Trisha McAuley OBE

Response to Ofgem Network Innovation Review Consultation

This response is focused on the proposal that the requirement for companies to produce customer engagement plans is removed from the Network Innovation Competition. As a consumer professional, I am very concerned about this proposal and my concerns are supported by my experience as the independent consumer expert on the Gas Network Innovation Competition Panel.

While some innovation projects have set out excellent customer engagement plans, I have found that, generally, it has not featured strongly enough and that, in general, companies have needed to do more work on their bids to satisfy me that they have taken customer engagement seriously. Approaches to customer engagement in the bids have tended to be high level and I would be concerned that these would not be developed in sufficient detail if the requirement to have the plans signed off by Ofgem was removed.

It is also important that customer engagement is not limited to direct transactions but that companies understand the importance of engaging effectively with end users. I believe that Ofgem needs to maintain its scrutiny of this aspect of customer engagement. The purpose of the NIC is to help deliver an affordable, sustainable energy supply for consumers. This will inevitably require consumers to understand how their energy supply may change but also that they will require themselves to change their behaviour and consumption of energy.

These projects are setting trends for the future and it is vital that network innovation engages consumers effectively. Ofgem has a key role to play in encouraging and guiding the industry on best practice in consumer engagement and I believe it is therefore premature to relax the governance in this area at this time.

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