

Pressuretech Transport Services Ltd
Trading as BDS Fuels

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Pressuretech Transport Services Ltd's (trading as BDS Fuels) breaches of the Domestic Bulk Liquefied Petroleum Gas Market Investigation Order

I am writing to you on behalf of the Competition and Markets Authority (CMA) regarding BDS Fuels' breaches of the [Domestic Bulk Liquefied Petroleum Gas Market Investigation Order](#) (the Order). BDS Fuels breached the Order in two ways, first, by failing to limit the exclusivity period in contracts to 24 months, and second, by failing to provide important information to 757 customers when providing them with contracts.

The two breaches

The Order requires any supplier of Liquefied Petroleum Gas (LPG) for domestic use and in bulk form¹ to:

- Limit the exclusivity periods in customer contracts to 24 months duration
- Ensure that a customer's contract is accompanied by a document containing, clearly and prominently (amongst other things)
 - a description of the procedure the customer must follow to switch away from that supplier to another supplier; and
 - details of websites and telephone enquiry points of the industry trade associations.

BDS Fuels entered contracts with customers which included an auto-rollover clause, by which a customer was entered into further 24-month exclusivity periods unless they terminated the contract in writing. BDS Fuels also failed to ensure the contracts were accompanied by a document which included the description of the switching procedure and details of websites and telephone enquiry points of the industry trade associations.

¹ 'bulk' means supplied to a customer's tanks, and does not include LPG supplied through cylinders.

The CMA identified these two breaches following receipt of a customer complaint about BDS Fuels in December 2021.

The CMA's concerns

LPG is used for both heating and cooking. It is an essential fuel and a significant cost for many households in the UK. It is therefore particularly important for customers of LPG suppliers to be able to choose the best supplier for their needs.

By using an auto-rollover clause, BDS Fuels restricted the ability of customers to shop around and / or to exit its contract and switch to a competing supplier. This could have resulted in customers being tied into exclusivity periods for longer than the 24-month maximum period permitted under the Order.

Because BDS Fuels failed to provide customers with important information on switching, both directly through a description of the switching procedure and indirectly through a link to a trade association website, customers may not have fully understood the process for and their rights to switch to another supplier and may have had more limited information about other potential suppliers.

Voluntary action by BDS Fuels to end the breaches

BDS Fuels has taken the following action to end both breaches, put things right for consumers and prevent a recurrence:

- Amending its template agreements and template letters by removing the auto-rollover clauses and by contacting all existing customers who were subject to an auto-rollover clause to inform them they are eligible to switch supplier with immediate effect
- Providing customers with a document accompanying a contract which contains a description of the procedure the customer must follow to switch away from that supplier to another supplier and details of the websites and telephone enquiry points of industry trade associations
- Committing to refund any early termination fees charged to customers who were subject to an auto-rollover clause, on application by those customers
- Putting in place annual refresher training for administrative staff and
- Introducing a compliance flowchart for staff to follow for the switching procedures.

CMA's assessment and next steps

Due to the voluntary action taken by BDS Fuels, the CMA does not consider it necessary to take further formal action at this time. The CMA will monitor BDS Fuels' compliance with the Order closely and reserves the right to take formal enforcement action if there is non-compliance in the future.

Yours sincerely,

Adam Land

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