

# Switching for business customers

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**If you are a business customer, switching energy supplier can make a big impact on cutting your bills. Ofgem wants to make sure that businesses understand how to compare deals and how to go about switching.**

**Evidence, including recent research carried out for energy regulator Ofgem, highlights that many businesses did not switch suppliers the last time their contract was up for renewal.**

**The hints and tips below are relevant to all businesses. They are based on current energy market rules. Following our latest investigation into the retail market we are looking at whether further protection is required for businesses.**

## ▶ Check your meter

If you are thinking about switching you will need to know your consumption so that other suppliers can produce a quote for you. Taking regular meter readings will help build up a picture of your consumption over time.

Remember to give your new supplier your MPAN and MPRN numbers. These are the unique registration numbers for your gas and electricity meters. They are found on your bills and on your meter.

Even if you are not switching, reading your meter will ensure you only pay for what you have consumed from your existing supplier. When you receive bills check carefully whether they are based on estimated or actual reads. If they are estimates give your supplier the actual reading so they can issue you an amended bill.

## ▶ Compare deals

There are many suppliers in the market, so it's worth shopping around to get the best deal. Before doing this, ask your existing supplier if they have any cheaper offers so you have something to use as a benchmark.

When you are talking to a competing supplier ask it to explain the terms and conditions of its deal so you can make sure you fully understand them before you sign up.

## ▶ Know your contract

Make sure you know the terms of your current contract. You should do this well before you need to make a decision on whether or not to stay with your current supplier. This will give you more time to compare other deals so you can avoid feeling pressurised into agreeing to the first offer you get.

For example, how long before your existing contracts ends can you tell your supplier that you want to move? (Many contracts will only allow you to do this at certain times.)

Also see Ofgem Factsheet - Energy contracts for business customers.

### ► Brokers

Some businesses choose to use brokers to help them compare their current deals with those of other suppliers. If you do decide to use a broker, get the most out of its services by asking which suppliers it represents so you know whether it will compare the whole market for you. Also ask it how its services are paid for. For example, will its commission be included in the prices you are quoted?

Ofgem does not currently have a remit to take enforcement action against brokers which deal with businesses. However,

local authority trading standards departments and the Office of Fair Trading (OFT) have enforcement powers which may apply to some forms of misleading information and communications.

If you have any concerns about the actions of a broker you can talk to your local trading standards office, your supplier, or the Office of Fair Trading.

### ► Remember there is no cooling off period if you switch to a new supplier

Most business deals do not offer a cooling off period (this is the option of cancelling a contract within a certain amount of days after it is agreed). So be sure that you are fully happy with the contract and all the terms and conditions before you agree to it.

Also remember that a verbal contract agreed on the phone is binding.

### ► Supplier objections

Your current supplier can object to your transfer, but only under specific circumstances.

Most of these reasons will be set out in your contract. Typical reasons include:

- you still have a debt with your supplier
- you are still bound by your contract (i.e. you are on a fixed term deal and the term has not run out).

NB Your supplier **cannot** object on the two reasons given above if:

- you are not signed up to any contract, ie if you are on a deemed contract
- your contract has expired and you are not bound by its terms.

Your current supplier **can** also object to the transfer if:

- the proposed new electricity supplier has not applied to transfer all related meter points at the same time
- another supplier asks them to (because that supplier has tried to take over your supply in error).

If your supplier does object, they are under licence obligations to tell you this as soon as possible. They must also tell you:

- the reason why they have objected
- how you can dispute this if you think you have a case.