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ENERGY RETAIL

Association

David Hunt Retail Markets Ofgem 9 Millbank London, SW1P 3GE

rmr@ofgem.gov.uk

23 February 2012

Dear Mr Hunt,

Retail Market Review: Domestic Proposals

The Energy retail association (ERA), formed in 2003, represent electricity and gas suppliers in the domestic market in Great Britain. All the main energy suppliers operating in the residential market in Great Britain are members of the association – British Gas, EDF Energy, npower, E.ON, ScottishPower and SSE.

The ERA are pleased to respond to Ofgem's proposals that are designed to enhance effective consumer engagement in the retail markets in Great Britain (GB), leading to greater and more effective competition.

Ofgem's RMR proposals are made up of a number of constituent parts. Given this, the ERA felt that it would be most useful to divide its response into three main elements:

- an independent impact assessment of the proposal to restrict suppliers to offering a single standard tariff per payment method undertaken by Frontier Economics;
- a thought-piece designed to encourage dialogue between Ofgem, suppliers and other stakeholders on the Standards of Conduct (SOCs) and proposed shift towards Principles-Based Regulations; and
- a high-level response that covers key principles behind the proposed reforms and other outstanding issues.

Given the differences in scope of these elements we have attached them as separate submissions.

We would be happy to discuss any of the points made in further detail with Ofgem if this is considered to be beneficial. In the meantime, if you would like further information, please contact Alun Rees on 0207 104 4165 or alun.rees@energy-retail.org.uk.

Yours sincerely,

Lawrence Slade

CHIEF OPERATING OFFICER