

Hi there

I have just been alerted to this call for input via this [thread](#), but it is now closed – I guess one of the problems is that you are not getting the feedback you should be as I wasn't aware of it and do not follow everything Ofgem does – I have a business to run. However, the broken energy market is that important and costly for me (both in time and ££) at the moment that I have already engaged with my MP and local business groups. The problem is exacerbated by the current energy crisis but is not caused by it.

I hope the below is useful and would request that perhaps if you are asking businesses for input, you either get our suppliers to contact us or advertise heavily. I answer your questions as put below and I'm happy to engage on any detailed point, but the overall message is of a broken market structure that is not fit for purpose and needs complete overhaul.

Q1. Do you have evidence of suppliers not being proportionate or reasonable regarding charges necessary to secure a contract, including security deposits? If so, please provide us with details.

I have not been asked for any premium / deposit by brokers / suppliers, but I guess I am still being asked to pay them on an opaque basis through the quotes I am getting.

Q2. Do you have suggested solutions to the concerns around high costs requested to secure a contract and manage risk?

As I have not experienced this directly, I have no comments other than it continues to demonstrate a broken market.

Q3. Do you believe there has been an improvement in terms to contract as market conditions start to show signs of improvement? Please explain your answer.

Yes there is undoubtedly an improvement, as I was offered contract prices of 80s-90sppkwh in autumn 2022 and I am now being offered 33.5ppkwh.

Q4. Do you have evidence to support the allegation that suppliers have been inflating prices in response to the introduction of the Energy Bill Relief Scheme? If so, please provide us with details.

Quite frankly I would have no idea whether suppliers were complying or not – what I have seen is bills that say the EBRs has not been included this month and we are hoping to include it next month.

The scheme was that complicated with no simple guide or calculator as to what I should be paying based on whether I was in contract or out of contract, when I contracted and how much I was paying, that I have to trust the suppliers and the regulator to ensure that it is administered correctly.

Will suppliers have been profiteering? Yes of course they will unless they are regulated properly – including monitoring and sanctions for egregious behaviour.

Q5. What issues are you aware of businesses having in relation to deemed contracts?

I am on deemed rates with one of my non half hourly meters with REDACTED following the end of that contract and what is clear is that the rate is very high – at one point in the

90spkwh and currently in the 50s. I tried to sign up for a six month contract with REDACTED to tie in with the end of the EBRs, but in trying to work out whether I should have a choice contract or a protect contract (just give me a contract!), I somehow remained on the deemed rates which apparently (according to them) worked out better for me.

I would like to be able to align my non half hourly meter contract with my half hourly meter contracts, but unfortunately my half hourly contracts do not end until September 23 and I am not allowed to get any contract that is not 1, 2 or 3 years with my half hour supplier (REDACTED).

So I either have to stay on the very high deemed rates with REDACTED until my annual half hourly contract runs out so that I can align them, or enter into a contract here and accept that they will not be aligned.

Q6. Are there any other matters not discussed above related to pricing and contractual behaviour that you would like us to explore? Please provide details and your reasons. I am classed as a micro business by REDACTED. This is apparently because I do not spend that much on gas – I spend over £100k per year on electricity, but because I spend <£10k per year on gas it makes me a micro business. I don't know what this means, but I am told it restricts my ability to align my contracts, by getting any contract length of less than a year (or multiples thereof).

I have long argued for consumer style protection for small business, as we often do not have the time, knowledge or expertise to navigate this broken market, but if you take the example financial services, businesses are able to waive their consumer protections in certain circumstances and at the very least it should be clear what they are.

I should also point out that I am not happy with either the behaviour of REDACTED (who raised my fixed price contract during COVID as people were using less electricity so their fixed costs were a greater proportion of their total costs – who ever heard of managing your costs like a normal business?).

I also had a bizarre issue when trying to negotiate my half hourly contracts which expired at end Sep 22. I used two brokers (REDACTED and REDACTED) who were offering me contracts in the high 80s / early 90s from suppliers I had never heard of (with the rest having apparently exited the market) at the same time as I was offered 40ppkwh by our incumbent supplier REDACTED. I was ecstatic at being able to secure a 1 year contract at only slightly more than double my existing rate, but why could my brokers not get this? I am always wary of middle men and especially the spivs and charlatans attracted to energy pricing and this has only made me more so. It would be far better to have fewer brokers who are properly regulated to ensure that they provide a fair and comparable service.

Q7. Do you believe there has been an increase in offers to contract in the past year as wholesale market conditions improved, or are there are segments of the market that are still struggling to secure contracts?

Autumn last year was terrible. It appears to be better now, but again I am struggling to secure short term contracts.

Q8. Are suppliers following the best practice steps around debt management and disconnection that we highlighted in our December 2022 letter, or do you think that licence conditions need amending? Please provide evidence for your views and details of any specific examples.

This has not been an issue for me yet

Q9. Are suppliers' complaints processes easy to find on their websites, or elsewhere? Do you believe we need to strengthen the rules around complaints processes? Please explain the reasons for your response.

They are terrible and they don't meet their obligations – they raise complaints when I have no complaint to make (eg we are late implementing the EBRs) and they fail to raise complaints when I have a genuine grievance (eg intra contract price rises)

Q10. To what extent do you believe the communication you receive from your non-domestic supplier is clear and transparent? Please provide examples where possible.

Comms are terrible and that is if you manage to get through – REDACTED (who take an average of an hour for me to speak to if I manage to speak to anyone) gave inaccurate advice over EBRs to start with and subsequently outsourced explanation to the [incomprehensible] government advice. To manage to get someone to offer e a contract at REDACTED I had to find a customer services manager on Linked In.

Q11. Do you think the issues around Change of Tenancy/Occupier are significant? What potential solutions would you suggest to address the perceived shortfalls in the existing Change of Tenancy and Change of Occupancy processes, that do not exacerbate the potential for fraud?

No views.

Q12. Are there any other issues you would like to highlight related to competition in the non-domestic supply market? Please provide detailed explanations.

The market is broken. There is no transparency – to get comparative prices you are forced into a broker's arms as it is impossible to otherwise get more than one quote from one supplier a day given the difficulty of making contact. As above the brokers are spivs and charlatans so cannot be trusted. It should be possible to get consumer style price comparisons. The fragmented opaque marketplace appears worse to me than a single national supplier at the moment.

Q13. Do you believe there are segments of the non-domestic supply market, other than microbusiness customers, where there is not sufficient market pressure to correct any potential inappropriate supplier behaviours? Please provide detailed descriptions of these customers and evidence to explain your view, including what aspects of harm the regulations would need to help protect against.

Thank you for the definitions of a microbusiness – this is the first time I have seen them. I can see that I am just over the threshold on staff & turnover, comfortably over on electricity usage, but under on gas usage (which is only used on a small part of my site). As well as the supplier categorising me, I would like to be able to elect for microbusiness protections and also to understand what these are (the supplier will not explain). In addition, I would like

these microbusiness protections to stretch through into pricing to enable me to know I was not being ripped off.

Q14. If you responded yes to question 13, please suggest how these customers could be defined in the supply licence and identified by suppliers and customers.

As above – customers should be able to select additional protections and these protections should be enhanced to make the market less complicated for them and also less risky.

Q15. If we expanded the definition of microbusiness customers or created a new class of customers, what are the possible implications and costs of doing this?

It cannot be as big a cost as the time and trauma spent on trying to manage contracts for small businesses who don't have the time, staff and expertise to do so today.

Q16. What additional protections do you think might need to be put in place to protect domestic customers who are supplied via a non-domestic contract? Please provide an explanation or evidence of the areas of harm any new regulation would protect against. No view other than the ability to access domestic level support when offered as per business customers in energy intensive industries in a Market like mine.

I run a market site with many tenants who take electricity from my main supply. One of my tenants is a brewery who should be eligible for continued support as an energy intensive industry. However, as they are not a direct customer, they cannot get support. They will not be on their own here and are disadvantaged through no fault of their own. The support should be available on a look through basis.

In onward billing for electricity to my customers, I am also expected to be able to explain their bills – if I am unable to understand what my supplier is supplying me (and I consider that I have a good understanding of pricing, markets and the like), then how am I supposed to explain it to my customer?

Q17. Do you agree with the definition of, and clarifications around, what is a domestic customer as described in Appendix A? Are there other areas where further clarification is required?

No view

Q18. Do you have any further comments about how the non-domestic market is currently segmented?

Small businesses should be able to select more consumer level protections and for the different categories of customer to be more clearly explained to them.

Yours

REDACTED