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## **Modifying the arrangements for the use of objections in the non-domestic market for gas and electricity supply**

Dear Philip

We support Ofgem's view that suppliers should not use the objection window to obtain and then rely on new rights to object. This is consistent with our response to the issues raised in your conclusion letter regarding BGT's alleged breach of the MRA.

We consider the market to supply business customers with gas and electricity to be a mature market. This view was the driving force behind the recent review of the Supplier Licence.

The ability of a customer to enter into negotiations with multiple new Suppliers, including the existing Supplier via a re-contracting process, drives down prices via competitive pressures and raises overall service levels from Suppliers. Introducing a barrier to the existing Supplier to re-contract would not therefore be in the customer's best interests.

The nature of the competitive gas and electricity market differs from other commodity markets in that there can only ever be one Supplier to a customer. This unique situation has led to the development of the objection process which helps to facilitate the market.

The contract objection functionality of the business market reduces risk for Suppliers. We are pleased to see that Ofgem did not suggest the removal or restriction of this right as we believe that this action would affect the nature and range of contracts on offer from energy suppliers and would increase prices for all business customers.

We believe that the proposed draft Licence amendment improves the existing wording and adds clarity for industry participants. It should stop the

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inappropriate actions of some suppliers. We therefore would support its implementation.

We agree with Ofgem that it is right to maintain the existing provisions regarding objections for deemed contracts and suggest that these do not need to be amended as a result of this proposal.

Yours sincerely

Alex Travell  
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