

RMR: Third party intermediary (TPI) working group

4th Session

Breakout group discussion: Commission, Fees, Pricing

Please help to inform Ofgem's thinking on how the Code of Practice for TPIs should address commission, fees and pricing.

Please bear in mind our Code objective: *'To protect the interests of business consumers by giving them the confidence that when they use Third Party Intermediaries for energy related services, they will be honest and transparent and effectively assist them with their energy needs'*.

Our intention

This part of the Code will help to ensure that customers are aware that TPIs provide 'no free lunch'. Customers must receive clear, honest and transparent information that the TPI earns money through their custom.

Please bear in mind that this Code aims to address broad situations, rather than try to address all options separately and in detail.

Please consider the pro's and con's on each of the two options below

1. TPIs have to ensure customers are fully aware of the costs involved in the product or service provided.
 - a) TPIs have to clearly set out in writing the charges the customer will pay, and how the customer will pay those charges. The TPI must make clear if the customer would pay a commission, and
 - b) The TPI has to agree this prior to providing any product or service.

OR:

2. TPIs have to ensure that customers are fully aware that there is a charge for TPI services prior to providing any product or service. TPIs must make customers aware that they can access this information upon request.

Points for consideration

- What information should the TPI disclose and why/why not?
- When should the TPI disclose this information? I.e at the first contact, before signature of a contract...
- Should the TPI disclose this information without being asked? Does this apply to all information or, if not, to what parts of it?

Please also note any suggested changes to the drafting on the options above.