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ACTIVITY
REPORT
2013

The National Energy Ombudsman is an independent administrative authority that was created by the law of 7 December 2006 relating to the energy sector, in preparation for the imminent liberalisation of the French natural gas and electricity markets.

It has two legal roles: participating in the process of informing consumers about their rights and recommending solutions to settle disputes.

The Ombudsman reports directly to the French Parliament.

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You are discovering the National Energy Ombudsman's Activity Report for the year 2013, a team work around my predecessor whom I give my regards to, Denis Merville, assisted by Bruno Lechevin and Stéphane Mialot. The primary function of this report is to present results for the past year: our activity of course, but also everything that made news in 2013 regarding electricity and gas in France and Europe. You will learn more particularly about the increasing rate of energy poverty, that we measure (although imperfectly) through complaints that are lodged with us, but also about the problems within the system that has not as yet found its balance and that, in spite of information campaigns, remains intricate, unclear and costly for our fellow consumers.

On this last point, everyone knows that the question of energy costs rises more and more in France and the last decisions of the Conseil d'Etat (which I cannot challenge because they are lawful) will not help easing concerns: everyone must understand that the rise of electricity prices at stake gives hopes to suppliers but also fears to consumers who are often stuck in a house or activity for which it is very difficult to control costs.

Therefore rising tariffs only do one thing as I see it: increase profits of alternative suppliers. Yet competition does not reduce the total bill as expected, even

though it helps saving some money in comparison with historical suppliers. This is partly due to the raise of energy production cost but also to the creation of commercial costs that did not exist with the integrated system. Our role is to inform consumers of their possibilities to impact their bill by contracting another supplier, but there it ends! We shall not tell them to change: our mission is not to balance market shares between operators!

The Ombudsman uses his solid experience to take part in the debate about energy transition by:

- For a start, emphasizing the fact that every decision has a cost for consumers and that must be kept in mind in every reflexion;
- Proposing improvements in transparency, fluidity, simplification of the system as well as new demands towards suppliers and distributors (accuracy, clarity, regularity of the bill, better balanced contractual clauses);
- Offering to widen the field of its missions currently limited to network energies. The 2013 mediation directive compels Member States to cover all sectors of consumption. It is a duty but mostly it is a need, considering what happens in the field. Other energies (fuel, LPG, wood, urban heating network) are not covered by mediation although they have their own difficulties. The development of micro-projects for renewable energies such as solar and wind energies, heat pumps, biomass..., is erratic and sometimes

harmful for consumers, victims of unscrupulous sellers.

Here are two sectors where it would be possible and welcome to develop our activities. This would certainly require to resound part of our financial means that only come to this day from the CSPE (Contribution to the electricity public services) and the CTSS (Contribution to the Special Solidarity Tarif) (since the law of April 2013), financed by network energies therefore by ... their consumers.

Jean Gaubert

National Energy Ombudsman

01

DEBATE
ON ENERGY
TRANSITION

On: **10/01**

Linky monitoring committee set up by the Minister in charge of Energies to assess if the various functions of the project are adequate to consumers' needs. The Ombudsman, associated with ADEME (Agency for the Environment and Energy Control), FNCCR (National federation of local public energy, water and environment services), consumers' organisations and industrial representatives, pleaded in favour of implementing a downstream communication solution (radio module) with meters, necessary condition to the implementation of all applications with added value for consumers. He also took position in favour of the possibility for the meter to transmit information about consumption prices in order to allow displaying in real-time consumptions valued in euro inside the house.

On: **23/01**

First annual meeting of NEON (National Energy Ombudsmen Network) in Barcelona. This European network of independent energy ombudsmen, that aims at promoting alternative solutions to disputes, meets several times a year to discuss good practice in this matter. The group hosts the French, British, Belgian, Catalan and since 2013, Irish ombudsmen. This first meeting was the opportunity for the working group focusing on vulnerable consumers to present their works, following the Citizens' Energy Forum set up by the European Union in 2007.

On: **24/01**

Seminar organized by ESF (Electricians without frontiers) at the Assemblée Nationale on the theme "What energy transition for populations in need in underdeveloped countries? ".

Debate on energy transition

The national debate on energy transition started in January 2013 and the public survey ended in July. Within that timeframe, the Ombudsman made a large number of propositions in the fields of consumers' protection and care of vulnerable households.

The national debate about energy transition ended in the summer 2013 by the approval of a synthesis. The next step is presenting the bill about energy transition with orientations about energy mix and thermal renovation of buildings more particularly before summer 2014 in the Ministers council. The text should be discussed in Parliament this autumn. The Ombudsman made several major propositions¹. The institution first brought forward the need for a better support to consumers in a precarious situation; the bill is the unique opportunity to redefine the main procedures by linking them to energy efficiency concerns. The Ombudsman's propositions would give substance to a "right" that would guarantee access to energy, a basic need, to all French citizens. They focus on three main lines: creating an "energy voucher" (or "heating voucher") to simplify and broaden support to bill settlement, designating a last-resource supplier, and bringing down to one year only the possibilities of back billing.

¹

They could fit in the part of the bill about programming dedicated to controlling energy

demand, energy efficiency and support measures to some consumers.

REGULAR READINGS FOR AN ACCURATE BILLING

GrDF made an experiment, in partnership with GDF SUEZ, for customers who were repeatedly absent on a regular basis at the time of meter reading by the technician.

The idea was to find out which type of action would touch those consumers. About fifty households were selected in Lorraine, of which twenty-six were billed on estimated readings at least seven times. The operation included several phases:

First, a registered mail addressed to all, encouraging them to make an appointment for a special reading.

Then, for those who did not respond, a second mail was sent with notification of a compulsory reading time, along with a threat of suspension due six weeks later.

The results show that a simple registered mail does touch a majority of consumers: indeed, 54% of the households reacted as soon as the mail was received, and forty meters were read. Following this experiment, GrDF decided to progressively apply this method to all customers who are billed based on estimates at least seven times.

FOR A RIGHT TO ENERGY, “A BASIC NEED” Improving support to vulnerable consumers is a priority. This is why the Ombudsman promotes the implementation of an “energy voucher” given to each household whose income is below a certain amount. Following the ADEME¹ report, to which the Ombudsman contributed, that throws light on poor handling of social tariffs attribution, the government requested a report on that subject to the IGF, the IGAS, and the CGEDD². This voucher would make easier the distribution of aids for bill payment and reach a wider range than electricity and gas customers, including households using fuel or wood for heating. Its ambition could be larger yet by allowing financial help to mobility for low income households living in suburban areas, or a support to investment in renovating works or low consumption equipment.

A VOUCHER FOR ALL ENERGIES In concrete terms, this financial help for energy could take the shape of a non-transferable payment slip, similar to the cheque vacances (holiday voucher), that would be issued by a competent organisation, such as for instance the Agence national du chèque vacances (National agency for holiday slips). Distribution could be the responsibility of départements already in charge of the Fonds de solidarité logement (FSL / Funds for housing solidarity).

¹ Agency for the Environment and Energy Control

² Finance general inspection / General inspection of social affairs /

General council for the environment and sustainable development.

Name:

Ségolène Royal

Office:

Minister of Ecology, Sustainable
Development and Energy



The programming law for energy transition will be, as the President of the Republic said, a major law of this five-year-term. It will take France into a new model of development based on energy saving, expansion of renewable energies, green transports such as electrical vehicles. I wish that the French will be actors of an energetic policy that will improve their daily life and that our country will progress on the road to a more diverse balance of energies. Clear goals, stable rules and tools accessible for all will allow us to increase and accelerate the change already in process in the territories, giving the impetus to a green growth based on all our talents, creating excellence activities and industries in the fields of energy efficiency and new energies with jobs that cannot be relocated, enhancing well-being and purchasing power because thermal insulation lowers expenses.

This great, beautiful work is not a restraint but an opportunity for economic and human progress.

It is also an opportunity for democracy. Ahead of its start, a national debate allowed all points of view to be heard in order to build shared positive statements. But the law is not enough: it is each and every one's commitment along with the whole country's setting into motion that will allow us to fight climate change and pollution by decreasing in the coming years our greenhouse effect gases by 40% and our consumption of fossil fuels by 30%, by protecting better our environment and our health. This is why I wish to go further into a constructive public consultation, listening to all the French's expectations because such is the condition to the efficiency of public action.

This leads to a funding for the voucher based on a contribution by all energies, in proportion to their use in the households' energy mix. It would favour the solidarity principle between consumers and avoid attribution of an energy voucher by energy type that would induce a high cost to identify beneficiaries.

SECURING ACCESS TO ENERGY SUPPLY FOR ALL

This support to lowest incomes should be completed by another measure: designating a last-resource supplier of electricity and gas who could guarantee basic needs¹ will be fulfilled. When consumers don't pay their bills, their contract can be terminated by their supplier and then disconnected. It is then very difficult for the consumer to subscribe with another operator since they dislike ill-paying customers. However, the increase of competition on the energy market, steeper since 2013, could lead to the multiplying of these situations. Facts are, the distributor sometimes acts as a last-resource supplier when the contract is terminated but the supply not yet suspended². This practice is developing outside any legal frame, funded by the TURPE³ that takes care of non-technical losses by the distribution system operator.

¹ Allowing the use of a fridge, a cooking plate, a heater and a few lights.

² Which happens for "humanitarian" reasons or when the technician's safety is at stake.

³ Tariff for the use of public electricity grids

An Ombudsman specifically dedicated to energy transition, treating all disputes in the field of energies and works of energy efficiency, would be a Key-factor to build trust between consumers and companies.

It would thus be appropriate for the Ombudsman to create a service of last-resource supply that would be simple and at a reasonable cost for the community in order to secure a minimum supply in energy for all. It could be considered as a public utility of general interest and therefore contractually link State and suppliers, as it is the case for the universal postal service.

BILLS REACHING THOUSANDS OF EUROS The last measure follows a statement: every year, a large number of consumers are requested to pay bills amounting to several thousands of euros as consumption regularization across several years. A third of the Ombudsman's recommendations are about contentious bills that are more than one year old and the average time frame for back billing is of 25 months of consumption. The average amount of these contested bills is 2000 €. For low-income households it may lead to poverty: even if suppliers allow payment across two or three years, settlements of several hundreds of euros per month just exceedingly add to everyday expenses.

1/3

Rate of admissible* cases about contentious bills with a consumption regularization across more than one year into which the Ombudsman conducts an investigation.

25 months

Average length of time for back billing for private and non-professional consumers who referred to the Ombudsman

2300€

Average amount of bills for payment retrieval in those cases.

Close to 4 millions

Number of French households who would be in a situation of energy poverty (source: enquête nationale logement 2006, INSEE).

8/10

Rate of French consumers who state that energy consumption is for them a real issue (source: November 2013 Baromètre Energie-Info)

* Admissible disputes: cases that comply with conditions of legal and statutory admissibility for the Ombudsman referral, which are:

→ When a prior complaint lodged in writing by the consumer with the supplier or distribution system operator

(DSO) involved could not settle the dispute within a statutory timeframe of two months;

→ When the dispute stemming from a contract with a supplier or DSO of electricity or natural gas is about energy supply, connection (for building or renovating a house) or side

services from the suppliers (for instance advising about energy saving).

If these two conditions are not met, the dispute is not admissible.

A LACK OF RIGOUR IN READINGS AND BILLING If suppliers have the obligation to bill at least once a year based on real consumption, referrals to the Ombudsman show that they don't always comply with it. Responsibilities vary: suppliers have their share when their billing system has failures or when they don't take into account an intermediate reading by the distribution system operator (DSO). As far as networks managers are concerned, their reading rates are not optimal: ERDF holds one annual meter reading for only 97.6% of electrical meters... which means that several hundred thousands of meters are not read! According to operators, consumers are responsible for reading failures by not letting access to their meter. It might sometimes be the case... But for the Ombudsman, this results first and foremost from distributors' economic choices: cutting down house calls when starting the service, outsourcing readings, refusing to send registered mails in case of multiple absence of customers...

BRINGING DOWN BACK BILLING TO ONE YEAR

“Operators are not economically enticed to change their practices or to be more rigorous”, analyses Stéphane Mialot, General Director of services. “Bringing down regularization to one year and one month for instance, except for identified proved cases of fraud or refusal by the customer to let access to his meter should make things change.” Indeed, in the UK, the association of energy

THE OMBUDSMAN'S
PROPOSITIONS
AIM AT SECURING
EVERY FRENCH
CITIZEN A
BETTER ACCESS
TO ENERGY

suppliers adopted a “code of good conduct” that limits back billing to one year if the consumer does not hold the responsibility. This code of good conduct was passed in 2006 to limit to one year bills regularization. In France this rule is already in place in the telecom sector. Truth is, spreading out smart meters (Linky, Gazpar) that allow remote reading should bring a term to this problem. But that will not happen before a number of years. Yet back bills weight heavily on households and their energy expenses management which harms the success of energy transition. One hardly learns from realizing works to improve the efficiency of one’s house and then receiving two years later a huge regularization bill, even if it is for previous consumptions. Regulating back billing timeframe for non-billed consumptions to one year should contribute to reduce the number of households sinking into energy poverty each year. Another step is to accelerate the installation of smart meters and send a clear signal about these new tools’ reliability.

BRINGING DOWN
ENERGY BACK
BILLING TO
ONE YEAR WILL
HELP REDUCING
THE NUMBER
OF HOUSEHOLDS
SINKING
INTO ENERGY
POVERTY.

FOR AN ENERGY TRANSITION MEDIATION Lastly, the National Energy Ombudsman proposes to do the same as his British counterpart who became Ombudsman for the *Green Deal*¹ and become the “National Energy Transition Ombudsman”, a mediation service for all disputes linked to energies and energy efficiency works in order to improve the trust households and companies have in investments essential to transition (*these measures are detailed in the April chapter about extending the Ombudsman’s field of competence*).

1

The UK launched its *Green Deal* at the end of 2012, which consists in strong enticement for thermal renovation of

houses and for energy efficiency actions, with a blank cost for the customer thanks to third-financing (the loan being

remunerated by generated energy savings).

Recommendation n° :

Date :

2014-0342 13/03/2014

Available on the website : energie-mediateur.fr/recommendations

Case :

(Unvoluntary) fraud to EECs... or about the operator's irresponsibility in case of bankruptcy of the service provider

Works in order to improve house energy efficiency can easily turn into a nightmare when the company goes bankrupt. From the Ombudsman's point of view, suppliers who work in partnership with these professionals cannot be entirely exonerated from their responsibility.

Mr. L. lives in the department of Orne with his family in a 180m² house heated with a slab equipped with a heat pump, and upstairs with a fuel-fired cylinder and five heaters. A company working in partnership with his supplier contacts him to assess the needs in energy of his house and convinces him to start

works to modernise his heating system to save energy. On the technician's advice, he lets install a cumulus to produce hot water, two more pumps, five reversible A/C dispensers and a small wind turbine.

Mr. L. contracts a 26,000€ loan to realize this project that soon turns into a nightmare: constant circuit breaks, breakdown of the wind turbine, A/C set up on 17°C but actual temperature of the rooms at 22°C, and to top it all, a huge and continuous rise of the electricity bill... Unfortunately, Mr. L. contacts the company only to find out that it is in compulsory liquidation. He then

turns to his supplier, expecting him to solve the various malfunctions observed. But the supplier declines any responsibility in the matter, arguing that he only put in contact its customers with energy efficiency companies.

The Ombudsman thus recommended an audit of Mr. L.'s installation, carried out and paid for by the supplier, as well as a contribution by the same to repairs if any were necessary. The supplier did not comply with this recommendation.

The Ombudsman analysed the consumption history of Mr. L that increased significantly after the works. According to the Ombudsman, it is possible that this increase is due to malfunctions of the new system. And, as stated in a notice from the Conseil national de la consommation (National council for consumption) dated 12 June 2012, "the consumer transfers his/her trust from the supplier to the authorized fitter". Furthermore, this benefits the supplier since this interconnection between their customer and the fitter allows them to collect energy saving certificates necessary to reach the binding goals set up by public authorities. For the Ombudsman, the operator should not refuse to assist the consumer when the service provider has gone bankrupt, when in the same time they pride themselves in front of the administration for having played an active part in the decision to realize the works for energy saving and for getting out of it some economic benefits.

In the Ombudsman's opinion, such an unacceptable attitude directly harms consumers' trust in investments necessary to energy transition and jeopardizes its success.

02

CONSULTATION

THE OMBUDSMAN
HELPS MAKING
CHANGES TO
THE SOFTLAW
THAT SETS
RULES FOR
THE ENERGY
MARKET.

Consultation

The Ombudsman for energies favours consultation in order to push forward consumers' rights. The road to consultation is paved with good intentions, however it remains a difficult exercise.

In February 2013, the Ombudsman released on his website a document summarizing propositions in order to improve general terms and conditions of sale of operators regarding information to consumers, outcome of a consultation started in June 2012 with about ten associations, the FNCCR¹ and the INC². This was further to the works of the National council for energy consumption where operators had emphasized the necessity to pursue this consultation in order to avoid a “statutory inflation”.

Within his legal mission whereby he “participates in informing electricity and natural gas consumers about their rights”, the Ombudsman took their word for it by launching this initiative aiming at studying closely general terms and conditions of sale, suggesting a few improvements and obtaining their application on a voluntary basis. Presented to suppliers and distributors in summer 2012, these propositions did not raise much enthusiasm. No doubt that some were selected but the two main suppliers of electricity and gas, EDF and GDF SUEZ, who account for more than 90% of the contracts with private customers, did not play the game.

¹ National federation of local public energy, water and environment services.

² National Institute for Consumption.

40

IS THE NUMBER OF MEETINGS FOR CONSULTATION

that the Ombudsman participated in in 2013, whether in France or Brussels.

18%

IS THE RATE OF FRENCH HOUSEHOLDS

who would be holding a subscription for an electric power superior to their needs and thus be paying more than necessary. This figure comes from a study made by the company Powermetrix for UFC-Que Choisir, based on data collected on meters in 201 households, completed by a survey on their consumption uses.

They refused to participate in exchange meetings facilitated by the National Energy Ombudsman and associations, showing that way what their conception of consultation is.

IMPORTANCE OF THE RATING COUNCIL In the Ombudsman's opinion, general terms and conditions of sale must indicate more clearly what advising role the supplier has regarding tariffs, both at the time of subscription and later: selecting the right tariff is quite difficult for most consumers, and the wrong choice can lead to extra expenses amounting to hundreds of euros a year. This proposal goes unheeded as suppliers consider that customers are responsible for their own choice when subscribing to a tariff. *"This advising role will become more and more important as offers will get more complex with elaborate meters"* explains Frédéric Coffre, deputy director.

THE OMBUDSMAN, PROPOSING FORCE Beside his own initiatives of consultation, the Ombudsman is involved in the various authorities of the sector. Since its creation, the institution takes part in working groups of the Commission de regulation de l'énergie (CRE / commission for energy regulation) about electricity and gas that outline the markets regulation. These groups host operators, consumers associations, authorities in charge of organising distribution and public authorities.

Proposals by the working group initiated by the Ombudsman in order to improve general terms and conditions of sale regarding information, common to all suppliers.

Informing more clearly about the advising role the supplier has about tariffs at the time of subscription and later.

Clarifying notes regarding the contract termination that can let the subscriber think that additional costs may sometimes be charged.

Detailing the mode of determination for readings at connection or disconnection or when changing supplier by enticing consumers to transmit self-readings.

Explaining technical terms used.

Describing social tariffs that could benefit consumers in situation of poverty.

Proposals accepted unanimously make a *soft law* that will be authoritative in the sector. The Ombudsman directly contributes mostly with his generic recommendations. Three groups were created since 2012 to prepare the implementation of smart reading meters.

Some achievements were obtained in 2013. For instance: switching electricity supplier and requesting a power modification are two operations that now can be done simultaneously, which was not the case before. Also, the Ombudsman obtained that alternative options to reading estimates should apply in case of malfunction of a smart meter: self-reading or house call by a distributor's technician.

"We are a driving force in these places of debate because we have the knowledge from concrete cases and also the technical and legal tools to approach these subjects" tells Frédérique Coffre. However stumbling blocks are not scarce when it comes to complex subjects where a lot is at stake such as consumption billing or procedures in cases of outstanding payments.

Besides, the Ombudsman takes part in public surveys of the CRE on subjects about consumers. In 2013, one of them was about ERDF's service prices. The distributor wanted to charge the customer for "termination at the supplier's initiative" (100 euros).

It will remain free of charge, in line with the Ombudsman's opinion. Another request? A "correction of reading for connection, disconnection or change of supplier" provision charged between 46 and 77 euros.

Name:

Alain Bazot



Office:

President of UFC – Que Choisir

"General terms and conditions of sale are a very important document, matrix to the relationship customer-supplier that must show rights and obligations of both parties. A crystal-clear description is essential to allow customers to access and understand all information.

We expect from operators a proactive attitude whereby they will offer their customers rates that are really adapted to their needs. It is all the more surprising not to get any progress in that field since public authorities made control of energy consumption a necessity.

However, in spite of this consultation, a lot remains to be done. Suppliers obviously deny their obligation of tariff advising which should yet be a basic service. It is untrue to say that consumers make their choice with clear and full knowledge of their tariff options. By the same token, as long as the contract is running, there should be an obligation for suppliers to observe the evolution of their customer's consumption and inform him /her.

Yet this absence of advising does not comply with this priority in the case, for instance, of an overpowered subscription. The same occurs with contractual readings: when terminating or switching suppliers, the consumer must be aware that he can transmit a self-reading.

Operators think it is not their duty to inform but the customer will hardly read the general terms and conditions of sale to learn the procedure! We are in a contractual maze which contradicts the principle of knowledge of one's rights. Improvement of general terms and conditions of sale must be reinforced through consultation or any other mean."

The Ombudsman demands for the price of this provision to be the same as an extra reading (about 30 euros).

POST MAILS FOR CONSUMERS WITH NO INTERNET ACCESS The Ombudsman also responded to the consultation about the implementation of the Gazpar smart gas meter. He reasserted his position expressed in the consulting group: benefits of this project must be more concrete for consumers. They should for instance be able to easily access their consumption data on a website administrated by the distribution system operator in order to monitor and control their consumption. For households who do not have access to internet, who represent 22% of French citizens in 2013, the Ombudsman considers as essential that consumers receive information by post mail on a regular basis according to their uses. By the same token, he considers that consumption data should always be displayed with their value in euros (not only in volume or kWh) for more clarity.

The same way, the Ombudsman expressed his point of view at the three meetings on this topic that the ministry in charge of Energy¹ organised, concluded by a synthetic report.

The Ombudsman also takes part in two European work groups: one is led by the Energy¹ direction at the European Union about “vulnerable consumers”, the other works about billing under the umbrella of the Direction Health-Consumers (*ref. to December chapter about Europe*).

¹
General direction for
energy and climate

THE OMBUDMAN'S ADVICE

"Since suppliers do not do it, check yourself that the tariff chosen for your subscription in electricity is adapted to your uses."

It is possible in a few clicks on the website www.energie-info.fr with the calculator "I compare the Basic option with the option Day-time / Night-time".

Consultation is an enriching procedure but difficult to pursue and slow to produce results. However it remains the best path for the institution: *“That operators don’t always agree with our propositions seems natural”,* says Jean Gaubert, the National Energy Ombudsman. *“It is up to us to convince them and exhaust all forms of consultation before turning to the legislator if we do not get anywhere on important subjects.”*

Recommendation n° :

2013-0207

Date :

12/04/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

An adapted
tariff for a
tight - fitted bill

Mrs A.'s referral threw light on the lack of advising about the different tariffs from her supplier. The Ombudsman proved that this failure led to a 290 € extra cost because the subscribed rate option did not correspond to her uses.

Mrs A. who lives in a 68sqm flat in Nevers contested her supplier's 2133€ bill, judging that the consumption rated did not correspond to her uses nor to her flat. The Ombudsman's analysis pointed out several issues.

Calculated on a yearly average, Mrs A.'s gas consumption appears higher by 40% than average in a similar situation.

This gap can however be justified by specific uses and weather conditions. On the other hand, the Ombudsman pointed out that the tariff option selected at subscription "artificially weighed on the bill's amount" by 290€. Indeed, Mrs A. had chosen the option "cooking and hot water" instead of "heating" when her flat is also heated with gas.

Which factors were taken into account by the customers advisor of her supplier at the time of subscription?

Benchmark annual consumption (BAC), established once a year on the basis of past consumptions, would reach 9500 kWh with the previous tenants, a level of consumption that corresponds to the use of gas heating.

In his remarks, the supplier simply answered that the customer "validated the option "cooking-hot water". Quite a short-handed explanation!

For the Ombudsman, the supplier does not show that tariff advising was provided when Mrs A. contracted her subscription, although professionals have the obligation to provide information prior to signing the contract. He also believes that obligation remains such once the contract is signed, as "sincere execution of contracts" (article 1134 of the civil code).

After the first meter reading and Mrs A.'s complaint, the supplier was able to note a gap between her rate option and her consumption type. He should have then offered a different option.

The Ombudsman recommended to the supplier to pay 290€ to its customer as compensation for their lack of advising and information, which the supplier refused to do. Considering the importance of the subject, the Ombudsman produced a generic recommendation to all suppliers: they must ensure that the tariff option selected by the consumer fits his/her uses at the time of subscription and then at least once a year as long as the contract runs.

03

INFORMING CONSUMERS

On: 27/03

The Union nationale des centres communaux d'action sociale

(UNCCAS / National union of local centres of social action) released its survey about "the modes of action of CCAS / CIAS (community and local centres of social action) in the fight against energy poverty".

The Ombudsman underlined once again the key-role of local actors, first in line to react promptly and help households in need.

On: 28/03

The first annual summit with consumers associations was dedicated

to a presentation of the interactive mediation platform, SoLLEn, before its launch in September. They could thus get a preview of the functionalities this tool has to solve disputes online by favouring dialogue between operators, consumers and the Ombudsman. Other highlight of this meeting: the results of the survey on satisfaction about the services of the Ombudsman were shared with the consumers' representatives and followed by a debate on progress axes.

Informing consumers

The Energie-Info service was created in 2007 at the time of liberalisation of the energy market to private consumers. Six years later, the website for this key-tool in consumers' information is being brushed up. In March, the project of modernising and adapting the website to new digital uses was launched.

This tool designed to inform consumers set up in 2007 by public authorities rests on two pillars: a hotline¹ that gives access to a call centre answering consumers' queries, and a website: www.energie-info.fr. In 2013, this website counted close to one million visits, which shows how useful it is. Time was due to brush it up, modernising its design and making it more user-friendly on smartphones and other tablets. The project started in March with workshops of project leaders who slipped into the skin of consumers. The aim: reach a configuration of contents more logical and accessible. The heading "latest news" is richer: *"Monthly evolution of regulated gas tariffs appears in a chart, clear and easy to read"*, outlines Caroline Keller, project leader for consumers' information. *"With tariffs that change every month, people hear more about it in the media and some go on the website to check the information"*. The reshaped website is online since last November.

¹

This hotline (numéro vert) is 0800 112 212 (free of charge from a landline).

Name:

Alain B. and wife

Office:

Retired, live in the Paris area
in a single house with electricity
heating

Name:

Florence N.

Office:

Housewife, lives with husband and
one child in a village of the Rhône
department in a gas heated house

"Knowing that there are several electricity suppliers, I wanted to see if switching to another operator was worthwhile. Looking on the internet, I came across the website Energie-Info and their price comparison tool. It is well adapted to answer the questions I had since I only had to enter a few information – area, type of subscription, annual consumption – to get the list of available offers with their tariffs. I was surprised to see that the tariff offered by my operator showing on the comparator did not quite correspond to my last bill. I sent a mail to the Energie-Info service to find out why such a difference. The answer I got brought what I needed to understand, the comparator taking into account recent evolutions and taxes. Further to that I did not switch suppliers because the difference of the tariff with the cheapest offer was minimal."

"After we changed our gas operator last summer, I wanted to do the same for the electricity that powers our hot water cylinder. I found the comparator very useful, simple to use, allowing to gain time by displaying several suppliers' offers at a time. For my search, two criteria mattered: price and renewability of the energy's origin. On this last point information is clear, easy to find with a green dot marking. Results appear soon. I selected three options then I contacted the suppliers before choosing an offer with a two-year fixed rate. Besides, while I was on the website, I noticed we could check if our consumption was adapted to the Day-time / Night-time rate. And I did! Here is a website I recommend to our friends".

AN INDEPENDENT TOOL TO COMPARE OFFERS

Along the years www.energie-info.fr got equipped with a number of tools, from the list of suppliers per community to the price comparison tool (PCT)¹ and “calculators”. The comparator is an easy to use and educational tool that allows to know which offers, updated by suppliers in real time, are available in a city. Independent and neutral, it provides households with the necessary information to get a better tariff. It is free for both consumers and suppliers². It is highly praised by users (*ref. to testimonies on previous page*) as well as... the association UFC-Que Choisir who conducted early 2014 a survey on websites that compare prices for gas and electricity. Their findings are quite clear: *“There is no real comparator for tariffs on the web except for the one that can be found on the official website www.energie-info.fr, set up and run by the National Energy Ombudsman. In spite of what they advertise, the first concern of other websites is not for consumers to find the best offer on the market. Their goal is to redirect them towards partnering suppliers who pay them for each new customer. These sites are biased and take advantage from consumers”*.

1

The list of suppliers per community was available from 2008. The comparator for offers was created in 2009.

2

This comparator was granted the “Victoire de la modernisation de l’Etat” prize (award for innovative public action)

in 2010 and was distinguished by the European Commission work group on tariffs transparency.

1 289 562
consumers

got information from Energie-Info in 2013, of which: 934,442 visits on the website, 355,120 calls received, of which 6,480 requests treated by the "back-office".

Repartition
of visits by
website tool

48% price comparison tool, 47% list of suppliers, 5% calculator.

Why do
customers call
Energie-Info?

40% to be assisted in a billing dispute with their supplier, 21% because of a non-requested termination of a contract, 8% to get help following a suspension of gas or electricity, 8% to get information about suppliers and their offers, 5% because of commercial practices of an operator.

EDUCATIONAL INNOVATION Energy prices that rise, regulated tariffs that get invalidated then retroactively revised... make understanding energy bills quite complicated. In order to help consumers in this rating saga, the website offers six calculators. Easy to use and educational, these tools allow consumers to measure the impact of such changes on their own bills according to their own situation. Indeed, when these ups (and downs) are disclosed by the media, they usually give out an average figure. Yet the price varies depending on the use and place of energy consumption. Many people call the Energie-Info service because they can't find the announced figure on their bill.

THREE NEW CALCULATORS The first three calculators were launched in 2012. The first one assesses effects of gas rates variations. The second one calculates the back bill since the Conseil d'Etat orders ruling retroactive rises of regulated tariffs for gas. A third one allows to check if the CTA¹ amount displayed on electricity bills is correct. In 2013, three more calculators were put online: one shows the impact of the rise of electricity tariffs; another calculates the rise of the CSPE², a tax proportional to electricity consumption.

¹ The CTA (Transmission contribution tariff) depends on the transportation rate elected by the supplier.

² Contribution to the electricity public services

THERE IS NO REAL
COMPARATOR FOR
TARIFFS OUTSIDE
THE WEBSITE
WWW.ENERGIE-INFO.FR
SET UP BY THE
NATIONAL ENERGY
OMBUDSMAN.

Source: "Gaz et électricité, les
dessous des comparateurs de prix",
survey UFC-Que Choisir
of 14 February 2014

The last one allows to compare the option Day-time / Night-time with the Basic option in order to choose the one better adapted to one's uses. On the other hand, the calculator for gas tariffs variations now show the impact on the bill since 2008; this information is presented in the shape of a customized chart in comparison with the inflation rise.

ASSISTING CONSUMERS The other main feature of the Energie-Info service is its expert cell that handles more complex requests for information from consumers¹. Unexpected terminations of contracts, electricity disconnections, incomprehensible bills, disputes with suppliers... are few of many topics. Advisers explain and inform about the steps to be taken. They sometimes liaise directly with the supplier involved to transmit the complaint and follow it up. This advising and assisting is a great help especially for households whose energy was suspended. *"Project leaders help negotiating repayment schedule and plead for restoring power"*, explains David Grébil, Chief Manager of the Information and Orientation service.

1

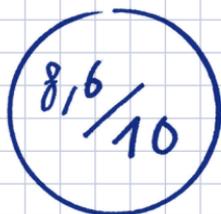
A first level of calls, about simple queries, is outsourced.

GOOD MARKS GIVEN
BY ENERGIE-INFO
USERS

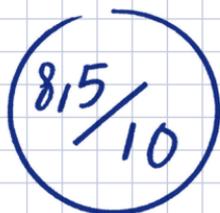
GLOBAL SATISFACTION



PHONE CONTACTS



CONVERSATION CONTENTS



GOOD MARKS FOR ENERGIE-INFO The fourth satisfaction survey on their back office realised in May 2013¹ shows this added value. The global satisfaction expressed by users of the service reaches a mark of 7.7 out of 10 as in 2012. Phone contacts are rated as excellent (8.6/10), conversation contents with the advisor very good (8.5/10). Satisfaction about the response brought improves slightly: the mark went from 7.7 in 2012 to 7.8 in 2013. There is however a different appreciation between customers expecting an advice from Energie-Info and those hoping that advisors will solve the problem for them: 8.1 and 7.2. Indeed, expectations towards Energie-Info sometimes go much beyond its range of action. Although in that case customers are not left struggling on their own: they are presented various means of appeal – associations, DGCCRF², local court... and provided with models of letters.

¹ Poll made with 301 individuals and 50 professionals having used the service, LHZ.

² General directorate for competition policy, consumer affairs and fraud control.

Recommendation n° :

Date :

2013/1472

06/10/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

Improving comprehension of bills when taxes evolve

Lack of information about taxes and contributions does not help understanding bills, as the case of Mr and Mrs R. perfectly illustrates: within a year of energy consumption the CSPE went up twice. Yet the bill showed only one rate which did not allow to check the amount of this contribution.

Mr and Mrs R. live in the department of Seine-Maritime and keep a close look on their bills. They detect what they think is an error on the April 2013 one: the amount of the CSPE (Contribution au service public de l'électricité / Contribution to the electricity public services) is of

131€; but when multiplying the rate of this tax indicated on the bill by their consumption, they reach a result of 114.60€. They then ask their supplier for a reimbursement for the 16.39€ difference.

The supplier agrees that there has been an editing mistake about the amount of the CSPE but argues that the final price of the bill is right. Unhappy with this answer the consumers refer to the Ombudsman, considering their supplier lacks transparency.

The Ombudsman notices that the CSPE has gone up twice in the billing period from April 2012 to April 2013 although this supplier had only displayed the rate applicable from 1st of July to 31st December 2012. In their comments the operator considers they have respected regulations for bill display since the consumer was informed on the back of the bill that the CSPE rate had changed on 1st January 2013 and that he could refer to the website for more details.

The Ombudsman considers that showing only one change of rate on the bill when the CSPE calculation needed several leads the consumer to false conclusions. Just as the different electricity rates that occur on the billing timeframe are mentioned by the supplier, in the Ombudsman's opinion it should be the same for applicable taxes and contributions rates when changing. It is the supplier's duty to give consumers the means to check what they have to pay, and referring them to a website is not enough.

04

BROTTE'S LAW

Agenda April 2013

On: **09/04**

Facilitated by the Agence nationale de l'habitat (Anah / National agency for housing), the National summit on energy poverty brought together observers and experts among which the National Energy Ombudsman. Launched by Louis Gallois, Commissaire général à l'investissement (General Commissioner for investment) and President to the Fédération nationale des associations d'accueil et de réinsertion sociale (National federation of associations for social hosting and integration), this day of debate was a good opportunity to think over the best ways to identify households in energy poverty who often remain out of public services range of action.

On: **18/04**

Second annual meeting of NEON (National Energy Ombudsmen Network) in Brussels. The group worked on the increasing rate of disputes in some countries (more than 30% in the UK and Belgium for instance), as well as the transposition of the mediation directive. This meeting was also an opportunity to debrief on the European summit on consumers rights of 18 and 19 March.

What did the Brottes law change

The law, dated 15 April 2013, aims at preparing the transition towards a sensible energy system. It widens prerogatives of the National Energy Ombudsman who thus can help more consumers in dispute with their operator. It would make sense to keep strengthening his range of competence to better assist citizens in their energy transition.

It was a recurring demand of the Energy Ombudsman that was taken into account by the law named Brottes. His scope of activities, that until then was limited to disputes about providing contracts between private consumers and small professionals¹, was broadened. More consumers can now turn to him, about disputes with distribution system operators about connection (except for renewable energies) or with suppliers about contractual ancillary services such as advice on energy saving. Disputes involving associations, condominiums, communities as well as artisans, small businesses, private practitioners and some medium-sized companies² can also be referred to the institution now. These broader prerogatives certainly participated in increasing the rate of admissible disputes in 2013: 28% more than the previous year. In 2013, the share of professional cases was of 11% against 7% in 2012.

¹ With a gas consumption of less than 30,000kWh or a subscription for power of less than 36kVA.

² They must account for a staff of less than ten employees and a turnover of less than 2 million euros.

BROADENING THE SCOPE OF ACTIVITIES SINCE THE APRIL 2013 LAW

IN THE LAW

Article L. 122-1 of the energy code (amendments brought by article 8 of the Brottes law):

"The National Energy Ombudsman is in charge of recommending solutions to disputes between consumers and suppliers or distribution system operators for natural gas and electricity as well as participating in informing consumers of natural gas and electricity about their rights.

He can only be referred to with disputes stemming from execution of a contract subscribed by a non-professional consumer or a professional consumer falling into the category of micro-companies mentioned in article 51 of law n°2008-776 dated 4 August 2008 about modernization of the economy. These contracts must have been first the object of a written

complaint from the consumer to the supplier or the distributor involved that did not solve the dispute in a timeframe set by regulation.

Referral by the consumer or his representative is direct and free of charge. The Ombudsman issues his recommendation within a timeframe set by regulation and justifies his response. The referral suspends the prescription of actions in civil and penal matters for this period of time".

FIGURES

2%

of admissible disputes were about connecting problems.

11%

of admissible disputes involved small companies or non-professionals.

ISSUES SPECIFIC TO SMALL BUSINESSES This new deal was a good opportunity for the Ombudsman to address others issues such as processing micro-companies outstanding payments or back billing across several years. When contesting a bill and not paying it, late payment penalties are requested and repeated at each due date, and energy disconnection threats are sent. The Ombudsman pointed out the imbalance in the penalties system: between the date of issue of the bill and its posting, more than one week can easily go by due to slow processing on the supplier's part, added to a low cost franking, which reduces the two-weeks period of time allocated to pay.

Also, *“when an anomaly occurs on registered or billed consumptions, suppliers often send out recovery bills across five years which does not exist in any other economic sector. What's more, such a long recovery timeframe often implies severe neglect on their part in meter readings for instance”*, explains Jean Gaubert.

UNREADABLE ESTIMATES The Ombudsman is now competent on connecting contracts, renewable energies put aside. Connecting issues are numerous, from moving works, to renovating an individual connection before increasing power, to dilapidated risers¹.

¹

These are cables and pipes that in buildings dispatch electricity or

gas from the public network located on the street to each flat meters.

Risers: a legal "ufo"

In residential buildings, risers dispatching electricity from the network to the flats are often dilapidated and cannot support a new meter or power increase, or simply need renovation for safety reasons. But who must pay for those tens of thousands euros? Condominiums as well as distribution system operator (DSO) are not prepared to support this cost. On the legal ground, since 1946 risers are included in public distribution networks managed and maintained by the DSO.

But pre-existing risers may be the condominium's property. Standard specifications issued by the FNCCR (National federation of local public energy, water and environment services) and ERDF state that existing risers that are the condominium's property must be renewed

by them, unless they abandon their rights to the distributor who will then take in charge the maintenance. This act is not conditioned to a prior renovation. However, the distributor refuses. According to the networks manager, about 300,000 risers that are not under DSO's responsibility would not comply with standards. Their renovation is estimated to 6 billion euros.

Should we wait for a human tragedy such as grey cast-iron for gas, for ERDF to accept the responsibility of the necessary works? Sooner or later legal ground must be left to seriously tackle this project whose costs, shall we underline, would be supported by the community via the TURPE (Tariff for the use of public electricity grids).

They often are about estimates established by the distributor that in the Ombudsman's opinion are quite unclear: provisions named in abbreviation, fixed amounts, technical and administrative charges impossible to verify... Needless to say that consumers are not able to understand or even less evaluate works costs. Yet, the DSO should, because of its monopoly, show more transparency, especially since consumers do not have the possibility to get a comparative estimate to check the technical solution accuracy or the prices validity.

TOWARDS AN OMBUDSMAN FOR ENERGY TRANSITION Transition will be a major turn for all citizens as well as all economic actors. This project will need large investments and will not happen without the consumers trust. The number of actors already increases in the sector of thermal renovation works, equipment for renewable energy production and energy services. Examples of unreliable or even illegal offers are numerous, just as unscrupulous practices of some companies. It would thus be adequate to let the institution evolve towards a service of mediation competent for all disputes regarding energy and energy efficiency works, for all consumers, whether natural or legal persons.

An "after sale service" Ombudsman for energy transition

The consumer must be assisted in the energy transition and the Ombudsman is perfectly suited to actively help, capitalizing on his experience. "The main point is to establish the trust consumers need to invest in energy efficiency such as renewable energy for instance. Often left with no contact to turn to once the purchase is made, sometimes fooled by unscrupulous operators, users can rapidly find themselves in great trouble and discourage others to start the process", says Jean Gaubert.

The scope of activities of the Ombudsman that is today limited to gas and electricity consumption could usefully be broadened to consumption of all energies, but also

to installation of renewable energy production and to energy efficiency works, in order to reassure investments in energy transition whether from professionals, private consumers or public actors. Becoming a kind of after sale service for energy transition... that would allow for instance to complement the one-counter information system of the national plan for thermal renovation by providing "post-works" information and advice.

"Without anyone independent and efficient to turn to to help addressing their issues, consumers may continue suffering instead of acting. We can assist them through our action to become actors of the energy transition", summarizes Jean Gaubert.

ADVANTAGES OF A STRUCTURE THAT PROVED ITS WORTH This extension of competence to all disputes regarding energy seems consistent with the transposition before 2015 of the European directive about mediation¹. Rather than creating a new structure *ex nihilo*, extending the scope of activities of an existing Ombudsman that already complies with quality expectations of the directive would certainly be more sensible for the community in terms of quality/price ratio. Indeed, processes and tools that are in place to handle disputes are adequate for all kinds of disputes. *“We have proved that we were able to strengthen our investigation competences to handle more complex files such as contracts for provision of companies”*, underlines Stéphane Mialot, General Manager. *“Our collaborators, mostly jurists specialized in consumer law, were trained to electricity and gas specificities. Letting their know-how evolve towards related problems is highly possible”*.

A KEY-FACTOR TO CONSUMERS TRUST The number of disputes that would fall into the Ombudsman's hands remains unknown. Although difficult to accurately evaluate, this new charge will imply new human and financial resources. The number of professionals involved will increase and thus induce a change of scale in the services of the Ombudsman: today, even if there are about two hundred suppliers for electricity and gas in France, most of the time files involve four of them. When energy efficiency works are incorrectly

¹

The European directive regarding extra-legal settlement of consumption

disputes was passed on 21 May 2013 (ref. chapter on mediation in May).

Name:

François Brottes



Office:

Member of Parliament for Isère and
President of the Commission for economic
affairs of the Assemblée Nationale

"The National Energy Ombudsman got a real recognition throughout the years and has made himself indispensable. He settled disputes and gained ground on many issues. His demand for an extension of his prerogatives was heard last year by the legislator.

broaden again his mission in order to assist consumers in the process. His role will be essential to help controlling their energy consumption, reassuring investments, liaising with the public service of energy efficiency to come.

His competences, so far limited to disputes between private consumers and small professionals, were extended by the law dated 15 April 2013 to those of associations, condominiums or communities, but also of artisans, small businesses and very small companies. In short, to all those who do not have the ability to handle dispute internally. Besides, the Ombudsman can now express his opinion on disputes with distribution system operators, for instance about connection. The fact that the Ombudsman is independent gives him a very different legitimacy from a simple internal mediator's. The debate about the law on energy transition will give the opportunity to

The question remains of the size of companies and thresholds beyond which they cannot refer to his services. Mostly, we still have to consider extending his activities to all forms of energies in use, renewable or not. There will be "new frontiers" to conquer, but we are confident: they are consistent with what the Ombudsman could achieve so far".

realized, amounts can be much higher than those of disputes about billing. An energy transition mediation service may be a decisive step before appealing to justice. Companies in that sector and more particularly smaller businesses will not find it more binding but on the contrary a trusting factor that will favour investments from households and companies. Moreover, applying rules favour serious companies.

SENSE AND COHERENCE An Ombudsman covering all energies – LPG¹, gasoil, wood, urban heating network –, and not only operators for gas and electricity would make more sense for households. Some of these older sectors such as LPG provision are not much regulated and are notorious for their practices disregarding consumers' interests. The same way, in order to avoid thresholds effects, the Ombudsman could cover all consumers, private or corporate. Current caps and criteria are not productive, leaving aside some disputes regarding incomprehensible thresholds effects, and generating high administrative costs to check referrals admissibility. These resources would be better used treating disputes referred by professionals.

¹

Liquefied petroleum gas.

Completing the action of the Ombudsman for energy transition in the energy efficiency field

Today, most of the Energy Ombudsman's recommendations are aiming at large companies. If they do not comply with them, consumers can go to court and obtain a financial compensation. The situation will differ with smaller businesses in the sector of energy transition, having a lesser margin to act. One can fear that in some cases, due to the insolvency of companies who realized the works, the Ombudsman might not be able to put right to harm done to consumers.

A guaranteeing process seems necessary to complement the implementation of an alternative mode of dispute settlement. Three paths can be followed: an extension of the range of the decennial guarantee to all works for energy efficiency, a compulsory guarantee subscribed by the professional (similar to the existing one for constructing a single standing house), or a guarantee funds for works faults. This funds could be financed by a solidarity and environment contribution on all energies.

The Ombudsman does not fear being overwhelmed by their demands, since they benefit from their supplier's corporate customer services and often have their own means for appeal. His Belgian counterpart is for that matter a good example: competent for all natural and legal persons, the share of files regarding companies was of 8% in 2013, against 11% on our side of the boarder. As they strengthen the institution consistency, these evolutions will definitely serve general interest.

Recommendation n° :

Date :

2013-0342

21/03/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

A simpler social tariff for electricity in order not to wrong beneficiaries

Mr M. does not benefit from the full discount granted by the social tariff for basic needs on the first 100 KWh consumed monthly because of the supplier's billing system. The Ombudsman took the opportunity of this dispute to plead in favour of a simpler social tariff for electricity. Moving to a set deduction according to the composition of households was enacted in the law named Brottes and its implementing decree dated 15 November 2013 on social tariffs.

Mr M., who lives in Paris, is entitled to the social tariff for basic needs (tarif de première nécessité / TPN) for electricity. He lodged a complaint with his supplier as he considers that in his regularization bills the social tariff does not apply on the first 100 KWh consumed monthly when it should by law at the time of the dispute. Indeed, from 07/05/210 to 12/11/2010, this Parisian consumed 1024KWh of which only 465 attracted a set deduction in line with the TPN instead of 600. The amount at stake is low (3.55 €) and the supplier made a commercial gesture of 7 € for this billing discrepancy with an additional compensation of

30 € for the trouble caused. However they do not admit the reality of a dysfunction specific to their billing system, that was since replaced by another, in June 2013, in which these discrepancies disappeared.

For the Ombudsman, the case of Mr M. was caused by a billing dysfunction that prevents a customer entitled to the social rate from enjoying a full discount. As meter reading are made only twice a year, it was the supplier's responsibility to implement the necessary modalities, so beneficiaries of the social tariff were not wronged. What's more, this anomaly, that exists since the TPN was created, did not happen just once or twice. However, because of the very small amounts in question, detecting the problem needed a close scrutiny of the bills, which every consumer is not able to do, especially the most vulnerable ones. Every customer entitled to the TPN who would suspect not benefiting properly from the social tariff should get paid these amounts back on simple request to their supplier.

This case and other similar ones convinced the Ombudsman that a simpler social tariff was necessary. In his recommendation dated 21 March 2013, he promoted the replacing of the discount on the subscription (up to 9kWA) and on

the first 100 Kwh by a set monthly discount according to the number of members in the household. The TSS (tarif spécial de solidarité / solidarity special rate) for gas already works that way. The decree dated 15 November 2013 extending to new beneficiaries of social tariffs for natural gas and electricity as implementation of the Brottes law of April 2013 ratified the establishing of a fixed rate replacing the progressive system previously in use for TPN. The Ombudsman regrets that the concept of a fixed rate has not been developed: the amount of the TPN still depends on subscribed power when only one fixed rate would be preferable; indeed, it would be easier to inform beneficiaries *a priori* of the allocated amount without having to know characteristics of their provision contract.

05

MEDIATION
DIRECTIVE

On: 21/05

The department of Seine-Maritime facilitated in 2013 a series of citizen conferences about main issues in the French society. The Ombudsman was invited in May to debate about "Housing and energy, towards a response with solidarity" along with sociologists, researchers and experts.

On: 28/05

The association "Balance of energies" brings together building sector professionals, industrials and fitters for all energies (gas, electricity, fuel, wood, solar) and customers representatives. The Ombudsman participated in a conference about "solutions for renovation and energy poverty".

Mediation directive

The European directive related to extra judiciary settlement of disputes was passed in May 2013. It compels all member States to implement quality mediation services in all consumption sectors before 2015.

The directive on alternative modes for dispute settlements was largely debated before reaching an agreement and passing it on 21 May 2013. It aims at supporting the development of mediation systems in all consumption sectors¹ in order to rebuild consumers trust in the internal market. Measures bring forward quality criteria: transparency, efficiency and equity. The referral must remain free of charge or imply a very low cost for private customers. Even if a general principle of independence is established, exceptions will be possible, as was demanded by the French public authorities. Corporate mediators could be considered as an alternative mean of dispute settlement if decided by a Member State. However in that case, rules of the directive are very strict: nomination by a college representing consumers and professionals, autonomous budget, no hierarchy link with the company's management or ban from that company for three years from the term of the mediation mission.

¹

Except for education and health.

An independent super ombudsman in Belgium

In Belgium, the six existing ombudsmen at federal level for the sectors of telecoms, energy, banking, insurance, railways and postal services will be mustered under one independent authority. The hundred collaborators from previous services will run it, maintaining expertise and experience.

The size of the structure will make it more visible to the public, the unique hotline will make things easier for consumers. Besides, the super federal ombudsman will be able to handle "residual complaints", that is disputes for which no out-of-law settlement procedure exists.

MEDIATION OR ELABORATED CLAIMS SERVICE?

Transposition of the directive into French law may allow to choose between these two approaches to mediation. The one prevailing in France does not place consumers' protection very high and is nothing more than a "super service" for addressing claims within companies or activity sectors. Favoured by larger groups represented in the Medef, it developed under the authority of the Commission de la médiation et de la consommation¹. This commission "labelled" mediators of all kinds, from the RATP to Canal +, from Mikit houses to the Vélib, not mentioning GDF SUEZ and EDF. Even if they sometimes look independent, these authorities for dispute settlement remain entirely funded and controlled by professionals.

¹

Set up in October 2010 by Hervé Novelli, State Secretary to Consumption, the Commission for

mediation and consumption was not renewed in October 2013 at the end of its members' term.

Name:

Valérie Fourneyron

Office:

State Secretary to Commerce,
Craft Industry, Consumption
and Social Economy



"The passing at almost the same time of a general mediation system and a class action is a unique opportunity to rebuild a trusting relationship between consumers and professionals. These measures create a small revolution around a common goal: a well-balanced and efficient settlement of disputes. Mediation will allow voluntary settlement before going to court. Class action will allow to handle efficiently the dispute when a large number of consumers have suffered a similar loss.

I would like to pinpoint the major role consumers' associations will have to play in these two systems: the 16 associations registered as representative at national level will be able to introduce a class action as well as conduct a mediation, which could in some cases be more efficient. Implementing the European directive means that a quality mediation service will exist in all consumption sectors. With Arnaud Montebourg, we are open to every solution offered as long as it is transversal enough to cover all professionals and accessible enough for consumers. I will personally keep watch on efficiency and neutrality of these systems, whatever the sector".

AN INDEPENDENT MEDIATION SERVING THE COMMUNITY The other approach, never well represented in France, lays on a real mode of alternative settlement for disputes. Currently, the National Energy Ombudsman and the mediation service of the Authority for financial markets are its only representatives. This mediation is a real alternative to action in court, faster and cheaper, but also addressing a necessity for justice and respecting the principle of contradiction. This implies a statutory or financial independence that is not just cosmetic and allows a real neutrality towards parties and transparency in its work. It is the only way to ensure protection of consumers' rights individually when they refer to the mediation authority. Besides, the action of an independent Ombudsman benefits all consumers of the sector when enticing professionals to improve their practices. It introduces a new type of regulation, without increasing the law. *“Unlike the other mediators, the National Energy Ombudsman publishes and popularizes his advices and propositions, which reduces the risk of repeating the same disputes”*, emphasizes Jean Gaubert. *“It can be seen in some sectors where each year thousands of people refer to companies' internal mediators: it is doubtful that this type of mediation will impact positively practices improvement of these firms”*.

Independent mediation not only offers a customized solution to harmed consumers, but also introduces a new type of regulation without increasing the law, by encouraging professionals to improve their practices.

FRANCE IS NOT LEADING Will it be possible to progress on this topic? Some fear that the transposition of the directive will be *a minima* as if France had not yet tackled what was at stake regarding economy and law at the same time. During the first forum on out-of-law settlement of disputes organized in Oxford on 26 and 27 September 2013¹, France was well behind. When participants from all over Europe were inventorying the best mediation practices on the continent and thinking about a common implementation of the directive, the situation of France was considered anachronistic. *“Our country was leading for a long time in consumers’ protection, and yet, because corporate mediation was pushed forward, we could not progress on the path of out-of-law settlement of disputes”*, deploras Stéphane Mialot. *“Many States progress at a good pace about implementing interesting mediation systems, such as Belgium, Netherlands, Great-Britain or Germany”*.

¹

This conference was facilitated by “The Foundation for Law, Justice and Society” from Oxford University.

Independent mediation defended in a report to the Minister of Justice

The report *Le juge du XXI^e siècle* (the 21st century judge), written by Pierre Delmas-Goyon, counsellor to the Court of Cassation, that was handed in to the Minister of Justice in December 2013, describes the advantages of an out-of-law settlement of disputes sometimes called "soft justice". The report means to encourage this procedure, having stated that in spite of their recognized advantages and the consensus they raise, negotiated modes to settle disputes are under-used. However, not any procedure should be used. As emphasized by the author, one should be very cautious about mediation supplied by a person employed by the seller, service supplier or public company

involved: "Designating a mediator for a company (...) addresses its need to maintain its image as well as avoid disputes by processing customers' complaints so they lead to a concession or better said a commercial gesture. This is useful and often shows a true will to find a satisfying solution for the consumer, but it can hardly be called mediation. Mediation implies that two parties in dispute are looking for an agreement with the help of an independent and neutral third party who thus cannot be representing one of them". In this regard, the National Energy Ombudsman is taken as example because his "independence is guaranteed".

COMPLEMENTARITY OF MEDIATION AND CLASS ACTION If public authorities have not yet ruled in favour of a really independent out-of-law settlement of disputes, it may be because they have other priorities. The law on consumption¹ that implements new regulation tools in order to rebalance powers between consumers and professionals includes a major point: class action. That will allow consumers wronged in a similar way by a professional to go to court in a single procedure, as long as this group action is led by a registered association. However the aim is not, unlike in the United States, to claim millions of euros as “punitive damages”. Here, wronged consumers will only obtain repair for suffered harm. Class action and mediation can complement each other: the former establishes the jurisprudence and sets compensation standards; the latter encourages operators to search for an out-of-law solution that will be cheaper for them and to improve their practices. The former will take several years and be highly formal, whereas the latter only takes a few weeks to reach a solution and is easy and free of charge for the consumer. Thinking that one could replace the other would be wrong: “*Class action can definitely help in disputes such as provision quality in the energy sector. It should encourage the distribution system operator ERDF to better acknowledge their responsibility and to decently compensate occasioned wrongs*” considers Jean Gaubert.

1

Law n°2014-344 dated
17 March 2014 on
consumption.

Recommendation n° :

Date :

2013-1103 11/07/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

Different approaches between the "in-house" mediation service of an energy supplier and the National Energy Ombudsman

The electrical meter of Mr E. who runs a Bed & Breakfast in the South of France would show signs of fraudulent use. The amount of the recovering bill, questioned by the subscriber, is very high: 15,961 €. This case shows both approaches from the internal mediation service of the supplier and the National Energy Ombudsman. The recovery was set by the former with a 10% discount granted on the base of benefit of the doubt regarding the real consumption. By emphasizing that the fraud was not recognized by a court and recovered consumptions were not justified, the recommendation of

the National Energy Ombudsman managed to convince the distributor to cancel most of the amount, that is 12,000 €.

After turning his house of the Pyrénées-Orientales into a Bed & Breakfast and restaurant, Mr E. noticed that his meter had been used fraudulently and thus questioned the principle of recovery.

Taken to court for theft by the supplier, Mr E. was acquitted by the magistrates' court of Perpignan at the end of December 2010. But the dispute continued about the back bill

and arrived in the internal mediation service of the supplier. Without a reliable history of consumptions, the distributor relied on the average consumption of users who have the same tariff to estimate the daily consumption of Mr E. for the period to recover at 98.5KWh per day. Considering the level of consumption in the months following detection of error (175 KWh per day), the supplier's mediator states that the recovery amount is rather accurate. Even if Mr E. had some equipment installed from 2009 (air conditioned, heaters, refrigerating room, swimming pool). The advice of the "in-house mediator" takes however into account the benefit of the doubt and grants a 10% discount of the total bill (i.e. 1596 €) as well as suppresses late penalties (1295 €).

The analysis of the National Energy Ombudsman did not lead to the same conclusions. Scrutinizing the history, he notices that Mr E.'s annual consumption keeps rising. Stable until 2008, it had doubled in 2010 and then quadrupled since. What would be the impact of those fraudulent uses? Scrutiny of the turnover shows a similar increase of the Bed & Breakfast activity, proved by purchase bills and affidavits from third parties that Mr E. transmitted to the National Energy Ombudsman. Eventually, the National Energy Ombudsman decides that the consumption history is coherent and that the impact of fraudulent uses of the meter on registered consumptions was not proved. Consequently, back billing is unjustified and he recommends to the distributor to cancel it, which was agreed to.

06

DISPUTES
PROCESSING

On: **04/06**

The National Energy Ombudsman met with the Entreprises locales de distribution (ELD / Local companies of distribution) to discuss 2012 outcomes: referrals involving ELD, recommendations specific to them, their follow up, etc.

On: **06 → 07/06**

In Brittany and on the 21st in Toulouse, project managers from the Ombudsman's team animated training sessions in regional technical centres for consumption (centres techniques régionaux de consommation / CTRC) of these regions for local consumers associations.

On: **04 → 06/06**

"Smart Grids" congress Paris 2013, an event devoted to smart energy networks. The Ombudsman spoke in the round table about behaviours and needs of consumers. He emphasized the need to assist them in understanding their consumption and mastering means to save energy in order to fully benefit from these new networks.

On: **20/06**

Third annual meeting of the European NEON network (National Energy Ombudsmen Network), in Paris, in the premises of the French National Energy Ombudsman. The agenda included the progress on dialogue with competent European commissioners and finalising action plans for the network (website, funding...).

On: **26/06**

An Ombudsman's agent made a presentation of the institution's activity for the Commission consultative des services publics locaux (CCSPL) of Rennes.

Honoured commitments thanks to a steadfast effort to organise the service

The Energy Ombudsman made steadfast efforts to reduce processing time. In June, the stock of pending cases was reduced. From then on, an admissible dispute is handled within an average of sixty days. This is due to innovations in organizing processes, last in date being the launch of SoLLEn, platform for disputes settlement online.

From the beginning the institution was victim of its success. From 2008 to 2011, the number of disputes was multiplied by eleven. This number receded in 2012, which led to think that complaints were better handled by operators. But in 2013 it increased again by 25%. The fact that the Ombudsman's contact details were compulsory on all bills as well as the extension of his range of competences, enacted by the Brottes law in April¹ may explain it. *"It is the most difficult thing in managing a mediation service: anticipating how many consumers will seek our help is complicated",* says Stéphane Mialot, General Director. *"Respecting a statutory two-month timeframe implies adapting constantly the organization and human resources management".*

A DELAY TOTALLY REDUCED IN 2013 Keeping within the timeframe is thus an on-going fight that compels to innovate, more particularly when budgets tighten human resources. For the past three years, several actions were conducted in order to improve productivity

¹

Law n°2013-312 dated 15 April 2013 aiming at preparing the transition towards a sensible energy system.

Satisfaction survey about the services of the National Energy Ombudsman

→ excellent marks for the Ombudsman

Consumers can now measure the improvement on delays for processing disputes. It is one of the highlights in the satisfaction survey conducted early 2014 by Market Audit with a panel of 353 individuals and small professionals who had referred to the ombudsman. Those whose case was closed by a recommendation are satisfied at 89% about the processing delay; in 2012 they were only 69%. Globally speaking, 88% of the surveyed declare to be satisfied with the time allocated to their case.

Surveyed consumers are satisfied at 79% by the institution's services: 22% because a solution was brought to their dispute, 17% because their demand was promptly processed, 15% because they found their project manager available and attentive. They will at 93% recommend to relatives to refer to the Ombudsman if needed.

The Ombudsman has a very positive image: 95% of surveyed people find him accessible, 92% competent and 92% dynamic. He is considered as an expert (90%) who conducts his mission with transparency (89%) and who is close to consumers (87%). However only 75% think the institution is "powerful": a mere 66% consider that its intervention led to finding a solution to their problem. This figure can be explained by two reasons: on the one hand, recommendations that do not compel operators are not always followed; and on the other hand, the surveyed whose referral was not admissible according to the law feel disappointed. For many, the Ombudsman seems to be the last resort to get out of inextricable situations.

in dispute processing. Came summer 2013, all pending cases had been investigated. Of course the Ombudsman is aware that the timeframe was too long for some consumers but they were contacted on a regular basis to reassure them that in spite of delays their case had not been dropped. In 2013 the average time for processing an admissible dispute was around 68 days¹.

FAVOURABLE WINDS FOR AN AMICABLE AGREEMENT The “second chance” system launched in 2010 reached a cruising speed. In that context referrals corresponding to complaints that had not got a detailed prior response from the operators are returned to them². This procedure aims at encouraging companies to improve their own complaints processing and allows the institution to concentrate their means on most complex cases for which parties cannot find an agreement. Half of disputes are solved that way. But the remaining consumers whose file enters the “second chance” procedure confirm their referral that will then follow the standard procedure of thorough investigation of disputes.

Launched in the summer 2011, the procedure for an amicable agreement took time to implement but it is now at full speed. Its principle: searching for a solution to the dispute under the Ombudsman’s arbitration. In concrete terms, after analysing the file, project managers make propositions and discuss them with involved operators and consumers in order to reach

¹ This delay may sometime be longer according to the complexity of the case and the celerity of operators to share their views.

² Operators have one month to offer to the consumer a solution that will then be analysed by the Ombudsman.



182 cases

Handled by SoLLEn (since its launch online at the end of 2013): 54% were transmitted to a supplier for a second chance and 36% led to a recommendation, of which nearly half in the shape of an amicable agreement.

42 days

Average period for closing a case with SoLLEn.

an agreement. Flexible and practical, this procedure lightens the workload: the technical and legal presentation of the solution needs less formalism and the follow-up is easier. Indeed, when an agreement is reached, the Ombudsman can be certain that it will be applied, whereas his recommendations, which are not imposed to companies or consumers, barely are. The amicable agreement requires more dialogue with the different parties but it allows a fairer compromise. It was not easy to convince operators to use this path. Reluctant at first, EDF and ERDF started with this procedure only recently but with an obvious satisfying result for consumers and a real success among operators: indeed, in 2013, amicable agreements represented 20% of recommended solutions against 3% in 2012¹.

AN INNOVATION: ONLINE MEDIATION But 2013's highlight was a major innovation: the creation of the interactive platform for disputes settlement, named SoLLEn², on the 30th September. This experiment for online mediation, quite innovative in Europe, is rather promising in regards to its aims: improving the quality of service to customers and operators, reducing delays of file processing, being more productive by reducing time devoted to paperwork. This tool, easy to use and to access through a secure Internet connection, eases dialogue between consumer, operators and Ombudsman. After the referral through an online form starts a consultation¹ between parties in the mediation space

¹ On 2014 three first months, the share of amicable agreements amounts to 40% of recommendations.

² SoLLEn stands for Solution en Ligne aux Litiges d'Énergie: online settlement of energy disputes.

Name:

Bernard Dumez

Office:

Customer Satisfaction

Delegate at GDF SUEZ



"SoLLEn is more than a tool, it is a new approach to mediation which eases dialogue. The platform works in a flowing and reactive way, it is simple to use and has the advantage of securing streams: much less files get lost! It is not quite perfect yet, but the Ombudsman's services are listening to improvement suggestions we transmit him. Another approach to mediation unwinds with this online platform, more particularly in the mediation space that allows exchange in real time or almost between parties. It took us some time to adopt this procedure but now we use it with much interest.

The keystone to SoLLEn is the sharing of information and opinions. We get to know positions of others faster, in particular the distributor's which matters a lot to us. We can also see how the customer reacts to our remarks.

The tool thus favours amicable agreements, which we also support, by clearing up possible misunderstandings. That is why it brings a real added value to most complex disputes involving many stakeholders and requiring much dialogue. Even if we may have to wait for valid feedback, it seems that consumers are using the tool wisely and intervening constructively".

with an individual mailbox for private exchanges. *“The dialogue is more spontaneous and operators show a better reactivity when we ask them for extra information, as well as consumers, when we ask for their opinion about a solution proposed by the supplier”* explain Thierry Albertos, one of the project managers dedicated to processing referrals on SoLLEn.

SOLEEN: PROMISING FIRST RESULTS The platform allows involved parties to share the same level of information and to monitor the file in real time; for consumers, it is a way to be more proactive in the resolution of their dispute. Surely, its use requires some more maturity from professionals: most of them play the game but as they are used to a bilateral relation with the Ombudsman, they favour private messaging rather than sharing information in the mediation space. However, the first results of these few months are positive. The number of resolved disputes by “amicable agreement” on the platform is higher than by the normal route: 50% against 20%. Those resolved by a recommendation take an average 42 days on SoLLEn when they need 60 days otherwise.

¹

Sollen follows a formalised user set of rules detailing some common

sense principles such as observing politeness in exchanges.

ORGANISATION CHART AT 30th APRIL 2014

Accounting Agent
Alain Souvignon

Ombudsman
Jean Gaubert

General Manager
Stéphane Mialot

Deputy General Manager
Frédérique Coffre

**ADMINISTRATION
& FINANCE**

Head of Service
Béatrice Gaudray

**COMMUNICATION & INSTITUTIONAL
RELATIONS**

Head of Service
Aurore Gillmann

**INFORMATION
& ORIENTATION**

Head of Service
David Grébil

**CONCERNATION
& MEDIATION**

Head of Service
Frédérique Coffre

**INVESTIGATION &
RECOMMENDATIONS**

Head of Service
Catherine Lefrançois

GETTING INSPIRED BY GOOD PRACTICES ACROSS THE CHANNEL

The Ombudsman was careful that this increase of disputes processing happened without degrading quality and personalisation of files processing and investigating. Is it possible to take it further? The British Ombudsman's service offers food for thought: Ombudsman Services deal with disputes in the energy sector but also in the telecoms, real estate and music copyright; it has more than 200 employees. In the opinion of Stéphane Mialot, such a large range makes human resources management easier when there is a peak of activity – presence roster, reallocation of resources between sectors, recruitment planning, etc.: *“The British ombudsman implemented a service that plans the workload by analysing received calls and information about the sector which allows to model the number of disputes to come. This anticipation seems very interesting for our activity's evolution”.*

AMICABLE AGREEMENT

Date:

26/12/2013

Case:

The consultation between parties offered by SoLLEn allows to reach amicable agreements more easily

Calculated readings are often a source of problems between consumers and suppliers. By referring to the Ombudsman on SoLLEn, Mr & Mrs Z. obtained the cancellation of 2387 € on a 4800 € back bill.

Mr & Mrs Z. who live in Versailles referred to the Ombudsman through the SoLLEn platform following a dispute with their electricity supplier. They received in August 2013 a back bill amounting to an unusual 4800 € that they question.

The couple had bought their house in December 2011, in which they did some renovation work and changed the electricity meter in April 2012. As their initial complaint was left unanswered by EDF, the Ombudsman tried first the "second chance" path.

The response from the supplier who maintained the bill and offered a commercial gesture of 100 € as compensation did not suit the consumers who requested the Ombudsman to investigate their case more thoroughly.

The project manager who followed the case detected a reading error that had occurred when the account was opened in December 2011 and may be responsible for the current problem. Indeed, Mr & Mrs Z.'s consumptions on the old meter were the same as those registered on the new meter for one year, although the house was undergoing works. The supplier confirmed: when subscribing the contract, the supplier had taken into account closing readings from the former occupant that were largely underrated; what's more, the change of meter which occurred in April 2012 was only registered in October 2012. These errors induced the disproportionate bill received.

Wishing to reach an amicable agreement, the supplier agreed to cancel the consumptions billed on the old meter between the estimated start readings and the readings of the old meter showing on a photograph taken by Mr & Mrs Z. in January 2012. This satisfying proposition for the Ombudsman cancels 24,648kWh between Day time and Night time. The supplier committed to correct the billing according to the new information provided by the distribution system operator. For the consumers, the difference in their favour of what they have to pay is 2,387 €.

07

MARKETS
LIBERALISATION

Only one supplier for both energies in favour of French citizens

In your opinion, for households using both electricity and natural gas, is it better...
to have one or two suppliers of energies?



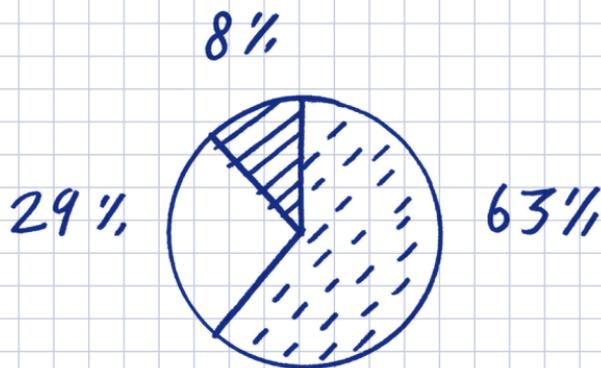
2 different suppliers



1 unique supplier for electricity & gas



Without opinion



Source : Baromètre
Énergie-Info 2013

Markets liberalisation

In France, the market of energy is opened to competition since July 2007 for individual consumers. Since then, they can freely choose their supplier of electricity or gas. According to the 7th edition of the Baromètre Energie-Info¹ about markets opening, and for the first time, more than one out of two French citizens are aware that they can change operators.

Little by little, the French's knowledge about markets liberalisation improves. It is a first in the Baromètre Energie-Info history: 53% of surveyed people are aware of their possibility to change supplier for electricity, as well as 55% for users. That is more than in 2012 and much more than in 2007, when these rates were of 35% and 30%. However consumers remain hesitant: only 9% of surveyed households declare having switched suppliers, less than those who use both gas and electricity (15%). What's more, 4% say that they already considered it, without actually doing it, and 8% are considering it for the future. More than the past year by 13%, the main motive to this change is the search for a better price, for 70% of surveyed households. *"There is no reason to make French citizens feel guilty because they do not switch operators, says Jean Gaubert. They are not full time consumers, thinking every day: what will I gain from this change? They need simple straight-forward offers".*

1

Survey conducted in September 2013 by the CSA institute with a panel of

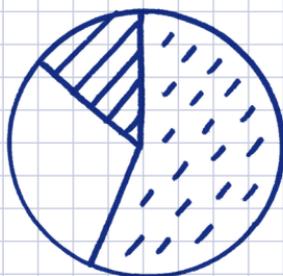
1503 French households and released to the public in November 2013.

Institution created at markets opening, the National Energy Ombudsman suffers from a lack of visibility among French citizens

Does an independent institution exist, that would be in charge of watching smooth running of the gas and electricity markets?

14 %, without opinion

33 %
no

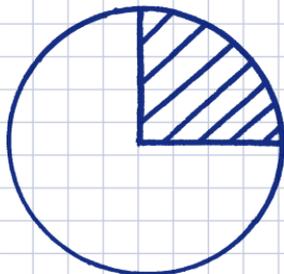


53 %
yes

Have you ever heard of the "National Energy Ombudsman"?

25 %
yes

75 %
no



Source : Baromètre
Énergie-Info 2013

SIGNS OF IMPROVEMENT ON THE MARKET? Is passing the “psychological mark” of 50% of households aware of a competitive energy market a sign that things are improving? For Caroline Keller, project manager for the Consumer Information service, one event certainly counted in the mind of French consumers: “The 5% increase of regulated tariffs for electricity in 2013 before a similar increase in 2014 makes some offers on the market more attractive. An offer for two years at fixed rate can indeed draw attention”. The last CRE¹ scrutiny of energy markets shows some signs: in 2013, historical operators EDF and GDF SUEZ respectively lost 355,000 and 262,000 customers (individual and corporate). Other suppliers gained ground with 18% of electricity consumption against 16% in 2012 and 39% of gas consumption against 33% in 2012. However the individual consumer market remains widely in the hands of EDF that provides 92% of households and GDF SUEZ that provides 87%.

PATCHES OF IGNORANCE The fact must be outlined that, according to the Baromètre Energie-Info, 54% of French consumers declare they are well informed about markets opening to competition when only 17% of them admit that they did not seek any further information².

¹ On 13th March 2013, the Commission de régulation de l'énergie (CRE / energy regulation commission) published

the Observatoire des marchés de l'électricité et du gaz naturel (scrutiny of electricity and gas markets) of 2013 last quarter.

² This data is stable compared with 2012 but rising by 6% compared with 2007.

Name:

Jean-Claude Lenoir

Office:

Orne senator, member of
the Group of energy studies



The electricity market is opened to competition for individual and professional consumers since 2007. For electricity, private customers slowly turn to competition, unlike the gas market. This market remains widely controlled by sale regulated tariffs. Competition could intensify because of price increases announced by the government and because private consumers start looking at offers more closely.

A good and clear information is essential. As they are not yet used to consider competition in that field, consumers must be able to analyse, understand and use tools to check opportunities for some expenses suggested by sellers (more particularly for energy saving) as well as the quality of services offered. From where I stand, and as I participated

in the elaboration of the prevailing texts in this matter, I would make the following remarks: the markets liberalisation benefitted companies for a short period (2000-2004), then the situation reversed and households preferred to keep regulated tariffs benefits because they are more protecting. The behaviour of companies in this sector deeply changed and customers are the first to benefit from it, mostly because the legislator carefully framed markets liberalisation with the creation of the Commission de régulation de l'énergie and the National Energy Ombudsman. I believe that tomorrow the implementation of the Linky reading meter will not only allow them to better control their expenses and consumptions but also let them grasp opportunities offered by competition.

Indeed, only a small number of them (30%) say they know how to proceed if they were to switch suppliers. They are as numerous to think that such a change is easy as to find it difficult: 46% each side. Practical modalities for changing suppliers are known by and large but do not gain visibility from one survey to the other. Indeed, 76% of surveyed people wisely think this year like the past one that changing meter is unnecessary, when 16% do not. 69% think they do not incur power or gas cut, when 26% mistakenly think otherwise. On the other side, 34% of the surveyed do not know yet that switching suppliers is free.

A DEEPLY-ROOTED CONFUSION ABOUT HISTORICAL OPERATORS

Besides, 70% think that their meter will be read by the new supplier. That is because the confusion between supplier and distributor is deeply rooted in French consumers' mind who did not yet register the distinction created at markets liberalisation: 26% of the surveyed who know ERDF and GrDF think that they are suppliers, and 11% are not able to tell what they do. This ignorance is even more obvious about historical suppliers: 72% do not know that EDF and GDF SUEZ are two distinct competing companies¹. *"It would be interesting to know, among the 47% French consumers who are not aware that they can change suppliers, how many are subscribers for gas with EDF and electricity for GDF SUEZ"* suggests Stéphane Mialot. The Baromètre already shows that 64% of the

1

It seems that men (39%) are more aware than women (22%) that these two companies are distinct and in competition.

HOUSEHOLDS FAR FROM HAVING THE SAME LEVEL OF KNOWLEDGE

Households seem to be better informed but some more than others.

Social and professional groups of a higher class are better informed than others: 65% are aware of the possibility to change electricity or gas suppliers against 51% in the lower classes; 36% of the higher classes know the difference between EDF and GDF SUEZ against 24% of lower classes; the former are 54% to have heard about regulating tariffs when the latter are 32%.

Another gap exists between younger and older consumers: only 47% of the retired say that they are aware of their right to change energy operators. Among those who took the plunge, 65+ year-olds are a mere 6% against 13% of 18-24 year-olds and 10% of 35-44 year-olds. Younger consumers are also more favourable to markets liberalisation (69%) than older ones (61%). Only 13% of 65+ year-olds seek information about opening to competition, whereas the 35-44 year-olds do it more often (23%).

surveyed wrongly think that regulated tariffs can be obtained for gas and electricity with a same supplier. Incidentally only 38% declare having heard of these rates fixed by the State.

STILL FEW BENEFITS ATTRIBUTED TO LIBERALISATION Although still few households actually wander to test the markets opening to competition, it is considered as “a good thing” by 64% of them; they were 59% in 2007. However, they do not really see the positive outcomes. Indeed, 31% of surveyed people think it has induced a rise of tariffs, half of them considering it had no impact whatsoever on energy rates. And 62% believe that there were no effects on the service quality, although more of them saw an improvement of this quality this year (22% against 19%).

Recommendation n° :

Date :

2013-1902

20/12/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

A contract terminated
without the consumer
Knowing must be handled
“by the rule”

The misadventure of Mrs T. illustrates a malfunction directly linked to markets opening: her electricity contract was terminated without her knowing because an operator used her meter by mistake for the subscription of another customer. A problem that suppliers do not manage very well yet.

Mrs T., who lives in Nancy, experienced the unpleasant surprise to get her electricity provision suspended on 3 April 2013. Her supplier informs her then that her contract was terminated on 31 January. As the consumer had not moved out or switched operators,

they offer to lodge a complaint with the distributor in order to find out the name of the mysterious supplier. The next day, Mrs T. contacts her supplier again to request a new connection contract. But the provider schedules it four days later. When the consumer demands an earlier connection, she is answered that it might be possible but at extra costs for her. The initial schedule remains but in the meantime, Mrs T. loses the contents of her freezer, that she values at 150 € as well as the six exotic fish of her aquarium.

She lodges a complaint in order to get a compensation; with no satisfying response, she then refers to the Ombudsman, specifying that she got from the distributor the name of the faulty supplier, X.

According to the Ombudsman, several rules set up by the various stakeholders of the market were not applied. The supplier X. agreed that they were responsible for an error that occurred at delivery point at the time of connection for a customer; when the customer informs them that the meter does not correspond to his house, the supplier X. transmits a request for termination to the distributor, which leads to the power cut at Mrs T.'s. The supplier X. admits that the "service" was "inappropriate".

Indeed, as pointed out by the Ombudsman in his recommendation, the current procedure states that the operator who detects the error must ask the distributor to put them in contact with the other involved supplier; both then agree on actions to be taken to correct the situation.

As a result of the dispute processing, the supplier X. granted Mrs T. a 150 € compensation. Mrs T.'s operator did not handle the case for the better: they could spontaneously offer an "express" (within 48h) or "emergency" (same-day) connection, the "standard" delay of 5 days being inappropriate according to the Ombudsman. Moreover the costs of an accelerated connection procedure could have been at the charge of the supplier who could then have requested to be paid back by the other supplier responsible for the error.

Besides, the supplier did not bring a satisfying reply to Mrs T.'s complaint by just sending her over to their competitor, since, according to regulation procedures, it is their duty to handle complaints from their customers when contracts are wrongly terminated. The Ombudsman thus estimated that her supplier should compensate the consumer for the harm done to her for 200 €. On his part, the distributor, "in a mediation logic", agreed to pay 60 € for "exceptional reasons".

08

ENERGY
COSTS

On: **23 and 24 / 08**

The association Familles Rurales organised a national meeting "The Young: Action!" in Thalmont-Saint-Hilaire, in Vendée. In the larger project of Familles Rurales aiming at assisting actions by the young in the provinces, this two-day meeting gathered close to 3000 people.

Representatives of the Ombudsman were present to give out information about energy-related issues and participate in various debates.

Energy costs

On August 1st, electricity regulated tariffs for households increased by 5% on average. An historical rise in the past ten years, when energy costs are more than ever worrying French consumers. Two thirds of them already think that the share of gas and electricity bills is too high in their budget. In the Ombudsman's opinion, energy is an essential good that must be bought at its proper price by those who can, but whose provision must be ensured for most vulnerable households.

French consumers are hardly optimistic regarding the future of their electricity and gas bills. According to the last publication of the Baromètre Energie-Info¹, 96% of them foresee a price increase. As the social and economic crisis goes on, 79% of households declare that energy consumption is a real concern when they were 70% in 2010. Could it be otherwise when such high increases occurred in the past years? Gas rates increased by 80% since 2005. Even though in 2013 a slight decrease was noticeable, nothing guarantees it will go on this way, especially with the launch of the new climate-energy contribution for a “greener” tax system regarding energy matters². According to estimates by the ministry of Finance, its impact on the annual bill of a four-people household living in a gas-heated house would be of about twenty euros. An extra cost that should progressively increase, reaching near 70 € in 2016.

¹ Published in November 2013 (ref. month of July).

² Indeed, part of taxes on fuel and combustibles will be calculated according to emissions

of carbon dioxide (CO₂) produced by their consumption.

1700€

This is the average budget dedicated in 2012 by a French household to domestic energy, i.e. electricity, gas and other combustibles.

Source: Bilan énergétique de la France pour 2012, Commissariat général au développement durable, July 2013

67%

of consumers think the share of gas and electricity bills in their budget is too high.

38%

only of French consumers heard about regulated tariffs.

Source: Baromètre Énergie-Info de November 2013

RISING TAXES The rise of electricity costs seems unavoidable. Across 18 months, from summer 2012 to end of December 2013, they increased by nearly 11%. For an electricity-heated household, it costs about 50 € more. Regulated tariffs rose by 2% on 23 July 2012, then 5% on August 1st 2013, which should happen again in 2014. Taxes follow: beside TVA (VAT) that went from 19.6% to 20%, the CTA¹ was raised on May 1st, which represents 1 to 4.5 € more to pay according to the household. The CSPE² went from 9 € per Megawatt hour to 10.5 € on 23 July 2012, to 13.5 €/MWh on January 2013. This tax that mostly finances support to renewable energies and tariff equalization for islands³ kept increasing significantly for the past few years. However it does not evolve as fast as the charges it is supposed to cover: the Commission de régulation de l'énergie estimated that it should already have reached 18.8 €/MWh in 2013. Taxes will keep increasing in the future with the developing of off shore wind farms that need billions of investment. The CSPE, that represents in 2013 more than 10% of the electricity bill, could contribute for a third of the total increase of prices in the next few years according to the Rapport de surveillance of the Commission de régulation de l'Energie (CRE) published in 2013.

1 The Transmission contribution tariff finances pensions of agents from the gas and electricity industries.

2 Contribution au service public de l'électricité (Contribution to the electricity public services).

3 Extra costs due to electricity supplying in islands.

Name:

Reine-Claude Mader

Office:

President of the CLCV



"The 5% increases of the regulated tariff for electricity in 2013 have a significant impact on consumer purchasing power. This is why we would like to better understand how these increases are justified, more particularly the calculation modalities on which are based the recommendations of the Commission de régulation de l'énergie. The Commission has to use data provided by EDF which affects the neutrality of its analysis; the CRE should have more investigation powers in order to check these data and get an indisputable judgement on real costs.

The repartition of production costs between private consumers and corporates according to the volume of electricity consumed and the

time of consumption also lays on EDF simulations without any further expertise. As households use electricity at peak hours, it shows directly on their bills. When regulated tariffs are set, there is very little that consumers can do to negotiate. Whereas corporates have this capacity.

We are told that the increase of electricity tariffs is unavoidable in the energy transition context, but this assertion has to be supported by reliable and clear data. It is not up to EDF who holds a large share of the available information to decide of energy and tariff policy. The truth is, low-income households have been saving energy for quite a long time already by turning off their heaters to cut off bills".

CONSUMERS PLAY IT BY EAR For the Ombudsman, consumers are right to worry about unclear energy tariffs. Amidst alarmist increase forecasts, political decisions aiming at preserving purchasing power, legal referrals to the Conseil d'Etat and back billing, they are playing it by ear. In 2013 they had to pay an average of 60 € to compensate for gas regulated tariffs whose freeze got cancelled in 2011 and 2012. This issue is particularly significant since at the end of 2013, 93% of private consumers were still at regulated tariffs for electricity and 80%, for gas¹: *“According to the law, these tariffs must cover costs”,* explains Stéphane Mialet. *“Before, public authorities could set them arbitrarily at any level. But in a market open to competition it becomes possible; ministerial orders that do not respect the law are sued by alternative suppliers... who always win”.* This concept of “cost covering” remains subject to interpretation. Should costs of renewal or extension of nuclear plants duration be charged to consumers in advance? Does the regulated tariff have to finance all commercial costs of EDF? To make their decision, public authorities rely on the regulator’s works who keeps mentioning that he lacks means.

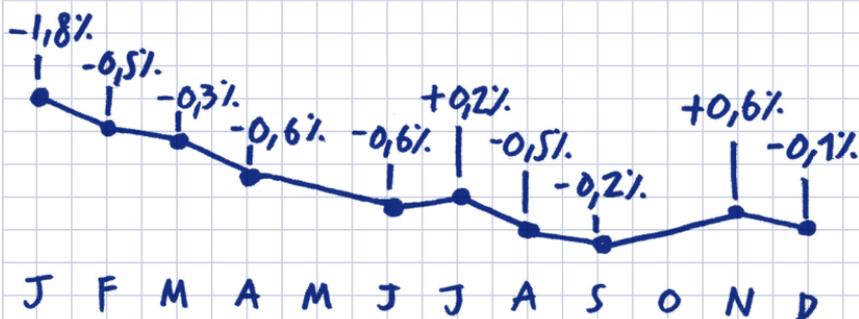
1

Non private consumers are affected by the extinction of gas regulated tariffs from 19 June 2014

until 31 December 2015; consumers with a 36kVA power are affected by the extinction of electri-

city regulated tariffs on 31 December 2015.

COURSE OF GAS MONTHLY RATES IN 2013



A BETTER VISIBILITY ON TARIFFS INCREASES Nevertheless there was a turning point in August 2013 with the 5% increase of the electricity regulated tariff. It is lower than what was recommended by the CRE¹ but clearly higher than the previous summer: 2%. In the Ombudsman's opinion, the course of electricity tariffs should be contained, scheduled and spread out across a larger period of time. Set pace and direction would give some visibility to consumers and companies about controlling their energy budget or investing. Taxes and tariffs increases occurring at the same time, once a year, would be clearer and more educational. Individuals would not get such an impression about dealing with an uncontrolled system. *“Regulated tariffs must be closer to the truth – that unfortunately is not always known – and at the same time tolerable for consumers. The most vulnerable have to get more help for paying their energy bills”* says Jean Gaubert.

¹

In its report dated 4 June 2013, the CRE explains that tariffs increase for households should be, in

2013, of 6.8% if the amortizing period for nuclear plants is 50 years or 9.6% for 40 years.

An example of tariff complexity: the Tempo tariff

Mr R., who subscribed to the Tempo tariff, drew the Ombudsman's attention on his electricity bill that went through the roof by 49% between end of 2008 and end of 2013; had he chosen the Day time / Night time offer, his bill would have increased by only 16%. Increases by a few points of electricity regulated tariffs each summer are average increases that sometimes hide much higher raises for some consumers, depending on their tariff or level of consumption. It is the case for the Tempo tariff that affects no more than 300,000 customers nowadays in France.

However such a high increase can be explained by changes to model costs that occurred since markets opened. Since then, networks costs are valued separately by the regulator. As an application of the principle whereby what cannot be mathematically modelled does not exist, this modelling does not attribute any economic value to demand response, that is, the capacity for a consumer

to consume less or not at all. The other component of costs, supply, does not value it either for similar reasons. Thus the Tempo tariff, defined on other economic models bases, is considered today "at a loss". The EDF supplier has been demanding for years to public authorities to raise its level more than other tariffs, or even rate it as extinct¹.

However the Tempo tariff remains advantageous for Mr R.: he still saves 25% compared with Day time / Night time, when it was 60% five years ago. But for this he has to comply with drastic rules: consuming near to nothing for the 22 red days and 43 white days per year that his supplier set, being warned the previous day only by a small device. This Tempo tariff should be replaced shortly by a new demand response tariff. Similar offers could even be given by alternative suppliers.

1. A tariff rated as extinct cannot be subscribed to anymore but those who already hold it can keep it.

Social tariffs for energy must now be revalued. The TPN¹ represented in 2013 only 94€ on average per benefiting household, that is as much as price increase on an 18 month period. The Ombudsman proposes that the amount of aids granted via social tariffs go from 200 million to one billion euros per year, financed by the CSPE for electricity and the CTSS (Contribution to the Special Solidarity Tariff).

LEGAL POWER The constitutional and legislative frame does not affect only prices. It also restrains sales prices structure, i.e. the way that energy is billed, as seen with the measure of the Brottes law about “progressive rating of energy” that aimed at enticing households to energy sobriety. It was planning a basic volume to be allocated to each household according to its composition, location, etc.; below, its bill was established with a bonus, and beyond, with a penalty. But this measure was cancelled by the Conseil Constitutionnel. Other example: electricity offers EJP (Effacement jour de pointe / Peak day effacement) and Tempo fell into disuse. Created in 1982 and 1996, they allow to benefit from a higher discount in return of much higher rates during twenty days in the year selected by the supplier between November and March².

¹ Tarif de première nécessité / Basic needs tariff: social tariff for electricity.

² They strongly encourage to consume less on days when electricity demand is higher, implying thus

additional production means that are polluting and costly.

United we stand, divided we fall on the gas market!

It is a first, the association UFC-Que Choisir launched in October 2013 the campaign "Cheaper gas together". The idea is to bring together consumers in order to negotiate the best gas offer with a supplier. Similar operations were conducted in other countries in Europe such as Portugal, Belgium and Great Britain. They boost the market and balance of power between supplier and consumers. From October 2013 to January 2014, more than 142,000 people registered.

At the end of November, the association revealed the name of the "winner": the alternative supplier from Belgium, Lampiris, made the best offer with a 15.5% discount compared with the regulated tariff, taxes not included, for the month of November (which changes every month, decreasing slightly for the past few months). Which means, according to UFC-Que Choisir, an average saving of 190 € per household. About 70,000 people eventually chose that offer at fixed rate for a year. With this campaign, the goal set by the association has been reached: creating a real market power for consumers in order to obtain the best offer. This initiative was presented at the Citizen's Energy Forum that was held in London on December 16 and 17.

But along the years, this discount decreased because network tariffs implemented in compliance with European directives do not value effacement¹. Yet these offers were ahead of their time, as shown by many States' attempts to implement them in order to improve peak time management.

FEW ORIGINAL OFFERS The legislative frame and its corollary, fear of dispute, seem thus to penalize any policy reform aiming at leading citizens in an innovative way towards energy sobriety. A will to restore this EJP and Tempo effacement logic can yet be noticed with the blurred effacement concept. Competition authority however mostly criticized those implemented mechanisms that are economic models still in their infancy. Will technology, through implementation of smart meters, allow new offers to emerge to help consumers entering energy transition?

¹

Effacement consists in reducing temporarily electricity consumption for a large number of

sites in order to reduce demand, more particularly in peak period.

Recommendation n° :

2014-0188

Date :

11/02/2014

Available on the website : energie-mediateur.fr/recommendations

Case :

Monthly evolution of
gas regulated tariffs
requires smart meters

Since 2013, gas regulated tariffs change each month but suppliers do not dispatch consumptions before and after the change of price on the basis of an actual reading. This is what Mr T., who sends his self-readings on a regular basis to his supplier, does not understand. This type of dispute will disappear with the implementation of smart meters.

Mr T., who lives in Caen, questions the way his gas supplier dispatches his consumptions before and after monthly price changes. He registered with the service "m@ relève" (my reading) and transmits a self-reading so his intermediary bills are not based on estimates anymore. If those were indeed taken into account on bills dated 26 February and 29 April 2013, he noticed that it was not the case any longer for the one dated 5 July, based on the distributor's reading: the supplier thus

dispatched his consumptions according to that last reading to apply the various current tariffs on the first six months of the year, balancing them with climate coefficients¹.

Mr T. finds it deplorable that self-readings, presented as a substitute to estimates, are not taken into account anymore in the regularisation bill. He thinks that the calculation mode used by his supplier is at his detriment and demands to be reimbursed for last five years excess payments. The Ombudsman, after investigating his case, does not decide in his favour about the content since it shows that the supplier did not make any mistake in applying climate coefficients as per their general terms and conditions of sale; neither did they neglect including correctly self-readings in intermediary bills. Although it would be fairer to take into account self-readings to dispatch consumptions before and after price changes, the supplier has no legal or statutory obligation to do so. For Mr T.'s consumptions to be really in line with price changes, he would have to request a special reading of his meter... every month, since such is the changing pace of the regulated

tariff for gas. As this service is charged 32 € by the distributor, needless to say that it would not make any sense. Solution will come with smart meters that allow distant reading collection. Suppliers will then be able to bill on consumption effective at the time of the price change. The Ombudsman recommends that after the implementation of a smart meter, an actual reading is taken into account after each price change at no extra charge to the consumer.

¹ Climate coefficients allow to assess gas quantities consumed each month as well as bills according to the applicable price for each period (tariffs evolve monthly whereas meter readings are twice a year).

09

SUPPLY
QUALITY

Power cuts: a slight improvement

Things are slightly better for consumers affected by power cuts. The fourth tariff for use of electrical networks (TURPE 4) published in the Journal Officiel in December 2013 plans a better compensation for ERDF consumers.

Indeed, the CRE multiplied by ten the amount granted for a six hour continuous cut, which brings it up from... 1 to 10 €. The Ombudsman always argued that statutory reductions were derisory and welcomes this progress.

However, he considers that this still low amount cannot be assimilated to a compensation. The new system remains far from compensation levels in other European countries: 75 € in Norway or 90 € in Sweden after a twelve-hour cut.

Besides, it is still totally disconnected from the reality of the harm suffered by consumers: a survey conducted by the Réseau de transport d'électricité (RTE) shows that beyond six hours of interruption, damage is valued at 140 € on average. But the now statutory reduction of 10 € does not prevent consumers to demand a real compensation for the harm done.

Supply quality

At the FNCCR¹ congress held in Montpellier in September, communities and the distributor ERDF put aside their differences of opinion and came to a signed agreement for a better efficiency of public utilities for electricity distribution. The Ombudsman welcomes this commitment, especially since poor supply quality was still the cause of many disputes in 2013.

The document co-signed by the Fédération nationale des collectivités concédantes et régies (FNCCR) and ERDF, concessionary company on 95% of the French territory, shows the sign of a truce between the two parties. Communities, who own the low and medium voltage networks, had been criticizing for years ERDF policy, accusing them to favour the dividend paid to the parent company rather than investing in the electrical network. The agreement specifically plans an “exceptional” effort of investment in six under-performing territories in terms of quality. It will take time however to renovate entirely the dilapidated networks affecting many consumers. Indeed, during the summer 2013, a series of incidents in a rural area deprived about 250,000 households of electricity².

DISPUTES RELATED TO LACK OF QUALITY Supply's poor quality is the cause of many disputes the Ombudsman has to deal with. In 2013, 4.5% of disputes the Ombudsman had to handle were about the quality of

¹ National federation of local public energy, water and environment services.

² The FNCCR underlines that on 20 September 2013, 6000 households in Paris suffered power cuts.

On: 17 → 19/09

At the FNCCR (National federation of local public energy, water and environment services) congress, with three days of debate about energy public utilities, project managers held a stall that was the meeting and informing point for participants. A round table brought together actors to exchange about the future of social tariffs for gas and electricity; the Ombudsman was there to explain his suggestions regarding improvement of the help system for bill payment.

On: 25/09

Fourth and last annual meeting of the National Energy Ombudsmen Network / NEON) in Manchester. Discussed issues were for instance finalizing the report from the work group on vulnerable consumers, following the citizen forum for energy facilitated by the European Commission in 2007. The report was published in November 2013.

On: 17/09

An Ombudsman representative went to the Espace Info Energie forum in Lyon, a meeting focusing on the issue of energy poverty. Espace Info Energie forums are designed to deliver high-quality information and to provide free advice to the public about easy reflexes to get and solutions to apply them, in order to reduce energy consumption or contribute to reducing greenhouse gases emissions.

electricity supply. This proportion increases with the complexity of disputes. Indeed, in 2013 as in 2012, out of all disputes thoroughly investigated by the Ombudsman followed by a detailed written procedure with operators (a recommendation), 7% are regarding a problem of supply quality.

Unexpected power cuts, whether shorter or longer, the poor quality of the wave and overvoltage or voltage drops are the most common causes. Besides, networks deteriorate at the same time than consumers are more demanding. French consumers habits changed with the multiplication of all electric equipment such as computers and multimedias, induction cooking plates, heat pumps, etc. These appliances need a strong power when starting and make demands on the network that does not always have the capacity to respond, particularly in rural areas.

THE DISTRIBUTOR SHOULD PROVIDE MORE

ADVICE The Ombudsman, in his previous activity report, pleaded for a better information to licenser DSO authorities and the distributor that would allow them to anticipate developments if relevant. He suggested indeed that consumers wishing to install heavy electrical appliances should lodge a declaration in the town hall.

The (truly) difficult life of cows

The cows of Mr L., farmer in Brittany, fear only one yet unavoidable thing during their day: milking time. Indeed, they receive an electric shock at setting up of the milking machine. Distressed, the farmer who referred to the Ombudsman is convinced that this electrical phenomenon affects his cow's productivity and health.

After assessments, ERDF made some works in order to improve the quality of electricity. A slight improvement was noticed by the farmer but disturbances to the cattle persist. In the Ombudsman's opinion, the assessments neither exclude a possible influence nor do they establish a direct link between electrical dysfunctions and the cows suffering.

In order to be fair, and considering the lack of certainty about the cause of the trouble, he suggests that the distributor financially contributes for half to works for the change of earthing scheme on Mr L.'s farm, a solution that should solve the problem.

This case may seem uncommon, but it is not the first time that the Ombudsman is referred to by milk producers who are thinking that electricity is the source of trouble: mastitis, decrease of quantity and quality of milk, etc. These disputes are difficult to finalize by an amicable agreement: only detailed legal investigations will prove that there is a link.

But there may be also more dialogue between customers and the distribution system operator: “*When their appliances do not work properly, consumers request a power increase*”, explains Catherine Lefrançois, Head of the Studies and Recommendations service. “*Yet it is not where the problem lays, and most of the time suppliers are not competent to advise them wisely. The best option would be to set up a pre-sale advising cell with ERDF in order to ensure that the network capacity will allow an optimal use of the appliances*”. That would save many impediments to those who invest thousands of euros for a heat pump that refuses to start until reinforcement works are done.

DIVERGING INTERPRETATIONS Disputes that reach the Ombudsman are quite intricate to solve. Opinions diverging from ERDF are numerous, which shows in the small rate of recommendation application: 21% are fully applied and 7% partly. Proving that there is a link between the bad quality of electricity and the inconvenience suffered by households is not easy. Indeed, “*Clauses defining obligations of the consumer and the distributor are subject to interpretation*”, explains Catherine Lefrançois. “*ERDF general terms and conditions of sale stipulate that the customer’s installation must be able to withstand exceptional situations¹. However, jurisprudence clearly establishes the duty of result of the distribution system operator in supply quality, except for very unusual climate conditions*”.

1

ERDF’s general terms and conditions of sale changed in 2013: “primary” precautions became “useful” precautions.

Name:

Xavier Pintat

Office:

Senator of Gironde,

President of the FNCCR



"In the context of energy transition, most actors agree to consider that public distribution of electricity will be a strategic landmark for public policies. The FNCCR* holds three priorities as essential: continuous improvement of the quality of distributed electricity, renovation of contractual relations between contracting authorities and their licence-holder, and adjustment of ERDF governance.

Since the 2009 peak of the average time for a power cut, (nearly 200 minutes for Low Voltage subscribers), the quality of electricity tends to improve, with less than 80 minutes in 2011 and 2012. However, the degradation observed in 2013 (97 minutes) shows that this movement upwards remains fragile.

Besides, ERDF investments increased again between 2009 and 2012 (2.3 to 3.07 billion euros), yet they remained below the general curve traced by the CRE by 10%.

A satisfying quality of electrical energy is required for future smart grids.

In this regard, the FNCCR and ERDF signed in September 2013 a protocol that provides for investment programmes across several years so that contracting authorities, liaising with ERDF, will be able to give more visibility about networks evolution. This protocol also provides for progress in terms of data transmission from the license holder to the contracting company, as well as smoothing financial flows. On a larger scale, energy transition will be the opportunity to improve coordination between networks of energy distribution and to clarify ERDF policymaking".

*

Fédération nationale des collectivités concédantes et régies / National federation of local public energy, water and environment services.

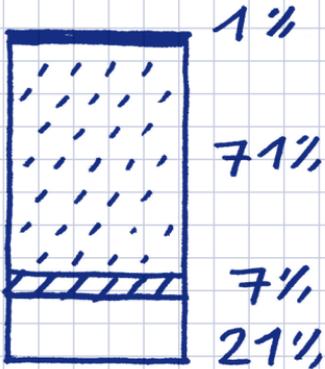
A CLEAR JURISPRUDENCE In April 2013, when shopkeepers having lost goods due to power cuts went to court, the Paris Court of Appeal considered that “*in its general terms and conditions of sale, ERDF had committed to ensure a continuous high-quality supply*”; from the Court’s point of view, the distributor has to comply with a result obligation that they “*can be exempted of only for specific reasons proven by them*”. In February, the Brest local court decided in favour of a consumer who estimated that his electrical appliances were deteriorated by repeated power micro-cuts. Taking into account the Energy Ombudsman’s recommendation, the judge stated that network incidents were the cause of damages claimed for by the consumer; he underlined that the distributor does not “*prove his exemption of responsibility by any cause and is not allowed to oppose to an obligation for essential protection towards the consumer*”. The distribution system operator was condemned to pay back to the consumer repairing expenses for his appliances¹.

¹

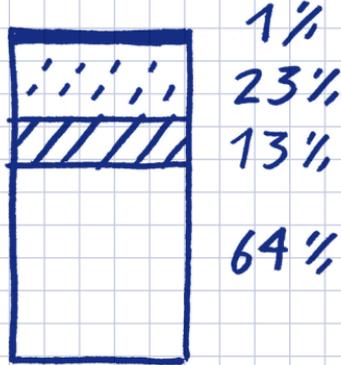
Several judgments in 2013 reasserted the obligation of result for the distributor.

How ERDF follow recommendations

"Supply quality" disputes



"Other" disputes



-  Results unknown
-  Disregarded recommendations
-  Partially followed
-  Fully followed

BRINGING OPINIONS TOGETHER As a matter of fact, the issue of compensation remains the main bone of contention between the Ombudsman and ERDF: *“They fear that following a few recommendations might spread out and that they may have to grant the same amounts as compensation to other cases”*, analyses Stéphane Mialot, General Manager. *“The mechanism is yet quite simple: consumers who do not have access to an electricity network in conformity must be compensated by the distribution system operator who has to define their industrial strategy in order to reach the economic optimum between compensation and investment”*. In other words, compensation must entice the distributor to improve the network quality.

Recommendation n° :

2013-0990

Date :

27/06/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

It is the distributor's duty to guarantee the quality of electricity supply

The mood swings of the electricity network in the area where Mr A. built a house caused many troubles: beside damaging appliances, his heat pump does not work in very cold weather. In the Ombudsman's opinion, it is the distributor's duty to adapt the network to an increasing number of consumers in order to supply an energy in conformity.

Mr A. built a house in 2007 in the Aix-en-Provence district. Since he moved in, he suffers many continuous troubles due to voltage swings on the electricity network. His heat pump does not work in the very cold weather, depriving him of heating and hot water. Early 2012, his family, which includes a new-born, spent a whole week without heating, the temperature inside the house remaining below 12°C. Other disturbances occur, embittering their daily life: dimmers breaking down, an electrical blind that does not open, a freezer that stops, etc.

As early as 2009, an assessment conducted by the distributor came to the conclusion that there was some overvoltage. It led them to pay Mr A. 7,800 € as a compensation for material damage. But the distributor's reaction did not solve all problems: indeed, early 2012, the consumer complains again, supporting his complaint with photographs of the meter installed in 2010 showing voltage drops in winter and peaks in summer. He also witnesses the building of many houses in his neighbourhood.

The Ombudsman's analysis pinpoints insufficient evaluations of energy needs in the area and of works to be done to maintain the electricity network in conformity. Yet, as the distributor is responsible for operating and maintaining the network, it is their duty to anticipate supply failures and use whatever means in their hands to maintain a decent supply quality, especially when the number of consumers is growing.

Moreover, Mr A. was not very well informed. Various opposite explanations were given to him about the causes of voltage swings, from a "phase error" to a "lack of earth connection", to "lines too small for the intensity". Information about works to be done were as unreliable. Announced for the first half of 2012, they were finally scheduled at Spring 2013. And carried out, as asserted by the distributor in a post mail of June 2013.

The assessment of the material damage suffered is conducted by an expert mandated in May 2012. The Ombudsman states that out of the twenty-five bills transmitted by the consumer, nine mention damage of an electrical cause. Beside this repair, he considers that a compensation by the distributor would be fair; he thus recommends to the distributor to grant a 500 € compensation to Mr A. who had to multiply steps in order to obtain a quality electricity.

10

SMART READING METERS

On: 02/10

The Orizon de Nîmes salon aims at revealing innovative and practical eco-solutions regarding energy efficiency, water management, air quality and waste management to corporates, communities and institutional actors. The Ombudsman was invited to a debate named "Water, energy: what saving solutions for my community", where were discussed the issues of energy poverty and means available to entice households to control their energy consumption.

On: 18/10

The Maison des Solidarités de Noisiel (Seine-et-Marne) organized a forum, "Saving energy... you can too». An Ombudsman's representative set up activities and stalls in order to inform about eco-gestures, housing improvement works, energy saving through the right choice of electrical appliances, etc.

On: 22/10

The annual meeting of the Union française de l'électricité (UFE) was about "energy challenges in France and Europe before 2050" Energy transition can be a recovery factor, but at what conditions? The Ombudsman was invited to discuss it along with several actors from the sector.

Smart reading meters

The saga of smart reading meters went on in 2013. In October, the Linky project entered a more active phase when launching the call for tender for meters manufacturing. It was following the decision made in July 2013 by the government to install three million meters by 2016. On the other hand, the development of Gazpar goes also forward with the announcement of a larger scale test in 150,000 households.

The nationwide Linky project should involve nearly 35 houses by 2020¹. The smart reading meter counts several advantages: it makes things easier for its users with operations that can be carried out from a distance, such as readings or power changes, but also the taking into account of the real consumption when the contract is modified (change of supplier, price raises, etc.) and at the time of billing. Linky is one of the investments accounted for in energy transition, with a neutral cost for consumers via the network tariff; it is thus designed to help households to better control their consumption by informing them better and by favouring the development of new services such as automatic control of electrical appliances.

NECESSARY INFORMATION IN REAL TIME It is not quite set yet. As soon as 2011, in a common position with the ADEME², the Ombudsman advocated that meters should be part of a wireless communication module that

¹ Total investment is evaluated at 4.5 billion euros.

² Agency for the Environment and Energy Control

DISAGREEMENT BETWEEN THE OMBUDSMAN AND THE CNIL...

Till what time is TV on? At what time does one get up? The Commission nationale de l'informatique et des libertés underlined the risks brought by Linky to our privacy, considering the amount of data it registers. In its sights: the load curve that reads consumptions at regular intervals. The more measurements are made, the more accuracy there is in the information they deliver about living habits. In a deliberation published in the Journal Officiel on 18 January 2013, the Commission recommends that the load curve should not be collected if not with "free, enlightened and specific consent of the persons involved" and that "it should be kept only for the time necessary for its finality".

Valuing respect of privacy as well, the Ombudsman thinks that limiting the registering of a load curve in the meter may be detrimental to consumers' interests. More particularly, the Ombudsman believes that a load curve should be systematically registered on a daily basis for one year and that this information should be kept for the consumer's sake in the meter. These data would allow the consumer to easily compare supplier offers to check if they are adapted to his uses. New meters will indeed give the ability to offer intricate tariffs with prices varying according to the time of month, day or hour, which will be difficult to compare. Accessing elements of the load curve would also make complaints processing easier by providing details allowing a refined diagnostic on malfunctions and cause of excessive bills.

would send flows of information inside the house. This information would be displayed on an off-set screen, located in living parts of the house and would give in real time the consumption and its cost in euros. Indeed, most electricity reading meters, located outside apartments, are difficult to access, although what consumers need in order to change their habits is simple and continuous information.

A DISAPPOINTING OUTCOME The Ombudsman, the ADEME, but also many consumers associations had great hopes to be heard. Designed at first as a “metrology tool” serving the interest of the distributor, Linky was then redesigned as a project of public interest, taking more consumers needs into account. But this ambition aborted in the last stretch: meters will be implemented without the functionality for communicating inside the house. The extra-cost was declared too high for uncertain benefits¹. Yet, in the UK, where the replacement of 53 million of electricity and gas meters for 30 million of households is scheduled by 2020, public authorities decided in favour of consumers, placed at the heart of the Green Deal: suppliers must offer to their customers, at no extra cost, an off-set screen, the In-Home Display, to follow their energy consumption. It presents daily, weekly and monthly consumptions, in kilowatt-hours and Sterling Pounds, and shows if at a particular time this consumption is low, medium or high. A study valued the energy saved per household at 65 £ per year (about 80 €).

1

It would have cost an extra 10 €, probably less. But it was not really evaluated.

Name:

Sandra Lagumina

Office:

General Manager of GrDF



"One of the keys to the success of the smart reading meter project lays on consultation. We were very careful to open it as much as possible, under the shield of the CRE but also with consumers associations, local communities, public authorities' representatives, etc. The goal for Gazpar, that matters to 11 million private consumers, is to improve the quality of billing by suppressing consumption estimates and implementing actual readings but also to develop energy control. It seems quite difficult for households to change their habits of consumption if they do not know anything about it; indeed, very few people are aware of the quantity of gas necessary to heat a hot water cylinder.

Consumption data belong to private consumers. They will be available on a website soon to be launched. Many other issues must be shared and validated through consultation: How to implement a fast access to consumption data? What will be the own role of the distributor, suppliers, other actors? We announced in November, at the Mayors and local communities salon, the name of the twenty-four localities, in four experimental areas, where 150,000 smart meters will be implemented for a test phase. We will start consultation on local level. In a meeting, consumers associations suggested that HLM tenants could participate. Why not? We are open to relevant suggestions. Installation in involved households should be a good opportunity to inform about Gazpar functionalities. It is most important that everyone gets involved in the project".

A PREJUDICIAL LACK OF STANDARDISATION In France, it will be up to the consumer to acquire the devices downstream from the meters... at a cost, in order to follow their electricity consumption directly. Several companies offer them already. *“Besides, operators will each have their own technical standards, incompatible with others”,* states Stéphane Mialot, General Manager. *“Lack of harmonization will not make switching suppliers any easier, nor implementing home system or energy efficiency solutions. It will be more or less the same as in the telecoms, where each supplier has its own Internet box: the system is simple enough for the consumer to install it himself, but intricate enough not to wish to do it too often”.*

A NEED FOR CONSUMERS ASSISTANCE For now, the basic Linky device is a “half-communicating” meter that sends its data to the distributor. Up to them to put it at the consumer’s disposal, on a website, for instance. The Ombudsman looks very closely at the Watt&Moi (Watt&Me) experiment conducted by ERDF and the HLM (Habitat à loyer modéré / Council housing) Grand Lyon Habitat office. One thousand tenants whose flat has been fitted with Linky can access their daily electricity consumption on a website¹. A report presented at the work group “Advanced counting” of the CRE² early 2014 shows lukewarm results: visitors are few, only 21% of the initial panel; visits to the

¹ The website was launched in May 2012, about one year after meters were installed.

² Commission de régulation de l’énergie.

OF GOOD USE OF PERSONAL DATA BY INDUSTRIALS

The Ombudsman took part in the workgroup "Smart grids and personal data" set up by the CNIL in partnership with the Fédération des industries électriques, électroniques et de communication (FIEEC / Federation of electric, electronic and communication industries). This group worked on defining good practices and regulations that will frame the processing of personal data collected downstream from smart meters. The aim is to assist industries' innovation by protecting private data as upstream as possible in the outlining of new services.

Those services, such as remote energy controlling of some appliances in the house, will need some data transfer to external service providers. This is why it is of great importance to determine the outline for the use of collected data, the time period during which they are kept, the rights of involved persons, security, etc. Knowing that they will have to be revised on a regular basis, according to the evolution of technologies and uses...

website increased after an activity plan about energy saving but it tends since to plateau. “*Consumers have difficulties to get interested in raw data not valued in Euros; they need assistance*” underlines Caroline Keller, Project Manager for Consumer Information.

ROBUSTNESS PREFERRED FOR GAZPAR Gazpar, the equivalent of Linky for gas, is of less concern. On the same principle, it aims at allowing a real-consumption-based billing and encouraging energy saving. However the project is less ambitious, since it plans to implement by 2022 about 11 million households¹. Pressure on real time information is not as great, unlike electricity, because uses are much more limited. Besides, the meter is not as elaborate, the distributor having chosen not to include a remote cut-off / switch-on system, for security reasons. This option would also have made the device more costly. The estimated investment of 1.5 billion euros will partly be made profitable by energy savings and financed by the increase of the carriage tariff. For consumers, it should translate into an extra-cost of 2 to 3 Euros per year, balanced from 0.3% decrease on consumptions. The CRE evaluates that this decrease could reach 1.5%.

¹

There is no compliance for gas whereas a 2009 electricity directive

stipulates that 80% of households should get one by 2022.

THE OMBUDSMAN'S CONVICTION

"As soon as smart meters are implemented, households must benefit from basic services as promised, that is, bills based on their real energy consumption at each contractual event: switching-on, change of supplier, change of tariffs (all taxes included)... and termination."

89%, of the French declare that they are ready to change their electricity consumption habits in order to reduce their bill.

CONSULTATION ABOUT SERVICE QUALITY INDICATORS If the project seems more straight-forward, it is mostly because a wide discussion was conducted about its implementation. The Ombudsman participates in the “Advanced Counting” workgroup led by the CRE. This is where are discussed indicators for service quality for smart reading meters, as well as the delay before a complaint is addressed in case of mute meter or if the consumer realizes that he is not billed on the basis of actual readings¹. *“The distribution system operator proposed to set up a goal whereby, for the first year of implementation, 90% of readings are remote-read and transmitted to suppliers”,* explains Frédérique Coffre, Deputy Manager. *“We think it is not ambitious enough. Being billed on real consumption is the main advantage of a smart meter, the one that households are expecting”.*

¹

The aim set is to address a complaint within two weeks.

Recommendation n° :

Date :

2013-1555

16/10/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

The smart meter that was not smart

A consumer from Lyon received a high back bill because her meter was faulty for one year and a half. This meter, a Linky device that sends data directly to the distributor, should have detected the problem earlier.

of 793 € without further explanation. Referred to, the Ombudsman confirmed the adjustment amount announced by the distributor. However, in his opinion, operators have their share of responsibility in the dispute.

Mrs G., who lives in Lyon, questions an electricity back bill of 755 € issued in June that corresponds to a consumption adjustment following the breakdown of her meter several months earlier.

It is clearly established that Mrs G.'s meter did not work correctly from July 2011 to December 2012 when it was replaced. According to the Ombudsman, the distributor followed current regulations to evaluate the electricity consumption when counting faults occurred: Mrs G.'s habits were taken into account on a previous period of

Her confusion is understandable since she had received a few months earlier, in January, another bill

time to calculate an average daily consumption; the "small" consumption was even deducted so it was not charged twice; the period of adjustment does not exceed the period of malfunction, nor the legal two-year period.

The issue is to be found on another level: indeed, Mrs G.'s device, a Linky smart reading meter, installed in May 2010, is supposed to provide data accessible by remote-reading, so the distribution system operator does not have to visit it physically. Scrutinizing the consumption history, the Ombudsman finds out that no reading has been issued by the distributor for the months in question. The distributor then responded that the meter did not respond! This answer was somewhat ironic: "For Linky meters that do not communicate their data, [we commit] into a daily improvement scheme for the quality of remote interventions". However, the operator, conscious that their replacement of the faulty meter was delayed, offered a compensation judged satisfactory by the Ombudsman. On his side, the supplier did not react immediately. Although the adjustment was established in January by the distributor, the back bill was sent only in June. Furthermore, the supplier did not address Mrs G.'s complaint sent in January following

the bill received without any explanation. Even worse: they did not comply with the legal obligation to base a bill on real consumption at least once a year, establishing bills on the basis of estimated readings by the distributor. The Ombudsman recommended to grant a compensation in addition to the 30 € initially offered by the supplier.

11

ENERGY
POVERTY

A REPORT POINTS AT AN "UNFAIR AND INTRICATE" ATTRIBUTION OF SOCIAL TARIFFS

The Ombudsman had underlined in his 2012 activity report the "administrative and logistic intricacy" of social tariffs, believing that they were insufficient to face the rise of households in poverty in France. The ADEME (Agency for the Environment and Energy Control), commissioned to conduct an audit, submitted its report, to which the National Energy Ombudsman contributed, to the Minister of Ecology, Sustainable Development and Energy on 17 July 2013. According to the study, these tariffs are an "interesting and original" support paid through suppliers in order to relieve households with lowest income. They "are based on principles seemingly simple and logical", yet their dispatching is utterly complex and the process becomes thus "unfair" to possible beneficiaries. The automatic dispatching implemented in March 2012 increased this number.

But criss-crossing data collected by social security services and fiscal administration (since the Brottes law) in order to identify eligible households remains difficult. Obtaining the TPN or TSS without holding an energy contract in one's name is an "ordeal". Calculation modalities for this aid also have pernicious effects. And its amount, of about 8 € per month, seems small when comparing with the amount of energy bills and "too low to protect households from growing energy poverty". The report suggests to simplify these calculations and to implement set-priced aids, to increase the number of data transmitted in order to better monitor beneficiaries. Most of all, the amount of social tariffs should be doubled and complemented by a sum granted for all energies.

Energy poverty

For the first time, French households who do not manage to pay their bill did not suffer electricity or gas suspensions this winter. The winter truce for power cuts, established by the Brottes law, started on 1st November 2013 to end on 15 March. But it is far from solving all the problems the energy poverty raises for nearly 8 million people.

Since the 2013/2014 winter, energy suppliers are not allowed anymore to suspend electricity or gas for consumers who did not pay their bills. Initially from 1st November to 15 March as stipulated in the Brottes law¹, the winter truce for power cuts was extended to 31 March, as for rental evictions, but only for social tariffs beneficiaries. The Ombudsman had been advocating for the social improvement that is the winter truce for energy, considering that depriving households of heating when the weather is cold is unacceptable. For the Energie-Info service that assists people with payment difficulties threatened by or already suffering from energy suspensions, the measure had a very concrete effect: in November and December 2013, calls received about this issue were divided by three in comparison with the two previous months.

1

Law n°2013-312 dated 15 April 2013 aiming at preparing the transition towards a sensible energy system.

On: 04 → 29/11

Five programmes Consomag "Energie-Info!" were broadcast for three weeks on national and local TV channels. It was the fourth stretch of the information campaign for electricity and gas consumers launched in 2010 by the Ombudsman, in partnership with the Institut national de la consommation (INC). Themes tackled were: "How to choose an energy supplier?", "Understanding my bill", "Problems with my supplier: which steps to take", "Changing suppliers and negotiating", "Energy tariffs: which offers suits me better?".

On: 19/11

Signing of the ministerial order nominating the new National Energy Ombudsman, Jean Gaubert, in replacement of Denis Merville whose six-year term ended (published in the Journal Officiel of November 22, 2013).

On: 20/11

Publication of "Droit de l'énergie", at Dalloz éditions, by Pierre Sablière, analysing energy law and explaining the modes of enforcement, presenting many texts and publications as well as jurisprudence, whether from courts or regulating authorities, and, last but not least, the place of mediation and arbitration. Pierre Sablière assists the services of the National Energy Ombudsman on legal issues.

On: 19 → 21/11

For the fourth time, the Ombudsman's teams participated in the salon for mayors and local communities, where they can meet with elected local representatives, more specifically from rural areas where his action is less known.

SUSPENSIONS POSTPONED TO SUMMER If some households were relieved to be able to enjoy a warm winter, their bills stand unpaid. Suppliers feared that as a pernicious effect it would entice customers not to pay their bills, without any figures to support it. According to the Ombudsman, this risk should however remain low, as he could notice through experience, struggling consumers actively look for solutions to pay their bill. The highest inconvenience is for distribution system operators, for whom the winter truce amplifies the seasonality of their activity. This first winter truce should thus postpone and concentrate suspensions from March to June. According to ERDF and GrDF, more than 300,000 gas and electricity suspensions were requested by suppliers after 15 March, although the truce period was not yet over. A figure relating to the 580,000 suspensions and power reductions made in 2012, for more than one million requests¹.

MORE TRANSPARENCY ON INTERVENTIONS ABOUT OVERDUE PAYMENTS Another measure of the Brottes law will bring more transparency in this field. Until then, operators did not release data about their interventions about overdue payments: suspending energy, cutting electrical power down to 1000 watts² or terminating a contract at the supplier's initiative.

¹ Nearly 1 request for suspension out of 2 does not take effect because the consumer pays his debt.

² This power allows one refrigerator and three bulbs to work simultaneously. Impossible to add a heating or cooking

appliance without melting the fuse and switching off power supply.

The statutory order for the Brottes law compels suppliers to transparency about their interventions for overdue payments.

"This transparency is necessary to assess accurately the citizens' situation, more particularly those who struggle with paying their electricity and gas bills, as well as better apprehend public policies in that matter", assesses Jean Gaubert.

Legislation made it now compulsory and the Decree dated 27 February 2014 stipulates modalities: each quarter, suppliers must communicate to the National Energy Ombudsman and to the Commission de régulation de l'énergie the information about measures taken in case of overdue bill payments. *“This transparency is necessary to assess accurately the citizens' situation, more particularly those who struggle with paying their electricity and gas bills, as well as better apprehend public policies in that matter”*, assesses Jean Gaubert.

THE TRUTH ABOUT DISCONNECTIONS A soon as the 27 February 2014 Decree was official, the Ombudsman and the CRE sent a mail to the 170 involved suppliers to specify modalities for implementing the law. On April 30, deadline set up by the Decree, only 97 has responded.

MORE HOUSEHOLDS TO BENEFIT FROM SOCIAL TARIFFS Another improvement of the April 2013 law aiming at preventing energy poverty, is that social tariffs are extended to a greater number of beneficiaries, the aim being to support four million households. Further to social security institutions, fiscal administration must now communicate to suppliers the list of eligible people in compliance with an income limit of 2175 € per fiscal share. All suppliers are now entitled to dispatch the electricity social tariff, and not only historical suppliers.

Name:

Catherine Lemorton

Office:

Member of Parliament for Haute-Garonne,
President of the Commission for social affairs
at the Assemblée Nationale.



"The law of 15 April 2013 is a decisive step towards energy transition, but mostly it contains concrete social measures for the daily life of the most vulnerable families in the fight against energy poverty.

lations in a precarious situation to assert their rights. Besides, improving access to social rights is part of the goals of the scheme against social exclusion that my commission monitors.

Social tariffs now benefit 8 million French citizens. It is important to say that the government had already extended, with the order dated 21 December, 2012, the benefit of social tariffs from 1.2 million households to 1.7 million by raising the income limit.

This law also put an end to an indignant situation for a developed country by establishing the winter truce for energy from 1st November to 15 March, that should be brought into alignment with the rental truce ending on 30 March.

Those tariffs are now open to people whose income is below or equal to the level for opening rights to the aid for payment of a health complementary insurance (ACS). These people as well as those benefitting from the Couverture maladie universelle complémentaire (CMUC / complementary basic health cover) do not have anything to do. The fact that rights are automated is essential because it is often difficult for popu-

Reducing energy poverty will have effects on health, because it causes and aggravates some illnesses. Not only will people's well-being be improved, but it will also impact costs to the better, with less health-care thus less health expenses for health insurance, that remain to be valued".

The number of households benefitting from the TPN¹ and the TSS² were respectively 650,000, and 313,000 late 2011, 1.2 million and 457,000 in 2012 and 1.6 million and 650,000 late 2013. It is still far from the goal. The ADEME³ report submitted to the Minister for Energy, to which contributed the National Energy Ombudsman, showed the intricacy of social tariffs attribution, which partly explains why so many consumers still do not benefit from it and why its development is so long and costly. *“The Brottes law stipulates that, as for gas, all electricity suppliers may grant the TPN whereas it used to be an EDF and historical suppliers prerogative”,* explains Stéphane Mialot, General Manager. *“But no alternative operator is able to do it one year after the entry into force of the law, awaiting the green light from the CNIL”.*

SOCIAL TARIFFS ARE FINANCED BY FRENCH

CITIZENS Granting social tariffs is not quite an act of philanthropy from professionals, as underlines the ADEME report. Discounts granted on subscriptions and prices of energy, - between 71 € and 140 € for the TPN and 22 € and 156 € for the TSS according to the household composition -, as well as full managing costs are entirely compensated by taxes paid by consumers:

¹ Tarif première nécessité, or social tariff for electricity.

² Tarif spécial de solidarité, or social tariff for gas.

³ Agency for the Environment and Energy Control.

WHEN HOUSING MAKES PEOPLE SICK

The Abbé Pierre Foundation published in April 2013 a first study showing the links between energy poverty and health, conducted in the Hérault department by the Centre régional pour l'enfance et l'adolescence inadaptée, and the Observatoire régional de la santé Languedoc-Roussillon. Two groups of underprivileged people were compared, one of them being in an energy poverty situation. The health state of the people from the latter group is clearly degraded.

the CSPE¹ for electricity and the CTSS² for gas. Besides, electricity suppliers are reimbursed for subsidies they pay to the Fonds de solidarité pour le logement³, within 20% of the compensated amount for the TPN. For instance, EDF was reimbursed in 2013 for the amount paid to the FSL up to 23.8 million euros. To avoid any ambiguity regarding the involvement of suppliers in the implementation of social tariffs, the ADEME report suggests a direct financing of the FSL via the CSPE, and possibly extending it to gas via the CTSS: indeed, the FSL, complementary tool for bill payment support, needs financing to face the growth of energy poverty. The Ombudsman supports this idea.

PROPOSALS TO PROTECT THE MOST VULNERABLE

The Ombudsman has been raising the alarm and proposing solutions for a long time in order to slow down the increase of struggling households. Energy poverty should not be limited to overdue payments or lack of comfort issues: recent studies show the impact of this plague on health (*ref. the survey by the Fondation Abbé Pierre insert*) and the high costs it induces for the community. Experts agree that a global approach is necessary, that would help most vulnerable households to pay their energy bills and to improve the energy efficiency of their house.

1 Contribution au service public de l'électricité / Contribution to electricity public services.

2 Contribution au tarif spécial de solidarité / Contribution to the special solidarity tariff.

3 The FSL, managed by départements, helps people who cannot face their housing expenditures (rent, energies, water...).

44%

of households declare having reduced their heating during the 2012/2013 winter in order to lower their bill.

2,2 million

households benefit from social tariffs for electricity and gas.

15%

of French citizens admit having had difficulties to pay some electricity and/or gas bills (11% in 2012). (Source Baromètre Energie-Info published in November 2013)

XXX

households suffered gas and/or electricity suspensions in 2013 (information that operators refused to communicate to the Ombudsman).

94€

This is the average discount obtained on the electricity bill thanks to the Tarif social de l'électricité (TPN).

1858€

This is the average debt to gas and electricity operators held by consumers who referred to the Ombudsman's services in 2013.

109€

This is the average discount obtained on the gas bill thanks to the Tarif social du gaz (TSS).

A real “energy shield” is the way to go, with a curative part and a preventive part in order to protect those who need it most. Within the debate about energy transition, the institution contributes by recommending: the establishment of an energy sum, the implementation of a last-resort supplier, and the limitation to one year of bill adjustments that can make low-income households suddenly fall into deep trouble (*these proposals are detailed in the January chapter about Energy transition*).

The prepaid meter, a meter for the Poor?

The 17 March 2014 law on consumption, nearly put into light the idea of prepaid meters for gas and electricity. But the senatorial amendment adopted, that requested a study about conditions of implementation of a prepayment system, as it exists for telephony, was eventually rejected by deputies. Sometimes called the "meter of the Poor" or "Budget meter" in Belgium, it works on a simple principle: it cuts energy when credit is exhausted. That way, households only consume what they can pay for.

A number of associations stood against this concept that, according to them, comes to switch from managing suspensions within a legal frame to a self-depriving system. Prepayment however is widely developed in the UK where nearly 6 million households use a rechargeable card meter. In the Ombudsman's point of view, this system could have educational virtues, encouraging a better control of consumption. But this prepayment solution must avoid two main problems: leading to charge higher prices for energy and stigmatising low-income families since they would be their only users. These drawbacks, identified in other experiments conducted abroad, give a bad image to prepaid meters.

Recommendation n° :

Date :

2013-1601 24/10/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

A specific attention
for cases of people
in a situation of
debt-distress

Following her redundancy, Mrs R. had difficulties paying her bills. She lodged a file with the Commission de surendettement (debt-distress) of the Banque de France and demanded a repayment schedule to her gas supplier for another debt of 2600 €. It was refused because the debt resulted from an accumulation of unpaid bills and her gas was suspended on 14 June 2013.

After the intervention of the Ombudsman, energy was switched on again one week later and a repayment schedule established. Mrs R.'s trouble comes from the fact that her arrears were not taken into account in a proper way by her supplier at the time of the adjustment plan elaboration by the Commission de surendettement.

Indeed, the final amount of the debt was determined on 12 February. 118 € were overdue to the gas operator. Yet, after scrutiny of Mrs R.'s bills, the Ombudsman noticed that at that date the debt was in fact much higher: a 622 € bill (of which 118 € reported) of 19 November 2012 was not paid on 3 December; and the 1705 € bill of January 2013 was not paid on 11 February, last day before debt settlement. According to the Ombudsman, the supplier did respect its obligations in processing this file for overdue payments.

However the supplier was advised to make more efforts towards a smooth debt-distress procedure for their customers by clearly declaring all overdue debts at the time when the Commission urges creditors to close liabilities. The Ombudsman recommended to grant a 100 € compensation for inconvenience.

12

EUROPE

On: 04/12

An Ombudsman representative participated in a conference facilitated by the Association des entreprises électriques suisses in Olten in order to prepare the market's liberalisation within an agreement with the European Union.

On: 10/12

The Ombudsman took part in the 14th parliamentary encounters for energy in Paris that brought together political, economic and public decision-makers, as well as academics, NGOs and the media.

On: 09/12

On 9 December 2013, Christiane Taubira, Minister of Justice, received the report of the workgroup in charge of conducting a reflection about "the judge of the 21st century", in which the National Energy Ombudsman is mentioned as a "very rare exception" of independence really ensured by mediation.

On: 12/12

The Ombudsman took part in the symposium "Quand c'est le logement qui rend malade" (When housing makes people sick) organised by the Abbé Pierre Foundation who presented its study on the impact of energy poverty on health.

On: 18/12

Second annual meeting with consumers associations. The Ombudsman presented a report for 2013 with highlights and temporary key-figures. He also introduced them to the new Energie-Info website.

Europe

On 16 and 17 December the Citizens' Energy Forum took place in London as it does every year. Established by the European Commission, this gathering was a good opportunity to discuss several key-points about consumptions in Europe.

The London forum, place of exchange between the various actors of energy in Europe¹, tackled several issues raised during previous editions. In a round table was discussed the final report of the workgroup about “vulnerable consumers”, published in November 2013². The Ombudsman contributed to this reflection reminding what measures were current in France and his position in the fight against energy poverty.

APPREHENDING FUEL POVERTY IN EUROPE According to the final report of the workgroup about “vulnerable consumers”, only 10 Member States define or apprehend impartially “energy poverty”.

Income thresholds, that is the choice France made, building its policy against energy poverty on income thresholds that open rights to energy social tariffs; this is also the case of Greece, who adds a low-consumption criteria, Malta, who takes as well into account the upstream impact of electricity regulated tariffs on modest households income, or Romania where the income threshold is the same as the minimum guaranteed income.

¹ It gathers consumers associations, professionals, regulating autho-

rities and European Commission representatives.

² The Ombudsman took part in the 2012 meetings.

WHO WANTS TO BE A MILLIONAIRE?

In December 2013, the Court of Justice of the EU (EUCJ) issues an order stipulating that the French mechanism of compensation of extra costs resulting from the obligation to buy the electricity produced by wind turbine is a State aid. Since then, the word is passing among professionals and private consumers: it would be possible to get paid back part of the electricity bill on several years because of this litigation¹. Although this piece of information was hardly relayed in the media, the Commission de régulation de l'énergie had already received in May 2014 dozens of thousands of requests for reimbursement. How did we get there and what are the prospects for such an issue?

An association fighting against wind turbines installation² lodged with the Conseil d'Etat an appeal for rescission against the order dated 17 November 2008 setting retail prices of electricity produced by wind turbine. The Conseil d'Etat turned to the EUCJ who stated in an order dated 19 December 2013 "that a mechanism of full compensation of extra costs resulting from the obligation of companies to buy the

electricity produced by wind turbine at a price higher than market price and whose financing is supported by all final electricity consumers on national territory (...), is an intervention by means of State resources". This decision should lead to the conclusion that the buying price of wind electricity via the CSPE will be considered as State aid. The problem is that State aids must be notified to Brussels before being implemented or they are illegal, which was not done at the time for wind power³. The Conseil d'Etat should thus request the rescission of the order dated 17 November 2008.

...

1
The obligation to buy electricity produced by wind turbines is compensated as for any other renewable energy by the Contribution aux charges de service public de l'énergie (CSPE / Contribution to electricity public services) paid by all

consumers on their electricity bills.

2
Vent de colère (Wind of Wrath).

3
This breach was corrected by the government of Mr. Jean-Marc Ayrault.

The UK first made the choice to take into consideration the share of income dedicated to heating: when above 10%, the household is considered in a situation of energy poverty. More recently, it was decided to focus on low incomes where the share dedicated to energy is above average.

Other Member States chose to focus on consumers in order to identify the most vulnerable ones through criteria such as age, health, or socio-economic criteria. This is the case for Belgium, Slovenia or Spain. The means implemented in Member States to help households in an energy poverty state are various and sometimes combined: regulated prices, social tariffs, assistance to find lowest tariffs, aid for energy payment, measures for improving housing energy efficiency or encouraging energy savings, deferred payments... and an independent Ombudsman for energy.

The workgroup's report recommends a financial support to vulnerable consumers in the shape of specific tariffs or discounts on their bills, the prohibition of power cuts at "critical times", and more information to households so they can find their way among tariff offers. Was also discussed the best way to take into account vulnerable consumers in the transposition of the directive about energy efficiency that has to be transposed into national law by June 2014 and aims at increasing by 20% energy efficiency by 2020 with a set of enticing and assisting measures.



Does this imply that consumers will get reimbursed the amount of CSPE dedicated to wind power that they have paid? Not so sure. Beside the purely legal aspect of the file, implementing such a reimbursement would be quite impossible: that involves more than 35 million customers and hundreds of millions of bills, across several years. Besides, the sums received by the CSPE have already been affected to payment of wind turbines installation: it is thus impossible to go back without destabilizing on a long-term basis the renewable energy industry and the electricity market as a whole.

Fortunately there are some legal solutions that should allow to avoid this reimbursement: those who lodged an appeal will all be disappointed. Even if the level of the price for buying wind power often leads to excessive profits, as noticed by the CRE¹, this level must be adjusted in the future in order not to organize chaos with retroactive decisions.

Finally, the only beneficiaries in this matter are lawyers who did not hesitate in this affair to do what was prohibited until the Hamon law dated 17 march 2014 about consumption: canvassing. With an average of 100 € per appeal (lower estimation), more than 3 million euros will have been collected as legal fees for this CSPE litigation. What if the real winners of the energy markets opening were not consumers but legal professionals?

¹
CRE report on cost and profitability of renewable energies (April 2014).

Fuel poverty emerged progressively in the EU political energy landscape following the markets liberalisation, without a proper European policy. As far as energy is concerned, Europe is mostly focused on the necessity to ensure a secure supply of energy for Europe, on reducing glasshouse effect gas emissions¹, or on developing renewable energies. Reducing energy consumptions has finally entered the European agenda, with the passing of the 2012 directive on energy efficiency that for the first time gives to reducing energy consumption a legally binding feature for Member States².

¹ Energy combustion is the main source of GEG: 80% in Europe and 71% in France.

² The two other goals of the 2008 climate-energy package about reducing glasshouse effect gas or

developing renewable energies were legally binding from the start.

FIGURE

THE RISE IN ELECTRICITY PRICES AND THE ECONOMIC CRISIS INDUCED A LARGE INCREASE OF ENERGY POVERTY FOR THE PAST FEW YEARS IN EUROPE:

50 TO 125 MILLION PEOPLE ARE CONCERNED BY FUEL POVERTY IN 2009*.

*
Source: EDDE (2009),
« Lutter contre
la précarité
énergétique en
Europe » (Struggling
with energy poverty
in Europe)

The European Commission is not the only European authority to focus on the way consumers that are vulnerable or in an energy poverty state are treated. This is also the case of the European Economic and Social Committee who passed on 18 September 2013 a notice named: “For a coordinated European action to prevent and fight energy poverty”. Among other measures, the EESC recommends the creation of a European Observatory on Energy Poverty¹, the creation of a European Funds for Energy Solidarity, an annual meeting of the European civil society, the earmarking of energy efficiency measures on building for modest households, or a better protection of vulnerable consumers.

E-BILLING SHOULD ALSO BENEFIT CONSUMERS

Another report was prepared for the London Forum by the workgroup on “e-billing and personal data management in energy matters”. According to the Ombudsman, a number of good practices must be brought forward. Already used by suppliers as a simple mean to save paper (and thus money), it should also be considered for other reasons: in an interactive format, it could help improving consumers information through pop-up windows; it should also make the procedure for complaints easier. Among its recommendations, the workgroup encourages the development of experiments to show how access to data may help households making energy savings. Which the

¹

An Observatoire de la précarité énergétique (observatory on energy poverty) already exists

in France since 2011, in which the Ombudsman participates.

Name:

Philippe de Ladouette

Office:

President of the Commission
de régulation de l'énergie



« The European Energy Strategy lays on the creation in the early 90s of a market integration and liberalisation for gas and electricity. Then was added an environmental goal, the "2008 climate-energy package", to reduce glasshouse effect gas emissions by developing renewable energies with heavy subsidies. Yet these two priorities were not coordinated at European level. Each State conducted its own policy to reach that goal, leading to large disruptions more particularly in the production of electricity.

European energy regulators cannot intervene on choices made in energy policies since it is not their duty. But we get fully involved in discussions in order to make the market more favourable to consumers.

Prices must be clear and transparent. In the future, new information could appear on bills: for instance, green offers should allow to learn in a simple and reliable way which energy sources are used by suppliers, what quantity of CO₂ corresponds to it and what is its cost".

Today, mostly companies suffer the consequences; yet consumers start feeling it too, since they are the ones who, via taxes, pay for financial aids for renewable energies. The situation however is very different from one country to the other: the German are the most concerned whereas in France this financial support is still minor on electricity bills.

Ombudsman supports with constancy. Protection of personal data is essential, but it should not deprive consumers of useful information: in the Ombudsman's opinion, when smart reading meters are implemented, households should access their consumption data for one year in order to be able to choose the best offer or simply monitor their energy consumptions.

Recommendation n° :

2013-1880

Date :

02/12/2013

Available on the website : energie-mediateur.fr/recommendations

Case :

Direct debit: a mode of payment that avoids some late payments

A large number of British citizens own a house in France. But electricity bills do not always cross the Channel in due time. A type of disputes that may be avoided with direct debit.

Mr S. lives in Dorset, England, but he also owns a house in France for which he has a subscription with the supplier X. Early February 2013, electricity was suspended

following several overdue payments. The consumer found this measure unjustified: firstly, he does not receive his bills on time, which induces overdue penalties; secondly, he sent a cheque that according to him was not collected and has made payments that should have reduced his account's debit. As he did not get any response to his written complaint, he turned to the Ombudsman.

The Ombudsman notices that the cheque has been collected a few days after its reception, making the consumer's questioning irrelevant. However, a response from the supplier to the written complaint would have avoided Mr S.'s request for the copy of the cheque to his bank that cost 30 €. It would also have cleared out the misunderstanding about where payments were at, which had led to energy suspension.

The Ombudsman recommended to X to grant Mr S. a further 50€ compensation for not having responded to his written complaint, as well as taking charge of bank costs for the copy of the cheque.

According to the Ombudsman, sending bills overseas can extend the delay before reception, but the supplier cannot be held responsible for this; they cannot be compelled to use specific posting procedures. Direct debit, a mode of payment that avoids overdue penalties, could be a good option in this case. After Mr S.' referral, X offered it to its customer and admitted that they should have done it earlier. The operator committed to pay back penalties for a total amount of 120 € and suspension intervention (50 €).

KEY FIGURES

ENERGY MARKET IN A FEW FIGURES

8 M

people lived in 2010 in a situation of energy poverty, according to INSEE. They spend more than 10% of their income in energy. In the UK, a report published in March 2012 questions this indicator; it suggests to rather take into account the "what-remains", i.e. remaining resources after payment of energy bills.

+ 32 %

This is the increase of the annual budget that households dedicate to power and heating from 2000 to 2010, according to a survey by the Institut national de la consommation.

3,7 M

households are eligible for social tariff after taking into account changes due to the Brottes law. Late 2013, 1.6 million households only benefitted from it for electricity and 650,000 for gas.

3,200 €

Average budget dedicated in 2012 by a French household to energy: 1700 € for home energy, 1500 € for vehicle fuel.

X

Power suspensions in 2013.

The Brottes law stipulates more transparency about suspensions. Operators must inform the CRE and the National Energy Ombudsman of supply suspensions they have done each quarter.

Contacted by the Ombudsman, major suppliers refused to communicate values prior to entry into force of the implementation decree dated 1st march 2014.



ELECTRICITY

31,223,000

delivery points
at 31/12/2013

Market share
at 31/12/2013
Electricity



92 %
historical suppliers

8 %
alternative suppliers

2,476,000
Number of residential
customers who left
electricity regulated tariffs



GAS

10,628,000

delivery points
at 31/12/2013

Market share
at 31/12/2013
Gas



86 %
historical suppliers

14 %
alternative suppliers

2,488,000
Number of residential
customers who left
gas regulated tariffs

BAROMETRE* ENERGIE-INFO ON MARKETS LIBERALISATION

67 %

French citizens think that their energy bills are a large part of the household's total expenditures.

53 %

French citizens are aware that they can change electricity supplier.

72 %

households are not aware that EDF and GDF SUEZ are two distinct companies in competition.

55 %

for gas.

9 %

French citizens declare having had a dispute or lodged a complaint with their supplier in 2013.

64 %

French citizens think that regulated tariffs can be obtained for gas and electricity with the same supplier.

44 %

French citizens deprived themselves of heating during the 2012-2013 winter to cut down their bills.

15 %

French citizens have had difficulties paying some electricity or natural gas bills.

70 %

French citizens wish that prices reflect only consumed energy (suppressing the subscription part).

30 %

French citizens know the steps to follow to change suppliers.

17 %

French citizens have looked for information about market opening to competition.

51 %

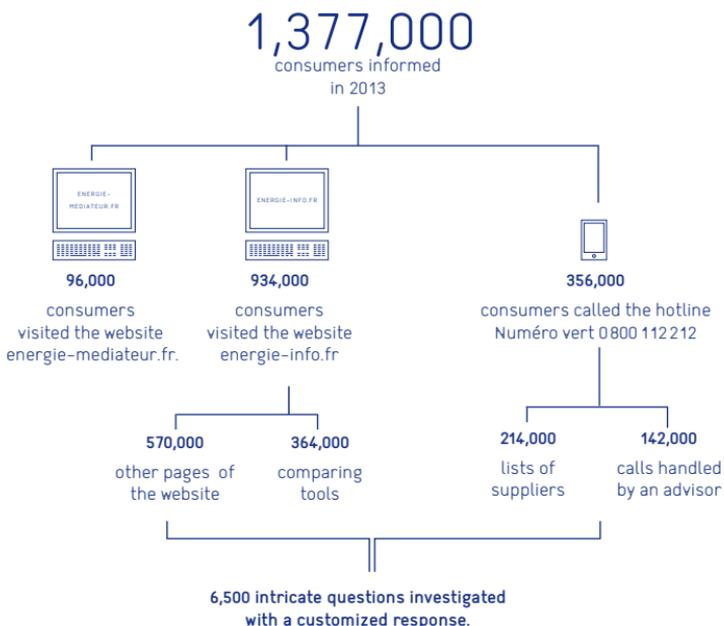
French citizens think that independence is one of the major qualities expected from an Ombudsman.

25 %

French citizens know the National Energy Ombudsman.

* Survey conducted by the CSA from 5 to 13/09/2013 with a representative sample of 1503 French households, by phone.

INFORMATION REQUESTS



Internet statistics (visits)



■ Energie-Info.fr ■ Energie-mediateur.fr

Average period of processing intricate information requests (in days).



ADMITTED DISPUTES



For a better intelligibility and comprehension of his activity, and following the recommendation of the Cour des Comptes, the National Energy Ombudsman presents figures differently this year. In order to allow comparison with previous years, these statistics are presented *pro forma* from 2008 every time it is possible. The two main changes are:

The word "dispute" now designates all complaints presented to the Ombudsman, whether by mail, email, phone or online. Before, the Ombudsman used to establish a distinction between "claims" (same perimeter) and "referrals" that designated only files on hard medium (i.e. except phone). The word referral is no longer used.

The word "admissible dispute" now designates all disputes within legal and regulatory admissibility criteria, whatever their processing by the Ombudsman. Before, this word designated only disputes that were going through further investigation and recommendation, leaving aside a significant number of cases admissible in legal and regulatory terms but solved without further investigation (through the procedure named "of second chance"). Disputes used to be "potentially" admissible, a category that disappears this year.

Share of admissible disputes

24%

Motive for rejecting a non-admissible dispute



Disputes received per year



ANALYSIS OF ADMITTED DISPUTES IN 2013

Who?



Individuals

89 %



Professionals
and non-
professionals

11 %



Consumers
direct

87 %

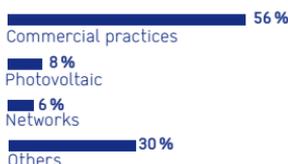


Others (family,
consumer
association,
elected
representative, ...)

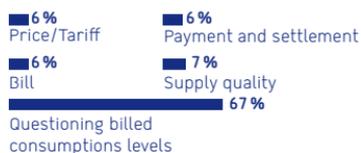
13 %

What?

Typology of non-admissible disputes outside field of competence

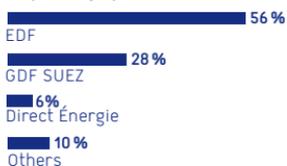


Typology of admissible disputes

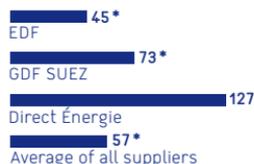


Who with?

Disputes by operators



Disputes* for residential customers related to 100,000 gas or electricity contracts at 31/12/2012



* Out of fairness
are included
disputes received
by in-house
mediators for
suppliers when
available.

Why? Level of complaints processing prior to becoming admissible disputes in 2013

37 %

No response
from the
operator

40 %

Response from
Customer service
(level 1)

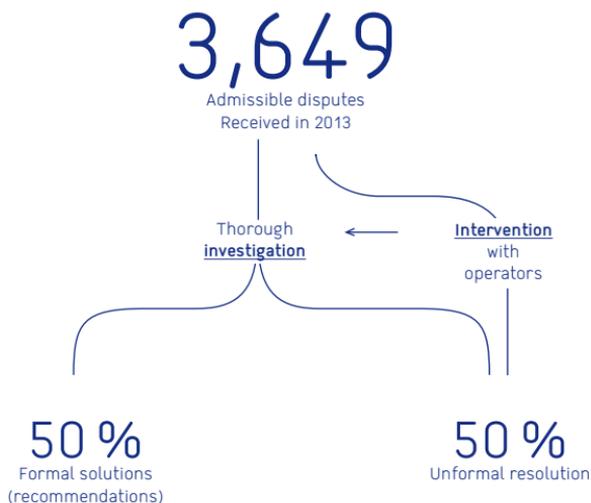
12 %

Response from
the Consumer
service or from the
in-house mediator
(level2)

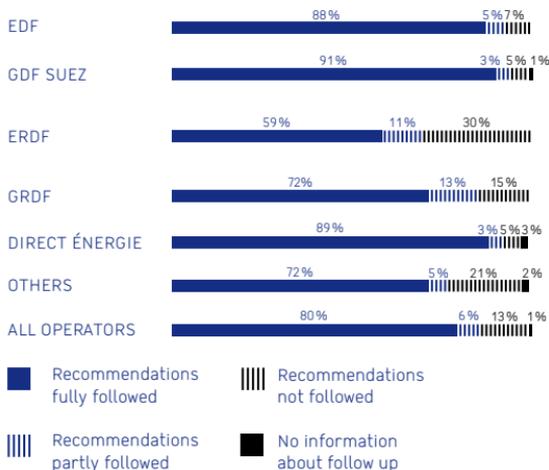
11 %

Unspecified

DISPUTE RESOLVING RESULTS



How recommendations related to individual disputes are followed



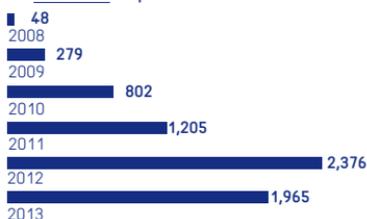
There may be several recommendations in one Ombudsman's recommendation for resolving a dispute (i.e. adjusting bill, compensation). The analysis is made recommendation by recommendation.

RECOMMENDATIONS AND SATISFACTION

1,965

recommendations issued in 2013
for individual disputes

Recommendations issued for individual disputes



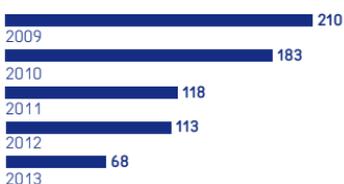
578 €

Average amount
obtained per
consumer after
recommendation
in 2013

68

Average period
for admissible
dispute conclu-
sion in 2013
(in days)

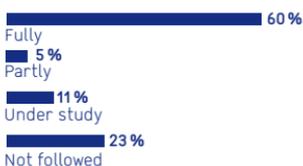
Period of conclusion for an admissible dispute (in days)



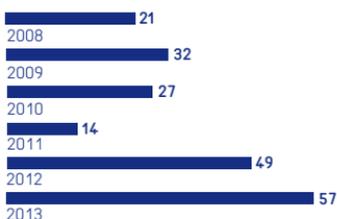
57

generic recommendations
issued in 2013

Followed generic recommendations (2008-2013)



Generic recommendations issued



79 %*

surveyed people
declare being
satisfied with
the Ombudsman's
action

93 %*

consumers declare
being ready to
recommend the
National Energy
Ombudsman to
a relative

96 %*

people think the
Ombudsman's teams
are attentive, and
92% that they are
competent

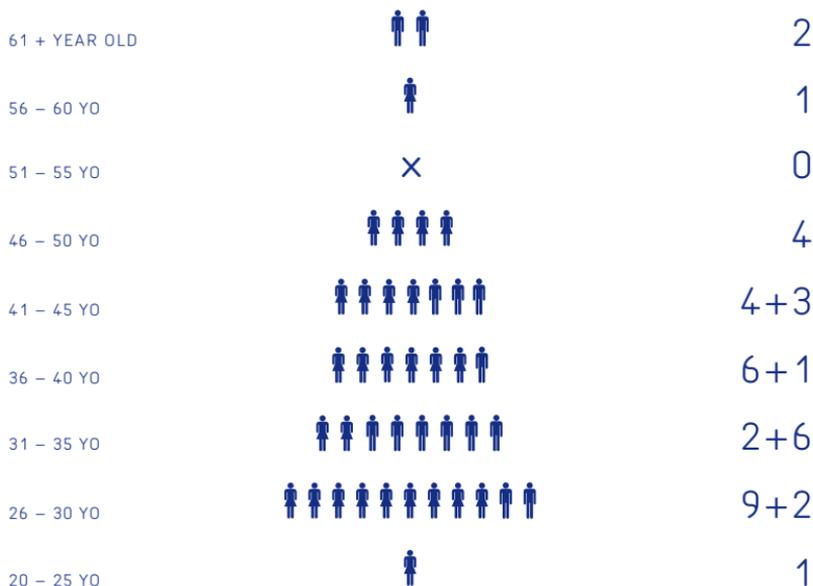
Evolution of global satisfaction (in%)*



* Satisfaction survey conducted by Market Audit with a random panel of 301 private consumers and 50 professionals who used the service. Details on energie-mediateur.fr.

STAFF

Age pyramid of the Ombudsman's agents at 31/12/2013



38

Average age of the Ombudsman's collaborators



41

agents at 31/12/2013



46

équivalents temps plein travaillé (ETPT / full-time equivalent) granted in 2013 (order of 27/01/13)



43

équivalents temps plein travaillé (ETPT / full-time equivalent) realised in 2013

Repartition of staff per mission

63 %

Dispute investigation

19 %

Consumer information

18 %

Performance monitoring (management, support)

FINANCES

Budget 2013

In 2013 as in 2012, the Ombudsman participated in the effort to reduce public expenses: -3.25% in comparison with 2012.

Accounts 2013

PER PROGRAMME	PROJECTED BUDGET	REALISED BUDGET	PERCENTAGE OF EXECUTION
TOTAL	6,497,000 €	6,231,622 €	96 %
Investigating disputes	2,751,109 €	2,594,377 €	96 %
Informing consumers	1,905,086 €	1,856,860 €	94 %
Monitoring performance (management-support)	1,688,805 €	1,467,589 €	97 %
Depreciation allowance	152,000 €	312,796 €	87 %

PER NATURE OF EXPENSE	PROJECTED BUDGET	REALISED BUDGET	PERCENTAGE OF EXECUTION
TOTAL	6,497,000 €	6,231,622 €	96 %
Staff	3,142,000 €	3,050,709 €	97 %
Operating costs (except staff)	3,021,000 €	2,935,034 €	97 %

OF WHICH

Rent and charges	817,000 €	830,679 €	102 %
Information to the public	375,000 €	346,943 €	93 %
Other communication expenses	191,000 €	70,277 €	37 %
Outsourcing the information system Energie-Info	844,000 €	835,036 €	99 %
Other operating expenses	502,000 €	415,853 €	83 %
Training	70,000 €	21,907 €	31 %
Logistic and computer support	110,000 €	101,542 €	92 %
Depreciation allowance	152,000 €	312,796 € *	206 %
Investment	334,000 €	245,879 €	74 %

* Accounting corrections on previous years allowances

REFERRING TO THE OMBUDSMAN:
NATIONAL ENERGY OMBUDSMAN
LIBRE REPONSE N°59 252
75 443 PARIS CEDEX 9
ENERGIE-MEDIATEUR.FR
0800 112 212
(CALL FREE OF CHARGE
FROM A LAND LINE)

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**Le médiateur
national
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Informer, conseiller, protéger