

7<sup>th</sup> September 2007

Philip Davies  
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Ofgem  
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Dear Philip

**MODIFYING THE ARRANGEMENTS FOR THE USE OF OBJECTIONS IN THE  
NON-DOMESTIC MARKET**

Thank-you for opportunity to comment on the issues raised in your letter on the above, published on 27<sup>th</sup> July 2007.

In response to the earlier consultation on this matter, we expressed a concern that the interests of customers and suppliers were not best served by the existing MRA arrangements in respect of the objection process. We argued that the market arrangements should be amended to remove any ambiguity as to the rights of suppliers in objecting to customer transfers and specifically should prevent the customer from being able to re-contract with the existing supplier within the five day objection window. In the interests of supply competition, we supported moves to make the necessary changes through licence modifications.

In light of the above, we are pleased to note that Ofgem are now proposing to make changes to the supply licences in order to clarify the circumstances which a supplier can prevent a transfer and to ensure the switching process is simple and predictable. In particular, we support the proposal to prevent suppliers using the objection window to obtain and then rely on new rights to object. We consider the long-term interests of consumers and the development of supply competition are best protected by only allowing an objection to be raised where the contract in place at the time a loss notification is received allows the supplier to so object. We consider the proposed licence drafting appropriately addresses this issue.

If you have any questions on this response please do not hesitate to contact me.

Yours sincerely



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