



Making a positive difference
for energy consumers

To: Energy suppliers, consumer groups and other interested parties

Date: 7 July 2017

OPEN LETTER: UPDATE ON THE TIMING OF THE CMA DATABASE REMEDY

Following its Energy Market Investigation, the Competition and Markets Authority (CMA) recommended that Ofgem implement a database for disengaged customers as part of a package of remedies designed to address weak consumer engagement in the domestic and micro-business retail energy markets.

The CMA Energy Market Investigation (Database) Order 2016 requires suppliers to start issuing First Contact Communications (FCCs) from July this year and transfer relevant customer data to Ofgem from October this year. The CMA also set 30 April 2018 as the target date for the full rollout of the Disengaged Customer Database remedy nationally. The Order also provides for Ofgem to vary the timescales to a later date as may be specified in a Direction issued by the Authority.

We have received a number of questions from stakeholders about the timetable for implementing the remedy and the preparation suppliers need to make ahead of national rollout. This open letter clarifies the timescales to which Ofgem is working.

Energy suppliers are not required to send FCCs and transfer the relevant customer data to Ofgem until we have issued a Direction under Standard Licence Conditions 56 and 60. This applies to both domestic and non-domestic consumers. We plan to give energy suppliers sufficient notice of our intention to issue a Direction before formally issuing it enabling suppliers to make the relevant changes to their IT systems ahead of full rollout.

On 3 July 2017, we announced our intention to trial a new 'Check Your Energy Deal' online switching service. Whilst we are testing the online service, suppliers are not required to take any action regarding the CMA order until notified by Ofgem. The results from the trial are expected by the end of this financial year at which point the Authority will consider how next to proceed. As a result, we are confirming our decision to defer national rollout until later in 2018.

We will provide all stakeholders with an update on the revised timetable for full rollout in autumn 2017.

Yours faithfully

Paul Fisher
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