



Department for
Energy Security
& Net Zero

Domestic consumers with non-domestic energy contracts

A call for evidence for domestic consumers
with non-domestic energy supply contracts

Closing date: 18 September 2023

July 2023



© Crown copyright 2023

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this publication should be sent to us at: edgecasescfe@energysecurity.gov.uk

Introduction

This call for evidence aims to increase our understanding of domestic consumers who receive their energy via a non-domestic contract (defined as contracts which are typically used to serve non-residential properties, such as businesses or charities), the reasons for those arrangements and what prices they face. This information will help us determine if any longer-term protections are required for these consumers.

You are a domestic consumer if you are supplied or requiring to be supplied with gas or electricity at a domestic premise (e.g. your home).

Non-domestic energy contracts differ from domestic contracts in the following ways:

- *Non-domestic energy contracts are for a set period of time whereas domestic energy contracts are generally rolling, i.e., there is no end date. To avoid confusion with domestic fixed-term contracts this is only for the duration of the contract itself, the price is not fixed. (Note: there's often a fixed period when signing up to a new domestic supplier, but once that expires, the contract starts to roll)*
- *Cancellation terms - domestic contracts allow consumers to switch suppliers whenever they want. Consumers with non-domestic contracts do not have this option as they must stay with their supplier for the duration of their contract.*
- *Domestic contracts have a cooling off period, non-domestic energy contracts do not.*

The current consumer support arrangements for those that receive a direct supply from their supplier are:

- **Energy Price Guarantee:** This scheme limits the unit price households pay for electricity and gas across the UK. It brings a typical household energy bill in Great Britain down to the equivalent of around £2,500 per year (for the period of 6 months) from 1 October 2022 to end of March 2023 (with equivalent support in Northern Ireland). On 15 March the Chancellor announced that the Energy Price Guarantee will be kept at £2,500 for an additional three months from April to June.
- **Warm Home Discount:** One-off £150 rebate on eligible consumer's winter energy bill each year (domestic contracts only)
- **Winter Fuel Payments:** Between £100 and £300 are paid automatically to those in receipt of State Pension or other social security benefit (domestic contracts only).
- **Cold Weather Payments:** A £25 payment for vulnerable households on qualifying benefits when the weather is or expected to be unusually cold (domestic contracts only).
- **Energy Company Obligation:** obligated energy suppliers provide energy efficiency measures to fuel poor, vulnerable and low-income households.
- **Affordable Warmth Scheme (Northern Ireland):** a grant aimed at low-income households of up to £10,000 to install energy efficiency and improved heating measures.

Current consumer protections for consumers groups within scope of this call for evidence are:

-
- **Maximum resale price:** Ofgem's Maximum Resale Price Provisions state the maximum price at which gas or electricity may be resold is the price that the reseller paid per unit of energy and the standing charge. It should be noted that not all consumer groups (e.g., tenants on inclusive rents) benefit from this provision.
 - **Energy Back-billing:** Ofgem have banned suppliers from issuing customers with back-bills for energy used more than 12 months prior to the date of the bill.

Contents

Introduction	3
General information	6
Why we are consulting	6
Call for evidence details	6
How to respond	8
Confidentiality and data protection	8
Quality assurance	9
Call for evidence questions	10

General information

Why we are consulting

Historically, domestic consumers supplied via a non-domestic energy supply contract have benefitted from lower energy prices compared with domestic consumers who receive their energy supply via a domestic contract. The non-domestic market remains relatively unregulated and price protections were not recommended by the Competition and Markets Authority, who found pricing to be generally competitive.

The increase in wholesale gas prices since August 2021 has highlighted the issues at the centre of this call for evidence. Domestic consumers with domestic energy supply contracts have been protected from volatile energy prices and ensured fair energy prices by the retail price cap, and then the Energy Price Guarantee. Domestic consumers with non-domestic supply contracts have had a different level of protection.

We're seeking evidence about domestic consumers in Great Britain (England, Wales, Scotland) who receive their energy via a non-domestic energy contract to better understand the reasons for these arrangements being in place and what choices those households have in the retail energy market. The evidence gathered will be used to assess the need for long-term consumer protections to support these groups.

Call for evidence details

Issued: 24 July 2023

Respond by: 18 September 2023

Enquiries to:

Retail Energy Markets and Consumers
Department for Energy Security and Net Zero
3rd Floor,
1 Victoria Street
London
SW1H 0ET

Email: edgecasescfe@energysecurity.gov.uk

Call for evidence reference: Domestic consumers on non-domestic energy supply contracts

Audiences:

We welcome responses from a wide range of stakeholders who have a non-domestic energy contract, in particular we are keen to hear from:

- Residents in care homes
- Tenants on all-inclusive rents (bills included in rent)

-
- Tenants in large buildings/ tenants renting from large landlords/companies
 - Residents in flats/apartments attached to a pub or other business
 - Residents in caravan parks (including residents in park homes)
 - Residents in armed forces residential accommodation
 - Residents in houseboats
 - Residents in hospices
 - Residents in religious communities (e.g., nunneries, monasteries)
 - Residents in school and residential accommodation for students
 - Residents in self-catering holiday accommodation
 - Bill-splitters (defined as the division of a bill for service into two or more parts)
 - Groups that represent these consumers
 - Landlords who supply energy to their tenants
 - Suppliers who provide tariffs to landlords
 - Travelling communities
 - Consumers on heat networks
 - Consumer representative groups

We also welcome the views of those who supply energy to consumers/ tenants, such as:

- Landlords/ landlord groups
- Suppliers who provide electricity and gas for landlords to resell to their tenants

We are not considering the use of public EV charging in this call for evidence.

Territorial extent:

The territorial scope of this publication is GB wide, with the intention of receiving responses from customers, industry, and other groups from across GB, while recognising that certain energy policy areas are devolved in some jurisdictions, such as the provision of consumer advice and advocacy in relation to gas and electricity.

How to respond

Your response will be most useful if it is framed in direct response to the questions posed, and with evidence in support wherever possible. Further comments and wider evidence are also welcome. When responding, please state whether you are responding as an individual or representing the views of an organisation.

We encourage respondents to make use of the online e-consultation wherever possible when submitting responses as this is the government's preferred method of receiving responses. However, responses in writing or via email will also be accepted. Should you wish to submit your main response via the e-consultation platform and provide supporting information via hard copy or email, please be clear that this is part of the same consultation response.

Respond online at: <https://beisgovuk.citizenspace.com/energy-bills/domestic-consumers-non-domestic-energy-contracts>

or

Email to: edgecasescfe@energysecurity.gov.uk

Write to:

Retail Energy Markets and Consumers
Department for Energy Security and Net Zero

3rd Floor
1 Victoria Street
London
SW1H 0ET

A response form is available on the GOV.UK consultation page:
www.gov.uk/government/consultations/domestic-consumers-with-non-domestic-energy-supply-contracts-call-for-evidence

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

The government and Ofgem have worked together on the contents of this Call for Evidence and will continue to do so in determining the direction of retail market reform. We therefore

anticipate that responses to this Call for Evidence might be shared with Ofgem. If there is a particular reason a response should not be shared, consultees should indicate so in their submission.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy policy](#).

We will summarise all responses and publish this summary on [GOV.UK](#). The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This consultation has been carried out in accordance with the government's [consultation principles](#).

If you have any complaints about the way this consultation has been conducted, please email: bru@energysecurity.gov.uk

Call for evidence questions

About you (For all respondees)

1. Which of the following best describes you?*

- Responding as an individual
- Responding as a representative of a group (go to Question 6)

2. What sex are you?

- Female
- Male
- Prefer not to say/ Other

3. What is your age?

- Under 18
- 18-25
- 25-34
- 35-44
- 45-54
- 55-64
- 65+
- Prefer not to say

4. Please specify your ethnicity

Asian/ Asian British

- Indian
- Pakistani
- Bangladeshi
- Chinese
- Any other Asian background

Black, black British, Caribbean or African

- Caribbean
- African
- Any other black, black British or Caribbean background

Mixed or multiple ethnic groups

- White and black Caribbean
- White and black African
- White and Asian
- Any other mixed or multiple ethnic background

White

- English, Welsh, Scottish, Northern Irish or British
- Irish
- Gypsy or Irish Traveller
- Roma
- Any other white background

Other ethnic groups

- Arab
- Any other ethnic group

Other

- Prefer not to say

5. Where do you live?

East of England

London

North East

North West

Scotland

South East

South West

Wales

Prefer not to say

6. If you are responding as part of a group, please specify which group you represent.

7. **Which category best describes you (if more than one is applicable, please select the box that you think has the biggest impact on how you pay for your energy)?**

- Residents in care homes
- Tenants on all-inclusive rents (bills included in rent)
- Tenants in large buildings/ tenants renting from large landlords/companies
- Residents in flats/apartments attached to a pub or other business
- Residents in caravan parks (including residents in park homes)
- Residents in armed forces residential accommodation
- Residents in houseboats
- Residents in hospices
- Residents in religious communities (e.g., nunneries, monasteries)
- Residents in school and residential accommodation for students
- Residents in self-catering holiday accommodation
- Bill-splitters (defined as the division of a bill for service into two or more parts)
- Groups that represent consumers with non-domestic contracts
- Travelling communities
- Heat network consumer
- Landlords who resell energy to their tenants (go to Question 39)
- Representative of landlord group (go to Question 39)
- Suppliers who provide electricity and gas for landlords to resell to their tenants (go to Question 52)

Questions for consumers (i.e., you are paying for your energy supply)

8. **Are you connected to mains gas?***

- Yes
- No
- Don't know

9. **Which of the following do you buy energy from?**

- Energy supplier (a company who buys energy from a generator and sells to consumers)
- Generator/microgrid (A microgrid is defined as a network that connects energy generators to energy consumers at a local level)
- Landlord/reseller
- Don't know

10. **If you buy energy from a landlord/reseller, how many consumers are supplied by that landlord/reseller?**

- 1 - 10
- 11 - 30
- 31 - 50
- 51 +
- Not applicable / don't know

11. **Does your landlord/reseller also provide energy for commercial/industrial uses?**

- Yes
- No
- Not applicable/ don't know

12. **Are you able to choose your energy supplier?**

- Yes (Go to Question 14)
- No (Go to Question 13)
- Don't know (Go to Question 15)

-
13. If you do not have the option to choose your energy supplier, please explain why this is (only answer this question if you answered 'No' to Q13)

14. If you have the option to choose your energy supplier, would you have chosen a different energy supplier. Please explain why (only answer this question if you answered 'Yes' to Q13).

15. Are you entitled to extra support from your energy supplier?

- Yes (Go to Q16)
 No (Go to Q17)
 Don't know (Go to Q17)

16. What support is available to you? (only answer this question if you answered 'Yes' to Q16)

17. Are you entitled to any support schemes currently offered by the Government (e.g., Warm Homes Discount, Winter Fuel Payments, Cold Weather Payments)

- Yes
 No

Don't know

18. Overall, how satisfied are you with the way you get your energy?

Very satisfied

Satisfied

Neither satisfied nor dissatisfied

Dissatisfied

Very dissatisfied

19. Please can you explain why you are satisfied/dissatisfied with the way you get your energy.

20. How long have you been living in your current accommodation?

Less than one month

One to three months

Three months to six months

Six months to one year

One to two years

Over two years

21. How long do you plan to live in your current accommodation?

Less than one month

One to three months

Three months to six months

Six months to one year

Over one year

Don't know

Prices

22. How much do you pay for your gas and/or electricity? Please specify if this figure is per month, per quarter, or per year.*

23. How much have your bills increased compared to one year ago?*

Less than doubled

Doubled

More than doubled

Don't know

24. If you have previously received your energy supply via a domestic contract, how have your energy costs changed since moving to a non-domestic (also known as commercial) energy contract?

Increased

No change

Decreased

Don't know (Go to Q26)

Not applicable (i.e., you have never received your energy supply via a domestic energy contract) (Go to Q26)

25. If your energy costs have changed since moving from a domestic energy contract, please can you tell us by how much they have changed? Please specify if this figure is per month, per quarter or per year (leave blank if not known)

26. If you rent, does your rent payment include your energy bill?

Yes

No (go to Question 28)

Don't know (go to Question 28)

27. If your rent includes your energy bill, do you know the breakdown of your rent payment? (i.e., how much of the payment is for energy bills) (please only answer this question if you answered 'Yes' to Q27)

-
- Yes
 - No
 - Don't know

28. Has your landlord recently removed energy bills from your rent payment?

- Yes
- No
- Don't know
- Not applicable (my energy bill has never been included in my rent payment)

Meters

29. Do you have your own gas or electricity meter? (i.e., you do not share your meter with other households)

- Gas only (Go to Q31)
- Electricity only (Go to Q31)
- Both gas and electricity (Go to Q31)
- Neither (Go to Q30)
- Don't know (Go to Q32)

30. If you do not have your own meter, how is your energy bill split amongst the people that you share a meter with. (Please only answer this question if you answered 'No' to Q30)

31. What type of meter(s) do you have? (please tick all that apply)

Gas Electricity

Traditional meter (A non-smart meter. These measure the number of units of energy you use every hour and display readings on a simple, mechanical display. You will record (or someone will ask you to provide) manual meter readings for billing purposes)

-
- Pre-payment meter (A 'pay-as-you-go' meter for gas and/ or electricity, so you pay for your energy in advance. Traditional and smart meters can be pre-payment)
- Smart or advanced meter (These can send half-hourly readings to your supplier, avoiding the need for you to provide manual meter readings. You may also receive a tool (such as an In-Home Display or online portal) to see how much energy you are using.
- Variable-rate meter (these meters are for consumers with tariffs where you are charged different amounts for the energy you use depending on the time of day e.g., Economy 7, Economy 10 meters)
- Other (please specify)
- Don't know

32. Can you request to have your own meter?

- Yes
- No
- Don't know

Disconnection/ Debt

33. Are you in debt because of energy costs?

- Yes
- No (go to Question 35)
- Don't know (go to Question 35)
- Prefer not to say

34. If you are in debt, have you and your energy supplier agreed on a repayment plan? (please only answer this question in you have answered 'Yes' to Q34)

- Yes
- No
- Don't know
- Prefer not to say

35. Have you reduced your energy usage (self-rationing) in the last year?

Yes

No

Prefer not to say

36. Have you stopped topping up your meter (i.e., you have self-disconnected) in the last year?

Yes

No

Prefer not to say

37. If you have self-disconnected, is there any support available to you from your energy supplier? (please only answer this question if you answered 'Yes' to Q37)

Yes

No

Don't know

38. If your supplier is able to offer support to you, please can you provide details. (please only answer this question if you answered 'Yes' to Q37 AND Q38)

Questions for landlords/landlord groups

39. **Who are your tenants? (please tick all that apply)**

- Residents in care homes
- Tenants on all-inclusive rents (bills included in rent)
- Tenants in large buildings/ tenants renting from large landlords/companies
- Residents in flats/apartments attached to a pub or other business (i.e. shares the same meter as the business)
- Residents in caravan parks (including residents in park homes)
- Residents in armed forces residential accommodation
- Residents in houseboats
- Residents in hospices
- Residents in religious communities (e.g., nunneries, monasteries)
- Residents in school and residential accommodation for students
- Residents in self-catering holiday accommodation
- Other (please specify)

40. **How long do your tenants typically stay in the accommodation you provide for them?**

- Less than 1 month
- 1 - 6 months
- 6 - 12 months
- 12-24 months
- Over 24 months

41. **Why do you arrange your tenant's energy supply (e.g., by choosing their energy supplier)**

42. Would you be happy with your tenants arranging their own energy supply? (this could include choosing their own energy supplier, choosing to have their own meter or share their meter with another household, going off-grid)

Yes (go to Question 44)

No

43. Why do you not want your tenants to arrange their own energy supply? (please only answer this question if you answered 'No' to Q43)

44. When choosing an energy supplier, which supplier(s) were an option?

45. When choosing an energy supplier for your tenants, what contract lengths were on offer?

46. How has the availability of contracts changed compared to March 2022?

More contracts available

Fewer contracts available

No change

Not applicable

47. When choosing an energy supplier for your tenants, what tariffs were on offer?

48. When choosing an energy supplier for your tenants, what payment terms were on offer? (for example, direct debit, quarterly payments)

49. Did you use a broker to choose an energy supplier?

Yes

No

50. When selecting an energy supplier for your tenants, how many quotes did you consider?

1-2

3-4

5-6

7+

51. If you resell energy, how many customers do you supply? (Reselling energy occurs when any person buys gas or electricity from an authorised energy supplier and resells it to someone else)

1 - 10

11 - 30

31 - 50

51 +

Questions for suppliers who provide tariffs to landlords

52. Are you able to identify which of your customers are landlords?

- Yes
- No
- Don't know

53. How are you able to identify them as a landlord? (please only answer this if you answered 'Yes' to Q53)

54. Are your domestic and non-domestic contracts available to landlords?

- Domestic and non-domestic
- Domestic only
- Non-domestic only

55. What are your eligibility criteria for domestic and non-domestic contracts?