green energy

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Despite wanting to clear the air and re-establish trust in the industry, the constant too-ing and frow-ing of consultation suggestions has merely fed the media with further divisive theories about who's best interests are served by what!!

What it has established is the industry isn't broken, vertical integration is not detrimental to consumers interests and the Big 6 do not need to be broken up.

However, we are concerned that the whole process has become over politicised; Hinkley Point makes clear that energy policy decisions need to be made over 20-30 year cycles, short termism doesn't suit useful energy policy and we have had a series of tinkering around the edges culminating in the biggest tinker of them all; sharing customer information.

Notwithstanding the act of sharing customer information might be a contravention of the Data Protection Act or the Telephone and Mail Preference Services and that most other industries jealously guard their customers, yet another one-size-fits-all remedy is being proposed which will have yet more unintended consequences.

Interestingly bombarding potential customers with phone calls emails or direct mail will almost certainly turn them off the idea of switching but if that's not a palatable argument then maybe we should explain that currently every supplier has an access route to every customer in the UK via the phone book, the electoral role etc.

This is bypassing simple good old fashioned prospecting, it has mis-selling writ large all over it and it begs the question 'why should new entrants be spoon-fed customers'.

Equally it could mean that a Big 6 participant could introduce a tariff to take all the customers from an independent by targeting their customer base with a cut throat offer!

It is interesting that in the week the CMA came up with yet another unworkable solution, npower cut 20% of their workforce and EDF has cast doubts over the renewal of our nuclear fleet – what a mess!

Based on the CMA logic, npower are doing a great job having lost 360,000 customer accounts this year and a similar number last year.

Strangely, that's not how they, the media, or the unions, are portraying the results.

They (RWE) are saying 'What happened there was a disaster', the media are saying they need to increase customer numbers to stop the rot and unions are apoplectic that the loss of customers has led to job losses.

Because energy is an 'Essential' service, it is expected to be affordable, but I think we are confusing essential with 'Not for Profit'

Nowhere in the report can I find any analysis of viability of industry participants, and at paragraph 65 in the 'Summary of provisional decision on remedies' dated 10 March 2016, you conveniently choose the indirect approach when the direct one yielded an answer which concluded your estimate of overcharging was twice as high as the profitability of the Six Large Energy Firms in one of the years analysed!

The price message has caused everyone to lose sight of energy efficiency and the need not to squander energy. Reducing consumption saves money and that needn't involve sacrifice, just common sense.

Changing to the cheapest deal is missing the point. Do we really need to pay for unnecessary heat and light; do we really want to pay to waste energy even if it is a penny a unit cheaper?

We need an attitude to energy waste similar to the one we have to smoking in public places, and drinking and driving! Both were socially acceptable within living memory but now are

And a cap on PPM charges isn't the answer to those most in need receiving help

What we need is a proper targeted fuel poverty strategy, so that the savings get to the households who are deemed to need them and the competitive market operates for everyone else.

We accept that we have a welfare system that some of us pay into and some take from. The CAB have touched on this in their recommendations but their suggestion of self-levelising within each company is unworkable.

Radical thought may be required, and by radical I mean we should explore the idea of the NHS prescribing electricity to elderly homes; or councils or housing associations identifying households that require help and signing them up to a Government Electricity and Gas Programme operated by the Dept of Work & Pensions. By aggregating all these consumers, and the DWP paying each households' individual bills direct to the chosen electricity supplier the credit risk is zero and the price will reflect this.

On that basis they are likely to get a better deal and the rest of the consumer population can operate in a competitive market

Put simply, what we need is a policy that looks after those who are unable to help themselves and a competitive market for the rest.

It's no secret that you can switch supplier, why do you feel that exposing consumers to junk mail will make them think switching is a better idea tomorrow than it is today

You've pronounced the market isn't broken, what's missing from your prescription for the public is an acknowledgement of Freedom of Choice.

Kind regards

Doug Stewart, CEO