

Emailed to: FWP@Ofgem.gov.uk

7 February 2025

Ofgem Forward Work Programme 2025/6 consultation

We welcome the opportunity to comment on Ofgem's Forward Work Programme 2025/6. We support Ofgem's strategic priorities to shape a retail market that works for consumers, enables infrastructure for net zero at pace and establish an efficient, fair and flexible energy system.

We think that Ofgem's plans to look at how they regulate pricing, including reforms to standing charges and taking steps to look at debt and affordability will help increase consumer trust and confidence if they see a market which works for them. We support Ofgem's work to improve customer service and trust in the energy retail sector through the Consumer Confidence Programme and we will continue to work closely with Ofgem and the Department for Energy Security and Net Zero (DESNZ) as we prepare for the regulation of heat networks.

We support progress on Ofgem's reforms to support the Clean Power 2030 targets and we think that establishing an efficient, fair and flexible energy system will be critical for reaching net zero. We support the measures which Ofgem sets out including continuing to enforce the rollout of smart meters and the introduction of mandatory half-hour settlement. We also support the licensing and regulation of aggregators and remote load controllers from 2026 onwards, to increase competition for the benefit of consumers and to encourage greater innovation in the market for demand-side response. This will help to protect consumers from potential harm such as the risks of mis-selling or confusion, as choice and offerings increase in the market.

We think it is right to provide regulatory guidance to the energy sector on Artificial Intelligence to maximise the benefits and minimise potential harms.

Whilst separate to your Forward Work Programme consultation, we will be responding to DESNZ Review of Ofgem: call for evidence. This call for evidence also looks at the Energy Ombudsman, which we welcome. We will continue to work with DESNZ and Ofgem to look at ensuring:

- consumers can access our service in a simple and timely way;
- we have the right set of powers to enforce signposting, implementation of remedies, and identify regulatory failures; and
- significant gaps in consumer redress within the wider energy market are covered by the Energy Ombudsman.

Although Ofgem is not consulting on its ongoing regulatory activities, we welcome the opportunity to provide any data and insight that may be useful. Please do not hesitate to contact us should you wish to discuss our response in more detail. This response is not confidential.

For more information on this response, please contact:

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