

Louise van Rensburg  
Head of Non-domestic Retail Policy  
Ofgem  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

31 March 2023

Dear Louise,

**CALL FOR INPUT ON THE NON-DOMESTIC GAS AND ELECTRICITY MARKET**

I am writing in response to Ofgem's call for input on the non-domestic gas and electricity market of 28 February 2023.

We anticipate that other non-supplier stakeholders will be better placed to respond to this call for input, and so we have not provided answers to the specific questions. We expect our responses to your previous communications regarding concerns raised, and the data provided in the two-part Non-Domestic RFI, will inform your analysis of the market issues. However, we would offer the following general observations.

As noted in our letters of 23 November 2022 and 20 January 2023, we consider that we are complying fully with our obligations in relation to non-domestic customers, and that any potential harm to business customers identified by Ofgem is unlikely to be attributable to our practices. We have robust processes in place to ensure our tariff pricing is reasonable and not unduly onerous compared to the costs we incur or the market we operate within. Our approach to pricing takes account of a number of relevant factors and we have robust controls in place to ensure we are compliant with our obligations.

As previously advised, the significant financial losses we incurred during 2021 from the I&C segment led us to announce our exit from that market, and we have been loss-making in both the SME and I&C segments over the past couple of years.

Specifically in response to this call for input, we would highlight the following:

- Our complaints process is clearly signposted to customers via their bills and other key communications. The process is also available on our website and following recent feedback we have added the e-mail address and postal address to the front page of the complaints process. We have not received any evidence that customers struggle to find our complaints process.

- We agree that there are issues around Change of Tenancy/Occupier and have noted an increase in backdated CoTs as customers seek to benefit from government schemes.
- For the purposes of our licence obligations, we treat all non-domestic customers on our SME billing system as microbusiness, so they will all receive the protections as set out in the licence. Our I&C customers are segmented in line with the microbusiness criteria. We have no evidence that there are other segments of the non-domestic supply market that would require additional protection. Indeed, further segmentation of the non-domestic market may add complexity and cost to serving our customers.

We share Ofgem's desire to create a market that works for business consumers, whilst recognising these particularly challenging times which present issues to businesses and suppliers. Therefore, we are committed to engaging with the next steps in this review of the market.

If Ofgem has any questions relating to our response, please let me know and we are happy to discuss in a bilateral meeting should that be helpful.

Yours sincerely,



**Richard Sweet**  
Director of Regulatory Policy