How Ofgem is responding to the energy crisis

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There are three areas of reform they are focusing on:

1. Addressing the economic model that allowed companies with little capital to enter the market by ring-fencing customer credit balances and renewables levies, preventing them being used as working capital, and significantly reducing the risk of this money being lost if a supplier fails.

2. Introducing a much tougher approach to financial regulation to ensure that companies have the right governance, risk management and appropriate finances behind them.

3. Adapting the price cap to allow it to adapt to the more volatile circumstances we find ourselves in.