

I write to confirm as a Gas supplier and Shipper in the Non-Domestic market my support for the option one preferably or two secondly defined as follows:

1)Suppliers in the non-domestic market, in both gas and electricity, should be permitted to object under any circumstances specified by the supplier in deemed contracts; or

2)objections where customers are being supplied under deemed contracts should be permitted only in defined circumstances specified by regulation.

and to register my non support of option 3.

Having been in this business for just over ten years and seen the many many changes in the industry since it started, many changes not necessarily for the betterment of the industry, I feel that if this right of objection is removed it will be another retrograde step. For example ofgem moved away from one of Claire Spottiswood's main themes in the domestic market which was to encourage free competition for domestic customers with emphasis to take out gas supply contracts and not to encourage "supply hopping" which is now available to domestic customers every month. By that I mean that domestic customers, as you are aware, can now swop and change from one supplier to another within 28days encouraging non payment of bills and consequently generally increasing the debt position of suppliers. The cost of such been born by the industry. Have Ofgem ever carried out a Debt analysis as a consequence of this policy, probably not? For this action to be carried over into the non-domestic market would be disastrous. It must surely be an irresponsible act for Ofgem to encourage both the breaking of contract obligations (contractual or regulated) and not to encourage customer responsibility for payment of gas bills. It must be Ofgem's responsibility where the situation arises to assist the suppliers of gas with the ability to achieve payment for that gas supplied. What other business has to continue to supply a product knowing full well that a new customer may have, unbeknown to the supplier,moved into the premises and without notifying the supplier takes the suppliers product. In other words Ofgem could be accused of been seen to encourage Theft of gas with the removal of this current "right to object".

I hope this clarifies my position and the position of Contract Natural Gas Ltd

Colin Gaines
Managing Director
Contract Natural Gas Ltd