

UK overhauls energy regulation after meter scandal

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Prepayment gas meters charge more than standard devices and could cut off supplies to customers in arrears.

Britain cracked down Tuesday on energy suppliers' forced installation of prepaid meters following outrage as some of their most vulnerable

customers faced higher bills during a cost-of-living crisis.

Regulator Ofgem has tightened the rules around the controversial practice, after reports earlier this year that British Gas contractors sent debt collectors to break into homes and force-fit prepayment meters (PPMs).

They charge more than standard devices and could cut off supplies to customers in arrears.

The industry also came under fire late last year over the enforced measure that hit defaulting customers during the colder winter months, prompting Ofgem to impose a temporary ban in January.

Ofgem said Tuesday that the new voluntary code, signed up to by all [energy](#) suppliers, will halt such forced installations for customers over the age of 85 and those with severe health issues.

However, pressure groups warned they did not go far enough and lamented the lack of an all-out ban on forced PPMs.

The new code requires firms to conduct multiple checks and a welfare visit and exhaust all other options before imposing PPMs.

"If and when involuntary PPMs are used, it must be as a last resort," Ofgem CEO Jonathan Brearley said in Tuesday's statement.

"Customers in vulnerable situations will be given the extra care and consideration they deserve, over and above the rules already in place, by suppliers—something that has clearly not always been happening."

'Worrying'

Pressure groups said the code is insufficient because it is voluntary, and could lead to vulnerable clients including [disabled people](#) being targeted.

"What's really worrying is when you look at the code of practice, there are grey areas, there are gaps," Louise Rubin, head of policy and campaigns at disability rights charity Scope, told the BBC.

"We know energy suppliers really sank quite low... so any room for manoeuvre, anything they can manipulate is worrying."

The sector is already under [fire](#) over vast profits, after wholesale energy prices rocketed in the wake of key gas producer Russia's invasion of Ukraine.

That helped spark decades-high inflation, including in Britain, where some people were reportedly left to choose between heating or eating.

People with prepayment meters tend to be poor and must pay soaring prices upfront.

In contrast, direct debit meter systems allow richer customers with steady incomes to spread out costs and access cheaper tariffs under normal market conditions.

Ofgem also called Tuesday for suppliers to conduct independent probes and compensate customers who were previously subjected to "wrongful" PPM installations.

"I welcome agreement from the sector to give redress to those wronged—an important step I've been requesting," energy minister Grant Shapps tweeted.

"Now Ofgem and suppliers must put these words into action, so

struggling families never again face such mistreatment."

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