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27 August 2014

Dear Rob

<u>Statutory Consultation on non-domestic automatic rollovers and contract renewals</u>

Please find below the response from the Opus Energy group to the above information request.

Maximum 30 day termination notice period

We agree with Ofgem's proposals regarding the 30 day termination notice period. This will involve some amendments to IT systems, so an implementation date of December 2014 may now be difficult to achieve and a concurrent implementation date of 31 March 2015 might be preferable for all proposals.

(This is based on an assumption that the decision document is published towards the end or after September 14, and to comply, renewal letters would need to go out 60 days before the deadline in order to ensure compliance – ie 31st October, leaving only one month to make, test and release system changes)

Current prices and annual consumption details on renewal letters

We continue to support this proposal.

Acknowledging termination notice

We agree with this proposal. This is a practice that we already carry out.



Implementing a 'ban' on rollover contracts

We don't believe that customers are best served by a two-tier structure where there are different rules for different types of supplier. We consider that obligations designed to protect consumers should be clear, transparent and implemented through supply licence conditions, and should be available to the consumer regardless of who they are supplied by.

The majority of suppliers have committed, via voluntary agreements, to cease using automatic rollover products and this now covers an estimated 96% of the microbusiness supply market. However voluntary agreements, whilst going some way to add extra services for consumers, are not always clear, well defined or timed.

We agree with Ofgem's view that auto-renewals are not a negative feature in their own right, and continue to think that customers should be free to choose the products which suit them best.

Ofgem may want to consider allowing a consumer to choose a product with an automated rollover feature, but also to create a licence condition such that:

- the supplier is not allowed to automatically object during any fixed term period that has not been expressly entered into by the consumer, but
- the supplier may oblige the customer to give a maximum of 30 days' prior notice of their intention to leave at any time during the new fixed term period.

(ie the supplier is not allowed to object during any fixed term period a customer has been rolled onto unless the customer has given 30 days prior notice of their intention to leave).

Deemed Contracts

We continue to agree with Ofgem that the current licence conditions relating to objection for deemed contracts for debt are appropriate and should not change.

Please do not hesitate to contact me with any questions,

Yours sincerely

Gemma Trembecki
Regulations Manager