



Department for Business, Energy & Industrial Strategy

**ofgem**

Making a positive difference  
for energy consumers

## Flexible and Responsive Energy Retail Markets - response form

The consultation is available at: <https://www.gov.uk/government/consultations/flexible-and-responsive-energy-retail-markets>

The closing date for responses is 16 September 2019 at 23.45

As this is a joint review with Ofgem, please return completed form to both email addresses below:

**Email to:** [energyretailmarketsreview@beis.gov.uk](mailto:energyretailmarketsreview@beis.gov.uk) and [futuresupply@ofgem.gov.uk](mailto:futuresupply@ofgem.gov.uk)

If preferred, you may submit your full response by post by using the following addresses:

**Write to:**

Energy Markets and Affordability Team  
Department for Business, Energy and Industrial Strategy  
3<sup>rd</sup> Floor, Area Abbey 1  
1 Victoria Street  
London  
SW1H 0ET

**AND**

Future Retail Market Design Team  
Ofgem  
Fourth Floor  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

**Any enquiries to:**

Email: [energyretailmarketsreview@beis.gov.uk](mailto:energyretailmarketsreview@beis.gov.uk)

Please be aware that we intend to publish all responses to this consultation.

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes. Please see the consultation document for further information.

If you want information, including personal data, that you provide to be treated as confidential, please explain to us below why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we shall take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy notice](#)

I want my response to be treated as confidential ☐

Comments: All right, my information is open to the world (no reason to be confidential), because we are here to improve and give fair service.

## Questions

Organisation (if applicable):

Address:

Please check a box from a list of options that best describes you as a respondent. This allows views to be presented by group type.

	<b>Respondent type</b>
<input type="checkbox"/>	Business representative organisation/trade body
<input type="checkbox"/>	Charity or social enterprise
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Large business (over 250 staff)
<input checked="" type="checkbox"/>	Local government
<input type="checkbox"/>	Medium business (50 to 250 staff)
<input checked="" type="checkbox"/>	Micro business (up to 9 staff)
<input type="checkbox"/>	Small business (10 to 49 staff)
<input type="checkbox"/>	Other (please describe)

### Question 1.

Do you agree with our vision for the future of the energy retail market, the outcomes we are seeking to achieve and our characterisation of the key challenges we need to overcome? [Page 17 in document]

Comments: Yes I agree. Monopoly is not a good thing, so the customer will get the best price

### Questions 2.

Are there examples of new products, services and business models that would benefit current and future consumers, but are blocked by the current regulatory framework?

[Page 26]

Comments: Unfortunately there are, so there are many suppliers in the same area the product price goes down

### **Question 3.**

Are there current or emerging harms to energy consumers which are currently out of scope of the regulatory framework? Do these differ for domestic and non-domestic consumers? [Page 26]

Comments: There is not enough manpower, so many products go out to the consumer without supervision. There are also insufficient professionals who test the product, so more effort should be invested

### **Question 4.**

Would it be beneficial to allow suppliers to specialise and provide products and services to targeted groups of customers? If so, how can this be delivered while balancing the need for universal service? [Page 26]

Comments: Definitely, you can give professionals training and strengthen positions in the specific field to enrich their knowledge with the client

### **Question 5.**

Are incremental changes to regulation sufficient to support the energy transition and protect consumers? Or does this require a more fundamental reform, such as moving to modular regulation? [Page 26]

Comments: In my opinion, the consumer must be protected because it is actually up to the service provider. For example: urbanization that does not see it is used by others, any consumer who does not understand is actually "urbanization" and is asked to come up with the service provider what to do.

### **Question 6.**

Are there any other potential market distortions we should be considering as part of our views? [Page 28]

Comments: Yes, boycott. This is a bad case and should be avoided, so be careful about decisions

### **Question 7.**

Would removing the thresholds for the Energy Company Obligation and Warm Home Discount help remove imbalances in the retail market, and could this be done without significantly increasing barriers to supplier entry or expansion in the retail market?

[Page 30]

Comments: Unfortunately there are, so there are many suppliers in the same area the product price goes down

#### **Question 8.**

How could the delivery burden on suppliers from the Energy Company Obligation be reduced, for example through the introduction of a buyout mechanism? [Page 30]

Comments: That there is competition, there will be no burden, so the share of suppliers must be increased

#### **Question 9.**

What effect does the range of Energy and Climate Change Policy Levies have on the retail market? [Page 30]

Comments: The product on the shelf according to climate conditions and market price in the same country and availability can have a huge impact and excellent service

#### **Question 10.**

What actions could government take to reduce any negative impact of Energy and Climate Change Policy Levies? [Page 30]

Comments: Inspectors, academics and enforcers

#### **Question 11.**

Do you agree that now is not the time to make further changes on system and network cost recovery, metering and access to data as part of this retail market review?

[Page 32]

Comments: I definitely agree. Because the economic situation in the world is unknown because of the inflation and the recession in the free market

#### **Question 12.**

What total costs do suppliers face with regards to bad debt? [Page 33]

Comments: Interest, conference and civil law

#### **Question 13.**

How could any potential distortions related to high cost-to-serve customers be addressed, for example by the provision of additional support services for customers struggling to afford their energy? [Page 13]

Comments: As I said at the beginning of the questionnaire, that many service providers will not be a monopoly and the consumer will enjoy low costs

#### **Question 14.**

Would addressing market distortions (for example size-based obligation thresholds for some policy schemes, supporting those who are struggling to afford their energy bills) help reduce incentives for suppliers to adopt pricing strategies that lead to excessive prices for loyal consumers? If so, to what extent (providing quantitative evidence, where possible)?

[Page 39]

Comments: Sometimes a loyal consumer who stays with the same service provider for many years can be created that gives the service a higher quote than another provider for a reason that has gained the consumer's loyalty. Suggestion for solution: Consumer needs to replace service provider afterwards in order to test the market

#### **Question 15.**

What are your views on the measures being considered to address loyalty penalties in different markets? What approach or – combination of approaches – would be most effective in the energy retail market? [Page 39]

Comments: Warning, supervision and financial fine along the tracking can certainly help

#### **Question 16.**

What other approaches could be adopted to ensure loyalty penalties do not re-emerge?

[Page 39]

Comments: Boycott or freeze certificates and publish. Others who see it will avoid doing anything illegal

#### **Question 17.**

What protections or support may be required to engage consumers in vulnerable situations in the future market? [Page 39]

Comments: Enforcement and undercover client

**Do you have any other comments that might aid the consultation process as a whole?**

Please use this space for any general comments that you may have, comments on the layout of this consultation would also be welcomed.

In a nutshell: Be faithful, honest and present everything with complete transparency. This way it will always be good and we won't have to work hard to hurt another

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply ☒

At BEIS we carry out our research on many different topics and consultations. As your views are valuable to us, would it be okay if we were to contact you again from time to time either for research or to send through consultation documents?

☒ Yes

☐ No