

Dear Sir/Madam

At MSE we are not planning on submitting a response to the Statutory consultation on removing the ban on acquisition-only tariffs. However, Martin Lewis and MSE have published an article on our view on the proposals that we would like Ofgem to be aware of:

- The proposal to lift the ban on acquisition only tariffs in October is a much-needed fix for the broken energy market, to stimulate competition and bring prices down.
- Although this proposal is welcome news, we believe that October is still too far off, and the ban should be lifted sooner to help households find deals and start saving on their energy bills.
- Removing the ban on acquisition only tariffs should be seen as a temporary move to stimulate demand as opposed to a permanent one.
- As Martin has said *"In normal times I wouldn't call for firms to be allowed to offer new customers cheaper prices than existing, yet these aren't normal times. The current UK retail energy system was built on the premise that firms would fight each other for customers and compete on price - yet that's hardly happening."*
- Please find the full article on our view [here](#).

Thank you

Best wishes,

Marianna

Excerpt below taken from article<sup>1</sup> published by MoneySavingExpert.com on 14 May 2024

MoneySavingExpert.com founder Martin Lewis said:

*"The energy market is broken. We need anything possible right now to stimulate competition and bring prices down. In March, I was staggered when Ofgem told me 'there is evidence that removing the acquisition-only tariff ban would benefit consumers', but didn't remove it 'in case it was moving too quickly'. I disagreed and said we should throw the kitchen sink at getting people cheaper deals. So, this is better late than never. In normal times I wouldn't call for firms to be allowed to offer new customers cheaper prices than existing, yet these aren't normal times. The current UK retail energy system was built on the premise that firms would fight each other for customers and compete on price – yet that's hardly happening.*

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<sup>1</sup> [Cheap energy deals for switchers could be back soon \(moneysavingexpert.com\)](#)

*Most firms are currently happy to sit on their existing customers and profit – where once you could switch and save 30%, now it's a few percent at most. So in reality the Price Cap, set up as a remedial backstop rate, is now pretty much the price."*