

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

28 July 2014

Dear Natasha,

Protecting Domestic Customers in the Green and Renewable Tariffs Market – Final Proposals.

We are pleased to provide comments on Ofgem's final proposals on improving consumer protection in the green and renewable tariffs market.

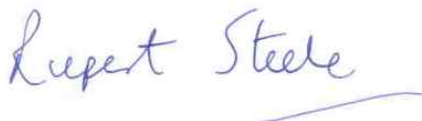
ScottishPower does not currently offer any Green or Renewable tariffs, therefore our response focusses on any future tariffs we may introduce. As the high-level policy decision does not include the possibility of having an additional tariff on top of the 4 core tariffs suppliers are allowed to offer under RMR, we feel that this may impact on suppliers' future decisions on whether to offer Green or Renewable tariffs.

We recognise that Ofgem's proposals are not designed to prohibit suppliers from offering bundles that provide environmental benefits not linked to supply (as detailed in paragraph 1.12 of your proposals document), but would seek clarification that bundles of this nature would not be covered by the proposed licence obligations.

We are broadly in agreement with Ofgem's legal drafting of licence condition SLC21D, but have provided some minor drafting suggestions to aid clarity, which I have set out in Annex 1.

If you wish to discuss our response further, please do not hesitate to contact me or Gareth Williams on 0141 568 3930.

Yours sincerely,



Rupert Steele
Director of Regulation

**Protecting Domestic Customers in the Green and Renewable Tariffs Market
Final Proposals
ScottishPower Licence Drafting Suggestions**

SLC21D.6 reads:

If paragraph 4 applies, the licensee must publish a clear statement to the effect that purchasing the tariff in question will not produce an environmental benefit.

We believe this is unclear as to when a supplier must publish a statement on “No Environmental Benefit”, and would recommend saying:

SLC21D.6:

*If paragraph 4**(b)** applies, the licensee must publish a clear statement to the effect that purchasing the tariff in question will not produce an environmental benefit.*

Also

SLC21D.8 (b) reads:

If paragraph 4 does not apply to the tariff, a description of the environmental benefit that is, or will be, delivered as a result of the Domestic Customer choosing the Tariff, expressed where applicable in tonnes of CO² equivalent.

This does not appear to make sense when paragraph 4 relates to two conflicting outcomes. The notation for CO₂ is also incorrect. We recommend changing the licence drafting to say:

SLC21D.8 (b):

*If paragraph 4**(a) ~~does not~~ apply**ies to the tariff, a description of the environmental benefit that is, or will be, delivered as a result of the Domestic Customer choosing the Tariff, expressed where applicable in tonnes of CO₂ equivalent.*

ScottishPower
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