

Dennis Berg
Ofgem
9 Millbank
London
SW1P 3GE

18 December 2017

Dear Dennis,

Response to 'Protecting consumers who receive backbills'

Robin Hood Energy is a not-for-profit gas and electricity supplier, with over 150,000 supply points. We have been set up by Nottingham City Council with the aim of tackling fuel poverty and providing consumers with a cheaper, fairer alternative to the six largest suppliers. We therefore support any initiatives that help consumers, particularly those who are vulnerable, receive a better deal. This includes Ofgem's proposal to introduce a licence condition to prevent suppliers from backbilling consumers for unbilled consumption older than 12 months.

We agree with the consumer detriment that Ofgem, Citizens Advice and the Ombudsman have identified arises from backbilling. As a result, our terms and conditions for domestic customers include a clause which prohibits us from backbilling for unbilled consumption older than 12 months if this was due to our error. We therefore believe that we already have the consumer protections in place for domestic customers that Ofgem are seeking to introduce as a result of this statutory consultation.

We note that Ofgem do not expect suppliers to incur significant implementation costs for complying with the proposed new licence condition, primarily due to suppliers having the required systems in place to comply with the current voluntary backbilling arrangements. However, only the six largest suppliers are currently signatories to the Energy UK Code of Practice for Accurate Bills (or alternatively, the Billing Code). This represents a small percentage of suppliers, with over 100 currently active in the domestic and non-domestic markets.

The majority of small suppliers are likely to outsource their billing systems to a limited number of external third party providers. Whilst we agree that adequate billing is the responsibility of the supplier, we would recommend that Ofgem engage with these billing providers directly, in order to ensure that sufficient systems are in place to protect consumers, regardless of their choice of supplier. We believe this would complement Ofgem's current thinking on the future of the supply market arrangements, and potential shift to a wider energy system regulatory framework. We would be pleased to discuss this further with Ofgem if needed.



We would also suggest that Ofgem reviews the proposed draft Standard Licence Condition (SLC) 21BA.1(b), as we are not sure that the drafting sufficiently reflects a future market where consumers are not typically charged via either a standing charge and/or unit rate. Whilst draft SLC 21BA.1(b) refers to supply charges, this is not currently defined in either the drafting or SLC 1. We would encourage Ofgem to ensure that the drafting of SLC 21BA is as future-proof as possible, in order to protect future consumers and avoid subsequent rulebook changes.

If you wish to discuss the contents of this letter further, please do not hesitate to contact me at matthew.robson@robinhoodenergy.co.uk or 0115 852 6526.

Kind Regards,



Matthew Robson
Regulation & Compliance Manager
Robin Hood Energy

