

Information Note

28 June 2013

OFGEM LAUNCHES INVESTIGATION INTO SPARK ENERGY

Ofgem has today launched an investigation into Spark Energy in response to information it received regarding the supplier's complaints handling procedures, billing practices and customer switching processes.

Under the Consumer Complaints Handling Standards, suppliers are required to receive, handle and process consumer complaints in an efficient and timely manner. Suppliers are also unable to block a customer from switching unless there are valid outstanding charges. Ofgem's rules include provisions that if a customer provides a meter reading, the supplier must take all reasonable steps to reflect this reading in the next bill. These billing rules also state that the supplier must take all reasonable steps to ensure that fixed direct debit amounts are based on the best and most current information available.

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Notes to editors

1. The fact that Ofgem has launched an investigation should not in any way be taken as implying that Spark has breached licence conditions or otherwise broken the law. As part of the investigation process Ofgem will examine any evidence of non-compliance and consider whether there are grounds for exercising enforcement powers.
2. The investigation will examine whether Spark Energy is complying with licence conditions 14, 21B, 27 and the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008. These cover rules and processes governing suppliers' approach to customer complaints handling procedures, billing practices and customer switching processes. More information can be found on our Current Investigations page <http://www.ofgem.gov.uk/About%20us/enforcement/Investigations/CurrentInvest/Pages/CurrentInvstgtns.aspx>
3. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's powers and duties are largely provided for in statute, principally the Gas Act 1986, the Electricity Act 1989, the Utilities Act 2000, the Competition Act 1998, the Enterprise Act 2002, the Energy Act 2004 as well as arising from directly effective European Community legislation.

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