

Dennis Berg
Consumer Policy
Ofgem
Millbank
London
SW1P 3GE

Submitted via email to consumerpolicy@ofgem.gov.uk.

13th December 2017

Re: Protecting Consumers Who Receive Backbills

Dear Dennis,

Opus Energy is the UK's sixth biggest business energy supplier employing over 900 people based in Northampton, Oxford and Cardiff. We supply energy to over 300,000 non-domestic supply points across the SME and I&C sectors. Opus Energy is part of the Drax Group.

We are pleased to be able to provide our thoughts on the consultation published on 16th November 2017. We have provided a summary of our key views below which we hope are instructive.

We are firmly supportive of a new licence obligation to limit back bills to 12 months (subject to appropriate exceptions). We are already a signatory of ICOSS and Energy UK's *Voluntary Standards for back billing of Micro Business Energy Customers*, where we commit to go beyond the minimum standards of the code by limiting backbills to 12 months where the customer is not at fault. We believe that a licence condition that applies equally to all suppliers in the market will facilitate the creation of a level-playing field, particularly in the microbusiness environment, and strengthens protections for consumers irrespective of their choice of supplier.

Whilst we are supportive of a new licence condition, we sympathise with other suppliers' concerns about the proposed length of the implementation period. Should a 12-month backbilling limit be placed into licence, we understand that several suppliers will need to implement challenging system changes to adhere to the new obligations which are expected to take several months and would be near impossible in the 56 days following the publication of a decision. We believe that it would be more appropriate to afford a longer implementation period of at least 6 months.

We recommend that before the new licence obligation is introduced, Ofgem provides clarity around how it aligns with the current Voluntary Standards. Replacing the existing Voluntary Standards with a blanket licence condition has the potential to remove valuable information relating to the customer's responsibilities from the public

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domain, which is often used by Citizen's Advice, the Extra Help Unit and other advice and support providers. We consider it appropriate that any new prescriptive licence condition is supported by a fact sheet or additional guidance for customers, so they can understand suppliers' duties as well as their own responsibilities to provide physical access to the meter and/or meter readings to facilitate accurate billing.

If you would like to discuss this further please feel free to contact me.

Yours sincerely,



Gemma Newsham
Regulations Director