

## **Appendix A**

### Feasibility Assessment Notes and Operating Arrangements of Community Energy Switching Schemes.

#### ichoosr

a. Governance and Operation.

ichoosr is a privately owned international company (4 countries) that facilitates collective energy switching energy auctions with licensed suppliers (1 - 3 auctions each year). The aim is to secure reduced tariffs through group purchasing. Participants sign up for energy auctions following a set process:

- Residents sign up for the scheme free of charge.
- Participants are included in the next quarterly auction.
- A personal offer (tariff) is offered to participants post auction.
- Participants accept or decline the offer/tariff.

The process can take up to 12 weeks to switch. Partner organisations (e.g. Local Authorities) marketing the scheme in their area receive a small commission for each resident that signs up to the scheme and adopts a new tariff.

b. Contract Terms.

The Council contract with ichoosr would be for 3 years. Supply contracts will depend on the type ichoosr decide to auction for and could include dual fuel, separate contracts or electricity-only.

c. Customer Benefits.

Residents benefit from an offer for electricity or gas that should suit their circumstances and should result in a saving.

d. Customer Service Standards.

Ichoosr commit to providing a helpdesk that deals with customers telephone calls and e-mail enquiries in a timely manner.

e. Is the scheme open to all Rotherham tenants?

Yes and the scheme is also open to residents without any contract arrangements with the Council.

f. Payment Arrangements.

Payment terms include direct debit, standard credit and prepayment meter. Pricing includes fixed price, variable price or capped price with billing through direct debit; online; paper or other arrangements.

g. Marketing and Communication Support.

Training is provided for Council staff (call centre) to support the scheme internally. The Council are responsible for communicating and promoting the scheme to residents and providing a link on the Council website to enable

residents to register. The Council need to facilitate the registration of residents who do not have access to internet / e-mail address.

h. Community Energy Switching Brand.

Ichoosr have their own brand.

i. Void Arrangements.

This scheme does not include voids.

j. Level of Customer Take Up.

Since the scheme started ichoosr claim to have facilitated over 150 auctions with over 1.5 million offers accepted by customers.

k. Additional Offers.

A solar panel scheme for private residents is on offer.

l. Warm Home Discount Scheme.

No.

m. Remarks.

All UK registrants are put into one single group in order to maximise the economy of scale and group buying power.

**Robin Hood Energy**

a. Governance and Operation.

Robin Hood Energy (RHE) is a national not-for-profit licensed energy provider that is owned by Nottingham City Council. They employ 160 - 180 staff dealing with customer services; billing; back office functions; wholesale buying; regulatory compliance and metering services associated with energy provision.

Potential customers sign up to the scheme and are offered a tariff depending on their circumstances. The customer can either accept or reject the offer. If accepted RHE will carry out the transfer similar to any other licensed supplier.

b. Contract Terms.

RHE have a number of white label arrangements including White Rose Energy and Great North Energy.

RHE has stated that a partnership contract would be better arranged through another white label partner rather than Robin Hood Energy direct. The cost to set up new partnerships and the potential customer base from Rotherham alone may not be sufficient for RHE to invest in.

c. Customer Benefits.

Potential cheaper energy tariff. Those that are on an 18 month fixed tariff are moved to the cheapest available peak tariff once the contract term expires. This arrangement is not available to customers on the 12 month tariff at the moment. Online account management is available.

d. Customer Service Standards.

Customer helpline wait times are 2 minutes maximum and within 1 minute for 70% of customers. Return calls are made within 48 hours.

- e. Is the scheme open to all Rotherham tenants?  
Yes, including single fuel customers.
- f. Payment Arrangements.  
Payment terms include direct debit, standard credit and prepayment meter. Pricing includes fixed price, variable price or capped price with billing through direct debit; online; paper or other arrangements
- g. Marketing and Communication Support.  
N/A
- h. Community Energy Switching Brand.  
Yes.
- i. Void Arrangements:  
RHE has a dedicated voids team. Void properties are given £5 credit per meter and standing charges are waived for 40 days.
- j. Level of Customer Take Up.  
over 100,000.
- k. Additional Offers.  
Nil.
- l. Warm Home Discount Scheme.  
Yes
- m. Remarks.  
RHE has a UK based call centre with live chat and email helpdesk. When asked about recent reports of price increases and financial stability the response was:
- The standard variable tariff hadn't changed for 18 months and increased after the big 6 raised their tariff.
  - Company debt report for 2016/17 showed a deficit as expected.
  - Now at critical mass of customers to break even (over 100,000) and expected to break even for 2017/18.

## **Great North Energy**

- a. Governance and Operation.  
Doncaster Council has established a 'white label' partnership agreement with Robin Hood Energy and set up their own community energy switching brand and website called Great North Energy (GNE). The scheme offers domestic energy tariffs to Doncaster residents and the provision of energy and billing is managed by Robin Hood Energy.  
A white label provider is an organisation (The Council) that does not hold a supply licence and instead partners with a licensed supplier (Robin Hood Energy) to offer gas and electricity using its own brand (Great North Energy).

b. Contract Terms.

The Council would agree a contract with Doncaster Council and a service level agreement with RHE.

c. Customer Benefits.

Same as RHE.

d. Customer Service Standards.

The majority of the customer facing activity and marketing is undertaken by existing staff (Doncaster has 3 x Neighbourhood Energy Officers whom are externally funded and St Leger Homes Tenant Liaison Officers). Other standards the same as RHE.

e. Is the scheme open to all Rotherham tenants?

Yes.

f. Payment Arrangements.

Same as RHE.

g. Marketing and Communication Support.

Doncaster Council will assist with marketing and have developed a portfolio of marketing resources. Great North Energy brand would be promoted with a Rotherham Council label alongside Doncaster Council.

h. Community Energy Switching Brand.

Yes, would be available to partner organisations.

i. Void Arrangements:

Same as RHE

j. Level of Customer Take Up.

To date (25th April 2018) they have secured approximately 2,300 meters equating to around 1,300 customers including void Council properties (Doncaster Council record meters contracted rather than customers to provide a better commercial overview). Additional meters are coming into contract at a rate of approximately 100 per week.

k. Additional Offers.

Nil.

l. Warm Home Discount Scheme.

Yes.

m. Remarks.

Doncaster Council is looking at the feasibility of applying for a supply license and expanding the scheme to include commercial energy for SME's and possibly for Council properties.

Barnsley Council has awarded their 'white label' energy partnership scheme to RHE, using the Great North Energy brand. The scheme will start with their voids on 1<sup>st</sup> October 2018, with a launch to the wider community to follow.

### **White Rose Energy**

a. Governance and Operation.

Leeds City Council has established a 'white label' partnership agreement with Robin Hood Energy and set up their own community energy switching brand and website called White Rose Energy (WRE). The scheme offers domestic energy tariffs to Leeds (and Yorkshire) residents and the provision of energy and billing is managed by Robin Hood Energy.

b. Contract Terms.

The Council would agree a contract with Leeds City Council and a service level agreement with RHE. Bradford and Calderdale are current partners and Kirklees is a potential partner for the future.

c. Customer Benefits.

Same as RHE.

d. Customer Service Standards.

WRE has a suite of KPIs that are monitored and reported monthly.

e. Is the scheme open to all Rotherham tenants?

Yes, the scheme is open to all Yorkshire residents even without a partnership agreement.

f. Payment Arrangements.

Same as RHE.

g. Marketing and Communication Support.

WRE will assist with marketing and have developed a portfolio of marketing resources that could have a Rotherham brand alongside White Rose Energy. Assistance will be provided towards printing leaflets.

h. Community Energy Switching Brand.

Yes, would be available to partner organisations.

i. Void Arrangements:

Same as RHE

j. Level of Customer Take Up.

The scheme has been operational for 2 years and secured approximately 7,000 customers across the region. Take up includes approximately 3,500 voids per year.

k. Additional Offers.

Nil.

l. Warm Home Discount Scheme.

Yes

m. Remarks.

Take up was less than expected.

**Bristol Energy**

a. Governance and Operation.

Bristol Energy (BE) is a licensed not-for-profit energy supplier owned by Bristol City Council.

b. Contract Terms.

White label arrangements have been considered previously with other Local Authorities but not taken up. A white label arrangement with Rotherham Council is an option that would be considered but it would have to be commercially viable for BE.

BE will be responsible for customer facing activity such as billing; back office functions; wholesale buying; regulatory compliance and metering services associated with energy provision.

c. Customer Benefits.

BE focus on social values and for every fuel contracted £15 is invested back into the community through a Fuel Good Fund to help households in fuel poverty. A similar scheme could be set up for Rotherham.

d. Customer Service Standards.

Customers are provided with the best tariff option depending on their circumstances. This may not always be the cheapest option.

e. Is the scheme open to all Rotherham tenants?

The scheme would be open to all Rotherham residents.

f. Payment Arrangements.

Payment arrangements include monthly; quarterly or pre-paid. Online account management is available.

g. Marketing and Communication Support. Support could be provided for marketing and communication but the arrangement would need to be discussed.

h. Community Energy Switching Brand.

Rotherham could use the BE brand or develop their own (at an additional cost).

i. Void Arrangements:

Voids are not included but this may change in the future.

- j. Level of Customer Take Up. To date 130,000 meters have been supplied with fuel by BE.
- k. Additional Offers.  
A smart meter roll out programme is in place and this would be available to Rotherham tenants.
- l. Warm Home Discount Scheme.  
Yes
  
- m. Remarks.  
BE would incur costs to set up a white label partnership agreement with Rotherham Council and as such these would need to be recouped through the commission payments. Costs would also be incurred by Rotherham Council to set up a white label agreement.  
BE has a target to be profitable by 2021.

## **Our Power**

- a. Governance and Operation.  
Our Power is a not for profit licensed energy supplier based in Edenborough and owned by a combination of social housing providers, community organisations and local authorities. Partners include Bath and North East Somerset Council; Bath & West Community Energy; Community Energy South; Hartlepower; Hebrides Energy and The Isles of Scilly.
- b. Contract Terms.  
Service level agreement with termination options.
- c. Customer Benefits.  
Our Power operates 2 main tariffs and specific regional area tariffs that suit targeted areas. Tariffs are fixed or variable with no exit fees.
- d. Customer Service Standards.  
Helpline waiting times are 2 minutes maximum and return calls are made within 48 hours.
- e. Is the scheme open to all Rotherham tenants?  
Yes, district heating customers only eligible for 1 fuel (electricity).
- f. Payment Arrangements.  
Dependant on chosen tariff.
- g. Marketing and Communication Support.  
Our Power has a suite of materials that could be branded for Rotherham.
- h. Community Energy Switching Brand.  
Yes.

- i. Void Arrangements.  
Our Power has a process for clearing previous tenant debt, installing new meters and standing charges are waived for a set period.
- j. Level of Customer Take Up.  
Approximately 200,000 customers.
- k. Additional Offers.  
A fee would be available for referrals to be negotiated.
- l. Warm Home Discount Scheme.  
Yes
  
- m. Remarks.  
No financial information relating to the organisation profit or stability was available.

## **Engie**

- a. Governance and Operation.  
Engie is a global privately owned licensed supplier providing various services (energy, FM, regeneration) to public and private organisations. The company provides the FM on the Council's Schools PFI contract, as a subcontractor to Transform Schools (Rotherham) Limited and has an office in the Borough. Engie has expressed an interest in setting up a white label arrangement and develop a Rotherham energy brand. The company has developed a white label arrangement with Cheshire West & Chester which is due to be launched before Christmas 2018.
- b. Contract Terms.  
The minimum contract term would be 4 years as Engie would be investing a significant amount of capital to develop a white label arrangement and brand for Rotherham.
- c. Customer Benefits.  
Rotherham residents could benefit from reduced energy tariffs and community energy initiatives. Customers who reach the end of their fixed term without choosing a new tariff will be automatically put onto the cheapest comparable tariff available to them. Supplies 100% renewable energy. Specialist support for vulnerable customers would be provided.
- d. Customer Service Standards.  
Engie ranks 2nd out of 50 suppliers for customer service in the Citizens Advice Bureau ratings: KPI data:



Customer Satisfaction Criteria	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Average Call Waiting Time (seconds)	-	-	-	-	-	-	28s	38s
% Call Answered	86%	90%	95%	82%	90%	85%	97%	98%
% Emails responded within 120 hours	100%	100%	85%	11%	91%	44%	91%	100%
% Bill run completed on time	91	91	94	94	94	97	97	97
Voice of the Customer Score (Max 5)	-	-	-	-	-	-	4.5	4.5

Jan-18	Feb-18	Mar-18	Apr-18	May-18			
25s	26s	31s	55s	77s			
98%	99%	97%	96%	93%			
100%	94%	79%	85%	29%			
98	98	98	98	98			
4.6	4.6	4.5	4.5	4.6			

- e. Is the scheme open to all Rotherham tenants?  
Yes.
- f. Payment Arrangements.  
Payment arrangements include monthly; quarterly or pre-paid depending on tariff. Online account management is available.
- g. Marketing and Communication Support.  
Assistance will be given to develop and implement a marketing plan; develop a brand and website and create a suite of customer communications and documents.
- h. Community Energy Switching Brand.  
Rotherham could develop their own brand and website.
- i. Void Arrangements.  
Prepayment meters are reset; £5 Emergency credit is automatically added to each meter; the old debt management process is being developed and details to be confirmed.
- j. Level of Customer Take Up.  
New white label scheme due to be launched.
- k. Additional Offers.  
A number of potential schemes may be available to Rotherham such as the solar and battery scheme for social housing.
- l. Warm Home Discount Scheme.  
Yes.
- m. Remarks.  
Engie also have a number of other energy related projects that the Council will pursue outside the community energy scheme.  
Engie would be responsible for customer facing activity such as billing; back office functions; wholesale buying; regulatory compliance and metering services associated with energy provision.

### **Fairerpower Red Rose**

a. Governance and Operation.

Fairerpower is a partnership between Cheshire East Council, Preston City Council and OVO Energy.

b. Remarks.

Contacted by email, no reply

### **Community Energy South**

a. Governance and Operation.

b. Remarks.

Contacted by email, no reply

### **Big Clean Switch**

a. Governance and Operation.

A comparison site using suppliers with green credentials. Works with Greater Manchester Combined Authority.

b. Remarks.

No community energy schemes available.

### **Energy Efficiency Savings Ltd**

a. Governance and Operation.

(partner with Drax).

b. Remarks.

Not considering any community switching scheme involvement. Involved in large scale energy saving programmes with private and public organisations.

### **Solaplicity**

a. Governance and Operation.

b. Remarks.

Not considering any community switching scheme involvement. Involved in large scale energy saving programmes with private and public organisations.