

**Commercial Energy Solutions Ltd**  
**Policy Consultation response: Microbusiness Strategic Review**

Awareness: Knowing about opportunities and risks

**Question:** What are the most effective ways to ensure that microbusinesses can access key information about the retail energy market? Online

Browsing: Searching for deals

**Question:** Do you agree with our proposal to strengthen the requirements to present a written version of the Principal Terms to customers? Yes

**Question:** Do you agree with our proposal to require that suppliers disclose the charges paid to brokers as part of the supply contract, on bills, statements of account and at the request of the microbusiness customer? No

**Question:** Do you think that further prescription or guidance on the presentation and format of broker costs on contractual and billing documentation would be beneficial? If so, how should broker costs be presented? No

**Question:** What challenges do you think suppliers and brokers may face implementing these proposals? Administrative burden , confusion between price and value , questions from microbusinesses about supplier charges

**Question:** Do you have any comments on the associated draft supply licence conditions in Appendix 1 of this document? I object to condition 7A.10C.2

**Question:** Do you think there are other changes which would better address the consumer harm that has been identified? Abolition of verbal contracts

Contracting: Signing up to a new contract

**Question:** What do you think the impact of our proposal to introduce a broker conduct principle will be? I welcome this proposal if it builds on the existing Code of Practice Are there any particular reasons why suppliers/brokers couldn't achieve the broker conduct principle? No

**Question:** Do you agree that our proposal to introduce specific sales and marketing requirements on suppliers and the brokers they work with is important to help customers make more informed choices and increase trust in and effectiveness of the market? No as there is already a significant administrative burden on suppliers and the brokers in this area. I believe that supplier contracts are clear, display the rates / standing charges / taxes, contract term and annual expenditure projections. Microbusinesses can obtain quotes from several brokers and relatively quickly due to automated quoting portals which again clearly show the rates, usage and the projected expenditure. The cost to administrate and therefore serve our customer has been increasing and significantly so any additional burden will not be welcome and will be difficult to sustain. Most importantly this won't help customers make more informed choices and may lead to a reduced completion and higher rates.

Do you agree that face-to-face marketing and sales activity should be covered alongside telesales activity under these proposals? Yes

**Question:** Do you agree that our proposal to introduce a cooling-off period for microbusiness contracts represents an effective way to protect consumers during the contracting process? Yes If so, do you agree that the length of the cooling-off period should be 14 days? Yes

**Question:** What challenges do you think suppliers and brokers may face implementing these proposals? None

**Question:** Do you have any comments on the associated draft supply licence conditions in Appendix 1 of this document? No

**Question:** Do you think there are other changes which would better address the consumer harm that has been identified? No

#### Dialogue: Two-way communication with service providers

**Question:** Do you agree that our proposal for a mandated ADR scheme represents an effective way to fill the existing consumer protection gap where a microbusiness has a dispute with their broker? Yes

**Question:** What challenges do you think suppliers and brokers may face implementing our proposal regarding dispute resolution? Cost and increased administration

**Question:** Do you have any comments on the associated draft supply licence conditions in Appendix 1 of this document? No

**Question:** Do you think there are other changes which would better address the consumer harm that has been identified? Banning verbal contracts

Exiting: Switching away from an old contract

**Question:** Do you agree that termination notice requirements represent an unnecessary barrier to switching and should be prohibited? No If so, do you agree that a prohibition on notification periods should apply to both new and existing contracts? No

**Question:** Do you agree that our proposal to require that suppliers continue to charge consumers on the basis of the rates in place prior to a blocked switch for up to 30 days represents an effective approach to limiting the financial impact of switching delays? Only if supplier made an error in objecting to transfer If so, do you agree that the time period should be 30 days? No, time period should match number of additional days it takes to transfer to a new supplier

**Question:** What challenges do you think suppliers and brokers may face implementing our proposals regarding improving the switching experience? No. Current challenges are handled well and number of suppliers extend contractual rates in case of unnecessary objections

**Question:** Do you have any comments on the associated draft supply licence conditions in Appendix 1 of this document? No apart from my comments above , I object to condition 7A.10C.2

**Question:** Do you think there are other changes which would better address the consumer harm that has been identified? Banning verbal contracts and introducing 14 day cooling period.