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13 May 2019
Lisa Charlesworth
licensing@ofgem.gov.uk
By Email Only

OVO Energy Response to the 'Supplier Licensing Review: Final Proposals on new entry requirements' statutory consultation.

Dear Lisa,

Founded in 2009, OVO Energy is the leading independent energy retail company in the UK and OVO Group's flagship energy brand, offering an unparalleled scope of digital energy services, solutions and technologies to its pay-monthly customers. OVO Energy redesigned the energy experience to be fair, effortless, green and simple for all customers. Today OVO Energy is a progressive energy company striving to deliver more abundant clean energy for everyone.

OVO Energy welcomes Ofgem's holistic review of supplier licensing and believe this is an imperative first step in creating a better functioning market. In addition, we think the reforms proposed should result in decreasing the costs of SoLR to the market and customers.

We support the new market entrant proposals outlined by Ofgem in the statutory consultation, and believe they strike the right balance between facilitating a competitive market whilst ensuring high levels of customer service are maintained. We particularly welcome Ofgem proposals pertaining to:

- Discontinuing 'out of the box' licensing.
- Ensuring suppliers have adequate financial models, and understanding of regulatory requirements and costs ahead of entering the market.
- Focusing on supplier capabilities to provide a sufficient level of customer service.

Furthermore, we would urge Ofgem to consider how they will measure the success of the new supplier licensing regime post-implementation. We would welcome further engagement with the industry on defining how success will be measured. Our current view is that the new supplier licensing regime should be assessed by Ofgem on an ongoing basis to ensure innovation and competition can continue to thrive. We would like Ofgem to commit to this ongoing review of the regulatory framework in their final

decision to ensure the regulatory regime continues to be robust and reflective of the changing industry landscape i.e. supplier hub reform.

Finally, OVO Energy is looking forward to further engagement with Ofgem and industry in reviewing the on-going and existing supplier licensing arrangements.

If you have any further questions please do not hesitate to contact policy@ovoenergy.com

Kind regards,

Baiba Delvere
Regulatory Change Lead