



Llywodraeth Cymru  
Welsh Government

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Thank you for providing us with the opportunity to comment on your consultation, 'Protecting customers in the non-household retail market'.

The only customers of appointed companies whose areas are wholly or mainly in Wales who will be eligible to change retailer, are those using more than 50 Ml of water each year. We therefore think it is extremely unlikely that they would be covered by your proposals to protect smaller customers. However, the Welsh Government does have an interest in ensuring that adequate protection is in place for Welsh business customers of appointed companies whose areas are wholly or mainly in England, and are therefore able to choose their supplier of water and wastewater retail services.

Water and sewerage are essential services, so it is important that the retail market is adequately regulated; that it is open and transparent, and that adequate measures are put in place to protect customers, and guarantee minimum standards of services. Overall the proposals set out by Ofwat appear to do this, and we welcome them. We agree that there should be a single Customer Protection Code of Practice that applies to all retailers and undertakers. We are pleased to see that the consultation clearly sets out how the proposals apply to customers of undertakers that are regulated by the Welsh Government.

In addition, we have the following specific comments:

- i. Differentiating between defining smaller customers (microbusinesses, small businesses, SMEs and micro businesses) adds complexity to the process, as it provides for different standards of protection. This could increase the risk of errors or disputes. We suggest that further consideration be given to applying the full standards of protection to all businesses (or at the very least, all SME's, micro businesses and small businesses), and that larger businesses be given the option to opt out of the protection scheme.
- ii. We support the requirement of retailers to only interact with TPIs that have signed up to a set of standards, preferably through an accreditation scheme. Retailers should be responsible for the conduct of TPIs that they deal with and ensure that customers have authorised a TPI to act on their behalf. So far as possible, it should not be possible for a retailer to direct customer complaints about errors, misspelling, standards of service or misconduct to a TPI. We agree with your proposal to require retailers to obtain a copy of written confirmation that a TPI is acting on behalf of a customer, before sharing any details about that customer with the TPI. An e-mail confirmation from the customer from a verified e-mail

address should qualify. A TPI should be deemed to be acting on a retailer's behalf whenever they refer a customer to that retailer.

We agree with your proposal to use the Customer Protection Code of Practice to require all retailers to join the WATRS water redress scheme

Yours sincerely

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