| Regulatory Policy Committee | OPINION | |
|--------------------------------|---|--------------------|
| Impact Assessment (IA) | Energy supply company administration rules | |
| Lead Department/Agency | Department of Energy and Climate Change | |
| Stage | Final | |
| Origin | Domestic | |
| IA number | DECC0084 | |
| Date submitted to RPC | 14/01/2013 | |
| RPC Opinion date and reference | 21/02/2013 | RPC12-DECC-1312(2) |
| OIOO Assessment | GREEN | |

Overall comments on the robustness of the OIOO assessment.

The IA says that the proposal is a regulatory measure that will be net beneficial for business (an 'IN' with zero net cost). This appears to be a reasonable assessment of the likely impacts of the proposal which is consistent with OIOO methodology.

Overall quality of the analysis and evidence presented in the IA

Costs and Benefits The IA explains clearly the proposed benefits to business of implementing the draft energy supply company administration rules which would lower the short-run cost to other companies of supplying energy to customers of an insolvent company. The Department has provided additional information which clarifies that all the impacts of the secondary legislation have been assessed within this IA, despite having also been analysed in the IA for the primary legislation. This should be stated more clearly within the IA.

The IA states that the policy has been appraised over a time period of 20 years. The IA ought to explain why this length of time has been considered more appropriate than the standard approach of 10 years, as described within the IA toolkit (paragraphs 82 to 83).

Signed

MAS Gobh

Michael Gibbons, Chairman