

Call for input

Reselling Gas and Electricity

Publication date:	9 October 2025
Response deadline:	4 December 2025
Contact:	Matthew Sheehan
Team:	Non-domestic retail policy
Email:	reselling@ofgem.gov.uk

We are seeking views on the rules governing the resale of gas and electricity in Great Britain. This Call for input invites feedback from consumers of resold energy, landlords, managing agents, housing providers, innovators and other stakeholders involved in reselling energy to end users. The aim is to assess whether current arrangements remain fit for purpose, ensure fair pricing, and protect consumers, particularly in light of evolving market conditions and energy affordability concerns.

Stakeholders are encouraged to share experiences, challenges, and suggestions for improving transparency, compliance, and consumer outcomes in resale arrangements. Responses will help inform potential updates to our guidance and regulatory approach.

© Crown copyright 2025

The text of this document may be reproduced (excluding logos) under and in accordance with the terms of the Open Government Licence.

Without prejudice to the generality of the terms of the Open Government Licence, the material that is reproduced must be acknowledged as Crown copyright and the document title of this document must be specified in that acknowledgement.

This publication is available at www.ofgem.gov.uk. Any enquiries regarding the use and re-use of this information resource should be sent to psi@nationalarchives.gsi.gov.uk.

Contents

Executive summary	3
1. Introduction	4
Purpose of this call for input	4
Reviewing the Maximum Resale Price	5
Call for input stages	
How to respond	
Your response, data, and confidentiality	
How to track the progress of a call for input	7
2. The pricing and scope issues	8
The price at which the MRP is set	9
Scope of the MRP	11
Non-domestic consumers	11
Facilitating a flexible low-carbon future	
EV charging	
EV charging for marine craft	
Storage	15
3. Transparency, Accountability, and Enforcement	17
Transparency and awareness	
Enforcement and accountability	18
4. Conclusions and next steps	20
Send us your feedback	20
Appendix 1 List of Questions	21
Appendix 2 Further details on Licence Exemption and differentiating betw	een
different resale scenarios	
Further details on licence exemption	
Differentiating between different resale scenarios	23

Executive summary

Why we are reviewing the reselling rules

We are launching a review of the Maximum Resale Price (MRP) arrangements, an essential consumer protection that ensures fair prices in the resale of gas and electricity to domestic consumers. We want to ensure these rules are fit for now and the future, protecting consumers and helping to deliver net zero.

Energy resale occurs when an intermediary, such as a landlord, park-home owner or marina operator, purchases electricity or gas from a licensed supplier and then resells it to consumers. The MRP caps the price at which energy can be resold for domestic use, ensuring consumers pay no more than the price paid by the reseller. Many who are resold energy have limited choice in who supplies them. As such, the MRP is important as it is the main protection against resellers exploiting their position.

The energy system has evolved significantly since the last substantive review of MRP in 2001. The transition to an increasingly decentralised, digitalised, and decarbonised system, driven by net zero ambitions and technological innovation, has seen new challenges and opportunities emerge.

Stakeholders have raised concerns across two broad themes:

- Whether the MRP delivers fair, transparent pricing and adequate consumer protection. Some stakeholders have concerns that the existing approach may fall short in safeguarding consumers and ensuring fair pricing. They highlight issues such as limited transparency around resale pricing, the absence of protections for non-domestic consumers and challenges in seeking redress for excessive charges.
- 2. Whether the MRP enables investment in low-carbon infrastructure and services necessary to deliver net zero at lowest cost. Some stakeholders say the rules hinder the rollout of technologies essential for a low-cost transition. They believe the MRP should better balance the needs for price protection and investment in cost-effective infrastructure (e.g. EV charging points), and must change to reflect evolving system dynamics, including the need for consumer flexibility.

We want to make sure we understand these issues, how they have changed since 2001, and ensure that we consider the right solutions and trade-offs. As such, we are keen to receive evidence from stakeholders on the issues we have raised. If we consider it is in consumers' interest to update the MRP following stakeholder input, we will consult further on proposed changes.

1. Introduction

In this section, we provide an overview of what the Maximum Resale Price direction is and why we are reviewing it. This section also provides an overview of the Call for Input stages and confidentiality of your response.

Purpose of this call for input

The Maximum Resale Price

- 1.1 When gas and electricity are resold, section 37 of the Gas Act 1986 and section 44 of the Electricity Act 1989 ("the Acts")) give Ofgem powers to set a maximum price at which they can be resold. We set the maximum resale price via a Maximum Resale Price (MRP) direction.
- 1.2 Resale is the act of purchasing electricity or mains gas from a supplier and then reselling it to another consumer. You do not need a licence to resell energy. If the resale happens on the same premises (such as a landlord reselling energy to individual tenants living in a bedsit), then the reseller must follow the MRP. If the resale happens between separate premises (from the reseller to consumers), then the reseller must follow the MRP, but is also supplying and so must either hold a licence or be exempt from needing a licence. Please see Appendix 2 for further details on the licence exemption regime and for further details on differentiating between different resale scenarios.
- 1.3 Where the end use is for domestic purposes, the MRP is set so that the price at which each unit of gas or electricity may be resold must be the same as that paid to the supplier by the person reselling it.
- 1.4 The MRP is an important consumer protection as consumers resold energy frequently have little or no choice in who supplies them. The MRP helps to ensure that consumers receive a fair price for their energy, in line with Ofgem's consumer interest framework (see page 19).
- 1.5 We note that there is no register of resellers. We approximate that there are between 360,000 and 475,000 GB households provided electricity through a reseller. Estimates are based on 2023 and 2024 DESNZ survey data of households that paid their electricity costs to an intermediary. Due to data limitations, communal establishments were classified as consisting of one household each. Similar data on gas was not available, and these figures may also not cover those who, for example pay electricity costs for EV charging separately to their household electricity costs. As such, it is likely that if granular data were available on the number of households, the true number being resold energy would be higher than the estimate above.

1.6 We note that there is no register of resellers so securing evidence of the scale of any problems is therefore difficult. We are seeking input from stakeholders to improve our insights and understanding of the issues.

Reviewing the Maximum Resale Price

- 1.7 We introduced changes to the MRP in 2003 following a review triggered by changes arising from the <u>Utilities Act 2000</u> (see links for <u>initial proposals</u>, <u>final proposals</u>, <u>decision</u>). For gas, this included changing the MRP provision from an obligation to a discretionary power, and for electricity, allowing the MRP to be set by means other than a fixed price per unit.
- 1.8 The only substantial change since then was in 2014 when Ofgem excluded Electric Vehicle (EV) charging from dedicated charge points from the MRP (consultation, decision). These changes were made following the publication of the Office of Low Emission Vehicles (OLEV) EV infrastructure strategy in 2011 to ensure the MRP did not disincentivise investment in chargepoint infrastructure. We said in the 2014 decision that if subsequent concerns arise about harmful effects on consumers, then we may consider future intervention.

Reasons for this review

- 1.9 The energy system has changed significantly since the last major review of the MRP. The shift towards a decentralised, digitalised and decarbonised energy system has accelerated, driven by climate commitments, technological innovation and evolving consumer expectations. Looking ahead, further changes to the energy system are required to deliver clean power by 2030 and net zero by 2050 at lowest cost.
- 1.10 We want the MRP rules to protect consumers and help enable a low-cost transition: to help consumers benefit from the energy transition, and to facilitate innovative solutions to help consumers to make greener choices.
- 1.11 Based on what stakeholder have told us to date, concerns relating to the pricing and scope of the MRP generally fall into two categories:
 - Protecting consumers and delivering fair prices and;
 - Responding to system changes and delivering a low-cost transition
- 1.12 We note that the rollout of low carbon and flexible technologies is progressing at varying speeds and scales and that the MRP may need to be tailored to the features of different technologies, while supporting the overall clean power and net zero goals. The need for an agile and adaptive approach to the MRP is reflected in the government's <u>Clean Flexibility Roadmap</u> (see action 12, page 34), which includes a commitment for Ofgem to review the MRP.
- 1.13 Looking at one group of issues in isolation could lead to solutions that make the other worse. We want to make the right trade-offs, but we lack evidence to inform

- policy development. We do not licence resellers, so lack details of where they are and how they operate.
- 1.14 There have also been issues raised about the transparency, accountability, and enforcement of the MRP. Resolution of these issues may be for Ofgem or government, depending on the issue, but we are keen to understand the type and size of issues in this area.
- 1.15 We are, therefore, seeking quantitative evidence, practical examples, and insights from suppliers, consumers and resellers to help us better understand the nature and scale of all the issues. Subject to gathering sufficient evidence to determine whether changes are currently needed, we may seek to work with government to deepen our understanding of consumer experience and gather more evidence to better inform future decisions.
- 1.16 This review sits alongside wider work by government and Ofgem to improve the experience of domestic consumers who are supplied energy via non-domestic contracts. This builds from our 2023 review of the non-domestic market in which we committed to raising awareness of the MRP to increase compliance and improve standards for resellers and end consumers (consultation and decision). Government also published a Call for Evidence on domestic consumers with non-domestic energy supply contracts in 2023 to better understand them and their needs following the increase of gas prices from 2021.
- 1.17 Chapter 2 sets out the identified issues with the pricing and scope of the MRP in more detail, chapter 3 looks at the challenges of transparency and enforcement, and chapter 4 outlines next steps.
- 1.18 We welcome perspectives, practical insights and evidence from across the energy, housing, transport and consumer advocacy sectors. Your input will help our thinking and inform any future policy development and guidance, if the evidence supports a need for change. Working together we can secure resale arrangements that support fair outcomes for consumers and facilitate the transition to net zero at lowest cost.

Call for input stages

Stage 1 Call for Input open: 9 October 2025

During this period, we will be holding workshops with interested stakeholders to get their thoughts and input on the call for input.

Stage 2 Call for input closes. Deadline for responses: 4 December 2025

Stage 3 Responses reviewed and published: Spring 2026

Stage 4 Call for input outcome (decision or policy statement): Spring/Summer 2026

How to respond

- 1.19 We want to hear from anyone interested in this call for input. Please send your response to the person or team named on the front page of this document before the response deadline.
- 1.20 We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.
- 1.21 We will publish non-confidential responses on our website.

Your response, data, and confidentiality

- 1.22 You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information. For example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.
- 1.23 If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.
- 1.24 If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy notice on consultations.
- 1.25 If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a call for input

- 1. Find the web page for the call for input you would like to receive updates on.
- 2. Click 'Get emails about this page', enter your email address and click 'Submit'.
- 3. You will receive an email to notify you when it has changed status.

A call for input has two stages: 'Open' and 'Closed'.

2. The pricing and scope issues

In this section, we explore key issues within the MRP and ask questions about them. This includes the price at which the MRP is set, treatment of non-domestic customers, how MRP could be used to facilitate low-carbon technology, EV charging, and energy storage.

Questions

- Q1. What should be the purpose and objective(s) of the MRP? What risks should it protect resale consumers from?
- Q2. What approach(es) should we use to set the MRP and deliver "fair prices"?
- Q3. Do you believe that some or all non-domestic end consumers should be protected by the MRP? Please provide reasons for your answer.
- Q4. Do you think there is currently the risk of poor outcomes for non-domestic consumers because the MRP does not apply? If so, why?
- Q5. Are you aware of barriers to resellers offering flexible tariffs (eg, time or type of use tariffs) to domestic and non-domestic tenants?
- Q6. Does the current MRP strike the right balance between capping prices and facilitating investment to deliver net zero and lower energy bills? Please explain your answer and provide evidence where possible.
- Q7. What changes should we make to the MRP to facilitate investment? Please explain your answer and provide evidence where possible.
- Q8. What evidence is there of domestic households in shared and multiple occupancy settings with dedicated EV infrastructure (namely tenants and leaseholders) being overcharged as a result of the resale of electricity?
- Q9. What evidence is there of non-domestic EV users experiencing harm due to the resale prices being charged in private business tenancy settings?
- Q10. Do you have evidence of the impact of Ofgem's 2014 decision to disapply the MRP on EV infrastructure investment and roll-out? If Ofgem introduced MRP protections for dedicated EV infrastructure in domestic resale settings, what impact would this have on landlords' ability to invest and future chargepoint roll-out?
- Q11. Should we consider adopting a segmented approach to the MRP? If so, are there EV charging situations where the MRP exemption should no longer apply? In addition, what other methodologies for setting the MRP should we be considering?
- Q12. Given the focus on marine decarbonisation, should we reconsider how the MRP is applied in marine charging scenarios? If so, should this apply to all charging scenarios or only some?

- Q13. If the MRP protections should apply in some situations, which scenarios should be considered for inclusion? What criteria should we use in defining/identifying the types of marine craft where MRP exemptions should apply?
- Q14. Do you see the alternative ways of recovering costs mentioned as potentially effective? What would be other non-MRP ways of recovering costs?
- Q15. Should power for domestic purposes be treated differently from propulsive power? Are there ways to distinguish between these uses at the point of charging?
- Q16. What evidence is there of batteries being used in reselling arrangements? What are the benefits and risks of this approach for consumers, and is further consideration of this use-case by Ofgem and DESNZ warranted in the near term?

The price at which the MRP is set

- 2.1 When energy is resold for domestic use, the MRP applies and is currently set on a cost pass-through basis: it can only be resold at the same price paid by the reseller. Resellers do not always have to calculate usage based on metered data; they can use estimates so long as the methodology is transparent and provided upon request. When estimating, the reseller must ensure the user is not overcharged and may not charge consumers for their own consumption (such as a live-in landlord sharing premises with their tenants).
- 2.2 There are various residential settings that rely on resold energy including where the residence is moveable (e.g. caravans and house boats), temporary accommodation (e.g. for temporary workers), a landlord reselling to their tenant, or a park home operator reselling to residents. The physical set-up of these housing arrangements is varied and the guidance explains how the MRP can be applied in various situations.
- 2.3 Having this core principle that a reseller can only charge a consumer the same price they paid for the energy is simple to administer, allows resellers to recover the costs of supplying energy and prevents the reseller from profiting on a basic commodity. However, there are concerns that this approach to setting the MRP may result in poor consumer outcomes (e.g. if the reseller negotiates a poor deal). In this section, we outline some of the potential issues raised with this approach to setting the MRP.
- 2.4 We are keen for stakeholder views about whether the current approach to setting the MRP delivers fair prices for consumers. If a domestic consumer is resold energy by a reseller on a non-domestic contract, then the domestic consumer is not protected by the price cap. Instead, the consumer is exposed to the cost the reseller paid for their energy.
 - If a reseller chooses a high-cost tariff, this is passed on. This may not incentivise the reseller to negotiate a tariff or choose a supplier based on

which is the cheapest. If the reseller also uses energy they must pay for their own share. While this should motivate them to negotiate a good deal, if their own usage is small then the incentive is weak.

- Consumers resold energy often cannot switch and are locked into the reseller's deal.
- 2.5 These issues may create consumer harm. In particular, we note that consumers that are resold energy may include a higher number of consumers that are vulnerable to high energy costs (e.g., students, social housing or park home residents). The current housing market is highly competitive and so consumers are unlikely to be able to make decisions on where to live based on resale costs.
- 2.6 There are different potential ways of calculating the MRP. We welcome views on the purpose and intent of the MRP and evidence about whether the current approach sufficiently protects consumers and delivers fair prices. Possible options include:
 - Cost pass through approach: This is the status quo, where the MRP continues
 to reflect the price paid by the reseller. This would ensure the reseller doesn't
 profit from resale and end consumers pay no more than the original supply
 cost. It is simple to administer and allows the reseller to recover its costs.
 - Benchmark tariff price: We could cap the MRP at the level of a 'typical tariff' available on the market. This would align with what a consumer would pay if they had direct access to the market. This would be harder to administer (eg, determining a 'typical tariff') and may not allow the reseller to recover its costs.
 - Price-cap linked price: We could tie the MRP to our default price cap level, but
 it would be harder to administer, may not be reflective of non-domestic tariffs,
 and may not allow the reseller to recover their costs. We also note that
 historically, non-domestic prices are lower than domestic prices so linking
 the price to the price cap may mean they pay higher prices than what they
 could.
- 2.7 Alternatively, we could keep the current cost-pass through approach to setting the MRP, but introduce other changes to encourage resellers to get a good deal:
 - To encourage price discovery, we could require resellers to show to the person they are reselling to that they have sought competitive rates. This could force more investigation of prices before selecting the best deal, but in some situations the reseller may have limited choices.
 - Consumer challenge mechanisms could be introduced to let consumers dispute excessive MRP charges if they can prove they are paying significantly higher than "market rates". As noted above, whilst the price cap sets an efficient price for domestic supply, it may be difficult to determine what

"market rate" is for non-domestic supply. See further section on <u>Enforcement</u> and <u>Accountability</u>.

Scope of the MRP

- 2.8 The MRP currently applies whether the resale happens in a single premises (such as a house of multiple occupancy (HMO) or bedsit set-up) or between premises (for example across a private network such as a park home site). The MRP applies regardless of the type of supply contract the reseller has with their supplier.
- 2.9 In a situation where a resident lives at a premises that also takes energy for non-domestic purposes (like a flat above a shop), the MRP only applies in respect of the domestic use. In addition, the MRP does not apply when an inclusive charge is made for accommodation, for example where a park home pitch fee includes "all amenities" or a flat is rented as "all bills included". The MRP does not apply where electricity is resold from a dedicated EV chargepoint. The resale of Liquefied Petroleum Gas (LPG) via gas cylinders is also out of scope.
- 2.10 The MRP covers the overall costs incurred by the reseller in having the gas or electricity supplied to its premises. This means the MRP covers any unit rates, standing charges and metering fees (where these are provided as part of the supply contract to the reseller's premises as is permitted to happen in non-domestic supply contracts) between the supplier and the reseller. However, the MRP does not cover additional charges the reseller may incur related to providing the gas or electricity to its consumer, such as fees to cover the cost of billing, maintenance of their on-site electricity network, and charges for maintaining their own sub-meters. It is open to the reseller to determine how to recover these additional costs from their consumers, but the charges may be covered by additional housing regulations.

Non-domestic consumers

- 2.11 The MRP currently only applies when the end use is domestic. When we last reviewed the MRP, we concluded that non-domestic consumers would be better able to negotiate fair resale charges and could select business premises based on energy prices (initial proposals, final proposals, decision document). Since 2003, we have increased protections for segments of the non-domestic market, namely for micro and small businesses. These changes recognise that the assumption smaller businesses can hold their own and negotiate on an equal footing with licensed suppliers does not always hold true.
- 2.12 We are keen for stakeholder evidence and perspectives about whether we should extend the MRP to non-domestic situations. This could be universal or limited to a specific sub-set, such as for micro-businesses.

Facilitating a flexible low-carbon future

- 2.13 To deliver net zero at lowest cost, we need a flexible energy system. Government have set a target of 10-12 GW of consumer-led flexibility, excluding storage heaters, in the Clean Power 2030 Action Plan. If we can enable households and businesses to use electricity when it is abundant, then all consumers will save because we won't have to build as many pylons and power stations. Price signals are an important incentive to encourage consumers to shift or reduce energy consumption. We want all consumers, including those that are resold energy, to have the opportunity to benefit from being flexible with their energy use. Some stakeholders have raised concerns that the current resale arrangements create a barrier to this.
- 2.14 Firstly, since the current MRP rules work on a cost-pass through basis, there is often little incentive for resellers to look for opportunities to reduce bills for end consumers. We could consider changes to incentivise resellers to adopt time-varying tariffs. For example, allowing resellers to retain a small margin if they adopt a time-varying tariff requested by the end consumer (eg, EV or a heat pump tariff).
- 2.15 Secondly, the MRP requires that energy resold must not exceed the price paid by the reseller to the supplier. If the reseller is exposed to time-varying energy prices, and the end-consumer has a meter to measure consumption at each price, then we would expect the reseller to reflect these price signals to the end consumer. But for consumers to respond to these signals, they need to understand how their charges are calculated. Right now, stakeholders say it is often unclear what prices the reseller actually paid. That lack of transparency could discourage end consumers from using energy flexibly (see section 3.1 for options to help improve the transparency of MRP).
- 2.16 Thirdly, when a reseller faces time-varying prices but doesn't have access to granular consumption data for each end consumer (due to a lack of smart submetering), the current MRP framework requires them to make a reasonable effort to estimate each end consumers' share of the total bill. We understand that, to simplify compliance, some resellers opt for simple flat-rate pricing that doesn't reflect the underlying time-based price signals. This can reduce the incentive for consumers to adjust or shift their energy use. We could consider updating the MRP to include standardised tools to better enable resellers to estimate consumption so that resellers can pass on time-varying energy prices; this could include common load profiles for different consumers or tools to estimate timings of consumption based on occupancy/appliance information.
- 2.17 As well as the right incentives and information to aid reseller and end consumer flexibility, being flexible can depend on having suitable low-carbon technologies. Some stakeholders have expressed concerns that the way the MRP works may hinder the rollout of these technologies. Through our recent consultation on

- <u>innovation in the energy retail market</u> we heard from innovators who said that the MRP limits their ability to deploy innovative products and services to consumers that are resold energy. They argue that enabling cost recovery through resale charges could support wider deployment of essential technologies and help deliver long-term savings.
- 2.18 We are keen for evidence and views from stakeholders about whether the current approach to resale and the MRP strikes the right balance between capping prices and facilitating investment to deliver net zero and lower energy bills. There could be options for capping prices, whilst still facilitating investment (eg permitting reseller to recover legitimate infrastructure costs but introducing caps on this to prohibit profit-making). We welcome views and evidence on how we can design the MRP to get the balance right.

EV charging

- 2.19 In 2014, when there were around 17,900 battery EVs in GB, we amended the MRP to exclude the MRP protections from the resale of electricity from dedicated EV charging infrastructure (Table VEH0141a: This includes all types of EVs at the end of Q4 2014. If we take battery electric cars only, this figure was around 12,100. This decision was taken to encourage investment, allowing resellers to recoup the costs of installing and maintaining charge points. In turn, it was expected this would encourage the faster uptake of EVs. As Ofgem's 2022 guide on different EV charging scenarios explains, the MRP rules do not apply when electricity is resold via dedicated EV charge points irrespective of whether the charging is done at home, at work, on-street or on-the-go.
- 2.20 The EV market has grown significantly over the past decade, now with around 1.73m EVs on our roads and around 85,000 public charge points (This data source includes cars and vans only. We would expect the real number of EVs to be higher if we included other vehicle classes. Data for both statistics made up to the end of August 2025.)
- 2.21 The Department for Transport estimates that <u>a minimum of 300,000 public</u> chargers will be needed by 2030 to meet forecast demand.
- 2.22 Against this background of positive growth in public chargepoint availability, we are concerned that some consumers may be exposed to higher charging costs than others. We have seen evidence that some domestic consumers are facing high charges, typically those living in HMOs or flats where EV charging facilities are shared, or in situations where the landlord holds the electricity supply contract and resells to their tenant (we are keen to hear from stakeholders about other domestic residency arrangements where EV drivers share private EV charging infrastructure too).
- 2.23 We've also received information from MPs about their constituents being over charged when using private charge points. Stakeholders also say that landlords

- are not offering cheaper rates at night, and charge points are not providing faster charging services for the higher cost.
- 2.24 We are keen to hear stakeholders' views about whether the current approach to resale and the MRP strikes the right balance between supporting the rollout of EV charge points and delivering fair prices for consumers. To inform our thinking, we are specifically interested in evidence of the costs of electricity resold from dedicated EV charging infrastructure in private residential settings.
- 2.25 At this stage, the evidence we've received focuses on the treatment of domestic EV users, but we're also keen to hear about the experiences of businesses that charge their EVs via private charge points provided by their landlord in shared/managed workspaces, industrial units or similar workplace situations.
- 2.26 We would welcome stakeholders' initial views on whether changes to the MRP could be made to deliver better outcomes for consumers. For example, whether there are specific charging situations where the MRP exemption should no longer apply or whether we could make changes that still facilitate investment in EV infrastructure but better protect consumers.

EV charging for marine craft

- 2.27 The MRP applies whenever gas or electricity is resold for domestic purposes. This could include marine craft that are resold electricity for domestic needs (such as heating, lighting and cooking). When we refer to "marine craft" this includes vessels, boats, hovercrafts or any other types of watercraft.
- 2.28 Back in 2012 we determined that costs incurred installing new electric charge points for marine craft could be recovered via other routes (eg, mooring fees). We also considered that it didn't justify complex rule changes as there were only a small number of houseboats using electricity for propulsion.
- 2.29 Currently, marine craft may rely more on diesel or petrol for propulsion rather than electricity. For example, in 2024/25 around 5.2% of total registrations were boats propelled by electricity in the Anglian, Thames and Southern waterways. So far in 2025/26, this is around 5.6% of total registrations, slightly higher than in 2024/25.
- 2.30 As we move towards the government's decarbonisation goals and small vessel decarbonisation accelerates, we expect more marine craft to use electricity for propulsion. This becomes doubly important when we consider that the <u>estimates</u> for the GHG emissions generated by domestic maritime in 2019 were around 8 MtCO₂e, on a Well-to-Wake basis, with around 7 MtCO₂e accounted for by the vessels captured in the Department for Transport emissions model (which does not currently include inland waterways and leisure craft). On a Tank-to-Wake

¹ 25th July 2025 snapshot. <u>Boat registration - Boats registered by year - data.gov.uk</u>. Note that this data only covers these waterways, thus if all GB waterways were considered, these figures are likely to be higher. Note that there are a small number of duplicate registration numbers in the data.

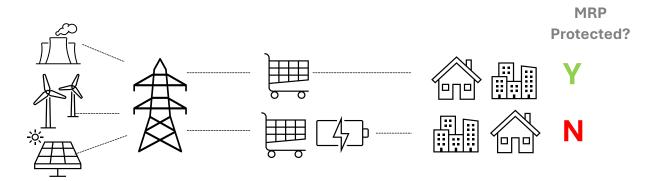
- basis, the 2019 emissions from domestic maritime were $6.9 \, MtCO_2e$. This is equivalent to around 5.5% of total UK domestic transport emissions, more than buses ($3.0 \, MtCO_2e$), rail ($1.9 \, MtCO_2e$), and domestic aviation ($1.4 \, MtCO_2e$) combined. As part of decarbonisation goals, from 1^{st} April 2022, HMRC ruled it is unlawful and restricted the use of red diesel and rebated biofuels as fuel for all marine craft refuelling and operating in the UK.
- 2.31 As government pursues their maritime decarbonisation strategy, we would expect more marine craft to be propelled by electricity in the future. Therefore, we expect to need more electricity charging points for marine craft. As such, some stakeholders consider it's time to restart the conversation on what can be recovered via the MRP. They are concerned that restricting the recovery of installation costs via resale charges could slow down investment and growth in EV charging points for marine craft. They believe we should enable resellers to recover the cost of installing electric charging infrastructure for marine craft via resale charges.
- 2.32 We acknowledge that there is a distinction between electricity use for general domestic purposes (eg, cooking, heating and lighting) and for craft propulsion. This distinction is important for MRP considerations as domestic users may be vulnerable to price exploitation. We are keen for evidence and views from stakeholders about whether the current approach to resale and the MRP strikes the right balance between capping prices and facilitating investment to deliver net zero in the maritime transport sector.
- 2.33 We are keen to learn from the experience of surface transport where we have enabled resellers to recover the cost of installing EV chargers, but some stakeholders are now concerned that this approach doesn't sufficiently cap prices for consumers. If we were to make any changes, a key consideration would be how we ensure fair prices for marine craft that rely on electricity for domestic needs like heating and cooking. We are keen for stakeholders to submit any evidence on these issues, including to help us understand the scale of the issue.

Storage

2.34 Grid scale and small-scale batteries have critical roles to play in realising the government's ambitions for clean power by 2030; alongside EVs, batteries will be one of the key technologies to deliver the flexibility we need. Not only do batteries allow consumers to shift their electricity use when the system needs it most, but they allow consumers to make savings by buying power from the grid when it is cheaper and using it when it is more expensive to import. However, not all consumers live in or do business from premises where they can install their own batteries. Similarly, many domestic consumers can't afford the up-front costs or secure the credit to pay for batteries or other low-carbon technologies. Landlords may be better placed to make this investment, realising benefits for them and their tenants.

- 2.35 In 2019 we confirmed that storage would be treated as a form of generation as it shares similar characteristics and performs similar functions in terms of generating and exporting electricity. This treatment was placed on a legislative footing with the Energy Security Act 2023, clarifying that "a reference to a person who generates electricity includes a reference to a person who generates electricity from stored energy".
- 2.36 In regulatory terms, when a battery imports and then exports electricity it is, in effect, generating it for the first time; it is new generation which means a battery is not capable of being used for the resale of electricity. In turn this means that the MRP does not apply to scenarios where a consumer is sold power by their landlord from a battery (see Fig.1). While consumers could share in the benefits batteries provide, there is also the risk that consumers could face higher charges than through a traditional reselling model.

Figure 1



2.37 It is not clear whether storage is being used in place of (or in addition to) traditional reselling arrangements, and what the consumer (domestic and non-domestic) experiences are. Although the MRP rules do not apply to the use of batteries, we're keen to hear from stakeholders about the consumer experience (benefits and risks) and from traditional resellers and other parties about the investment case for storage in this scenario, and what impact this has on the costs of selling electricity to consumers.

3. Transparency, Accountability, and Enforcement

This section outlines current rules on transparency of MRP costs and our concerns with it. It also considers how we could improve accountability and enforcement of the MRP.

Questions

- Q17. Does the MRP strike the right balance between empowering the end consumer to exercise their right to transparency versus not placing an undue burden on the reseller? How do you think we could improve transparency?
- Q18. Do you believe the current penalties for breaching the reselling rules are an adequate deterrent?
- Q19. Do you have any suggestions on measures that could be taken to improve enforcement and accountability?

Transparency and awareness

- 3.1 We want to understand if the MRP empowers consumers to make use of the rules. A reseller generally has a market power advantage on account of their monopoly position. One way to rebalance that relationship is full transparency of the original price paid, allowing consumers to verify they are not being overcharged and build trust.
- 3.2 The current rules require:
 - Resellers to reveal what prices they paid for their energy originally and provide documentary evidence of this when requested (and provide the methodology of how usage is estimated if supply is unmetered). This also applies to any person who is contemplating purchasing gas or electricity from the reseller.
 - If documentary evidence is not provided in a timely manner, the end consumer can deduct from any payments twice the base rate of Barclays Bank plc from any money due for energy from that point on until the evidence is provided ("Timely manner" defined in the MRP direction as "timeliness being assessed in relationship to the needs of the person purchasing or contemplating purchasing gas or electricity from the reseller").
 - Where the documentation is provided and a breach found, the money owed is to be returned with interest. Interest is calculated at twice the average base rate of Barclays Bank applicable during the period when the excess occurred.
- 3.3 The main concern with the current rules is that they do not sufficiently empower the consumer to meaningfully make use of them. This may be because:
 - General awareness of the MRP is assumed to be low amongst end consumers, and not universal amongst resellers themselves.
 - Where a consumer is aware of the MRP, the onus is on them to seek out the necessary documentation and calculate deductions based on base rates.

- There is no standardised billing format or tool to enable consumers to easily verify they are not being overcharged. Expecting a consumer to determine if and the extent to which they have been overcharged is a demanding ask.
- 3.4 Even when a consumer requests the evidence, it is not always provided by the reseller, and the consumer may not feel empowered to deduct the interest from the bill due to the power imbalance that can exist between them (eg, between a resident and their housing provider). In cases where the overcharging is significant, a deduction from the bill of twice the Barclays Bank base rate might still be profitable for the reseller and so not an effective deterrent, either because not enough consumers made the deductions, or the overcharging was so high it was greater in value than the combined deductions. We could consider introducing a mechanism whereby the evidence that shows the original price paid is automatically supplied to any consumer who is (or is considering) buying resold energy. Similarly, where the resale is unmetered, resellers could be required to automatically provide their standard allocation methodology.

Enforcement and accountability

- 3.5 As there is no need to apply for a licence to resell, there is no register of resellers. Although Ofgem sets the MRP, we are not responsible for enforcing it. The legislation does not grant us that power, and we are generally not set up to intervene on individual complaints. There are broader requirements for licence exempt suppliers (ie non-MRP requirements), and we do have enforcement powers in relation to these. If the reseller is also a licence exemption holder, Ofgem has enforcement powers (outside of MRP) and can take action in relation to non-compliance.
- 3.6 While Ofgem does not have MRP enforcement powers, if a consumer considers they have been overcharged, they can claim against the reseller through the courts or tribunal services, if their dispute cannot be resolved through negotiation. The exact options available depend on whether the dispute takes place in England, Scotland or Wales. The tribunal or civil court can use the MRP direction as the basis for deciding claims. Consumers can seek support and advice through this process from consumer protection bodies (such as Citizens Advice).
- 3.7 We note that consumers may be reluctant to challenge their reseller and take legal action against them, particularly when the reseller is their landlord. This inherent power imbalance may make formal legal action an intimidating option for many consumers. Taking legal action will also most likely incur a cost. There is no specialist or standardised dispute mechanism for resale consumers, as resale is not in scope of the Energy Ombudsman. In contrast, a domestic or small business consumer of a licenced supplier can access the Energy Ombudsman service for free. We continue to explore with the Ministry of Housing, Communities and Local Government (MHCLG) the extent to which any new Private Rented Sector Landlord Ombudsman, legislated for as part of the Renters' Rights Bill, might handle tenant

- complaints related to energy, where a private landlord is at fault. This could open an MRP redress route that avoids consumers having to take resellers to court, provided the reselling happens within a private landlord's property. Wider discussions are being held with government about whether there are other housing ombudsman services that might be used to decide MRP complaints.
- 3.8 In addition to working with government on the above, potential options within our current powers could focus on improving transparency, strengthening deterrents (see the <u>Transparency and Awareness</u> section above) and simplifying rules. We think that consumers may also find the MRP enforcement provisions difficult to utilise. Simplification of the MRP rules might involve changing how interest is calculated to make it easier for a consumer to understand and apply. Strengthening of deterrents against resellers breaching the MRP could involve an increase in the scale of deductions that consumers are allowed to apply in the event of a breach.

4. Conclusions and next steps

Question

Q20. Is there anything else we should be considering with respect to the MRP?

- 4.1 In this Call for Input, we have asked specific questions to inform future MRP policy. We are also keen to hear from stakeholders if there are other areas relevant to the MRP we should be considering that we did not cover.
- 4.2 One example area includes metering. We have received correspondence from consumers and resellers asking for clarification on how metering should work in various resupply scenarios. Metering has become more complex since Ofgem's current guidance on MRP was last updated in 2005 (for example, with the introduction of smart meters). We plan to work with the Office for Product Safety and Standards (OPSS) to clarify expectations around metering arrangements in resupply situations (when the Class B supply licence exemption applies) and the roles of different parties, including consumers. We expect this to be in the form of new guidance.
- 4.3 We aim to engage directly with stakeholders who are impacted by the issues raised in this Call for Input and will follow-up during this consultation period.
- 4.4 Once this Call for Input is closed, we will consider all submissions and use these to determine next steps. We will inform stakeholders of our decision in due course.

Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this call for input. We would also like to get your answers to these questions:

- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

Please send your feedback to stakeholders@ofgem.gov.uk.

Appendix 1 List of Questions

- 1. What should be the purpose and objective(s) of the MRP? What risks should it protect resale consumers from?
- 2. What approach(es) should we use to set the MRP and deliver "fair prices"?
- 3. Do you believe that some or all non-domestic end consumers should be protected by the MRP? Please provide reasons for your answer.
- 4. Do you think there is currently the risk of poor outcomes for non-domestic consumers because the MRP does not apply? If so, why?
- 5. Are you aware of barriers to resellers offering flexible tariffs (e.g., time or type of use tariffs) to domestic and non-domestic tenants?
- 6. Does the current MRP strike the right balance between capping prices and facilitating investment to deliver net zero and lower energy bills? Please explain your answer and provide evidence where possible.
- 7. What changes should we make to the MRP to facilitate investment? Please explain your answer and provide evidence where possible.
- 8. What evidence is there of domestic households in shared and multiple occupancy settings with dedicated EV infrastructure (namely tenants and leaseholders) being overcharged as a result of the resale of electricity?
- 9. What evidence is there of non-domestic EV users experiencing harm due to the resale prices being charged in private business tenancy settings?
- 10. Do you have evidence of the impact of Ofgem's 2014 decision to disapply the MRP on EV infrastructure investment and roll-out? If Ofgem introduced MRP protections for dedicated EV infrastructure in domestic resale settings, what impact would this have on landlords' ability to invest and future chargepoint roll-out?
- 11. Should we consider adopting a segmented approach to the MRP? If so, are there EV charging situations where the MRP exemption should no longer apply? In addition, what other methodologies for setting the MRP should we be considering?
- 12. Given the focus on marine decarbonisation, should we reconsider how the MRP is applied in marine charging scenarios? If so, should this apply to all charging scenarios or only some?
- 13. If the MRP protections should apply in some situations, which scenarios should be considered for inclusion? What criteria should we use in defining/identifying the types of marine craft where MRP exemptions should apply?

- 14. Do you see the alternative ways of recovering costs mentioned as potentially effective? What would be other non-MRP ways of recovering costs?
- 15. Should power for domestic purposes be treated differently from propulsive power? Are there ways to distinguish between these uses at the point of charging?
- 16. What evidence is there of batteries being used in reselling arrangements? What are the benefits and risks of this approach for consumers, and is further consideration of this use-case by Ofgem and DESNZ warranted in the near term?
- 17. Does the MRP strike the right balance between empowering the end consumer to exercise their right to transparency versus not placing an undue burden on the reseller? How do you think we could improve transparency?
- 18. Do you believe the current penalties for breaching the reselling rules are an adequate deterrent?
- 19. Do you have any suggestions on measures that could be taken to improve enforcement and accountability?
- 20. Is there anything else we should be considering with respect to the MRP?

Appendix 2 Further details on Licence Exemption and differentiating between different resale scenarios

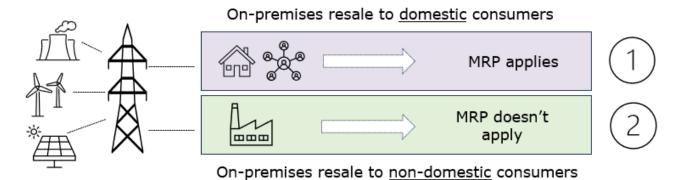
Further details on licence exemption

- A1.1 The <u>licence exemptions</u> allow companies, who meet certain criteria, to be exempt from being licensed. Although they are not licensed, this does not mean they are not subject to regulations.
- A1.2 There are four classes of licence-exempt supply, of which <u>Class B</u> is concerned with resale. Where resale occurs under Class B to domestic consumers the MRP applies. A common example of this is resale to residents of park homes.

Differentiating between different resale scenarios

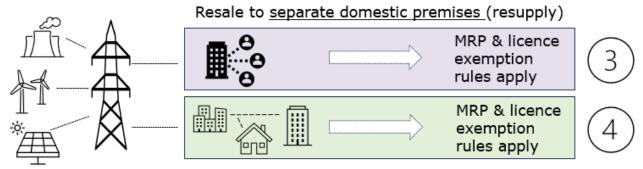
A1.3 Housing arrangements vary and different domestic resale scenarios are possible. Scenario 1 (see Figure 2) shows a common resale example in which a landlord resells energy to domestic tenants within the same property. In this situation the MRP would apply. Resale can also happen in non-domestic settings such as an owner of an industrial site reselling energy to business tenants (scenario 3), but the MRP would not apply.

A1.4 Figure 2



A1.5 It is also important to note that resellers can fall under an additional regulatory regime - the supply licence exemptions regime - when they are reselling electricity from one premises to others. Scenarios 3 and 4 (see Figure 3) show examples of resale happening in different residential settings. In both cases a landlord is reselling power to consumers in separate premises. The premises can be located in the same building (as with scenario 3) or where consumers are living separately from the reseller (scenario 4).

A1.6 **Figure 3**



Resale to <u>separate domestic premises</u> (resupply)

- A1.7 In either case, the reseller is supplying power by way of a distribution system to consumers; the reseller is in effect resupplying the power. As explained before, where someone is supplying electricity, they must be licensed, or in some limited circumstances can supply without a licence (a licence-exempt supplier). Class B of the supply licence exemptions provides for the resale of electricity between different premises. This means that resellers under scenarios 3 and 4 are subject to both the MRP rules and the obligations of being a licence-exempt supplier. The detailed rules that govern exempt supply resale (to premises) are set-out in the 2001 Electricity Exemptions Order and Schedule 2ZB of the Electricity Act 1989.
- A1.8 When scenarios 1-4 also involve the resale of power to dedicated EV charge points then the MRP does not (currently) apply (see Section 2.19 which deals with EVs and resale). If an EV chargepoint is supplied under scenario 3 or 4, then licence-exempt supply is most likely occurring, but the MRP still does not apply.