

Natasha Smith,
Sustainable Energy Policy
Ofgem
9 Millbank
London
SW1P 3GE

25th July 2014

Dear Natasha,

Consultation on Improving Consumer Protection in the Green and Renewable Energy Offers Market – Final Proposals

Thank you for the opportunity to provide comment on the above consultation. As you are aware Good Energy is a licensed electricity and gas supplier supplying over 34,000 electricity customers with electricity sourced primarily from decentralised renewable generators, and 11,000 customers with gas supporting renewable heat.

Good Energy Welcomes these final proposals and believes that the enhance flexibility, backed by principle based regulation will meet the objectives of Ofgem and the industry in this regard. However for this new proposal to succeed it must be policed by Ofgem to ensure that suppliers are adhering to the regulations, and that switching sites are also bound by the requirements.

We have several specific points on the regulations which we have listed below.

1. SLC21D.2 – We believe the date of midday on the 1st July is unrealistic. Whilst we agree on the cut off date the process of retiring a large number of LECS may take several days, so we believe it should state that a supplier needs to hold enough LECs for retirement on that date, but not that they have physically retired them.
2. SLC21D.6 – We find this to be confusing as it seems to suggest that if you make an environmental claim as per paragraph 4, you must make clear it does not produce an environmental benefit. Is this correctly drafted?
3. SLC21D.13 – We believe that the definitions should include Tier 1, Tier 2 and Tier 3 or reference the guidance.
4. SLC21D.10 – Whilst we agree with this requirement, it is imperative that Ofgem makes this a requirement of the Confidence code for switching sites.

Draft Guidance on Transparency

We believe that fuel mix disclosure should be tier 1 information, not tier 2.

2.3 – We do not support the view that switching to a tariff without additionality does not drive any additional benefit than choosing a standard tariff. Standard tariffs have varying degrees of carbon emissions, and this statement runs counter to the spirit of fuel mix disclosure. Switching from a high carbon supplier to a low carbon supplier will have an environmental benefit in the long run as suppliers aim to reduce their carbon footprint.

I hope you find this response useful. If you wish to discuss any of the above further, please do not hesitate to contact me.

Kind regards,

A handwritten signature in black ink that reads "Chris Welby". The script is cursive and fluid, with the first name "Chris" and the last name "Welby" written in a single continuous line.

Chris Welby
Policy & Regulatory Affairs Director.