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Louise van Rensburg
Ofgem
Retail Markets and Research
9 Millbank,
London
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28th November 2012

Dear Louise

REF: The Retail Market Review – updated Proposals for Businesses.
Section 6 – Third Party Intermediaries

As an independent energy specialist in the industrial and commercial market, Jutton Associates Limited (JAL) welcomes the opportunity to respond to this consultation. Our detailed response is attached to this letter.

We support the idea of a single code as a means of regulating the industry and promoting good practise and consumer choice.

As previously advised, we are keen to participate in any TPI working groups or other consultations.

Yours Sincerely

A handwritten signature in blue ink that reads 'David Jutton'. The signature is fluid and cursive, with the first name 'David' being more prominent than the last name 'Jutton'.

David Jutton
Managing Director
Jutton Associates Limited

Question 19: Do stakeholders agree with the proposal for Ofgem to develop options for a single Code of Practice (the code) for non domestic TPIs?

Yes. We believe that a Code of Practice is an appropriate way to regulate TPI's to improve transparency and trust for customers.

The status of the code (footnote 76) could be linked to the license condition on suppliers to ensure that contracts are only offered to TPIs that are signatories to a code.

Question 20: Do stakeholder consider the Code should apply to all non-domestic TPIs (including those serving small business and large businesses)

Yes. All businesses whether small or large should have the same level of transparency and trust with a TPI. The detail of the code may differ between business models however the main principles of the Code should be upheld by all market participants.

The code should make explicit that those covered by it are not agents of the supply companies.

Question 21: What do stakeholders consider should be the status of the Code, the framework in which it should sit, and who should be responsible for monitoring and enforcing the code?

Our suggestion is that an independent industry body like ESTA should administer the code and police compliance.

ESTA have been considered because:

- They have a track record of co-ordinating and policing a Code eg ASCop for AMR service providers.
- They are recognised quite widely and represent a range of companies and interests and they are generally well-regarded
- There is merit in an independent body having a co-ordinating role

Ofgem should remain a first point of contact for customer complaints however any audits or investigations could be led by Ofgem's approved code administrator.

Question 22: Would you like to register an interest in attending the TPI working group?

Yes, having previously expressed our interest in the evolution of this phase of the RMR, we would very much welcome the opportunity to be part of a working group.

Question 23: What issues should Ofgem consider in the wider review of the TPI market? What are the benefits and downsides to looking across both domestic and non domestic market?

- It would be inappropriate for the suppliers to regulate TPis
- There is a significant distinction between suppliers agents and brokers
- The code should be applicable solely to brokers / TPis and should exclude agents, who should fall under the existing regulation of the suppliers
- There are many organisations who are in effect “brokers”, this would include quasi public-sector purchasing organisations, online price comparison services, small privately owned companies and large corporates
- The code should cover this diversity and must therefore be appropriately drafted
- The financial impact of the code would need to be carefully considered so that it does not restrict or deter new entrants to the market.