

Suppliers should offer business the best deals too, says Energy Advice Line

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ENERGY suppliers should be forced to offer businesses as well as domestic customers the cheapest business gas (http://www.energyadvice.org.uk/business_gas.php) and business electricity (http://www.energyadvice.org.uk/business_electricity.php) tariffs, according to the Energy Advice Line.

Julian Morgan, managing director of the UK's leading business electricity price comparison (<http://www.energyadvice.org.uk/l-business-electricity-price-comparison.php>) and switching service for business, called on Ofgem to extend its reforms to small and medium-sized firms as well as householders.

Ofgem has just unveiled proposals to force suppliers to inform customers about the cheapest tariffs and to ban complex, multi-tier tariffs that make it difficult to understand bills and compare prices.

The proposed changes only apply to domestic consumers but Mr Morgan said it was essential the reforms were extended to protect non-domestic energy users, particularly SMEs.

"We have long been calling on Ofgem to force suppliers to offer businesses their best prices when fixed-term contracts come up for renewal, because under current arrangements they often do the exact opposite," Mr Morgan said.

"It is common practice for suppliers to automatically roll over unwitting businesses onto very expensive out-of-contract tariffs when their fixed-term contracts expire, and these tariffs can be 50% more, or even higher, than their cheapest deal.

"Suppliers have refused to stop this unfair practice and many, many businesses have been forced to pay exorbitant tariffs as a result.

"It's way overdue for Ofgem to step in and extend the kind of protection they are offering to householders, to businesses.

"Ofgem's stated aim is to reform the energy market to make it 'simpler, clearer, fairer and more competitive' for all consumers. If this is true then the non-domestic sector must be included."

Ofgem is proposing to limit each energy supplier to no more than four core tariffs for each fuel when billing householders. Dual fuel discounts will be presented separately to increase clarity.

Mr Morgan said many businesses did not actually realize they were on the wrong deal and paying too much as business energy prices (<http://www.energyadvice.org.uk/l-compare-business-energy-prices.php>) and bills were also exceedingly complex.

The Energy Advice Line has previously called on suppliers to offer clearer and more detailed information

on bills in order to stop the confusion and to enable businesses to more easily search for the best available deals on the market.

It has also called on suppliers to print contract-end dates on bills, and to clearly explain to customers how to terminate their contracts so they can switch suppliers more readily.

An Ofgem spokesman said the government was committed to helping businesses as well as householders get a better deal from energy suppliers. Reforms to help firms would be included in Ofgem's sweeping review of the non-domestic sector, which would be unveiled soon.

The Energy Advice Line is a consumer champion and the UK's only independent business electricity price comparison (<http://www.energyadvice.org.uk/l-business-electricity-price-comparison.php>) and switching services exclusively for small and medium-sized businesses. The service enables firms to quickly and simply compare business energy and business gas prices, and to switch to the best available deal on the market.

The Energy Advice Line has produced The Business Energy Best Practice and Advice Guide (<http://www.energyadvice.org.uk/company/best-practice-guides.php>) to help firms combat unfair pricing tactics employed by utility companies.

To obtain a copy of the guide, for further information or a free quotation, visit www.energyadvice.org.uk