



Rob Salter-Church
Interim Executive Director, Consumers and Markets
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU

31 July 2018

ICoSS Erroneous Transfers Guaranteed Standards of Performance response

The Industrial & Commercial Shippers & Suppliers (ICoSS) is the trade body representing the majority of the GB non-domestic energy market. Our members, who are all independent Suppliers, in total supply in excess of three quarters of the gas and half the electricity provided in the highly competitive non-domestic market. Please note that our response is limited to its impact on the non-domestic sector.

Question 22: Do you agree that the new Guaranteed Standards should be introduced for domestic suppliers only?

We welcome Ofgem's decision to not include the microbusiness sector in the proposed revised guaranteed standards of performance.

The faster and more reliable switching changes the market landscape for domestic customers who, after implementation, will be able to move supplier within several days. By contrast the commercial regime for non-domestic customers, where contractual notice periods (typically 28 days) drive switching timescales will be unchanged. In the non-domestic sector, there is not the same risk of increased instances of Erroneous Transfers or other delays in settling a customer's account preventing the full realisation of the expected benefits from the Faster and More Reliable Switching programme. This has been tacitly recognised in Erroneous Transfer working group where this group did not seek or propose to extend any of the existing requirements to the microbusiness sector when this possibility was raised by ICoSS members.

Microbusiness customers do occasionally experience issues with Erroneous Transfers and other operational issues. When such errors do arise, as the microbusiness market is more competitive than the domestic market there are greater incentives on suppliers to address these issues to preserve their reputation. We also note that microbusiness customers have the ability to raise concerns to the





Energy Ombudsman if not addressed by their supplier on these issues as well as others currently covered by the existing standards of performance.

In addition to these formal resolution frameworks, ICoSS operates a set of standards for dealing with outstanding credit balances for microbusiness customers¹, which members commit to operating to ensure refunds to customers who have change supplier. To date have not received any indication from the regulator or consumer bodies that this voluntary scheme is not working in the interests of consumers.

In summary we see the current regime is proportionate to the needs of the microbusiness customer and the market, and feel that any extension or imposition of any new standards will not provide any meaningful protection to microbusiness customers and simply result in an additional cost and complexity.

Should you wish to discuss any aspect of this response please contact me directly

Gareth Evans

ICoSS

gareth@icoss.org

1

[https://www.icoss.org/uploads/publications/Closed%20accounts%20with%20credit%20balances%20voluntary%20minimum%20standards%20for%20Micro%20Business%20customers%20-%20March%202015\(1\).pdf](https://www.icoss.org/uploads/publications/Closed%20accounts%20with%20credit%20balances%20voluntary%20minimum%20standards%20for%20Micro%20Business%20customers%20-%20March%202015(1).pdf)

