

THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR MEMBERSHIP OF THE RENEWABLE ENERGY CONSUMER CODE AND A WRITTEN RESPONSE FROM YOU IS REQUESTED. PLEASE READ IT CAREFULLY AND DO NOT IGNORE IT

Ms S Carrington
Green Energy Power Solutions Ltd
Unit 1
The Point
Shireoaks Triangle
Worksop
S81 8BW

19 August 2015

Dear Ms Carrington,

Request for Green Energy Power Solutions Ltd to agree to a Consent Order

I am writing to you in accordance with clause 7 of the Bye-Laws to invite Green Energy Power Solutions Ltd (referred to in this letter as "the Code Member") to agree to a Consent Order. The Bye-Laws are available at <http://www.recc.org.uk/scheme/bye-laws>.

Background

In my letter dated 4 February 2015, the Code Member was informed that the RECC Executive had received information which gave it reasonable grounds to consider that provisions of the Renewable Energy Consumer Code ("the Code") had been breached. Having investigated the information in accordance with clause 6 of the Bye-Laws, the RECC Executive informed the Code Member that it was invoking disciplinary proceedings in line with clause 8 of the Bye-Laws. The Code Member was invited to provide its written comments in response to this letter which it did in an email sent on 6 February 2015. Following a review of this response, the RECC Executive decided that there was still a case to answer and a) put the Code Member in a period of enhanced monitoring and b) asked the Code Member to provide a further evidence of its compliance with the Code. This response was provided in an email dated 28 May 2015. The content of these communications is considered below.

Summary of information received

The following information was received from the sources identified below.

Issue	Source	Breaches of the Code
1. Code Member failed to demonstrate its compliance with the Code following a full audit by the RECC Executive	Audit on 27 May 2014 Communications with the Code Member	Clause 4.1 of the Bye-Laws Code Section 4
2. Code Member failed to demonstrate that	Complaints and Feedback	Code Section 4

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it had put procedures and practices in place to correct issues highlighted in complaints and feedback	Communications with the Code Member	
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A full narrative, including details of the information received, the responses from the Code Member, and the details of the breaches which the RECC Executive has identified is included in **Appendix 1** to this letter to which we suggest you refer carefully.

Review of the Code Member’s Response

The RECC Executive has reviewed the Code Member's written response dated 28 May 2015 (summarised in the attached appendix) in accordance with clause 8.4 of the Bye-Laws and has assessed the supporting documentation for compliance with the Code. The Code Member’s response indicates that it has taken steps to address some of the non-compliances identified and provided evidence its current business practices. A review of this evidence shows that there are still points of concern in both the Code Member’s written materials and business practices. It should be noted that there has been a decrease in the number of complaints received by the RECC Executive about the Code Member since the non-compliance process commenced but the issues raised in previous complaints do not appear to have been addressed.

The RECC Executive considers failing to a) demonstrate compliance with the Code within the allocated time (as set out in the audit follow-up) and b) failing to ensure its business practices are fully compliant with the Code to be serious breaches of the Code and its Bye-Laws. The RECC Executive therefore considers that section 4 of the Code and clause 4.1 of the Bye-Laws has been breached.

Following its review of the Code Member’s response, and a review of the Code Member’s compliance with the Code during the period of enhanced monitoring, the RECC Executive considers that there is a case to answer in accordance with clause 8.5.2 of the Bye-Laws and accordingly it has decided to request the Code Member to agree to a Consent Order in accordance with clauses 7 and 8.5.2.2 of the Bye-Laws. The RECC Executive has decided that a Consent Order requiring the Code Member to take certain action is necessary in order to ensure the Code Member’s future compliance with the Code.

You will recall that in my letter dated 4 February 2015 I asked you to respond to the RECC Executive's concern that sections 2.4, 5.2, 5.3, 5.6, 6.1, 6.2.1, 6.2.3, 7.2, 7.3, 8.1 and 9.1 of the Code may have been breached as a result of the issues raised. You will see that the RECC Executive has decided following its review of your response that the concerns it has raised can be adequately addressed in the Consent Order without reference to these potential breaches. Please note however, that in the event that a Hearing does take place in relation to this matter, the RECC Executive reserves the right to refer these potential breaches, and any evidence relating to them, to the Non-Compliance Panel, if appropriate at that time. This information will also be reconsidered in the case of an additional or repeated breach, and the RECC Executive reserves the right to take further action.

Terms of Consent Order

Accordingly, the RECC Executive invites the Code Member to agree to a Consent Order on the following terms:

1. *The Code Member agrees that the RECC Executive shall, within the period of 6 months commencing on the date on which this Consent Order is signed, carry out a full Re-Audit of the Code Member at the Code Member's expense to assess its full compliance with the Code; and*
2. *The Code Member agrees that the RECC Executive may invoice the Code Member for this Re-Audit in advance of it taking place.*

The Code Member further agrees that:

3. *The RECC Executive may publish this Consent Order or a summary of its terms on the RECC Executive's website.*

Breach of this Consent Order

In the event that the Code Member agrees to the Consent Order and subsequently breaches it, the RECC Executive shall convene a disciplinary Hearing before the Non-Compliance Panel in accordance with clauses 7.5 and 8.12 of the Bye-Laws.

Next Steps

I have set out below the next steps if (1) the Code Member wishes to request a Hearing, (2) the Code Member does not agree with, or respond to the Consent Order, or (3) if the Code Member agrees to the Consent Order.

(1) If the Code Member wishes the matter to be considered by the Non-Compliance Panel at a Hearing

In accordance with clause 7.6 of the Bye-Laws, following the RECC Executive's invitation to the Code Member to agree to this Consent Order, the Code Member may request that the matter be considered by a Hearing of the Non-Compliance Panel instead of being addressed by a Consent Order. In such a case, the Executive will convene a disciplinary Hearing in accordance with clauses 7.6 and 8.12 of the Bye-Laws. Please make any such request by 2 September 2015.

In the event of a Hearing being convened before the Non-Compliance Panel, the provisions of clauses 8 and 10 of the Bye-Laws will apply. The Code Member should be aware that the Non-Compliance Panel may make such order for costs against the Code Member or the Executive as it considers fair and reasonable in the circumstances. Please take note that in accordance with clause 8.20 of the Bye-Laws all disciplinary Hearing determinations are published in full on the RECC Executive's website, unless the Non-Compliance Panel orders otherwise.

(2) If the Code Member does not agree with or respond to the Consent Order

Should the Code Member fail to respond to this request by 2 September 2015, or should the Code Member fail to agree the terms of the Consent Order, the RECC Executive shall convene a disciplinary Hearing before the Non-Compliance Panel in accordance with clauses 7.5 and 8.12 of the Bye-Laws in order to address the breaches of the Code identified in this letter.

In the event of a Hearing being convened before the Non-Compliance Panel, the provisions of clauses 8 and 10 of the Bye-Laws will apply. The Code Member should be aware that the Non-

Compliance Panel may make such order for costs against the Code Member or the Executive as it considers fair and reasonable in the circumstances. Please take note that in accordance with clause 8.20 of the Bye-Laws all disciplinary Hearing determinations are published in full on the RECC Executive's website, unless the Non-Compliance Panel orders otherwise.

(3) If the Code Member agrees to the Consent Order

To confirm your agreement to the Consent Order, please sign, date and return a copy of this letter. The RECC Executive requests that the Code Member provides its written agreement to the terms of this Consent Order by 2 September 2015. On receipt of your agreement, the RECC Executive will provide you with a completed and countersigned copy of the Consent Order and no Hearing before the Non-Compliance Panel will take place in relation to this matter unless the Consent Order is breached.

I look forward to hearing from you.

Yours sincerely.

Rebecca Robbins
Compliance Manager
Non-Compliance Team

Signed by S. Carrington of Green Energy Power Solutions Ltd to confirm its agreement to the terms of this letter which, once signed by the Code Member, will constitute the agreed Consent Order.

Dated this [02] day of [Sept] 20[15]

Signed

SIGNATURE REMOVED
Name Saracantha Carrington
Position MANAGING DIRECTOR
Company Green Energy Power Solutions Ltd

SIGNATURE REMOVED
Name VIRENIA GRAYAM
Position CHIEF EXECUTIVE
Company Renewable Energy Assurance Ltd

Appendix 1: Summary of information received and response from the Code Member

Information received

Ongoing Audit Issues

An audit of the Code Member was carried out by the RECC Executive on 28 May 2013, during which it was noted that there were a number of non-compliant issues. In a letter dated 30 October 2013, the Code Member received notice of all out-standing issues and the actions the Code Member was required to take. The Code Member was given an initial period of 12 weeks (two sets of 6) within which to ensure all of its business practices were fully compliant with the Code. A review of the Code Member's response at this stage showed that there were still outstanding issues. The auditor and the RECC Executive continued to work with the Code Member to assist in bringing its practices in line with the Code, including an extensive review of the Code Member's terms and conditions. A review of its final response was undertaken and a number of outstanding issues were identified. Accordingly, the Code Member was referred to the Non-Compliance Team in accordance with clause 4.12.9 of the Bye-Laws.

Complaints Information

The RECC Executive has 54 complaints, including feedback complaints, registered about the Code Member. At the point of sending the Code Member a Notice of Non-Compliance, 10 October 2014, 24 complaints had been received since 8 April 2013, which was around the time that the Code Member was audited for compliance with the Code. Since 10 October 2014, the RECC Executive has received a further 14 complaints. These complaints raise a number of serious and repeated issues which would suggest that the Code was breached. It is of particular concern to the RECC Executive that the complaints received since the Notice of Non-Compliance reflect the issues already raised with the Code Member, significantly purporting breaches of sections 5.2, 5.3 and 9.1 of the Code.

Response from the Code Member

History of communications

A review of the Code Member was undertaken by the RECC Executive's Non-Compliance Team and based on the information received it sent the Code Member a Notice of Non-Compliance on 10 October 2014 setting out the audit areas that remained outstanding. In this notice the RECC Executive informed the Code Member that it had received a significant number of complaints about it and asked for its full response to the allegations of breach. In its response of 30 October 2014, the Code Member provided a response to the outstanding audit issues which failed to demonstrate its compliance with the Code. In response to the allegations of breach concerning complaints received, the Code Member's response failed to adequately address the potential issues.

Accordingly, following a full review of the Code Member's compliance, the RECC Executive decided to invoke disciplinary proceedings against the Code Member which was communicated to it in a letter dated 4 February 2015. This letter set out all the outstanding issues from the audit and dealt with ongoing concerns about the Code Member's business practices from complaints.

The Code Member provided its response in an email dated 6 February 2015 and submitted supporting documentation to demonstrate its compliance with the the Code. The response acknowledged that there had been breaches of the Code and set out the steps it intended to take to improve its practices. The Code Member's paperwork was found it to be non-compliant.

This response was reviewed by the RECC Executive and it was determined that as it had failed to address all issues raised there was still a case to answer. In a letter dated 21 April 2015 the RECC Executive asked the Code Member to provide further evidence of its compliance with the Code and commenced a period of enhanced monitoring. The RECC Executive has used this time to monitor the Code Member's compliance with the Code, significantly with regard to the type and number of complaints being received. As a result of its ongoing concerns, the Code Member was asked to provide a specific set of documentation by 31 May 2015.

Review of the Code Member's Final response

The Code Member provided its response on 28 May 2015. This response failed to evidence its full compliance with the Code and identified some ongoing causes for concern, notably with regard to the Code Member's complaints handling and performance information given to consumers. The outstanding issues highlighted in this response have been communicated in full to the Code Member in a letter dated 19 August 2015 and are not recreated here.

Details of breach of the Code

Having reviewed the Code Member's response, the RECC Executive considers that there is a case to answer and therefore the Code Member has failed to demonstrate that it is compliant with the Code, as is its obligation under clause 4.1 of the Bye-Laws.

Clause 4.1 of the Bye-Laws

This clause sets out the Code Member's overarching obligation to 'comply with the obligations set out in the Code'.

The RECC Executive considers the Code Member's failure to demonstrate its compliance with the Code within the set Audit time, despite the support offered by the RECC executive, to be evidence that this clause of the Bye-Laws has been and continues to be breached.

The RECC Executive also considers failing to put the appropriate procedures and practices in place to ensure that the Code Member acts in full compliance with the Code following the receipt of extensive complaint information to be evidence that this clause of the Bye-Laws has been breached.

Section 4 of the Code General Business Standards

This section states that 'Code members will not act in any way to bring the Code into disrepute.'

The RECC Executive considers the Code Member's breach of clause 4.1 of the Bye-laws to be evidence that this section of the Code has been breached.