

Good Practice Guide

Using smart data to identify
and support pre-payment
meter customers at risk



Energy suppliers take their responsibilities towards **assisting all their customers** very seriously, especially those customers who may find themselves in **vulnerable circumstances**.

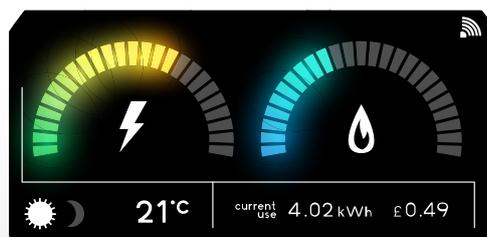
We have compiled **examples of energy suppliers supporting customers with smart pre-payment meters** who may be at risk of disconnecting their energy supply. These examples were obtained from the energy suppliers participating in the Energy UK Vulnerability Commitment in 2021.

Customers who have **smart pre-payment meters** may be vulnerable for a range of reasons. If they are, for example, **in financial hardship**, they may not have the funds to put any credit on their meters and, therefore, may be unable to heat their homes, keep the lights on or cook food. If they don't understand **how to use their meter**, in-home display or functionalities of their smart meter like remote topping-up, or if they forget due to memory problems, they may be **vulnerable to going 'off supply'** even if they have the funds to pay for their energy.

Smart meter data can provide vital insights into how customers are using their energy and help to detect **when customers are struggling**. Energy UK is keen to work with suppliers to ensure they are doing their utmost **to support their customers** who have smart pre-payment meters.

Subject to the size, shape and business model of a supplier and its customer base, a supplier can **effectively structure its operations** in a multitude of ways to offer its customers appropriate support.

We would encourage suppliers to review these examples and consider their own processes to ensure they are continuing to offer customers appropriate support.



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Examples of Good Practice

1 Prepayment Meter Interface Devices (PPMIDs) can be programmed to send alerts to customers when the credit balance drops below a level deemed safe by the supplier, and when the customer dips into emergency credit.

- All suppliers who participated in the 2021 Vulnerability Commitment program their PPMIDs to send alerts at one of these points or both.
- One supplier allows customers to set their own budget/low credit threshold alert. Another sends alerts to customers when their credit balance falls to £3.

2 In addition to sending alerts to customers from the PPMID itself, suppliers can send notifications using other channels.

- One supplier sends SMS messages to customers as well as PPMID alerts when their credit runs low.
- Others use email and messages from their bespoke energy account apps to ensure customers are aware they are running low on credit.

3 Suppliers can ensure that they also receive notifications when a customer is sent a low credit or emergency credit alert so that they can check whether the customer requires extra support to avoid self-disconnecting.

- Some suppliers call customers at the point at which they receive a notification that they have run into low or emergency credit. A number of suppliers wait until a customer has gone into low credit or emergency credit on more than one occasion before reaching out to them.
- One supplier contacts customers by letter or email to make them aware of the support available ('how-to' help articles, different ways to get in touch, reminder that discretionary emergency credit is available). Depending on how often the customer disconnects, this supplier will increase contact to make certain they are aware of support available (Freephone number, contact details for debt management support such as StepChange, energy saving advice and support schemes such as Warm Home Discount and Energy Company Obligation). They also track and analyse how customers respond to these emails so they can improve their approach.



4 Suppliers can analyse smart meter data to try to identify customers who may be at risk before they reach the point of self-disconnection.

- Where a risk has been identified, one supplier tracks consumption through meter reads to look for lower than expected consumption, comparing the customer's consumption to their usual seasonal usage to see if there are any causes for concern.
- A number flag where customers have not put any credit on their meter for several consecutive days (e.g. 14) before reaching out to them to ask if they need additional support, regardless of the level of credit on the meter at that point.
- One supplier is looking at using a sophisticated algorithm to compare customers' vending patterns with their estimated annual consumption, potentially adjusting for the weather. Two other suppliers are developing processes that use a dashboard of information including meter alerts, vend patterns and credit balances to identify at-risk customers.

5 Suppliers can approach customers in a considerate and open manner to encourage them to disclose if they are having payment difficulties and feel confident about asking for extra help. Some suppliers worry that they could alienate customers who have not topped up simply because they have been away or forgotten to do so, but this should not be a problem if the inquiry is phrased in the right way.

6 Suppliers can ensure that their agents (or staff of contractors if you use outsourced suppliers) are trained to be able to meet the needs of customers on pre-payment meters, who have a higher tendency to be in financial hardship and to have complex additional needs than customers on credit meters.

7 Suppliers can switch a pre-payment meter to credit mode remotely if they suspect the customer has a vulnerability which will make them unable to vend, such as cognitive decline, learning difficulties or mental health and wellbeing challenges. Although pre-payment meters should never be installed in the home of a customer with known vulnerabilities which would make them unable to use the meter, customers with vulnerabilities often move into properties with pre-existing smart pre-payment meters, and other customers develop vulnerable characteristics or move into vulnerable circumstances after using a smart pre-payment meter successfully for a period of time.

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