

Louise van Rensburg/Jonathon Lines

Retail Markets and Research Ofgem, 9 Millbank London SW1P 3GE

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Retail Market Review: Final Non-domestic Proposals

Dear Louise/Jonathon,

SmartestEnergy welcomes the opportunity to comment on Ofgem's Retail Market Review: Final Non-domestic proposals.

We note that the purpose of this consultation is to seek representations on the effect of Ofgem's final policy proposals and their envisaged approach to transposing the effect of the proposals into licence conditions. As you know, SmartestEnergy currently only supplies electricity in the HH market.

We agree that some of the unwelcome characteristics of the domestic market do show up in the smaller end of the business market, hence it is right to focus on addressing the concerns of smaller businesses.

We are pleased that the expanded definition has not changed for the number of employees and turnover as these are difficult pieces of information to capture. It is correct to focus on annual consumption.

We do feel that the inclusion of the last termination date and contract end date would be an improvement to smaller business, rather than larger business, bills.

However, we remain concerned that, were we to make changes to our current system in order to expand the market segment we serve, we believe the costs would be disproportionately high. We would also be concerned if the definition were to change again.

In terms of monitoring transfer objections we are supportive of Ofgem sourcing this data from centralised industry sources and not from suppliers direct. We are supportive of Ofgem gaining BPMMR powers and are actively involved in Ofgem's initiative to develop a Code of Practice for TPIs.



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We note that Ofgem are also consulting on draft guidance on some of the key terms used in the SOC licence condition. Whilst we have no issue with the definitions per se, we feel it is unnecessary to define such terms and are generally of the view that this approach to licensing is inappropriate.

If you have any questions, please do not hesitate to contact me.

Please note that our response is not confidential.

Yours sincerely,

Colin Prestwich Deputy VP Commercial – Head of Regulation SmartestEnergy Limited.

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