



Ms Bridget Cosgrave
Competition and Consumer Policy Section,
Department of Jobs, Enterprise and Innovation,
Earlsfort Centre,
Lower Hatch Street,
Dublin 2

11 July 2013

Dear Bridget

Re: Consultation on the Implementation of Directive 2011/83/EU on Consumer Rights

Bord Gáis Energy welcomes the opportunity to comment on the implementation of the above Directive. While we are not responding to the specific questions posed within the consultation itself, we have focused our attention on one article in the Directive itself. Your consideration of our points below would be greatly appreciated.

Article 8 – Formal requirements for distance contracts:

8(6) Where a distance contract is to be concluded by telephone, Member states may provide that the trader has to confirm the offer to the consumer who is bound only once he has signed the offer or has sent his written consent. Member states may also provide that such confirmations have to be made on a durable medium.

When a customer signs up for gas or electricity supply via the telephone, their consent is captured verbally via a recorded telephone call. In turn, a copy of the terms and conditions of supply are sent out to the customer within a day of this verbal consent being captured. A process then commences after the consent is gained over the telephone in order to make sure that the

customer's account is switched from their previous supplier to us as their new supplier or, if it is a new premises, that their account details are initially set up on our systems and at industry level appropriately. The industry process involves an IT market messaging platform whereby suppliers can talk to each other (in the case of a Change of Supplier situation) and the central industry market hub (System Operator). A range of information is passed through this system so that the customer's service needs are met correctly. The requirement for a supplier to wait to commence the process of registering a customer until they receive a signed offer from the incoming customer or obtain written consent would cause, we believe, undue delay to the consumer's commencement of supply with their chosen supplier and inevitably cause complaints from consumers. Due to the nature of the product as an essential service, we believe that any delay to the registration of a customer is unnecessary, especially where consent has already been obtained (albeit verbally as opposed to in writing). We urge that a more flexible approach is assigned to suppliers of gas or electricity under this section of the legislation with consideration given to the consent already captured by the suppliers via call recordings and comments on their system and the issuing of terms and conditions via letter or e-mail to the incoming customer. Our objective is to provide the customer with an efficient and seamless switching process which is essential to the operation of a competitive market.

8(7) The trader shall provide the consumer with the confirmation of the contract concluded on a durable medium within a reasonable time after the conclusion of the distance contract, and at the latest at the time of the delivery of the goods or before the performance of the service begins.

Again, BG Energy would urge that consideration is given to the operations of the gas and electricity markets in that, the registration of a customer to a supplier will commence as soon as the customer expresses their consent to change or commence supply. It can be the case that a customer's registration could be complete before the confirmation of the contract is received by the customer i.e. within one or two working days. Therefore, where the customer requests paper based communications, the postal system may be slower than the industry process for registering a new customer. For the purpose of having an efficient change of supplier process in both markets, we would urge that due to the nature of the services involved that it not be necessary that the consumer obtains confirmation of the contract before performance of the service begins.

8(8) Where a consumer wants the performance of services, or the supply of water, gas or electricity, where they are not put up for sale in a limited volume or set quantity, or of district heating, to begin during the withdrawal period provided for in Article 9(2), the trader shall require that the consumer make an express request.

In the majority of circumstances the consumer will want the commencement of the gas or electricity supply before the expiration of 14 days. We would suggest that a more consumer friendly approach to cover off this requirement where the supplier highlights to the consumer before conclusion of the contract that their supply may commence within the 14 day withdrawal period. Therefore the consumer is kept appropriately informed and the supplier is still able to commence an efficient and smooth registration for the consumer. This statement could be made to the consumer either verbally (for telephone sales or doorstep sales) or written in the case of online sales.

We would suggest that the wording to this section be amended from express request being required from the consumer to the supplier informing the consumer of the effect of this situation on their withdrawal period.

Yours sincerely,



Deirdre Lee
Regulatory Affairs