



Mediation solutions implemented by the ENGIE Group Mediator in 2015

.01

“Achieve further improvements in explaining the rules for usage adjustment following meter blocking”

A Mediation solution corresponding to recommendation 1

Presentation of the dispute:

The applicant's gas contract was implemented in 2006, without the distributor sending a technician to record the meter reading (A). Subsequently, the distributor did not have access to the meter for several years, resulting in usage estimates being sent to the supplier. In 2014, during a visit to change the meter, the distributor noted that the initial meter (A) had already been changed for a new one (B), but that this was not recorded in its software. An adjustment was made and a new meter (C) installed.

The mediation:

The first adjustment did not comply with the statute of limitations; a second adjustment was then published, limiting itself to 24 months usage. The applicant then disputed the failure to take into account the reading on removal of the former meter (B) in 2014, and its substitution with a reading “calculated” by the distributor. The Mediation provided him, in a separate document, with the explanations relating to the calculation elements of an adjustment (period of malfunction, valuation of daily usage on the basis of an undisputed reading, and an extrapolation of these over 2 years). The Mediator's solution advocated that a new adjustment be implemented and that it only take into account 15 months usage, in addition to the other compensation granted in the case. The first adjustment had only been made 9 months after the change of meter (B) for meter (C).

The initial reading on removal of meter (B) was not taken into account because it was lower than the last readings estimated by the distributor on meter (A), which, according to it, had still been in place since 2006. Thus, if it had recorded this initial reading as the reading upon removal, this would have suggested that the wheels indicating the readings on the meter had made a full rotation (the meter would have reached 100,000 and would then have started again at 0), which wrongly made the applicant liable for very high usage levels. This accounts for why an estimate was calculated.



.02

“Offer a form to be handed over to consumers, explaining the procedure following an incident occurring on the network”

A Mediation solution corresponding to recommendation 2

Presentation of the dispute:

Ms X, the applicant's daughter, bought a house supplied with natural gas. Her father damaged the underground gas connection belonging to the distributor whilst using the tiller in the garden. After noting a leak, he contacted the repair call centre to come and repair the connection. Following the intervention by the distributor, an invoice for the repair was sent to Mr X, almost one year following the incident, for the sum of 654.77 euros. The latter disputed this invoice, indicating that his daughter had asked for the meter to be removed (situated on the wall of the house and not on that of the limit of the property) several months before the incident. He thus thought that the gas was no longer flowing through the pipes positioned underground and supplying the house. Furthermore, at the time of the incident, the client confirmed that no one had informed him that he would be liable for the costs.

The mediation:

The distributor reminded the applicant that even if there was no longer a meter, a contract or a supply agreement, the connection may remain productive. Its elimination is not effective until after a written request is made by the customer and sent to GRDF, to which the distributor sends a quotation. The customer must then return it, signed and accompanied by settlement in full or part for the service.

In this dispute, GRDF confirms that the contract was indeed terminated by Ms X, Mr X's daughter, but that there was no request to remove the connection.

To confirm the responsibilities linked to this dispute, the Mediation mentions two legal precedents which demonstrate, in similar cases, the full liability of the person who caused the incident.

For its part, the distributor considers that the person who caused the damage should pay for the repairs.

However, the Mediation notes that the document which the distributor handed over to the applicant at the time of the incident should be developed to indicate, for example, that the third party may contact his insurance company and that the damage caused will be payable by it, if his liability is actually involved.

To put an end to this dispute, the distributor agreed to additional compensation of 100.00 euros, in addition to the reimbursement already made of 145.15 euros for the gas lost from the leak upstream from the meter. The overall compensation was thus reduced by more than 37%.

The solution was accepted by the applicant.



03

“Reduce the response time of ERDF in the mediation process”

A Mediation solution corresponding to recommendation 3

Presentation of the dispute:

The applicants disputed their electricity usage. They thought that their meter was malfunctioning and asked for it to be changed. They wanted an adjustment in usage to be made in their favour.

The mediation:

This mediation was carried out in two stages.

First of all, after an initial study of the case, the Mediation did not note any obvious irregularity in the applicants' electricity usage. However, on account of their persistent dissatisfaction and to remove any doubt over this dispute, the distributor suggested an expert's opinion on the meter at its own cost.

Pending this, as agreed with the supplier and the customers, the Mediation suggested freezing the part of the debt relating to the usage disputed by the applicants, and to put in place a schedule for the other, outstanding part, which was accepted by the parties.

The expert's report on the electricity meter was drafted within 15 days and it reported a malfunction. Unfortunately, the meter was not changed rapidly, but more than one month later. The billing therefore continued to be incorrect throughout this time.

The usage adjustment was calculated by ERDF and was offered to its customers more than one month after the change of meter, which greatly confused them. However, after an analysis, the Mediation concluded that the adjustment calculation was favourable to the applicants and it informed them of this finding.

The applicants accepted the solution and the bill was updated.

The ENGIE supplier and the ERDF distributor compensated the applicants for the annoyance suffered and the very lengthy delay in resolving their dispute.



04

“Reimburse the replacement value of damaged electrical equipment in case of ERDF liability”

A Mediation solution corresponding to recommendation 5

Presentation of the dispute:

Ms X was demanding reimbursement for the purchase of her household electrical appliances, which were seriously damaged following a malfunction on the power grid. The applicant wanted the distributor to reimburse her in full for these appliances; for its part, the distributor only accepted to cover 50% of the costs incurred.

The mediation:

Following an analysis, it was found that the damage to Ms X's electrical appliances was caused by numerous power cuts. The fault lay with a problem of water penetrating into the electrical conduit of the electricity supply cable upstream from the meter. In fact, this equipment, which belongs to the ERDF electricity distributor, does actually involve its liability and the distributor did acknowledge this.

Originally, the distributor only accepted to reimburse the applicant on the basis of original invoices for the damaged equipment. In fact, the customer was unable to provide them; for this reason the distributor only accepted to reimburse Ms X for 50% of the replacement value of the equipment.

However, in the light of consumer law, in the case of equipment damage, the liable party must compensate the victim so that the latter is not disadvantaged by the situation. Faced with a reminder of this rule of law, and following lengthy negotiation with the distributor, the mediator managed to make the distributor reimburse the customer up to 70% of the replacement value of the purchased equipment.

Faced with this solution, the Mediator wants the distributor, in similar cases, to reimburse in full the replacement costs (like-for-like) of damaged equipment when its liability is involved, as this is provided for by law and the customer must not be disadvantaged.



05

“Explain the line “usage adjustment” in the bill”

A Mediation solution corresponding to recommendation 7

Presentation of the dispute:

The applicant formally disputed the change of his natural gas meter, which was carried out without its malfunction having been clearly notified to him and proven.

He did not understand why the equipment was replaced and disputed the adjustment calculated by the distributor.

The mediation:

After analysing the applicant's natural gas usage, the Mediation noted a large variation in it, which does indeed seem to confirm a malfunction in the meter leading to its blocking.

The Mediation reminded the applicant that the natural gas meter was the property of the distributor, which is responsible for its operation and maintenance.

The distributor confirmed that the meter was accessible and that it had been changed by the technician, without, however, warning the customer beforehand. The Mediation reiterated the distributor's obligations when changing a meter: give prior warning in writing, by phone or sms, so that the customer makes himself available, as he must be present, or can ask someone to represent him.

A billing adjustment was calculated on the basis of his previous usage.

This line appears under the “usage adjustment” on the customer's bill without further explanation.

Following an analysis, the Mediation noted that this calculation was favourable to the applicant. It informed him of this and provided him with all explanations needed for him to understand this.

The solution was accepted by the applicant.

Following agreement with the supplier, a payment period, free of charge, for the debt outstanding was implemented.

The supplier compensated the customer for the annoyances caused.



06

“Explain corrective bills”

A Mediation solution corresponding to recommendation 8

Presentation of the dispute:

The applicant did not understand why he had received three bills simultaneously on 21 April 2015 and a further bill on 24 June 2015, which mentioned an exceptional adjustment in usage. He wanted to check the legitimacy of this bill and find out where it came from. Furthermore, he said that he was surprised by the total amount billed, which, for him, represented several years of usage.

The mediation:

Following an analysis of the information provided by the supplier and the distributor, it turned out that the customer's remote reading box had begun to malfunction in December 2012. It was transmitting false readings whilst the actual meter was recording usage correctly.

This problem had several consequences: incorrect billing which was complicated for the customer to understand, the issue of an incorrect bill in July 2013 and blocking of bills in 2014. Indeed, the customer did not receive any bills that year. On the other hand, he received three bills simultaneously in April 2015. The first bill, dated 24 June 2014, was initially blocked and included inconsistencies in usage. The other two, dated 23 December 2014 and 21 April 2015, rectified a part of the usage. Finally, the bill of 24 June 2015 rectified the total usage with an exceptional adjustment which, after verification, was correct and justified.

However, in the light of the Consumer Code, the supplier was too late in billing and accepted to implement the statute of limitations. It also covered the customer's bank overdraft fees of 40 euros and suggested a free staggering of the outstanding balance. For its part, the distributor granted compensation of 100 euros.

Faced with this solution, the Mediator wishes that a letter, which explains why the billing is blocked and provides more accurate details on the exceptional adjustment billed, be sent to the customer in similar cases.



07

“Process the Energy Savings Certificate (ESC) premiums at the consumer services level”

A Mediation solution corresponding to recommendation 11

Presentation of the dispute:

The applicant had a new, efficient boiler installed by an ENGIE partner. To benefit from his premium and in compliance with the suggested procedure, he created a case file on a dedicated website and uploaded the required supporting documents there.

He received a reply that his case file was incomplete; his premium request was refused.

The applicant therefore filed a complaint. ENGIE asked him to upload the supporting documents to his case file again. Yet again, this was deemed incomplete.

The applicant therefore referred the matter to the mediator.

The mediation:

The Mediator asked that the supporting documents provided by the applicant be examined independently of the website. It was found that there was a problem on the website and that some documents which had actually been uploaded had still never been taken into account. The applicant's case file was in fact complete. In spite of the applicant's complaint, the advisor dealing with the matter had simply looked at the content of the website and concluded that the case file was incomplete.

The mediator therefore recommended:

- ⇒ That, in case of complaint, applications for premiums should be analysed on a case-by-case basis, particularly the supporting documents provided, and following a different process from the conventional one of taking case files into account as they arrive.
- ⇒ ENGIE accepted to pay the premium to the applicant, in addition to compensation.



08

“Improve the process for assessing the financial strength of partners at the time of renewing their membership contracts to the ENGIE partner network, and provide support for customers in case of petition for bankruptcy by a partner”

A Mediation solution corresponding to recommendation 13

Presentation of the dispute:

The applicant had photovoltaic solar panels installed by an ENGIE partner. The contract signed between the two parties provided for free maintenance of the solar panels for 10 years after installation. It also stated a certain rate of return on the investment. This rate was calculated so that the revenue from the sale of electricity generated by the solar panels would cover the monthly instalment of the consumer loan taken out by the applicants, through the partner, in order to pay for the investment.

However,

1. As from the end of the 1st year of operation, the applicant noted that the actual revenue was two times less than the target announced by the partner;
2. The partner filed a petition for bankruptcy in the months that followed and the maintenance contract was not covered;
3. The panels required maintenance and it was necessary to find a company to carry it out.

In so far as the company had been recommended to the applicant by ENGIE, and as the applicant had chosen it out of confidence in the brand name and in ENGIE's professionalism, the applicant turned to ENGIE for help;

- regarding the financial package (the revenue was not enough to repay the loan),
- and the problem of solar panel maintenance.

ENGIE replied that the partnership contract did not commit it.

The mediation:

The Mediator took two elements into account:

- The fact that the customer chose this partner out of confidence in the ENGIE brand name (the partner is a member of the ENGIE partner network),
- The fact that ENGIE is not directly responsible for the financial difficulties of its partners.

The mediator therefore recommended:

- ⇒ That, from now on, ENGIE should systematically ensure that it analyses the financial position of the companies in depth prior to the annual renewal of partnership contracts, in order to avoid renewing a partnership with a company in a difficult position, close to cessation of activity.
- ⇒ That ENGIE partners should explain the potential gains linked to energy savings clearly to customers. These savings are particular to each offer and to the behaviour of the customer. ENGIE cannot be held responsible for its partners in implementing the works.

That ENGIE should cover the costs of the customer's maintenance contract for 5 years.



09

“Remind ENGIE partners of the rules for granting ESCs and process the ESC premiums at the consumer services level”

A Mediation solution corresponding to recommendation 14

Presentation of the dispute:

The applicant had insulation works on his house carried out by an ENGIE partner. The latter stated that the applicant would benefit from an energy savings premium. It explained to him the principles of the ESCs, the process for benefiting from the premium and had him fill out a case file. That was in November 2014.

In February 2015, surprised at not having received this premium, the applicant contacted ENGIE, which informed him that his case file was incomplete and that he would not therefore benefit from the stated premium.

The mediation:

The Mediator analysed the origin of the difference between the customer's point of view, who considered that his case file was complete, and that of ENGIE, which affirmed the opposite. It then discovered that the partner companies did not always pass on documents as they arrived to the ENGIE service provider responsible for collecting ESCs and paying the premiums. In fact, if the partner's situation changes in the meantime, the ESC could no longer be valid. In this case, the partner sent the case file on 5 January 2015 but it had not renewed its membership as an ENGIE partner on 31 December 2014. Consequently, the ESC, which dated back to 5 January, even if it did concern 2014, was not taken into account by ENGIE with standard reasons for refusal (incomplete file) misunderstood by the customer.

The mediator therefore recommended:

- ⇒ That applications for premiums should be analysed on a case-by-case basis;
- ⇒ That end customers, who are not responsible for the delay in uploading their case file by the partner, should not be penalised, other than to warn them of the risks;

Although it was unable to grant the ESC. ENGIE accepted the mediation solution and paid the premium to the applicant.



10

“Improve information intended for stakeholders (tenants, landlords, property managers or lessors) relating to the FideloConso offer, and particularly concerning their responsibilities”

A Mediation solution corresponding to recommendation 15

Presentation of the dispute:

The applicant owns an apartment in a shared ownership property benefiting from the FideloConso offer. This contractual offer relies on the principle of individualised energy usage billing for each dwelling (heating and hot water production) whilst the boiler room is collective and supplied by natural gas. He was renting out the apartment without informing the energy supplier in charge of billing of the presence of a new occupant. Without knowledge of this occupant or of the owner, and following a delay in billing, the supplier sent a very late bill to the property manager for the latter to settle it directly. The latter had recourse against the owner, whose tenant had meanwhile vacated the property. The applicant then disputed the bills that were sent to him, stating that they should be paid by the tenant who was living in the property during the periods concerned.

The mediation:

The Mediation had to provide the customer with explanations on the particular aspects of the FideloConso offer. It emphasised the multi-party relationship between the supplier (contracting party), the shared ownership association (another contracting party), the owner and, where applicable, the tenant. Mention was also made of the implications of such a relationship, particularly in terms of billing and delegation of payment.

The Mediation underlined the obligations of each party. The shared ownership association (or the property manager), as joint contracting party, must inform the different occupants of the specific aspects of the FideloConso contract and inform the supplier of any change of occupant in the dwellings. For its part, the supplier must alert the association or the owner, if it has his contact details, of any blockages encountered (for example, failure to return the delegation of payment by the tenant). It should also provide an explanatory notice to be distributed to the association for a greater understanding of the offer.

Taking into account the malfunctions in the billing and reminder processes, but also the contractual package of this offer, the Mediation recommended covering the contentious bill of 24 months, 17 months usage for the supplier (€1,253.19) and 7 months for the owner (€516.00), considering that he could have had recourse against his tenant during this period.



11

“Provide better contractual monitoring of buildings under FideloConso contracts”

A Mediation solution corresponding to recommendation 16

Presentation of the dispute:

The tenant was unaware of the FideloConso offer which his dwelling was subject to. This contractual offer relies on the principle of individualised energy usage billing for each dwelling (heating and hot water production) whilst the boiler room is collective and supplied by natural gas. No information on the terms and conditions of the FideloConso offer was communicated to the applicant. Following a lengthy period without energy bills (less than two years), the tenant received an adjustment bill for his energy usage. Unhappy and dissatisfied with his contractual situation, the tenant contacted the ENGIE Group Mediator.

The mediation:

The solution reached between the applicant and the supplier consisted firstly of explaining the content of the FideloConso offer. This is an offer for collective supply of natural gas made to shared ownership associations. This contract includes a specific service whereby ENGIE, on the basis of a delegation of payment, can directly bill each occupant of the building (shared owner or tenant) for his usage of natural gas for heating and, depending on the case, for hot water and cooking. It is therefore necessary, as provided for in the contract, for the shared ownership property manager to forward a list of the owners and other occupants of the residence to the provider of the FideloConso services.

The solution established a contractual situation standardised by signing the individual payment delegation contract. This document formalises the contractual relationship between the tenant and the provider of FideloConso services. The signature of the individual payment delegation contract enables FideloConso customer services to create the customer account required for billing the tenant.

Furthermore, the solution incorporates clearance of the bill through its settlement by the tenant without any late payment penalty, compensation for billing irregularities and the possibility of implementing a payment schedule to settle the balance.



12

“Develop warning tools for customer advisers in case billing frequency malfunctions for the FideloConso and Vertuoz Habitat offer”

A Mediation solution corresponding to recommendation 17

Presentation of the dispute:

A Collective of tenants of a residential building benefiting from an ENGIE FideloConso contract was set up following persistent problems with energy billing. This contractual offer relied on the principle of individualised energy usage billing for each dwelling (heating and hot water production) whilst the boiler room is collective and supplied by natural gas. After several complaints remained unheeded by the FideloConso service supplier, the Collective referred the matter to the ENGIE Group Mediator to find a permanent solution.

The mediation:

A diagnosis of the technical and contractual situation was carried out together with the Collective and the ENGIE company in charge of FideloConso. This analysis highlighted the lack of regularity in billing the tenants and the impact of this malfunction on the building's Gas Equivalent Coefficient, which is used to calculate the usage particular to each dwelling and to draw up individualised billing.

The usage of each tenant could thus be regularised by taking into account the correct Gas Equivalent Coefficient. To ensure usage monitoring, a "usage assessment" will be forwarded to tenants twice a year with the bills for the months of December and June.

After checking that the building's bill was accurate, the solution also consisted of making billing continuity more reliable. To this end, the building was put under supervision so as to avoid a repeat of such a situation. Furthermore, each tenant was compensated for the lack of regularity of billing by a gesture of goodwill corresponding to 1/6th of the fixed part, i.e. (€40.02, incl. all taxes = $246.12/6 \times 1$) for each absent bill.

In addition, the contact details of a person identified within the FideloConso Managers Department were communicated to the Collective, which will now be able to contact the person in case of need.



13

“Adopt appropriate business measures in case of an interruption in the FideloConso offer’s remote reading service”

A Mediation solution corresponding to recommendation 18

Presentation of the dispute:

The applicant’s residence benefited from the ENGIE supplier’s FideloConso offer. This contractual offer relies on the principle of individualised energy usage billing for each dwelling (heating and hot water production) whilst the boiler room is collective and supplied by natural gas. Gas usage readings are taken from the individual meters of each of the residence’s dwellings for heating and domestic hot water. The property manager for the residence took the initiative to have the individual meters changed without consulting the supplier. Therefore, the technical service provider who worked for the supplier was no longer able to take the reading correctly.

The billed usage estimates were calculated based on the previous meters and not the present meters, hence readings and billing that did not reflect reality.

The applicant therefore wanted a regularisation of her usage based on the readings she provided, all the more so as she was going to move some months later.

The mediation:

The Mediation reiterated that the fact of billing estimated usage on the basis of meters which were no longer installed did not comply with the Consumer Code.

It therefore asked the supplier to regularise the situation as the earliest opportunity. The supplier informed the Mediation that it could not regularise the customer’s account without a demonstrated impact on the entire residence. It stated furthermore that it had sent a quotation to the property manager to refurbish the meters, so as to be able to obtain the remote readings.

The Mediation indicated that the supplier could also regularise the situation by terminating the FideloConso contract, because the service could not be provided.

However, in order to anticipate the request to terminate the applicant’s contract, the supplier accepted to take into account the readings which the applicant had provided, and regularise her account statement.

The supplier agreed to compensate the applicant for the annoyances suffered.

The applicant accepted the solution.