## W.E.COUPLINGS LIMITED

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Andrew Wright The Office of Gas and Electricity Markets 9 Millbank London SW1P 3GE

28<sup>th</sup> April 2008

Dear Andrew,

Following your letter of 27<sup>th</sup> March 2008, I would like to respond to your call for evidence in relation to the competitiveness of the market for gas and electricity from the perspective of a small business owner.

## Small business customers

• What has been the experience of small business customers in the supply markets?

Problems that arise seem to be relating to the changing or renewal of contracts and the changing of suppliers.

We sent a cancellation of contract to E4B, well within the timeframe stated in their terms and conditions, and we instructed Scottish Power to take over our supply.

E4B have objected to Scottish Power taking over our supply time and time again - despite their requests also being within the timeframe stated in E4B's terms and conditions.

We have challenged this numerous times, only to be told that we didn't apply within the allowed timeframe.

At this time our account was in credit by over £ 1,300.00.

timeframe. Again, please see the attached ECOES report.

Enclosed is a copy of the ECOES report which clearly states when Scottish Power made their requests and which supports our claims.

- To what extent do energy contracts for small businesses allow customers to make informed decisions about their choice of supplier?
  Small businesses are being severely restricted in making informed decisions about their choice of supplier when the terms and conditions of certain supplier contracts are unclear and unreasonable.
  As stated above, we have made numerous attempts to switch to another supplier, but E4B simply point us to their terms and conditions which only allow a 7 day window for changeover this is despite the fact that we did actually manage to make a changeover request within this ridiculous
- What is the impact of the rules relating to suppliers' ability to object to a small business customer switching supplier?

The impact of a suppliers' ability to object to small business customers switching supplier can ultimately be as severe as whether or not the business is able to survive. This is due to the prices charged by suppliers to customers who are bound by these 'enforced' contracts.

As yet we have been unable to change to a cheaper supplier and as such we are expected to pay the higher rates charged by E4B in a contract to which we gave our initial notice of termination in November last year.

• What role do agents and intermediaries play in the market?

Agents and intermediaries can be of great assistance to small business customers in finding the most appropriate service supplier/contract to suit their needs; however, these agents and intermediaries appear to lack the power/knowledge to be of any assistance when they have signed you up to a supplier whom it later turns out is operating under unfair terms and conditions, or when the supplier you are with is refusing to release your supply.

 What are small business customers' experiences of suppliers' marketing channels?
 Our particular experience of suppliers marketing activity is of a very pressurising sales technique and a difficulty in obtaining clear pricing and information to easily enable comparison with other suppliers. There is also a sense of certain suppliers making deliberate attempts to 'catch people out' in order to bind them into unreasonable contracts.

I have attached further documentation relevant to our case.

The contact for any questions further to this submission is:

Peter Hart 01257 475101 Email: <u>peter@we-couplings.com</u>

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The company activities are related to the supply and manufacture of hoses and fittings.