



Making a positive difference
for energy consumers

Gwneud gwahaniaeth gwirioneddol
i ddefnyddwyr ynni

To: Domestic suppliers,
white label providers,
consumer organisations and
other interested parties

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Date: 13 August 2014

Dear Colleague,

Notice of directions issued by the Gas and Electricity Markets Authority in relation to temporary provisions applied to white label tariffs

On 27 August 2013, we published the decision of the Gas and Electricity Markets Authority ('The Authority') to proceed with licence modifications to give effect to the Retail Market Review (RMR) proposals on simpler tariff choices and clearer information.

As part of these licence modifications, temporary provisions were introduced for 'white labels' in existence on or before 1 March 2013 to be excluded from certain domestic RMR rules. A 'white label', in the context of this letter, is an organisation that does not hold a supply licence, but instead works in partnership with a licensed 'partner supplier' to offer gas and/or electricity using the white label's brand.

The temporary provisions were introduced to allow Ofgem time to give further consideration to the right regulatory framework for white labels. The temporary provisions were set to expire on 31 December 2014.

Development of the regulatory framework has begun. On 7 March 2014, Ofgem published a Call for Evidence on white labels, followed by a stakeholder event held on 11 July 2014. Ofgem expects to publish a consultation in late August 2014, with a view to putting the regulatory framework in place in the first half of 2015.

To provide regulatory certainty during the consultation and subsequent implementation period, the Authority is today issuing directions¹ to extend the end date of the temporary provisions. The provisions will be extended to 31 December 2015. It is our intention to revoke the directions once the regulatory framework for white label providers has been finalised. The directions are attached to this letter.

These directions do not affect the ability of a licensee to submit a request for a derogation in relation to an existing or new white label tariff. Any such request will be considered in accordance with Ofgem's derogation guidelines.

¹ The directions are made pursuant to standard condition 31D.29 in the gas and electricity supply licences.

If you have any questions regarding this information, please do not hesitate to contact Ruben Pastor-Vicedo at white.labels@ofgem.gov.uk.

Yours sincerely,



Neil Barnes
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