Dear David,

Energy Market Investigation: Representations on ‘Gas Tariff Codes Undertakings 2016’

Robin Hood Energy is a not-for-profit gas and electricity supplier. We have been set up by Nottingham City Council with the aim of tackling fuel poverty. In September 2015 we started offering variable and fixed tariffs to UK customers. In November 2015 we introduced a competitive offering for prepayment customers in the UK.

We fully support the CMA’s decision to seek undertakings regarding gas tariff codes from the Six Large Energy Firms. We have previously highlighted, based on our own experience, how the existing allocation of tariff codes acts as an industry barrier to entering the gas prepayment market. In September 2015 we engaged with Ofgem, to discuss the unavailability of gas tariff codes. Ofgem was receptive of the difficulties we faced and encouraged us to raise them with the CMA. We then wrote to the CMA in January 2016, in response to its ‘Second supplemental notice of possible remedies’. In our response, we expressed our surprise that the CMA had not considered a remedy to improve the mechanism for allocating gas tariff codes.

We are pleased that the CMA has proposed a suitable remedy for this issue, and welcome the benefits that increased competition should bring to the prepayment market. In particular, we hope that these undertakings will help to improve the market for prepayment customers in the period leading to the smart meter rollout completion.

Whilst we acknowledge the CMA’s actions in this area will remove the concerns we have previously raised, we question why the legal framework was not set up to allow Ofgem to intervene. As a result, we would suggest that the CMA ensures their Governance AEC remedies enable Ofgem to address any similar issues that may arise in the future.

If you wish to discuss the contents of this letter, please do not hesitate to contact me.

Kind Regards,

Ruben Pastor-Vicedo
Regulation and Compliance Manager
Robin Hood Energy