

Appendix 13.1: Standard Condition 32A.

Power to direct suppliers to test consumer engagement measures

Power of direction

- 32A.1 For any purposes connected with the Authority's consideration of measures or behaviours which may impact on consumer engagement ('consumer engagement measures'), the licensee must comply with a direction issued by the Authority in respect of Relevant Matters for Standard Condition 32A.
- 32A.2 The licensee is not required to comply with a direction issued pursuant to 32A.1 unless the Authority has given the licensee at least 1 month's prior Notice.
- 32A.3 A direction issued under paragraph 32A.1 may include a requirement to comply with any instructions from the Authority or a third party agent appointed by the Authority for the purposes of conducting any test any consumer engagement measures.

Provision of information

- 32A.4 The licensee must provide the Authority (or such other person as specified by the Authority) with information specified by the Authority in relation to matters that it reasonably considers are relevant to:
- (a) the Authority's consideration of whether to issue a direction pursuant to paragraph 32A.1; and/or
 - (b) the licensee's compliance with any direction issued pursuant to paragraph 32A.1.
- 32A.5 The Authority may direct the licensee to comply with paragraph 32A.4 by providing to the Authority (or such other person as specified by the Authority) information:
- (a) in a particular form or medium by a particular date;
 - (b) in a particular form or medium at such reoccurring intervals of time as the Authority considers appropriate; and
 - (c) of any description specified by the Authority, including any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Authority.

32A.6 The licensee is not required to comply with paragraph 32A.4 if it could not be compelled to produce or give the information in evidence in civil proceedings before a court.

Compliance with this condition

32A.7 The licensee is not required to comply with paragraph 32A.1 until the Authority has published criteria for the selection of one or more licensees to conduct testing (including through Randomised Controlled Trials) of any consumer engagement measures.

Definitions for condition

32A.8 For the purposes of this condition:

‘Relevant Matters for Standard Condition 32A’ means any or all of the following:

- (a) a requirement to test (including through a Randomised Controlled Trial, where the Authority considers it appropriate) any consumer engagement measures in a manner and time frame prescribed by the Authority (including on the basis of the Authority’s Specification for Testing), and to provide information to Domestic Customers in a manner and time frame specified by the Authority;
- (b) where appropriate, a requirement to submit an implementation plan to Ofgem for approval;
- (c) a requirement not to comply with any licence conditions which are relevant to the subject matter of this condition to such extent and subject to such conditions as the Authority may direct; and
- (d) a requirement to provide the Authority (or such other person as specified by the Authority) with information relating to the results of the testing of any potential regulatory measures concerning the information provided to Domestic Customers.

‘Randomised Controlled Trial’ means a form of consumer research (which is statistically robust for measuring behavioural impact) for Domestic Customers which is for the purposes of testing one or more consumer engagement measures relevant to the subject matter of this licence condition and includes two or more randomly selected customer groups in circumstances where:

- (a) at least one of those groups are not subject to the consumer engagement measure; and

(b) all of the customer groups are comparable (including on the basis of the randomised section) but for the consumer engagement measure(s).

'Authority's Specification for Testing' includes detail on some of all of the following:

Design

- the objective(s) of the testing;
- the details of the consumer engagement measure(s) (and any variants) to be tested
- the testing methodology (eg the approach to randomisation and maximising the equivalence of groups and the proposed sample size);
- the proposed timetable; and/or
- any planned piloting activity.

Implementation

- the identification of third parties who will be involved in delivering the proposed specification for testing and clarity around roles and responsibilities;
- the details of any proposed supplier-initiated activity that might have an impact on the testing;
- proposed approach for monitoring (including possible arrangements for independent moderation) and quality assurance; and/or
- the approach to dealing with ethics and consumer protection issues, including how any possible consumer detriment will be identified, monitored and addressed should any issue be identified.

Analysis and evaluation of the results

- criteria and approach to evaluate and analyse the results of the testing;
- the testing outcomes and how they will be measured;
- data to be shared, consideration of format, file types and data security; and/or
- proposals for any supplementary research.