

Statutory Consultation: Enabling consumers to make informed choices – Economy Energy response

Question 1: Do you have any specific concerns with our proposal to remove prescription from standard licence condition 25 and rely on the proposed package of principles?

Economy Energy welcome the move to principle-based regulations. Having reviewed the final proposed principle we are encouraged by the first steps of moving to a more principle based licence as well as allowing suppliers the ability to innovate and compete.

A concern regarding the proposed changes to SLC 25 is that it allows for a great degree of interpretation. There could potentially be a wide range of new activities and practices emerging as suppliers innovate to find the best techniques, methods and designs for their customers. Because of this, it has discussed that a 'trial and error' period will be in operation while suppliers adapt to the new principles. Would like to know if there would be a time limit on how long this period will last or if it will be based on each separate licence change/transition?

Economy Energy want to ensure that that Ofgem allow a fair amount of time for this period of 'trial and error' and support and allow us to put things right rather than punish suppliers if something does go wrong.

Additionally as these principles could potentially see a wide range of approaches, particularly in marketing, Economy Energy would want to ensure the Ofgem have a clear and transparent process for when things go wrong. We feel that that is would be of great benefit for suppliers if there could be the publication of cases in which Ofgem have not proceeded to enforcement. Economy Energy understand that Ofgem are currently looking at options available for them to release such cases without breaking any confidentiality. We believe this would be a helpful tool for suppliers and would allow an insight into why and when a case may move to enforcement. We feel it could improve dialogue between Ofgem and suppliers.

We support Ofgem's proposals to improve engagement in the market with both old and new entrants as well as helping suppliers understand our obligations. We encourage Ofgem to ensure that accessing the correct information such as guidelines, consultations, recourses and the licence is improved with a clear portal or dedicated area as we feel the current site does not do this.

Overall Economy Energy look forward to seeing how the market changes with the changes proposed.

Question 2: Do you have any specific concerns with our proposals to amend the RMR Clearer Information tools?

Removal of TCR and amendments to TIL

Economy Energy welcome changes to the RMR Information tools. We do not think that the TCR is a tool used by many customers when comparing their energy usage. We believe a focus should be on other elements such as annual or monthly costs, accurate usage levels and projections as well as any discount, bundles or deals that can now be offered as well as other characteristics the customers may want to understand such as renewables, customer service information etc.

We do not believe that the complete removal of the TCR from the supply licence (including the removal from the TIL) would cause any detriment to our customers.

We agree that the TIL is an informative piece that customer use and agree for the push to encourage supplier to redesign and develop how this information is presented. This is maybe something that Economy Energy would consider in the future.

Removal of various transitional provisions (SLC 22CA and 22CB)

Economy Energy have no issue with the complete removal of SLC 22A and 22CB.

Amendments to Personal Projection and Cheapest Tariff message

The proposed future amendments around personal projections and cheapest tariff message consultation will be welcome by Economy Energy. We do believe that there is still merit in having both of these on customer communications but do agree that there is room for improvements/amendments. We are open to Ofgem's review of this area and will await to see their proposals in the spring consultation.