

## **EIUG response to Ofgem's non-domestic market review: findings and statutory consultation**

### **Introduction**

1. The Energy Intensive Users Group (EIUG) is an umbrella organisation that represents the interests of energy intensive industrial (EII) consumers. Its objective is to achieve fair and competitive energy prices for British industry. It represents manufacturers of steel, chemicals, fertilisers, paper, glass, cement, lime, ceramics, and industrial gases. EIUG members produce materials which are essential inputs to UK manufacturing supply chains, including materials that support climate solutions in the energy, transport, construction, agriculture, and household sectors. They add an annual contribution of £29bn GVA to the UK economy and support 210,000 jobs directly and 800,000 jobs indirectly around the country.
2. EIs tend to be larger companies. The energy-intensive of their manufacturing processes entail significant energy-consuming and infrastructure assets meaning they generally exceed the proposed expansion of the 'Small Business Consumer' definition in terms of turnover and energy consumption. Nonetheless, EIUG members will have some less-energy intensive businesses in their membership that could fall in the new definition and benefit from proposals in the consultation. It has therefore submitted a response to Department for Business and Trade's consultation on a new threshold for businesses accessing the Energy Ombudsman, supporting the proposed definition of 'small business consumer' (see annex).
3. Because the vast majority of energy intensive industries do not fall under the proposed definition of small business consumers, this submission only responds to the consultation questions relating to standards of conduct.

### **Standards of Conduct**

**Q3. Do you agree with our proposal to expand the Standards of Conduct to all Non-Domestic Consumers? Please provide a reason for your view.**

4. The EIUG agrees with the proposal to expand the standards of conduct to all non-domestic consumers, including EIs.

5. This means that the principles under Standard Licence Condition 0A of the Gas and Electricity Supply Licences will apply to the conduct of suppliers who also supply non-domestic consumers not already captured by the definition of micro-businesses. Suppliers should not have a reason to differentiate their conduct based on always somewhat arbitrary definitions of different types of non-domestic consumer groups.

**Q4.Do you have any comments on our proposed draft licence text for SLC 0A?**

**Q5.Do you agree with our proposal to implement the SoC as soon as the updated licence condition takes effect? Please provide a reason for your view.**

**Q6.Do you have any views on the updated draft Standards of Conduct Guidance?**

6. The EIUG does not have any comments on Ofgem's proposed draft licence text for SLC 0A, timetable for implementation and updated draft Standards of Conduct Guidance.

Arjan Geveke

Director EIUG

**Annex: EIUG response to proposed definition of 'small business consumer'**

See attachment in email.