

Retail Market Review Response

As I understand it Ofgem changed the rules to allow companies to apply penalties for leaving to another supplier.

This means I can join a good priced tariff; the company can then apply any increase they like, backdated by three months and if I don't like it have to pay a penalty to switch.

I would suggest:

1. Price increases should not be allowed to be backdated. This makes a mockery of the whole system.
2. If the supplier increases the prices then the consumer should be allowed to accept the increase or switch supplier without any penalty being applied.
3. Alternatively penalty clause should only apply to fixed price tariffs.

