifies the mixed views of members. 'The automated systems are hopeless but, once you actually get through to someone, they're sensible, understanding and helpful.' (Sample size: 1,278)

Scottish Power 42%

Customer service: ★★★★★

Accuracy of bills: ★★★★★

Ease of understanding bills: ★★★★★

Value for money: ★★★★★

Spanish-owned Scottish Power lags well behind SSE, as it did in our 2008 survey – with a score of 42%.

Michael Watson was unimpressed with Scottish Power's reaction to its own mistake. It marked his meter as a prepayment type – the error was



ScottishPower

only discovered when he asked why he hadn't received a bill.

He said: 'I soon received a demand for £1,348. It then agreed to spread payments over two years, but I'm still unsure if I'm being charged correctly.'

(Sample size: 887)



Michael has been unimpressed with Scottish Power's mistakes



Mike had to push Eon to alter his bills

Eon 40%

Customer service: ★★★★★

Accuracy of bills: ★★★★★

Ease of understanding bills: ★★★★★

Value for money: ★★★★★

Eon – known as Powergen until 2004 – continues its poor run of performance in our survey, with value for money being a particular issue.

Customer Mike Collis said: 'Last year, Eon tried to up my monthly direct debit from £85 to £126, despite me



being £96 in credit. When I queried it, the company kept it at £85, but this had already seemed high.

'I wrote to the CEO and involved my MP. My direct debit is down to £75 – what I was paying in May 2008.'

(Sample size: 1,151)

EDF Energy 39%

Customer service: ★★★★★

Accuracy of bills: ★★★★★

Ease of understanding bills: ★★★★★

Value for money: ★★★★★

EDF – 85% owned by the French government – continues to disappoint its British customers.

Jenny Avery's gas meter measures in cubic meters, but EDF had it as cubic feet – so her bills were tripled.

Jenny says: 'After six years of



contacting EDF, a bill arrived showing a £10,000 credit. EDF wanted to keep the money and deduct future bills. We

demanded, and got, the £10,000 back in a month, but had to threaten legal action to get £1,300 interest.'

(Sample size: 75)



Jenny's bills from EDF were too high



British Gas 38%

Customer service: ★★
 Accuracy of bills: ★★
 Ease of understanding bills: ★★
 Value for money: ★★

The former gas monopoly (now incorporating Scottish Gas and Nwy Prydian) – and the UK's biggest energy supplier – finishes second from bottom for the third year running.

Sheila Pemberton owns a holiday cottage and, for eight years, she paid



a neighbour's gas bill because British Gas (BG) consistently read the wrong meter and ignored her readings. She said: 'I got the £1,340 back in the end, but I'm looking for a company that can read my meter without so much chaos.' (Sample size: 1,288)

Worst supplier

Npower 28%

Customer service: ★★
 Accuracy of bills: ★★
 Ease of understanding bills: ★★
 Value for money: ★

Npower's rock-bottom rating caps an inglorious year for the company, following its Ofgem fine for misselling contracts and being asked to pay back £1.2m to overcharged customers.

Since our last survey, when Npower was last – the company said it had improved customer service systems and had recruited more staff.

But Martin Parker, like many others, still has difficulties understanding Npower's tariffs and bills: 'Estimates of



future use bear little resemblance to previous consumption, and there's total confusion over how many units are charged at each rate.'

Martin adds: 'I went with Npower because it seemed cheap – but it's so complicated I can't tell if it really is.

'And staff aren't helpful – I had a bill with errors and the staff member said: "You're asking questions I can't answer and I've got other customers waiting"'

(Sample size: 729)



Why your bills are hard to read

We gave direct debit bills from the suppliers in our survey to the Plain English Campaign (PEC) to see if they met its criteria for 'plain English' – that a bill is well designed and laid out, and can be understood and acted upon the first time it is read.

While the PEC had some positive comments to make, it also noted examples of unclear billing from all of the energy suppliers:

■ Scottish Power

This document has a cluttered layout, uses a minus sign for a credit amount and fails to explain what 'calorific value', 'volume correction' and 'kWh@p' mean.

■ Npower

This bill is printed with important information in red and green, making it difficult for people with poor eyesight or colour blindness to read it.

■ Utility Warehouse

This isn't clear on what 'Ft³' or 'M³' consumption means.

■ SSE and Ebico

They don't state what the 'debit balance carried forward' is.

■ Eon

This doesn't explain the terms 'calorific value' and 'conversion factor' or what 'normal primary units' and 'secondary units' are.

■ EDF

This bill isn't being clear about how EDF has arrived at the final total, and it causes confusion by calling the balance bought forward from the previous bill 'amount of last bill'.

■ British Gas

This document uses the abbreviation 'cr' to show a credit amount, but, unlike Eon, it doesn't tell customers what it means.