



Commercial in confidence

Via email: NonDomesticRetailPolicy@ofgem.gov.uk

30th March 2023

Call for Input on the non domestic gas and electricity market: Valda Energy Response

We welcome the opportunity to respond to Ofgem's call for input on the operation of the non domestic retail energy market.

Valda Energy is committed to positive consumer outcomes and we support Ofgem's role to protect consumers, by ensuring the market place is fair, transparent and financially resilient. We believe that part of this role, as you state, is supporting suppliers with and leading direct communication with businesses to aid their understanding of the factors that affect their pricing and the availability of contracts, such as regulatory costs, debt and wholesale market conditions. We strive to ensure our communication with customers is clear, easily accessible and straightforward.

We aim to offer competitive pricing to business customers and make it attractive and viable for our existing customers to wish to remain with us on a long term basis. We will only be able to accomplish this if there is stability in the regulatory and market framework. Recently, we have had to mobilise quickly to implement EBRS and business support schemes, which has required a substantial amount of resource, not least due to the licence requirement to complete several detailed RFIs – which have enabled you to assess behaviour specifically in relation to the discount scheme and to deemed rates; therefore, we do not find it necessary for further evidence to be requested investigating allegations of poor supplier behaviour.

In view of Ofgem's current powers to identify and investigate supplier behaviour issues on an individual supplier basis, we are concerned that allegations without evidence should not drive short term regulatory change or intervention across the wider market place

Whilst we support Ofgem's analysis of the wider non-domestic market, we believe that additional regulation or intervention is not required. We are concerned that further regulatory intervention may have unintended consequences for customers which includes passing through avoidable costs through pricing or directly.

We would be happy to engage further with Ofgem to discuss the matters raised in the call for input or the wider review of the non-domestic market.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Steve James'.

Steve James
CEO Valda Energy for and on behalf of the Board – Valda Energy Limited.