



Rachel Clark
Switching Programme
Ofgem

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Dear Rachel,

Guaranteed Standards of Performance (GSoP): consultation on switching compensation

Thank you for the opportunity to respond to Ofgem's consultation on its proposed changes to the Guaranteed Standards of Performance (GSoP) in relation to, amongst other issues, erroneous or delayed switches. Nothing within this response is confidential.

As BES is a solely non-domestic supplier, please note that we have confined our response to matters affecting micro-business customers.

Question 22: Do you agree that the new Guaranteed Standards should be introduced for domestic suppliers only?

We agree with Ofgem's view that the proposed changes to the GSoP should apply to domestic suppliers only.

Ofgem's Faster & More Reliable Switching Programme quite rightly focuses on the domestic market where, following implementation, consumers will be able to switch within a matter of days. As non-domestic customers are generally led by fixed term contract end dates or notice periods, they are less able to take advantage of faster switching and, as a result, are less likely to be affected by erroneous or delayed transfers.

BES was an active member of the recently dissolved Erroneous Transfers Working Group (ETWG). As you will be aware, the ETWG did not suggest extending either the existing compensation arrangements, or its recommended market framework to the micro-business sector, suggesting that the issues it sought to address were, in the vast majority of cases, faced by domestic consumers rather than businesses.



We do recognise of course that a proportion of micro-businesses unfortunately experience switching problems, however it is in the best interests of the relevant supplier to resolve these issues as quickly as possible, both for commercial reasons and to maintain good customer relations. Where this does not happen, these customers have free access to an independent redress scheme in the form of the Energy Ombudsman. We therefore feel there is adequate protection for micro-businesses in this regard.

Turning to the return of customer credit balances, BES is a signatory to the voluntary standards developed by the non-domestic supplier trade body, ICoSS, of which we are a member. In the absence of contact from Ofgem or other key stakeholders, it is our understanding that these well-established standards are working effectively for micro-businesses.

In summary, we believe the existing arrangements for micro-businesses provide suitable protection for commercial customers, as well as an incentive on suppliers to facilitate swift and reliable switching.

We would be happy to answer any questions you may have regarding this response. If you wish to discuss this matter further, please do not hesitate to contact me via the details above.

Yours sincerely,



Joel Chapman
Head of Regulatory Affairs & Compliance