



OVO ENERGY IS FIRST NATIONAL ENERGY SUPPLIER TO OFFER MONTHLY INTEREST REWARDS ON CUSTOMER BALANCES

OVO ENERGY - the UK's fastest growing energy company – is the first national energy supplier to offer monthly interest rewards to customers who build up a credit balance on their accounts, it was announced today, Thursday 17 June.

In a bid to give customers a fairer, more transparent deal, the newcomer to the energy market will credit customers with a reward equivalent to three per cent interest per annum.

Each time customers receive a statement – which is monthly or quarterly depending on what they have requested – the reward for the corresponding period will be automatically credited to their account. The scheme will come into effect from 1 July 2010.

Stephen Fitzpatrick, managing director and founder of Ovo Energy, said: “A big driver behind setting up Ovo was to give customers a better, fairer deal. But offering consistently competitive prices and doing our utmost to make sure direct debits are set at the right level isn't enough. We think it's only fair we pass on any interest we've earned on customers' credit balances, and that we reward people for prepayment.”

One of the biggest sources of complaint within the industry is the setting of direct debit levels and companies holding customers' credit balances. Consumer groups have long campaigned for energy companies to deal more fairly with customers.

Mr Fitzpatrick added: “To make sure it's as fair and simple as possible, we're offering monthly interest rewards rather than making a one-off calculation on an end of year balance, when customers are less likely to be in credit.”

Whether on a fixed or variable tariff, customers are more likely to build up a credit balance during the summer when households use less energy, and to draw down on that balance during the colder winter months as energy consumption increases.

Maria Wardrobe, Director of Communications for National Energy Action (NEA), the national fuel poverty charity, supports Ovo's scheme: "In encouraging customers to pay monthly this initiative is a welcome move. At NEA we know that budgeting for energy bills helps protect customers from falling into debt which is essential in the current economic climate."

While not connected to the Bank of England's base rate of interest, Ovo's reward rate will reflect market conditions. Ovo's reward rate is set until the end of 2010 and will be reviewed every six months thereafter.

The one cap on the scheme is that customers can only pre-pay for a maximum of one year's energy supply.

Mr Fitzpatrick said: "Even as a relatively new company in a market place dominated by long established, larger players, we can set the standard in offering a fairer deal for customers. We put what customers want – cheaper, greener, and simpler energy - at the heart of what we do and we hope people will continue to vote with their feet and switch to Ovo."

FIRST DAY UPDATE: Our customers began emailing us immediately to tell us how much they like the Ovo interest reward scheme. We asked a few for permission to put their feedback on our website. You can see what they had to say by clicking this <http://www.ovoenergy.com/our-energy/what-our-customers-say.html>.

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Notes to Editors

The average customer, who uses approximately £1,000 of energy per year, could receive a reward of up to £30.

- Launched in September 2009, energy tariffs from Ovo Energy are consistently cheaper than standard, direct debit tariffs from the Big Six (British Gas, E. ON, EDF, Scottish Power, NPower, Scottish & Southern Energy).
- Ovo offers two, simple straightforward tariffs, Ovo New Energy and Ovo Green Energy
- Ovo's Green Energy tariff provides 100% of its electricity from renewable sources and is the cheapest 100% green energy tariff in the market
- Ovo is committed to making green energy more affordable to everyone.

- Ovo provide easy to understand bills with clear costing of energy units and customer usage. Click on <http://www.ovoenergy.com/help-advice/reading-your-bill.html>.
- Ovo Energy handles all customer enquiries from their headquarters in The Ovo Barn in Gloucestershire, because they believe treating customers fairly does not interfere with running a profitable business.
- Customers are invited to supply monthly meter readings to ensure their payments are accurate. They receive monthly online bills and can opt for additional quarterly paper bills.