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Anna Rossington Deputy Director, Retail Price Protection Ofgem 10 South Colonnade Canary Wharf London E14 4PU

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Dear Anna

STATUTORY CONSULTATION ON THE PROCESS FOR MAKING CHANGES TO THE DEFAULT TARIFF CAP LICENCE CONDITIONS

Thank you for the opportunity to comment on the above consultation.

Ofgem is proposing to modify relevant licence conditions so that, when determining the level of the default tariff cap for an upcoming period, it will use the tariff cap conditions that will have effect in that cap period, ie taking into account any decisions to modify the conditions that will have effect on the first day of the relevant cap period, notwithstanding that they may not be in effect at the time of the announcement. This would mean that Ofgem could publish, after appropriate consultation, decisions to modify SLC 28AD or the cap methodology, up until 56 days before the start of the cap period in which they will first have effect.

We agree that it would be disproportionate for Ofgem to be required to give notice of modifications 56 days before the 7 February/7 August deadlines for notifying new tariff levels, and we therefore support the policy intent behind the proposed changes.

We would note that these changes will mean that Ofgem has more time available to introduce modifications ahead of a given implementation date, and we would encourage Ofgem to use this additional time productively. Ofgem should use the increased time to ensure that stakeholders are given adequate time to respond to consultations and that statutory consultations are preceded by policy consultations as appropriate.

Yours sincerely,

Richard Sout

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