



Phil Sumner
Consumer Policy and Demand-Side Insight
Ofgem
9 Millbank
London
SW1P 3GE

Head Office
Inveralmond House
200 Dunkeld Road
Perth
PH1 3AQ

lois.wares@sse.com

01738 456410

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Dear Phil

GEMA gaining enforcement powers under The Business Protection from Misleading Marketing Regulations 2008 (SI 2008/1276)

SSE welcomes the opportunity to provide comment on this consultation.

We agree that there is a need to take a more formal regulatory approach towards TPIs given the increasing role they are playing in the retail energy market.

Non-domestic TPIs facilitate energy deals between businesses and energy suppliers, offering a range of services from switching supplier to bill management. TPIs are an important interface in the energy market and as such should be directly regulated to ensure that their practises are fair and not misleading to business customers.

We believe that poor TPI practises, particularly those which lead to mis-selling and customer complaints can have a negative impact on the energy market as customers lose trust in both TPIs and suppliers and are deterred from switching.

With Ofgem's principle objective to protect the interests of present and future consumers, we believe it is within Ofgem's remit to regulate TPIs who are participating in the energy market.

Regulatory framework and Ofgem's current enforcement powers

We agree that there is currently a gap in the legislation surrounding the protection of business customers in the energy market and that Ofgem gaining enforcement powers under The Business Protection from Misleading Marketing Regulations (BPMMR) 2008 will enable it to address situations where TPIs mis-sell to business customers by marketing contracts in a misleading way.

Retail Market Review: Updated Proposals for Businesses and a Common Code of Practise for TPIs

Ofgem's updated RMR proposals for businesses are working toward promoting consumer confidence and engagement in the energy market. With proposed enforceable Standards of Conduct for licensed suppliers and additional protections for microbusiness customers being driven by changes to the licence conditions, suppliers are obligated to treat their customers fairly and transparently and this should be no different for TPIs.

The current development of a single Code of Practise (COP) for all accredited TPIs is another important step towards gaining customer trust in the energy market. We agree that GEMA



obtaining enforcement powers under the BPRs will complement Ofgem's proposed TPI COP, and will support the development of a single accredited code of practice. We highlighted in our response to Ofgem's October 2011 non-domestic RMR proposals that the TPI COP should explicitly cover the standards required by the BPMMRs in order to highlight the areas of conduct that are currently of greatest concern in the market. We are continuing to work with Ofgem and other stakeholders to help develop this COP.

We continue to believe that suppliers should be obligated to only work with accredited TPIs.

We support Ofgem's decision to gain enforcement powers under The Business Protection from Misleading Marketing Regulations 2008 and believe this is an important step toward improving customer confidence in the energy market.

We hope our response will assist Ofgem in making its decision. If you would like to discuss the details of our response in further detail then please do not hesitate to contact me.

Yours sincerely

Lois Wares
Regulation