



NFRN
The voice of the independent retailer

Submission from the National Federation of Retail Newsagents (NFRN) to the Ofgem consultation on Proposals for Non-Domestic Automatic Rollovers and Contract Renewals

Introduction

1. The National Federation of Retail Newsagents (NFRN) would like to thank Ofgem for the invitation to make a written submission on the issue of non-domestic automatic rollovers.
2. The NFRN is one of Europe's largest trade associations, representing over 16,000 fee paying members from approximately 18,000 independent newsagents and convenience stores across the UK, Channel Islands and the Republic of Ireland. We are a membership led organisation that is democratically structured; policy is made by annual conference and its implementation is overseen by National Council.
3. The NFRN assists the independent retailer to compete more effectively in today's highly competitive market through the provision of practical help and assistance, commercial support, deals and buying opportunities, training, expertise and services. It also represents its members' interests at governmental and parliamentary level, as well as within the news and magazine industry.

Questions

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

The NFRN agrees with Ofgem's proposal to reduce the maximum termination notice period to 30 days. Micro-businesses like the independent news and convenience stores that we represent have a number of pressures on their time, and there are cases where businesses have left it too late to give notice of termination.

By reducing the maximum termination notice period to 30 days, this provides businesses with some much needed extra time in order to reach a decision on their energy provider. As energy prices can also change dramatically within 90 days, reducing the maximum termination period helps to lower the chance of a business getting locked into a deal when a more competitive option may have presented itself during the three month period.

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

The NFRN also agrees with Ofgem's proposal to include current prices and annual consumption on contract renewal letters.

By providing such information, it enhances transparency and allows businesses to make a more informed choice about their energy provider upon renewal, by drawing attention to price increases or decreases.



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

For the peace of mind of those businesses which have issued termination notices to their suppliers, we agree with Ofgem's proposal which would require suppliers to acknowledge these notices.

It would help businesses in cases where they have been locked in to auto renewal as the termination notice failed to arrive at the supplier, unbeknown to the customer. If the proposal goes ahead, a customer will at least be aware that their termination notice has gone awry if they have not received a response within a set period.

Question 4: Do you agree with our proposed implementation dates?

The NFRN agrees with the proposed implementation dates.

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

The NFRN agrees with the proposed amendments to standard license condition 7A listed in Appendix 2.

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

The NFRN does not have relevant experience in this area and does not wish to comment.

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

The NFRN consider that a more consistent approach in terms of the use of terms across suppliers would only benefit consumers.

As differing terms are currently used, this can cause confusion and a lack of transparency for businesses which a more consistent approach would eradicate.

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

The NFRN does not have relevant experience in this area and does not wish to comment.

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

The NFRN does not believe that there are any further options that Ofgem has not identified.



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

The NFRN considers that there should be a ban on automatic rollover contracts unless a customer has opted in to such an agreement. This protects the option so that it is available to businesses that want it and feel they benefit from such an arrangement, but would prevent others from becoming trapped in contracts that they wish to terminate.

Question 11: Can you estimate the potential costs and benefits (in £) of our preferred options? Please consider the initial implementation and ongoing costs where possible.

The NFRN does not have relevant experience in this area and does not wish to comment.

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

The NFRN does not believe that there are any further impacts that Ofgem has not identified.