

Date

Our Ref

Your Ref

25 April 2003

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Nigel Nash
Head of Market Infrastructure
Office of Gas and Electricity Markets
9 Millbank
London SW1P 3GE

Dear Nigel

OBJECTING IN THE DOMESTIC MARKET

Thank you for providing us with the opportunity to comment on your proposals for amending Standard Licence Condition 46 of the gas supply licence in order to amend the rules relating to the objections process in the domestic market. This response is made on behalf of LE Group, which includes the retail brands of London Electricity, Sweb, Seeboard Energy, and Virgin Home Energy.

LE Group is represented on the various forums and working groups at which issues relating to market infrastructure are discussed. Our approach has always been driven by a desire to improve the customer's experience of the transfer process wherever possible. In our response to your October consultation, *Objecting in the Domestic Market*, we supported the key proposals provided that any changes to existing arrangements would apply to all suppliers and that a stringent audit trail and industry monitoring would be put in place for customer requested objections (CROs).

We therefore welcome the proposals set out in Chapter 7 of Ofgem's current document, which address our concerns over the potential incorrect use of CROs by suppliers in order to block customer transfers.

As you know, LE Group has been working closely with the industry to bring about relevant changes in the MRA, including the introduction of MAP 12, in order to facilitate the introduction of the proposed changes to the transfer process in the domestic electricity market.: We agree that arrangements governing the use of objections should, as far as possible, be aligned for both gas and electricity and that customer experience in both markets should be

the same. We therefore support Ofgem's proposals to amend Standard Licence Condition 46 of the gas supply licence and we endorse the timetable for introducing those revisions, subject to the DTI putting in place a revised mechanism for collective licence modifications.

This response can be treated as non-confidential and you may put it on Ofgem's website if you wish.

If you wish to discuss any aspect of our comments, please contact Ann Neate on 01273 428464.

Yours sincerely

Roger Barnard

Group Regulatory Law Manager
LE Group plc