

Sophie Adams
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By e-mail: marketmonitoring@ofgem.gov.uk

Dear Sophie

Ofgem's proposal to revise the Typical Domestic Consumption Values for gas and electricity, including additional information on the peak and off-peak split for Economy 7 meters, and on the mean consumption for restricted meter customers

Thank you for the opportunity to comment on the proposals set out in Neil Barnes' letter of 22 June 2017. We broadly support the revised profiles. However, it may prove challenging to ensure a coordinated implementation on 1 September for a change that will not be confirmed until August.

In relation PPM price cap compliance, in principle we continue to believe that the E7 split should reflect the consumption profile of customers with night storage heating (for whom the tariff is intended) rather than averaging across E7 customers with and without storage heating. Consequently, we believe the present 62/38% peak/off-peak split determined by the CMA is inappropriate, and that a split more akin to the BEIS 2010 values would be preferable to avoid exacerbating perverse incentives that impede smart meter take up - even though smart meters would enable a wider and more appropriate choice of tariff for customers without storage heating. Nevertheless, a move to 58/42 peak/off-peak split is a (small) step in the right direction.

If you have any questions about this response, please contact me on 07557 615389 or don.wilson@britishgas.co.uk

Yours sincerely

Don Wilson

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