

## Calor Gas Northern Ireland UNDERTAKING

This is an Undertaking to the Office of Fair Trading ('the OFT') provided pursuant to section 219 of the Enterprise Act 2002 by Calor Gas Northern Ireland Limited in relation to the following:

- A. Part 8 of the Enterprise Act 2002;
- B. the Consumer Protection from Unfair Trading Regulations 2008 ('the CPRs');
- C. the Unfair Terms in Consumer Contracts Regulations 1999 ('the UTCCRs').

### 1. Definitions

- a) 'CGNI' refers to Calor Gas Northern Ireland Limited.
- b) 'Domestic bulk LPG' means bulk LPG supplied for domestic use only.
- c) 'Customers' refers to any individual who has contracted with CGNI to purchase domestic bulk LPG and is acting as a consumer.
- d) 'Price cap' refers to any contract term which limits an increase in price to:
  - (i) a specified monetary value over a defined time period, for example five pence in any six month period, OR
  - (ii) A specified percentage value over a defined period of time, for example five per cent over a 2 year period.
- e) 'Price increase term' refers to any contract term which enables CGNI to increase the standing charge for tank rental or the price per litre of domestic bulk LPG supplied to customers, where the customer does not have a right to cancel the agreement.

2. CGNI undertakes to the OFT pursuant to section 219 of the Enterprise Act 2002 that it **WILL COMPLY** with the matters set out in paragraph 3 below.

3. CGNI (whether by its officers, employees or agents or otherwise, or whether by assisting, consenting to or acquiescing in the conduct of any body corporate, entity or individual with which it has a special relationship within the meaning of section 222 of the Enterprise Act 2002 or an association):

- a) **WILL NOT** include in its new customer contracts any price increase term for the supply of domestic bulk LPG to customers EXCEPT for a price increase term which:
  - (i) links any increase in price to an objective pricing index; or
  - (ii) limits any increase in price to a 'price cap'; or
  - (iii) links a part of the increase in price to an objective pricing index and limits the remaining part of the increase in price to a 'price cap'.

- b) **WILL** allow its existing domestic bulk LPG customers the same cancellation rights pursuant to a price increase as agreed with its new domestic bulk LPG customers, until such time as existing customers enter a contract whereby clause 3(a) is satisfied.