



Jonathan Blagrove  
Senior Manager – Consumer Policy and Insight  
Ofgem  
9 Millbank  
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SW1P 3GE

21 January 2015

Dear Jonathan,

**Re: Corona Energy response to the statutory consultation on Guaranteed Standards of Performance (GS-OS)**

Thank you for providing the opportunity for Corona Energy (CE) to respond to the consultation on the proposals in the Guaranteed Standards and Overall Standards of Performance (GS-OS) consultation dated 16 December 2014. We do not consider our response to the consultation as confidential.

Corona Energy (CE) is a shipper and supplier of gas to the non-domestic market. Our customers range from micro-businesses and SMEs through to large industrial and multi-site customers.

CE is concerned that an extension of any aspect of the GS-OS to the micro-business sector will result in higher costs for gas suppliers, impede competition and will not provide suitable compensation to the customer. This includes the proposal to apply the appointments standard (that currently applies in the electricity market) and Ofgem proposes to extend to the gas market. With regard to this specific standard, we do not believe that failure to keep an appointment for a business customer during working hours necessarily represents an inconvenience for a non-domestic customer, which would be open for business at this time, compared to a domestic customer who would be required stay at home to admit the supplier's representative. As there is no loss or inconvenience imposed by the supplier, we do not see the need to mandate an automatic payment. In the unlikely event that the business did suffer loss as a result of the missed appointment, the proposed payment of £29 is likely to be insufficient. In such cases the micro-business customer has the ability to raise a complaint and have it escalated via the Energy Ombudsman and experience has shown it is likely to do so.

CE also have significant concerns regarding the proposed commencement date of the new obligations, which is in the middle of testing for the implementation of Project Nexus, due for deployment in October 2015. In addition to the system requirements to track performance and automatically pay out in the event of failure, many smaller suppliers will have to adjust their existing service levels with third party service providers. To introduce this requirement with less than six month's lead-time is a significant burden for smaller suppliers.

Finally we wish to provide comments on the proposals regarding publication of performance. We agree that publication of data should not be mandated, particularly for smaller suppliers. With regard to any threshold for publication, Citizen's Advice has recently proposed a



threshold of 50,000 customers in the applicable market sector (so in this case 50,000 micro-business customers) for any publication of performance data we suggest this is a suitable threshold.

We hope you find our response useful. If you would like further information or clarification please email me ([tim.hammond@coronaenergy.co.uk](mailto:tim.hammond@coronaenergy.co.uk)).

Yours sincerely,

Tim Hammond  
Corona Energy\*

\*please note that this letter will not be signed as it has been sent electronically