

Good morning,

Thank you for allowing us the opportunity to respond on this matter.

In response to the questions posed in your consultation dated 14/02/2014 please find our feedback below:

1. Do you agree with our proposal to reduce the maximum termination notice period to 30 days?

We do agree, however we would like to raise a slight concern on behalf of the consumer that by reducing the termination period they have a smaller window of opportunity to negotiate and action a new contract if they don't decide to terminate in good time. It could prove quite restrictive for them as they will need to act quickly and may not have access to as many options in the market in this small time frame. We do think that the 30 day window will encourage customer engagement though, and that they will tend to act straight away rather than thinking they have plenty of time and putting it to one side to 'deal with later'. We would suggest that there is a role for small business organisations, such as Chambers of Commerce and the FSB to ensure that their members, and other businesses, recognise the need for prompt action.

2. Do you agree with our proposal to include current prices and annual consumption on contract renewal letters?

We agree with this proposal, however we would like clarification on the 'annual consumption' to be used. We presume this is the industry AQ, rather than any quantity we have billed. We do see some issues with using the actual billed out consumption rather than the industry AQ as when the renewal letters are issued it is possible that the customer will not yet have been with us a full year, and seasonal temperatures can vary what is billed out each year, one year may be a lot colder than the next and therefore would make the consumption seem much higher than it is or vice versa. This could be misleading to the customers. We would also need to consider the increased programming this would entail internally.

3. Do you agree with our proposal to require suppliers to acknowledge termination notice received from a customer? Do suppliers already do this?

We are happy with this, which is already part of our process.

4. Do you agree with our proposed implementation dates?

Provided the new obligations are introduced promptly, we don't see a problem with implementing changes by this autumn.

5. Do you have views on the proposed amendments to standard licence condition 7A in Appendix 2?

No.

6. Do you agree that the current licence conditions provide sufficient protection to consumers on deemed contracts?

Yes.

7. Do you agree that more consistent use of terms across suppliers would benefit consumers?

Absolutely, having a standardised set of terms, means no matter which their supplier is a consumer will know what process to follow, and be able to confidently engage in the market.

8. Should suppliers be able to object to the transfer of a deemed consumer with outstanding debt?

Yes we believe so. Having the ability to do so would allow us to review the deemed rates, as we would potentially not be exposed to as much debt risk.

9. Do you consider there are any other options we have not considered?

No.

10. Do you agree that we should not ban automatic rollover contracts?

We do agree, banning automatic rollovers could leave disengaged customers

vulnerable, they'll be in a worse position as they'll be moved onto deemed rates and may remain unaware for some time.

11. Can you estimate the potential costs and benefits (in £) of our preferred options?

We estimate costs of making the required changes to our systems, programming, and documentation as well as legal text to be in the order of £12-15,000

12. Are there any other impacts we have not identified?

Nothing additional identified.

Many thanks,
Laura



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