



FACTSHEET

Fixing daily energy headaches

All European energy consumers should be able to receive accurate information on their energy consumption, clear information about contracts, be able to quickly switch suppliers and have their complaints resolved easily. But often the information consumers receive is too complex and processes like switching can be expensive or too time-consuming. The EU needs to strengthen consumer rights in the energy field so that consumers are able to take informed decisions and feel confident about being in the driving seat.

Information on energy bills should help consumers understand what their energy consumption is and how to make savings

Information on energy bills is often unclear and confusing. Bills continue to be the main source of complaints for consumers across Europe¹. Consumers often rate the accuracy and clarity of their energy bills poorly for various reasons:

- bills are several pages long,
- prices are presented in complex ways,
- information about taxes and levies is unclear,
- different terminology is used by different energy suppliers,
- the duration of the current contract is not specified,
- the annual consumption is not always clearly stated, or the graphs displayed (although generally useful) are hard to understand.

Consumers are often left confused when they analyse their energy bills and it is hard for them to use the information on the bill to compare offers from different suppliers.

BEUC demands

Current EU legislation is insufficient in these areas. Better rules are needed to simplify energy bills and specify which elements should feature on the bill so that information is clearer and more concise. The bill could then send the consumer to a website, or offer to send more information by post, if the consumer wants more detailed information. In other words, the EU should set the principles that suppliers should follow when they design their bills so that consumers have all the information they need at their fingertips.



Billing and invoicing is the **most common cause of complaint** for household energy consumers (34%)².

^{1,2} As illustrated in the ACER/CEER Annual Report on the Results of Monitoring the Internal Electricity and Gas Markets in 2015 and the National Energy Ombudsmen Network (NEON) <http://www.neon-ombudsman.org/2016/06/15/neon-92335-energy-related-disputes-handled-in-2015/>.



Switching energy suppliers should be smooth, fast and free

Consumers often see switching energy suppliers as complex, risky and time-consuming. The rate of switching suppliers in electricity and gas markets is rather low.³ Switching suppliers can lead to savings for consumers, and the right to switch is now enshrined in a liberalised energy market. But consumers often choose not to because:

- of the difficulty in comparing different offers,
- different types of fees get applied to the process of switching,
- of aggressive commercial practices involved with switching,
- of a bad experience or the fear of things going wrong (such as supply interruptions).

BEUC demands

Switching energy suppliers should be smooth, fast and free. The switching period should be reduced to less than three weeks and switching fees should be banned, save for very limited exceptions where, for example, an additional product was provided to the consumer. There should be at least one impartial price comparison tool available in every country and collective switching campaigns should be encouraged.

Collective switching

A number of consumer organisations across Europe have campaigned to bring about lower prices, better energy contracts for consumers and have organised collective energy switching campaigns. The consumer interest in these campaigns and high savings potential are clear signals that collective energy switching campaigns help consumers find a better deal. Collective switching campaigns in Austria, Belgium, Denmark, France, Italy, the Netherlands, Portugal, Slovenia, Spain and the UK from 2011 to 2015 had yielded €173m in direct savings for consumers, with over 800,000 consumers switching collectively.

Energy contracts should be clear and transparent

Consumers often experience difficulties in accessing and understanding contract terms and conditions. The information is

- often presented in very small font,
- the language used is far too complex,
- the text is too long,
- and there is a lack of clarity on the conditions for renewal of the contract or the consequences of ending a fixed-term contract,
- When consumers choose an offer with bonus products, discounts or an additional service, the supplier does not always explain prominently what happens when the 'special offer' or discount expires.

BEUC demands:

In order to improve contract transparency, a summary of the key contractual conditions should be provided to consumers in clear and simple language together with the contract.

³ 2016 Consumer Markets Scoreboard which monitors EU consumers' ratings of 42 goods and services markets, European Commission, September 2016