

The title "SLR Steering Group" is centered within a white rounded rectangle with an orange border. The background of the slide is a blue-tinted image of an electrical plug and socket.

# SLR Steering Group

28 September 2005

# “better regulation” means

- 1. TRANSPARENCY**  
e.g. clear, well-defined rules
- 2. ACCOUNTABILITY**  
e.g. consultation and appeal mechanisms
- 3. TARGETING**  
e.g. are rules necessary and effective in meeting their objective
- 4. CONSISTENCY**  
e.g. do regulations dovetail with other relevant rules
- 5. PROPORTIONALITY**  
e.g. are potential sanctions scaled to fit the scale of the offences

## principles of the review

- **Principle 1:** Licence condition or self regulation only required where there is a clear need for additional protection for customer group to that provided by consumer protection rules
- **Principle 2:** Presumption that there is likely to be a need to protect vulnerable customers through the licence or self-regulation
- **Principle 3:** Conditions requiring compliance with industry codes likely to be required only if the codes themselves do not contain adequate sanctions

## principles of the review

- **Principle 4:** Licence conditions should be clearly drafted and provide a flexible framework to accommodate market developments
- **Principle 5:** Licence conditions should not unduly restrict supplier differentiation

# prerequisites for an effective project

- Recognition by stakeholders that:
  - this is not a zero sum game
  - there is no simple linear spectrum of policy options
  - Its not just WHAT rules say, but HOW suppliers interpret and manage their obligations that is important
  - bad regulation imposes cost
  
- While Ofgem has overall responsibility for project execution, stakeholders' contributions are key to efficient, effective delivery

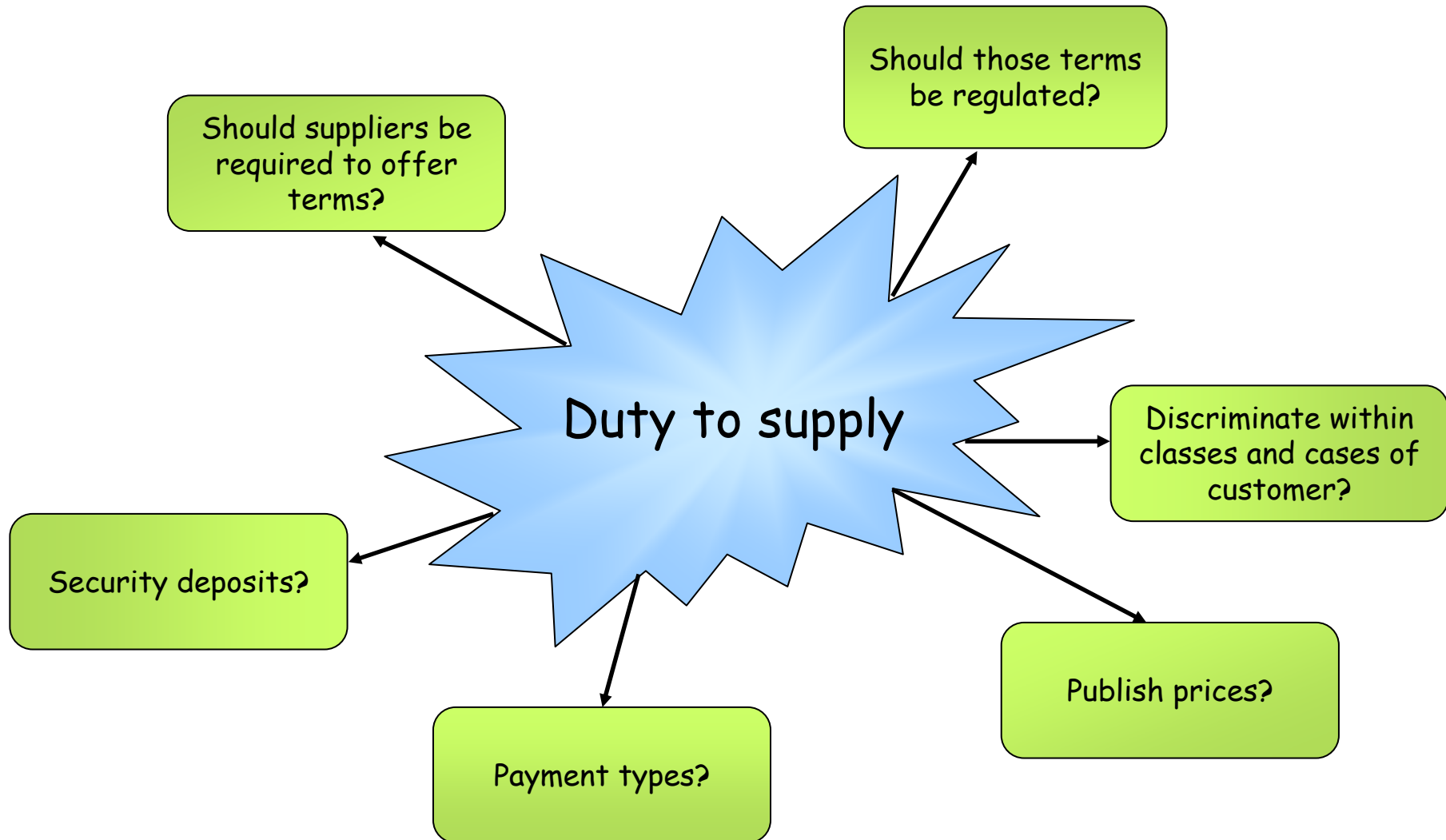
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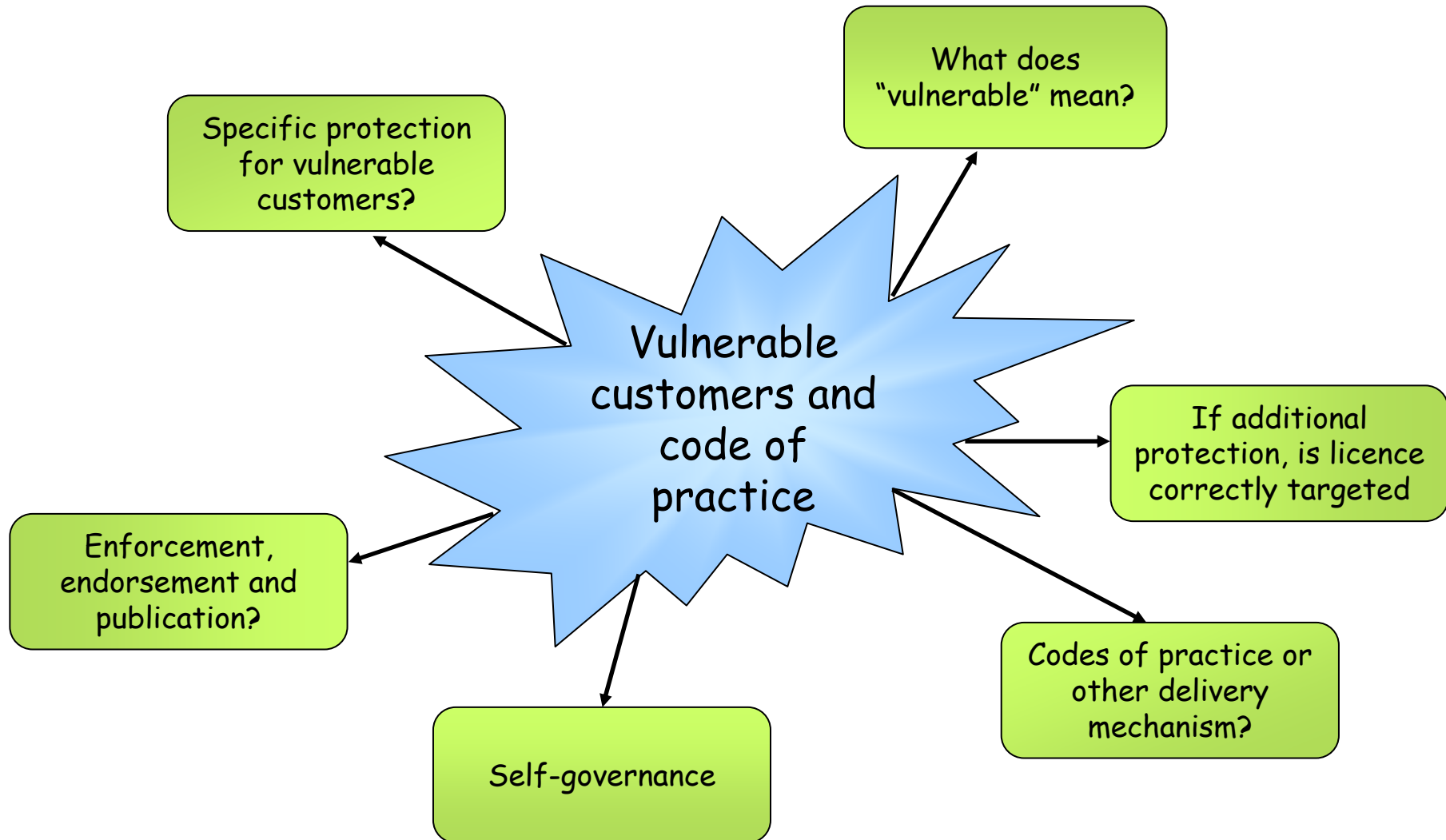
# Workgroup analysis

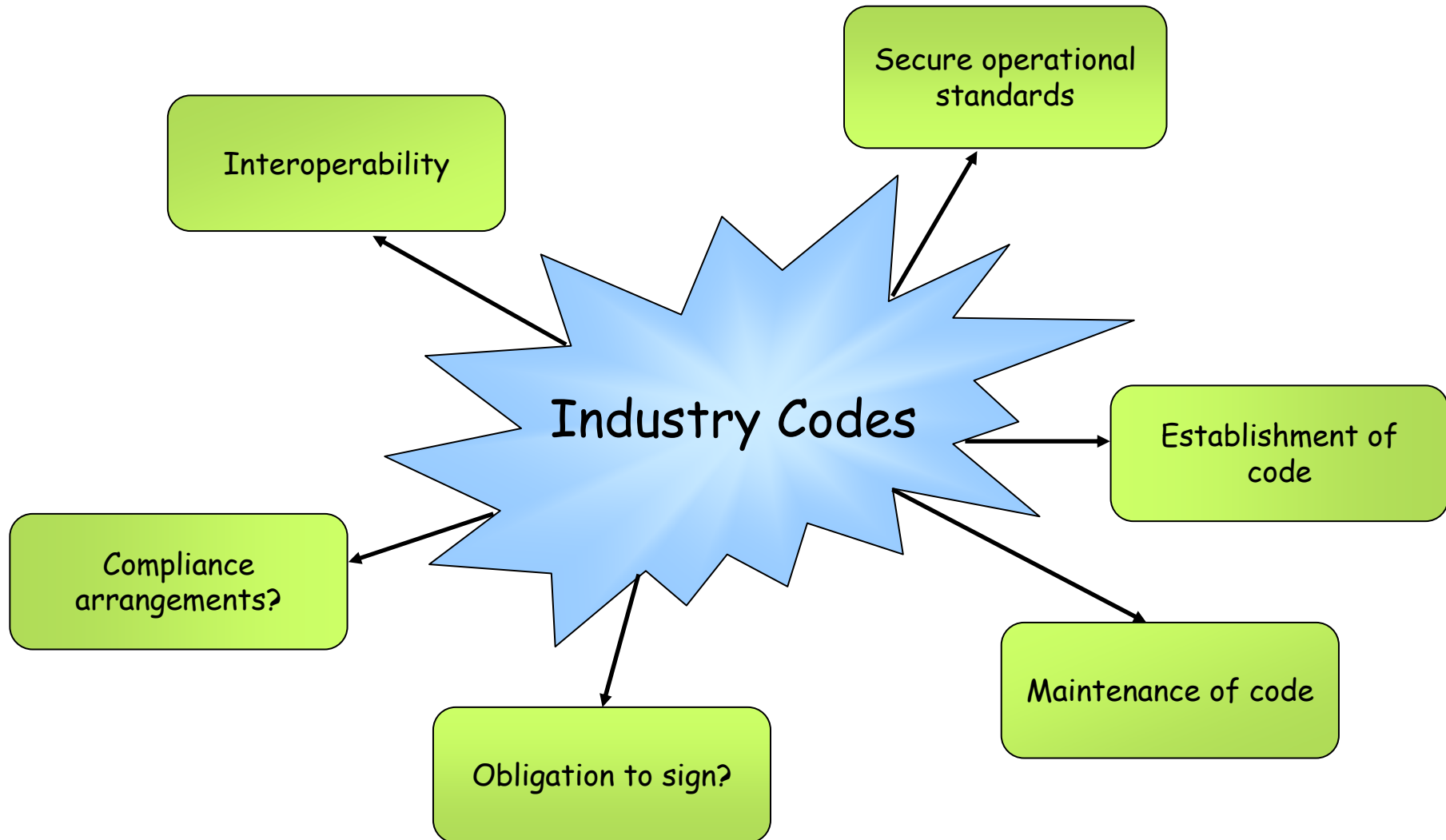
SLR Steering Group, 28 September 2005

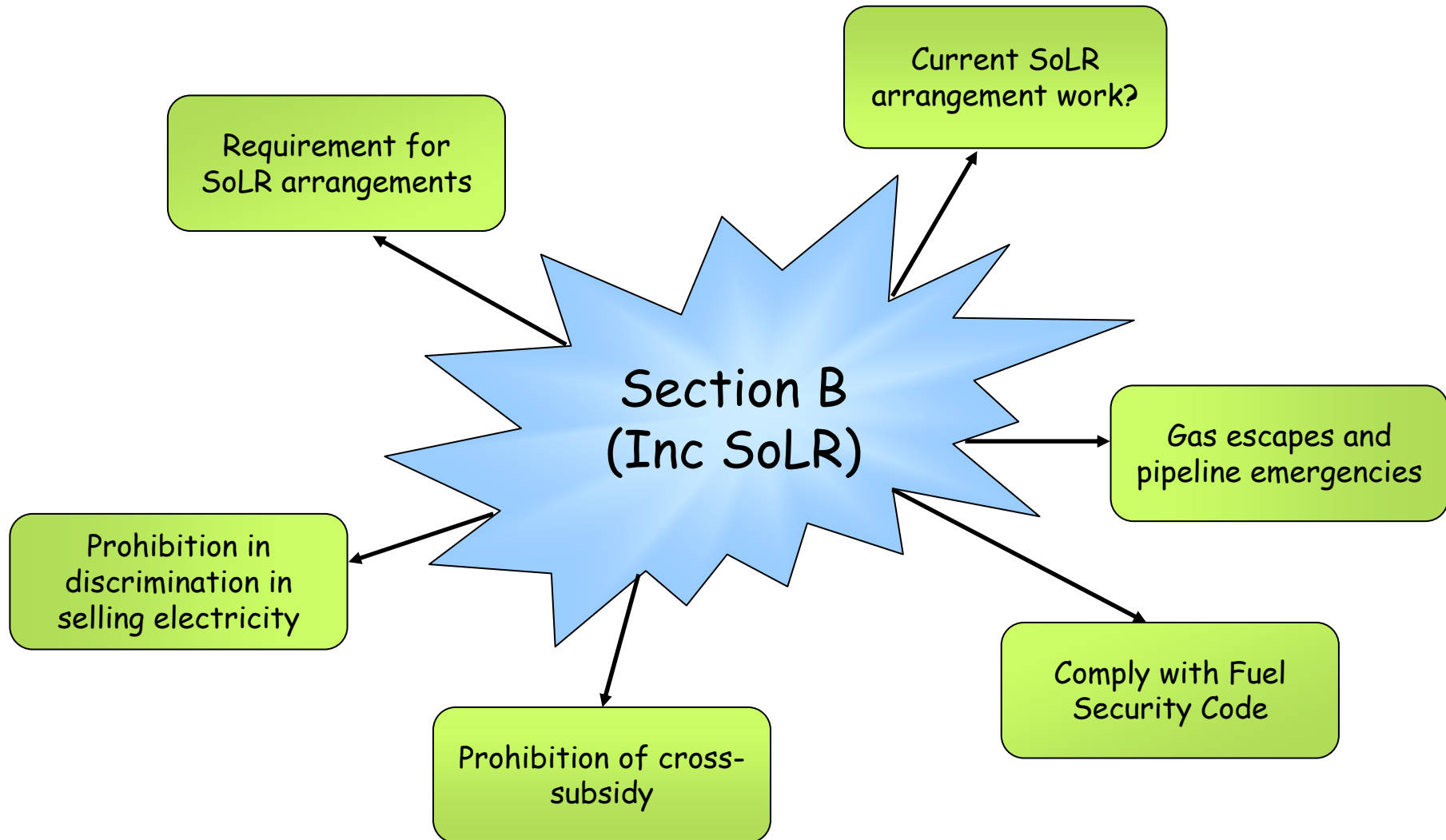
## Aims of workgroup

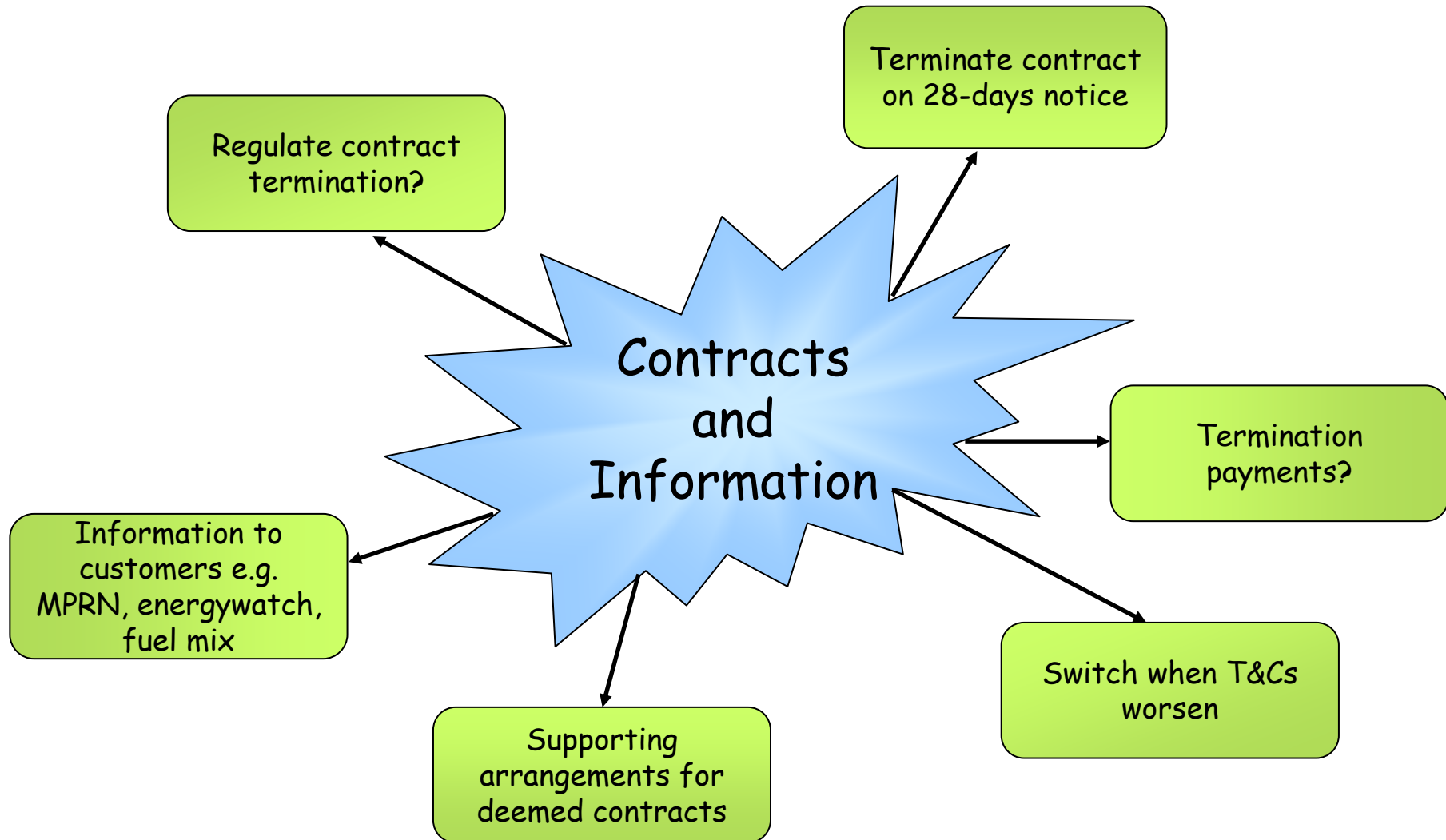
- Not a decision making body
- Provide final report to Steering Group
- Present report in manner consistent with Impact Assessment
- Regular written updates
- Request guidance from Steering Group
- Document argument where consensus not achievable

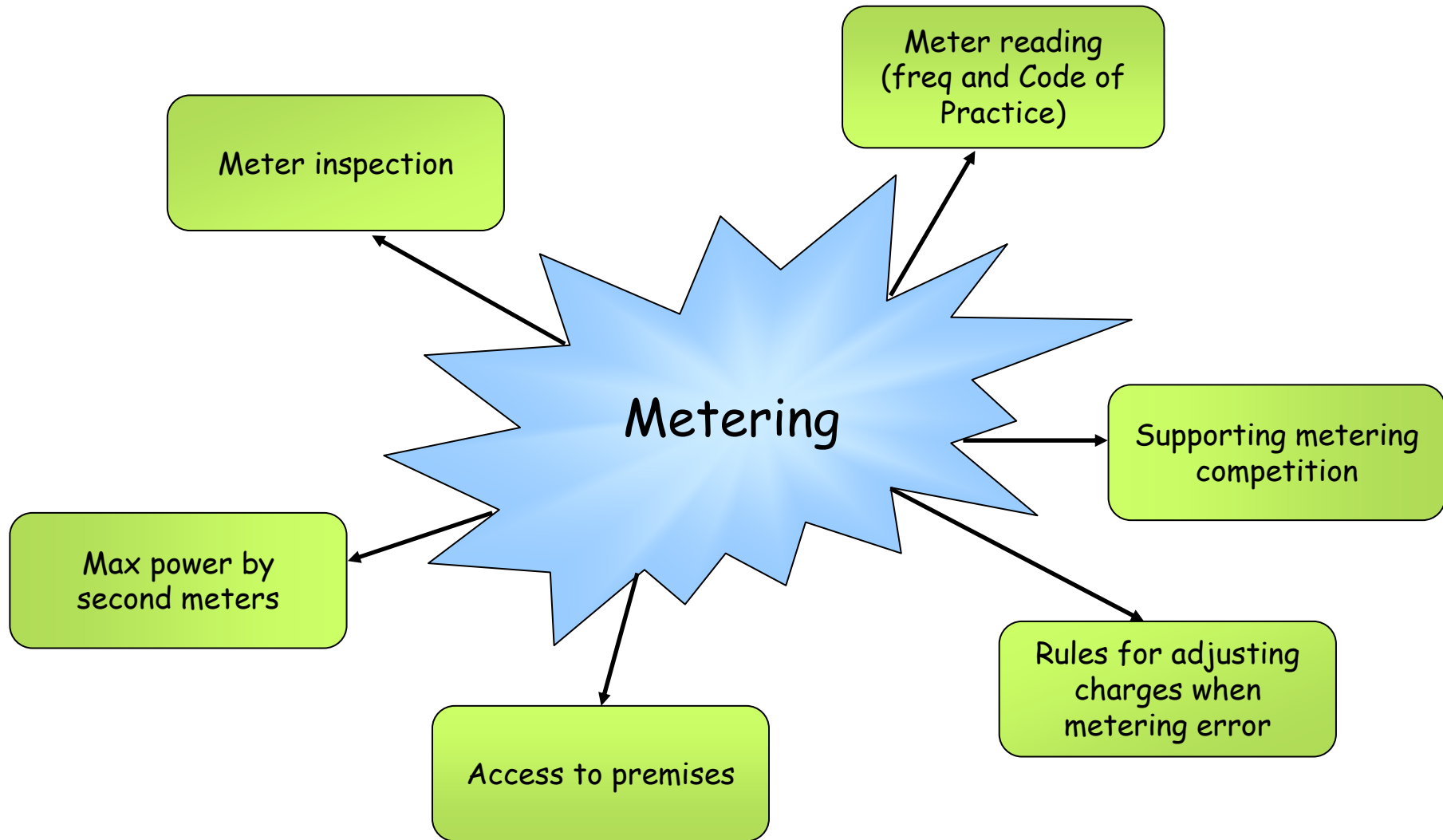


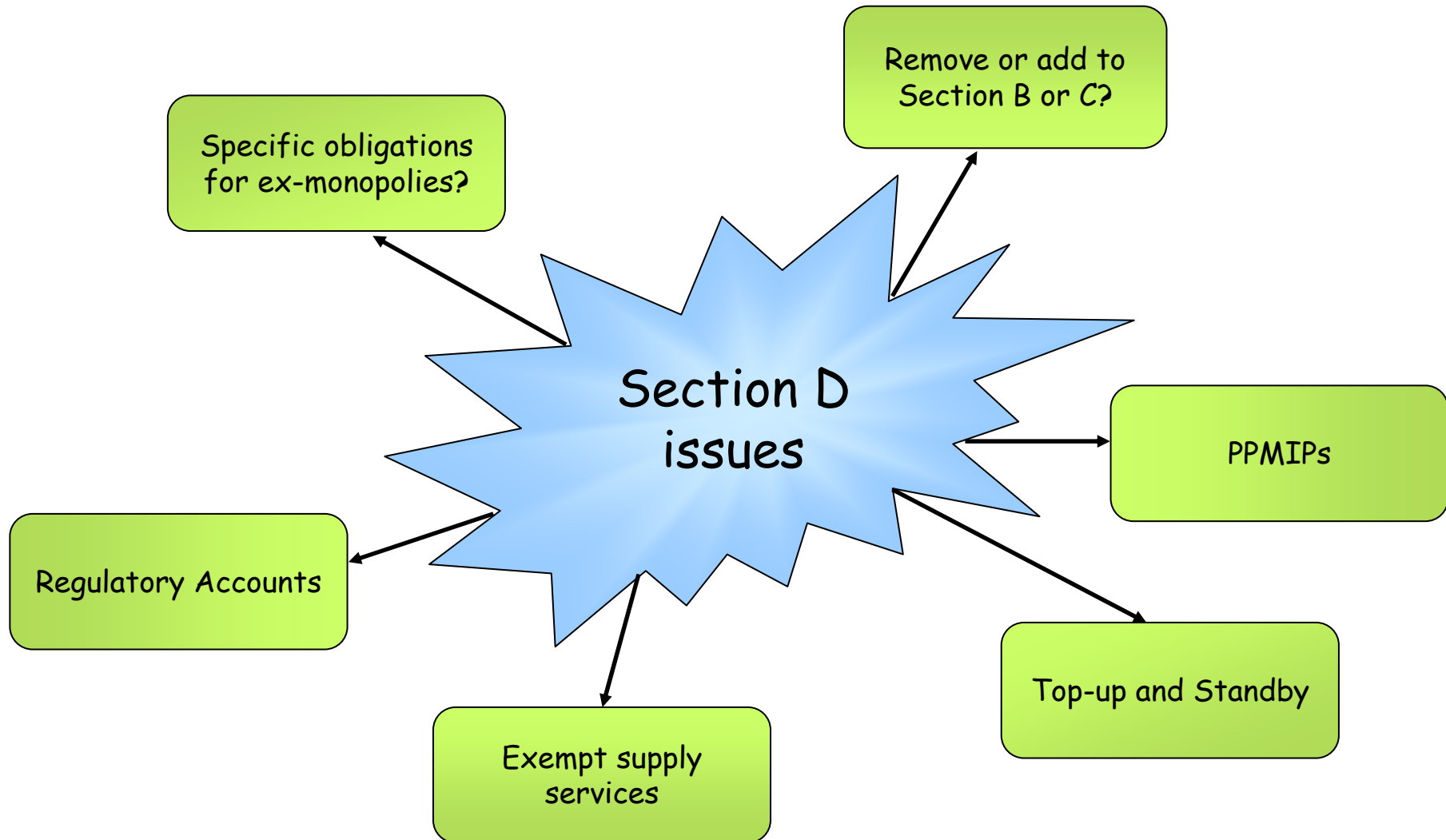














# Terms of Reference

- Workgroup specific objective?
- Workgroup specific scope?
- SLC split
- Membership

# Workgroup organisation

- Running order
- Start date
- Completion date
- Meeting frequency



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