

DECC and Ofgem Independent Energy Supplier Forum

NOTE OF MEETING: 2 October 2014

Agenda Item	Notes
1. Introductions	Rachel Crisp from DECC and Adam Cooper from Ofgem introduced themselves as the newly appointed independent energy supplier champions in each organisation.
2. Challenger Business Action Plan	<p>Rachel Crisp introduced the Challenger Business Action Plan, launched in August following the roundtable session in May at Number 10. The engagement aspects of the Action Plan were presented in more detail:</p> <p>Online Resources</p> <p>Francine Oddy from DECC presented the options that are available for improved online engagement with independent suppliers:</p> <ol style="list-style-type: none"> 1. New webpage for independent suppliers 2. Online discussion forum on LinkedIn 3. Regular e-newsletters from DECC and Ofgem <p>It was explained that DECC and Ofgem are seeking suppliers' feedback on the content of the webpage, and the usefulness of the other options.</p> <p><i>It was suggested that the webpage be used as a signpost to navigate suppliers to relevant information. It was requested that the key documents list be condensed/ tabulated appropriately. There was no consensus about whether an online discussion forum would be helpful.</i></p> <p>Departmental independent supplier toolkit</p> <p>Dawn Armstrong from DECC explained the development of new toolkits which will be provided to policy makers in DECC and Ofgem. It was outlined that profiles of each supplier would be created, to better inform those developing new regulation. A draft toolkit and data collection template was shared, and suppliers' feedback was invited on these.</p> <p><i>It was confirmed that the information provided by suppliers would be FOI exempt, being commercially sensitive. It was suggested that the toolkit be shared with Code Bodies. Suppliers suggested that they retrospectively advise on costs of implementing policies, to better inform future development.</i></p> <p>Other communications and future forums</p> <p>Vanessa Sturman from Ofgem provided information about other communication and engagement activity. Ofgem and DECC will be piloting and building on feedback collated from Challenger Business event in May and Ofgem's Independent Suppliers event in June (run by Ofgem Compliance Project). Outcomes and conclusions of the latter can be found here.</p>

	<p>Engagement activity to include:</p> <ul style="list-style-type: none"> • Bilateral meetings • Onsite visits • Consultation responses • User friendly publication templates • Future forums <p>Feedback on the format of future forums was invited.</p> <p><i>Suppliers asked if the meeting of Ofgem's CEO with independent suppliers could be reinstated. It was suggested that informal pre-consultation engagement with suppliers be put in the toolkit as good practice. It was confirmed that EServe is included in Ofgem's commitments. Suppliers suggested that the policy spotlight section at the forum provides actions and next steps specifically for attendees, to make it more relevant.</i></p>
<p>3. DECC Quick Policy Updates</p>	<p>Rachel Crisp provided an update on the following policy areas:</p> <ul style="list-style-type: none"> • Faster switching: Industry code modifications will be complete by 6 November, to deliver faster switching. Suppliers now need to ensure their own processes are aligned. • Midata: Programme to provide consumers with their own electronic data. Currently voluntary for suppliers and want to see implemented at the start of next year. • QR codes: Exemption has been set below a threshold of 50,000 customer accounts per fuel type. Powers will be coming into force by early December. • Credit and Collateral: Cornwall Energy reports were published in August. Next steps are to engage with all stakeholders – sessions will be set up with suppliers. • Call for evidence on small supplier exemptions: Expect to publish before Christmas. • Warm Homes Discount: The consultation on the scheme for 2015/16 is now open from 2 October for 6 weeks. • Strategy and Policy Statement: Consultation on the SPS is open until 17 October. • DECC Communications Activity: Focus for winter comms will be around reducing energy bills and encouraging switching. Suppliers will be contacted to see where there are joint opportunities. • Big Energy Saving Network: DECC has funded a second year of outreach to help vulnerable consumers (£1m for projects across the UK). • Government Electricity Rebate: Thank you for the constructive way suppliers have worked with us on this. <p><i>Suppliers queried the technical feasibility of creating the embedded data QR code with the specifications requested.</i></p>
<p>4. Ofgem Quick Policy Updates</p>	<p>Adam Cooper provided an update on the following policy areas (see corresponding slides)</p> <ul style="list-style-type: none"> • Electricity Balancing Significant Code Review (EBSCR) • Non-domestic sector • White label companies • Treatment of low and zero gas consumers <p><i>Suppliers raised concern about the low and zero gas consumers policy, suggesting that meter costs shouldn't necessarily be borne by suppliers but possibly DNOs. It was also raised that not all zero and low consumers are vulnerable, and this differentiation needs to be made.</i></p>
<p>5. Policy Spotlight: MIR</p>	<p>Anjli Mehta presented an overview of the progress of the Market Investigation Reference.</p> <p><i>Suppliers queried why the CMA investigation was being undertaken at a time of huge change in the energy market. Ofgem agreed there is never a good time, and the CMA have to respond to this in many of the MIRs they undertake. Suppliers asked that it be recognised</i></p>

	<p><i>they will be responding to more information requests as a result of the MIR, and that other consultation timescales take this into account.</i></p>
<p>6. Policy Spotlight: Smart Meters</p>	<p>Phil Nash from DECC provided an overview of the Smart Meter implementation programme. Isabell Palmer from DECC gave more detail on the engagement work with suppliers that her team is carrying out. Suppliers were encouraged to contact her if they haven't already: isabell.palmer@decc.gsi.gov.uk.</p> <p>Colin Down outlined Ofgem's role in Smart Meter delivery.</p> <p><i>Suppliers asked that DECC and Ofgem smart meter information requests be aligned. It was clarified that suppliers are obliged to offer an In Home Display (IHD), explain its benefits, and provide the device if the consumer requests it. This is irrespective of whether an alternative option (e.g. an App) is offered. There is also a 12 month obligation on the supplier to repair or replace a faulty IHD once installed.</i></p> <p>Alistair Gibbons from Smart Energy GB introduced himself and the organisation. He would welcome hearing from suppliers interested in becoming a member: alistair.gibbons@smartenergygb.org</p>