

Louise Van Rensburg Retail Markets and Research Ofgem 9 Millbank London SW1P 3GE

Friday 21st December 2012

Re: The Retail Market Review - Updated proposals for businesses

Dear Louise.

WINGAS UK is grateful for the opportunity to present its view on the Retail Market Review proposals, we concur that there is scope for improvement to the current regime and are in general satisfied with the package of measures proposed.

With reference to the proposals regarding the regulation and policing of TPI activities we are pleased that steps are being taken to ensure that intermediaries operate in a fair and equitable manner.

Regarding the Code of Practice for TPIs we believe a code is a positive intervention for the future; as such we would like the opportunity to field a representative on the Third Party Intermediary (TPI) Code working group.

As WINGAS UK Ltd only has interest in some of the areas affected by the RMR we have taken the opportunity to answer the relevant selection (Chapter 6: Third Party Intermediaries) within Ofgem's consultation document. On the other sections of the consultation we can confirm that WINGAS UK Ltd exclusively operates in a sector of the UK I&C market that is populated primarily by consumers that fall well outside the bracket of small and micro businesses, as such Ofgem's proposals on Small Business protections and Standards of Conduct are of limited impact to WINGAS UK Ltd. We do however recognise that there is the very small chance that small customers may come into WINGAS UK's supply portfolio through the change of occupancy process. Under these very limited circumstances we would ask that Ofgem take a tapered approach to their proposals.



Please see our answers below:

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

We believe that this is the best way forward to develop further transparency for customers.

Question 20: Do stakeholders consider the code should apply to all non-domestic TPIs (including those serving small businesses and large businesses)?

WINGAS UK is of the opinion that adherence to core principles in the code will ensure transparency throughout UK intermediaries that serve both small and large businesses; however we believe that this should not limit the code from providing terms that cover a range of business models and specific sectors in the TPI market. We would request that provision in the code be made for adequate protections for small operators and "one man band" brokerages and consultancies as these often can be also considered to be small businesses.

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 the code.

It is our hope that the code be administered by an independent body that has experience of co-ordination and administration of similar governance. Whilst not actually responsible for the code, Ofgem should also remain integral in related audits and investigations.

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

As stated above WINGAS UK would like to register our interest in attendance.

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 markets.

We ask that Ofgem consider the following points:

- The code should not inhibit new market entrants and should encourage competition and liquidity for the TPI market.
- The code must take into consideration the diverse nature of TPI market entrants.



- The scope of this review must consider all relevant organisations that act as brokers including public sector purchasing organisations, price comparison services, large corporations, small companies and "one man band" consultancies.
- TPIs should be regulated by an appropriate body able and empowered to do so, suppliers are not appropriate for this task.

We hope that Ofgem takes our views into consideration and we look forward into participating in the TPI working group and the governance of the code.

Yours Sincerely

Rob Johnson

Metering and Regulation Manager