

Consultation response from: Zero Technology Solar Ltd, received by email 15 May 2024

UK wide, electricity bills are higher than need be due to the cost still being paid to support the exuberant expansionism of legacy electricity bill providers who made promises which they could not keep, and exited the market some years ago. More concrete examples are Shell and Bulb, and there are others. Cheaper tariffs to try to attract increasing numbers of customers will merely redistribute the finite number of household electricity supply contracts. At equilibrium, acquisition-only tariffs should somewhat increase the cost of same-supply-company-every-year tariffs, and we have seen that during the falling prices last decade, we don't get equilibrium; we get customer churn. As the activity of signing up customers poached from another energy retailer and verifying their identity details is, in the opinion of Zero Technology, not a productive activity, encouraging more of it than would be chosen by The Ideal Rational Household by re-allowing first year discount acquisition-only tariffs is unhelpful.

I am not an electricity retailer so my opinion might not be the most valid one. I am a UK electricity retail customer for one house. In the past decade my electricity supply had to re-register with five different electricity bill suppliers just to chase "the going rate" for electricity. The activity of re-registering is a chore which detracts from more useful efforts towards better use of the solar panels on the roof. Attached are the SMETS2 records from this house last week to show what can be achieved when not wasting time signing up with the next retailer.

In my opinion, the best way to decrease the cost of electricity price hedging is to not hedge price at all, and to preferentially use power at times when the renewables are plentiful.

Consultation Questions:

- 1) Do you agree with our minded-to position that Ofgem should modify supply standard licence condition SLC 22B to remove the BAT from 1 October 2024?
- 2) If you consider that the BAT should remain in force until 31 March 2025, do you think the market wide derogation from SLC 22B for fixed retention tariffs should also continue until 31 March 2025?
- 3) Do you have any comments on the analysis presented in section 2?
- 4) Do you have any comments on the draft impact assessment presented in section 3?

No comment on all four questions.

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