Making a positive difference for energy consumers

Non-domestic supplier CEOs
and Directors of Regulation,
Non-domestic customer groups
and other interested parties

Email: NonDomesticRetailPolicy@ofgem.gov.uk

Date: 25 November 2026

Dear colleagues,

Winter preparedness in the Non-Domestic supply sector

We recognise that the non-domestic energy market continues to operate against a challenging backdrop as we move into the winter. Businesses are facing the effects of high energy prices and broader economic pressures, while suppliers are managing increasing commodity and non-commodity costs and a complex operating environment. We are grateful for the level of engagement received to date from yourselves as well as business trade representatives and customer groups to understand the real-world impact of these pressures.

As we collectively take steps to protect consumers this winter, we are writing to remind suppliers of their obligations under the gas and electricity supply licences and the importance of treating non-domestic customers fairly. This letter does not introduce new requirements but acts as a reminder of suppliers' current regulatory responsibilities.

Our expectations this winter

We expect suppliers to maintain good standards of customer service and have appropriate arrangements to identify and support customers experiencing financial difficulty, while ensuring that no customer pays more than they should. We recognise that the non-domestic market is varied, reflecting the diversity of the sector, the needs of non-domestic consumers, and the contractual arrangements in place. It is vital that we collectively act in the best interest of all consumers, with special regard to smaller businesses.

Fair and varied contract arrangements

We recognise suppliers' efforts to support business customers through recent challenges. This winter, we encourage suppliers to continue to tailor their approach to customers' circumstances and consider variability in contract length, terms and renewal arrangements. Suppliers should consider what is fair and reasonable for each customer.

The Office of Gas and Electricity Markets
10 South Colonnade, Canary Wharf, London, E14 4PU **Tel** 020 7901 7000
www.ofgem.gov.uk

Customer service and fair treatment

Suppliers must continue to comply with applicable Standard Licence Conditions (SLC), including:

- Providing complete, accurate and non-misleading information.
- Communicating clearly, promptly and accessibly.
- Applying contractual terms fairly.
- Handling enquiries and complaints effectively.
- Treat customers fairly in all aspects, in line with the 'Customer Objective'.

Suppliers should also have regard to our relevant guidance and good practice. In June 2026 we updated the good practice on debt management and disconnection for non-domestic suppliers[1]. This winter, we expect suppliers to consider this good practice and treat customers in financial difficulty fairly and constructively. Suppliers should aim to explain available options clearly and consider each contract on an individual basis before pursuing debt recovery or disconnection. Particular care must be taken where domestic consumers downstream of a non-domestic contract are going to be affected by debt and disconnection activity.

On 17 November 2026, we published an updated deemed rates guidance[2], to provide suppliers with information on how to meet SLC7. Suppliers should familiarise themselves with the guidance and have regard to it when setting and applying deemed contract terms

Clear information about costs and changes

Suppliers should explain available options, associated costs and contractual changes clearly so customers can make informed decisions. At contracting and before subsequent changes, communications should explain:

- Which cost elements are fixed, and which are variable.
- Which costs may be passed through, including network and other non-commodity charges.
- Why and when charges may change, and how those changes will affect bills.

Consistent with our billing best practice guidance[3], timely explanations should help customers understand and plan for changes, particularly under flexible, variable or other non-fixed price arrangements.

[1] Good practice on debt management and disconnection for non-domestic suppliers | Ofgem
[2] Deemed contracts for energy consumers | Ofgem
[3] Non-domestic billing best practice guidance

Broker practices and oversight

Suppliers should review how they work with brokers and oversee broker-related practices, ensuring that these arrangements meet applicable obligations and support fair customer outcomes. We are also writing to Third-party Intermediaries about our expectations this winter, as we recognise both suppliers and TPIs have important roles in delivering good outcomes for consumers.

Monitoring and compliance

Our intelligence gathering and compliance approach this winter will focus on existing obligations covering contract and renewal practices, broker conduct and oversight, and disconnections, alongside our existing work on debt and deemed rates. Deemed contracts must not be unduly onerous. We may consider targeted compliance activity in these areas if we see evidence of consumer harm.

Next steps

We will continue to engage with the sector and monitor developments in the non-domestic market over the coming winter. Our monitoring will be supported by the redesigned Non-Domestic Market Monitoring Data Collection, which is currently being piloted with suppliers ahead of its launch in the new year. The new collection will improve the quality and timeliness of our market insight while reducing the administrative burden on suppliers, reflecting our commitment to more targeted and proportionate data collection.

Please contact my team at NonDomesticRetailPolicy@ofgem.gov.uk with any comments or concerns. I look forward to our continued engagement.

Kind regards,



Neil Kenward

Director General for Markets
Ofgem

The Office of Gas and Electricity Markets
10 South Colonnade, Canary Wharf, London, E14 4PU **Tel** 020 7901 7000
www.ofgem.gov.uk