

Electricity North West

304 Bridgewater Place, Birchwood Park,
Warrington, Cheshire WA3 6XG

Telephone: +44 (0) 1925 846999

Fax: +44 (0) 1925 846991

Email: enquiries@enwl.co.uk

Web: www.enwl.co.uk

Liz Chester
Social Policy Manager
9 Millbank
London
SW1P 3GE
020 7901 7403

By Email only

13 April 2011

Dear Liz,

**Smart Metering Spring Package -
Addressing Consumer Protection Issues.**

Thank you for the above consultation. Please find attached our response to some of the specific questions raised in your consultation.

CHAPTER 2

Question 1: Do you agree with our proposal to issue guidance on safe and reasonably practicable and require suppliers to have regard to this guidance through a licence amendment? If not, what else is needed?

We support Ofgem's proposal.

Question 2: Do you agree with our proposal to require suppliers, where they know or have reason to believe that prepayment is no longer safe and reasonably practicable for a customer, to offer an alternative payment method or some other form of action?

We support Ofgem's proposal.

Question 5: Do you agree with our proposal to require suppliers to give customers information on using a prepayment meter ahead of switching them to prepayment?

We support this approach and consideration should also be given to requiring suppliers, either collectively or individually to provide customers with a 24/7 help line to assist customers in resolving problems with their Smart Meter, particularly where they have been disconnected.

Question 7: Do you agree with our proposal to issue guidance on identifying vulnerability prior to disconnection and require suppliers to have regard to this guidance through a licence amendment? If not, what else is needed?

We support this approach to ensure that adequate processes are followed to avoid vulnerable customers being disconnected in error.

Question 9: Do you agree that suppliers should ensure rapid reconnection and provide compensation on a voluntary basis where customers have been disconnected in error?

We fully support the requirement for a rapid reconnection service. We have major concerns that some suppliers do not have full 24/7 metering services in operation at present and therefore doubt whether a voluntary mechanism will work in practice. Ofgem should give greater consideration to guaranteed standards being applied to ensure rapid supply restoration in these circumstances.

Question 11: Do you agree with our proposal to explicitly set out in the supply licences that load limiting and credit limiting amount to disconnection in certain circumstances?

We believe that load limiting disconnection should be given further consideration as this does not in reality amount to disconnection. The supply can always be reconnected if the level of load is reduced. Treating load limiting disconnection in this way could undermine new approaches to Demand Side Management.

Question 12: Are there any protections that should be considered regarding disconnection and prepayment for non-domestic customers? If so, what are these? Please provide evidence to support your views.

It would be appropriate for the protections in respect of disconnection in error to be extended to non-domestic customers also.

CHAPTER 4

Question 13: Do you agree that there should be an obligation on the original supplier to offer terms for use of the meter?

The obligations should be with the original supplier as it is they who have the power to ensure meter operators provide reasonable terms to other suppliers on change of supplier. Before they award a contract they should be required to obtain the terms that the service provider would apply to new suppliers including the charges and any indexing approaches for changing charges. The original supplier should satisfy themselves that these terms do not restrict or distort competition in supply or breach competition law.

Question 14: Do you have any comments on the requirement for terms to be reasonable and non-discriminatory and factors we would propose to take into account?

This is essential for the suppliers to ensure that they do not breach competition law as the metering amounts to an essential service for the new supplier.

Question 15: Do you agree with the proposed obligation that terms should be transparent?

Yes, and should be publicly available to all suppliers so as not to restrict or distort competition. Each supplier should publish these terms on its website.

Question 16: Do you agree with our proposed approach around an obligation to offer terms for use of communications services as part of the Spring Package, and the timeframe for any such obligation?

The same approach should apply to communications as for the smart meters and these should apply from when the original supplier has access to the communication services itself to avoid this being used to distort competition in supply.

Question 17: Do you have any comments on our proposed approach for dealing with prepayment?

We support your proposed approach.

Question 18: Do you believe there should be a de minimis threshold before commercial interoperability obligations apply and if so, at what level should it be set?

The commercial interoperability obligations should apply to the 'Big 6' initially. Small suppliers should be exempt but should be aware that they may be introduced if there is evidence that their behaviour is restricting other small suppliers entering the market.. If the customer were to switch to one of the Big 6 then we would expect that the commercial interoperability provisions would then apply.

I hope you find these comments useful

Yours sincerely,



Tony McEntee

Head of Commercial Policy

Direct line 01925 846854

Tony.McEntee@enw ltd.co.uk