





Independent Suppliers Newsletter

23 March

Issue 1



Hello,

This is the first joint Ofgem-DECC Independent Suppliers newsletter.

Competition in the energy markets has never been more important so we want to champion the growth and diversity we have seen in the independent sector over the last couple of years, which is increasing competition in the market.

Quick links

Ofgem Independent Suppliers

DECC Independent Suppliers

Ofgem events calendar

Our Champion role is set out in the <u>DECC-Ofgem</u> Challenger Business Action Plan. Our role is to:

- Raise the profile of independent suppliers across our organisations
- Get your input into policy and regulatory developments
- Make sure that our organisations properly assess and understand the impact of new policies on independent suppliers
- Help you comply with regulation

We cannot do this effectively without direct contact with your organisations. Please pick up the phone or email us if you have any queries, or if you'd like to meet or have feedback for us. We hope you find this newsletter helpful.

Kind regards

Adam Cooper (Ofgem) and Rachel Crisp (DECC)

Guidance for RMR derogations

Reminder: Enduring Information Request Retail Markets Review

Latest news



CMA investigation

As part of the energy market investigation the CMA has published an <u>updated issues statement</u> summarising its latest thinking based on the evidence received and the analysis undertaken. The



Our commitment to 24-hour switching

On 11 March, the Secretary of State chaired a roundtable on 24-hour switching with Ofgem CEO Dermot Nolan, a number of suppliers, Cornwall Energy and Energy



Power to Switch helped thousands to find better deals

Many thanks to those who got behind the Power To Switch campaign, which closed on 22 March. DECC are analysing the data to accompanying analysis is set out in a series of published working papers.

Ofgem will shortly be responding to the updated issues statement and DECC is also considering whether to do so. Both Ofgem and DECC have further hearings in front of the CMA at the end of March.

Read more

UK. Suppliers committed to participating in working groups to deliver 24-hour switching.

Over the summer, suppliers will also have the opportunity to discuss responses to our Target Operating Model consultation, which closes on 10 April. We will then publish an updated Target Operating Model alongside a Significant Code Review Launch Statement in the second half of the year.

assess the overall impact of the campaign, but initial indications are that switching numbers during the period are up compared to the same period last year.

Read more

Read more

To build trust in the current switching process, Energy UK is developing a Switching Guarantee. The contact for this work is Kerry Le Van. Read Ofgem's decision on 24-hour switching.

Read more

Information and updates



Standards of Conduct identify examples of good practice

Ofgem has published a <u>report based on the assessment of a Challenge Panel</u>, of how suppliers have embedded the Standards of Conduct. We encourage suppliers to read the report and seriously consider where there are further opportunities to embed a culture of fairness throughout their organisation.

The Standards are an important step in the direction Ofgem would like to take towards regulation based more on principles and consumer outcomes, and less on detailed rules. We will be engaging with stakeholders over the coming months to seek their views.



EMR: Contracts for Difference (CfD) Supplier Obligation (SO)

DECC has announced two exemptions for suppliers from the costs of CfDs. See the <u>January 2015 Government Response</u> for more detail. The SO is managed by the <u>Low Carbon Contracts Company</u> – please see its website for announcements on the SO.

As always, we welcome feedback on suppliers' experiences with the SO. Contact <u>Darryl Abelscroft</u> for thoughts or questions on policy, or <u>Low Carbon Contracts</u> with questions on how the policy is being implemented.



Keep up to speed with Feed-In Tariffs (FITs) and Levy Exemption Certificates (LECs) changes

Ofgem is amending the regulations for how overseas renewable electricity is treated by the <u>FITs scheme</u>. From FIT Year 6, evidence of renewable electricity generated from non-EU member states and supplied to Great Britain must be linked to evidence showing its generation and supply within the same FIT Year in order for this electricity to remain eligible for exemption from the FITs levelisation process.

In addition to the one-year limit, DECC is considering further options to improve the regulation of overseas LEC-accredited electricity.



Smart Installation Code of Practice (SMICoP)

A dedicated <u>SMICoP website</u> has been launched by Electralink. This includes sections on meeting schedules, change requests, and monitoring and compliance. SMICoP specifies minimum standards for installing smart meters, and is designed to ensure a consistent and positive consumer experience.

In accordance with provisions in the Supply Licence Conditions, SMICoP was designated by Ofgem for all domestic and microbusiness suppliers. Decisions made by the SMICoP Governance Board affect all domestic and microbusiness suppliers.

Feedback and dates for your diary

To leave feedback please contact Vanessa Sturman or Dawn Armstrong.

Date for the diary: Ofgem-DECC Independent Suppliers Forum, Monday 6 July at BIS Conference Centre. Details to follow.

Look out for Ofgem's fifth Smarter Markets newsletter at the end of March, which will have a round-up of recent work we've done on delivering a smarter energy market. If you want to get this newsletter, please <u>let us know</u>.

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Making a positive difference for energy consumers



