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By email only to: rmr@ofgem.gov.uk



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Dear Louise

Response to Ofgem Consultation on "The Retail Market Review: Non-domestic Proposals"

GTC operates licensed gas transportation networks and licensed electricity distribution networks through its respective subsidiary IGT and IDNO businesses of GTC Pipelines Limited and The Electricity Network Company Limited.

Developers and customers frequently advise us about the unwillingness of some gas and electricity suppliers to enter into arrangements to supply them because they are connected to an IGT or IDNO network. In some cases we have been made aware that a supplier refuses to offer a supply contract to a consumer even though the supplier already supplies the customer at other sites connected to a GDN or DNO network.

We recognise that supply licence only places obligations on suppliers to offer terms in respect of domestic consumers and that they may choose to exclude offering terms to other market segments. However, to discriminate against consumers solely on the basis of the type of licensed network their premises connects to would appear to unduly disadvantage those customers. Additionally, such supplier actions distort competition in the initial provision of the networks.

The Association of Independent Gas Transporters (AIGT) and the Competitive Networks Association (CNA) have been proactive in this area.

On the 11th October 2011, Ofgem kindly met with representatives of the AIGT, CNA and Major Energy Users Council to discuss this very topic. We subsequently followed up with a letter to Ofgem and a factsheet (copies of both I enclose for your reference). At the time of writing, I understand from the Secretary of the AIGT and CNA that a response is yet to be received from Ofgem.

We would welcome a statement from suppliers clarifying their position on offering supply contracts to consumers connected to an IDNO or IGT network. Additionally, we think it may be appropriate to place a duty on suppliers through their supply licence to not restrict, distort, or prevent competition in the generation, distribution, or supply of electricity.

Yours sincerely

Mike Harding
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GTC