



Project Manager
Energy market investigation
Competition and Markets Authority
Victoria house
Southampton Row
London
WC1B 4AD

Submission via email:

david.fowlis@cma.gsi.gov.uk and energymarket@cma.gsi.gov.uk

18 November 2016

**Formal Consultation on Draft Energy Market Remedies:
Restricted Meters Order 2016
ECOES / DES Order 2016**

Dear David,

Thank you for the opportunity to respond to the consultations on the draft Orders arising from the Energy Market Investigation.

This response contains our comments around two of the Orders, on Restricted meters and the ECOES / DES Order. First Utility is overall supportive of these remedies, but we have some concerns and clarification requests we would like to share.

Draft Restricted Meters Order 2016

Part 3 Section 4 Paragraph 4.1 notes that specified information (as per the definition in Part 2) needs to be provided on customer bills. We are concerned that in paragraph 41 of the Draft Explanatory Note, the CMA says it expects that the manner in which this is presented to Relevant Customers 'will be specified by Ofgem'. There is currently no space on page one of the bill, and a full bill redesign would lead to additional costs and time delay. Enabling suppliers to choose where to place the messaging, format and font size will give sufficient flexibility and is more attune with Ofgem's move to principles based regulation.



Paragraph 4.3 covers information that must be provided to Citizens Advice. Paragraph 46 of the Draft Explanatory Note, includes the comment 'the availability of these tariffs to new customers'. We assume this relates to the tariff's non-meter related terms and conditions (as per the Relevant Tariff definition in the draft Order), but clarification on what is meant by 'availability' would be very helpful.

We also note the issue as raised by EnergyUK that for Relevant Customers with dual-MPANs, the New Supplier would need to switch both meters simultaneously or the transfer will fail - the transfer process could not rely on the approach taken when transferring a single meter to a single rate tariff. As a result, further consideration is required via Ofgem's faster switching programme to ensure that such non-standard supplier switching processes are also covered. This is likely to require additional time, so that implementation of this remedy is best placed from no earlier than September 2017.

Draft ECOES / DES Order 2016

We note that since 24th June, there has been additional wording placed around what constitutes 'reasonable access conditions' that was not in the the publication of the final CMA report. Specifically as noted in paragraph 18 of the draft explanatory note to the draft order, the CMA now considers 'reasonable access conditions' to also 'include giving access with the same conditions and in the same manner as is currently the case for suppliers'.

Given the purpose of the remedy was to facilitate a reduction in the number of erroneous transfer and failed switches, we are unclear as to why, at this late stage, this additional requirement has been made, given that both PCWs and Suppliers already had an agreed approach which was going through the final stages of the industry change process. We suggest that this additional wording in the guidance is put to industry consultation in order to avoid unnecessary cost and complexity.

We look forward to continuing our engagement with you, Ofgem and fellow industry stakeholders on implementing the CMA remedies. In the meantime, if you have any questions or would like to discuss any of the issues covered in my letter, please do get in touch.

Yours sincerely



Emma Piercy
Senior Regulatory & Policy Manager