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CMA
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By Email to:
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heatingoil@cma.gov.uk

8th April 2026

Dear [redacted]

HEATING OIL MARKET STUDY

We write in response to your request for comment on the Statement of Scope for The CMA's Heating Oil Market Study dated 20th March 2026.

Summary of interests

BoilerJuice is a UK-wide heating oil marketplace serving approximately 200,000 ordering customers annually, with over 600,000 additional users using our platform to check prices and benchmark against their existing supplier. The platform supports a highly competitive market by enabling suppliers of all sizes, from small independents to large national operators, to compete on a level playing field, while significantly improving price transparency for consumers. We would refer you to our letter of 25th March 2026 to your colleague [redacted] for further background information on BoilerJuice.

We believe that, whilst there are regional variations, the UK retail market for heating oil is highly competitive, with strong customer choice and engagement. In our opinion, the most significant challenges arise from upstream supply constraints, which impact pricing, availability, and supplier behaviour - particularly during periods of disruption. These constraints, rather than a lack of retail competition, are the primary drivers of poor consumer outcomes.

We would like to highlight the critical role of price transparency created by BoilerJuice's technology in driving competition beyond supplier-direct transactions. A substantial proportion of customers use BoilerJuice-sourced prices to negotiate with their incumbent supplier, extending competitive pressure across the wider market.

We recommend that the Market Study places greater emphasis on upstream dynamics, regional variation, and mechanisms that improve transparency and access to competition. We also believe that the scope should be extended to include the impact on SME business customers.

Responses:

Q1: Do you agree with our proposed scope for this market study, as set out in paragraphs 11 and 12?

We broadly agree with the focus on the domestic consumer market. However, we believe the study's scope should extend upstream to include terminals, importers, and allocation mechanisms, as these significantly influence downstream pricing and availability.

[redacted]
Finally, margin analysis should reflect cyclical profitability and stock accounting complexities.

We agree that regional differences - particularly in Northern Ireland (~3% of our market) and parts of Scotland - should be explicitly recognised in the study.

Q2: Do you agree with our articulation of the characteristics of a well-functioning heating oil market?

We agree with the focus on consumer outcomes but emphasise that these must be balanced with supplier sustainability. A market cannot deliver good outcomes for consumers without being economically viable for suppliers. BoilerJuice supports this balance by enabling suppliers of all sizes to compete equally, improving utilisation and access to consumer demand.

In practice, suppliers are 'price takers' rather than 'price makers', particularly during periods of volatility. In our view, during recent disruption, supplier behaviour was driven by volatility in the wholesale price (Platts) and uncertainty of stock availability from terminals, rather than a lack of competition amongst suppliers. Wholesale heating oil prices in the UK are driven by the wholesale price of jet fuel, a globally traded commodity. Both jet fuel and heating oil are kerosene based. Market estimates suggest 30 – 50% of Europe's jet fuel supply depends on Strait of Hormuz linked routes.

We also highlight the importance of surety of supply, clear delivery standards, and Health, Safety & Environmental obligations, which are critical but not explicitly referenced.
Consumer switching considerations are not always financial; consumers may face uncertainty, inconsistent delivery standards, and information gaps. These behavioural factors are central to how competition functions.

We would also encourage the CMA to expand on two points:

1. **Digital access to information:** Online comparison and ordering platforms play an essential role in promoting transparency, simplifying purchasing, and improving competitive pressure. Living 'off grid' and relying on heating oil presents a unique set of challenges for households and the ordering platforms and marketplaces by design solve for these. Explicit recognition of this would reflect modern consumer expectations.
2. **Minimum service standards:** While regulatory intervention may not be appropriate in all areas, specifying baseline expectations around delivery timeframes, customer communication, and complaint handling would support better outcomes.

Q3: Does the heating oil market currently display the characteristics of a well-functioning market?

We would draw your attention to the 2011 Office of Fair Trading report on the heating oil market which recognised it as highly competitive with a large number of smaller businesses providing consumer choice. There has been some consolidation in the market since 2011, however we do not believe this has been to the detriment of consumer choice.

In many respects, the market functions effectively. Competition is generally strong in most regions. Our data shows that only a very small proportion of quotes return a single supplier, with many returning prices from four or more suppliers demonstrating real competition.

Unlike other utilities, loyalty amongst heating oil consumers is low – most shop around each time they buy (3-4 times per year) comparing prices. Typically, there is no ongoing contract between customer and supplier; customers are free to purchase from any supplier or marketplace on a 'spot' basis.

Price transparency has improved significantly in recent years due to supplier's online pricing tools and marketplaces. We also observe strong customer engagement, with high levels of price comparison. Over 600,000 users annually check prices without ordering, often using BoilerJuice pricing to negotiate directly with existing suppliers. This extends competitive pressure across the wider market.

Most suppliers operate efficiently, communicate well, and provide good customer service. However, the most significant issues facing supplier are surety of supply and price volatility. During the recent disruption, constraints were driven by upstream supply limitations rather than lack of competition. An inability to obtain kerosene from terminals at a viable price (or at all) has led to a small number of suppliers cancelling orders to the detriment of consumers.

The period since 1st March 2026 has been characterised by exceptional price volatility, which remains ongoing. Because most suppliers have limited storage capacity, the price they pay is governed by the prevailing market price at the time. With exceptional intra-day volatility, suppliers were unable to predict what the price would be when they collect fuel from wholesalers. During the first few weeks of the conflict this led to a reduction in the number of suppliers offering prices on the BoilerJuice platform.

In general, we believe the heating oil market to be well-functioning however, on very rare occasions with upstream disruption, it is less able to function efficiently.

Q4: What are the key differences in the heating oil market across the UK?

Regional variation is driven by supplier density (number of depots), customer density (heating oil households), and proximity to terminals (haulage costs).

England and Wales generally benefit from the presence of larger suppliers and good supply density overall, which improves competition. [redacted]

In Northern Ireland, oil household density is far higher, and supply is more fragmented. Orders are typically smaller and more regular. Typical prices are 3ppl lower than England and Wales and there are more quotes per order indicating high propensity to shop around.

In Scotland the oil household density is lower, with large distances between deliveries and fewer suppliers competing in each geography. [redacted]

Variation also exists within regions, and analysis should be conducted at a granular level.

Q5: Are there specific areas affecting vulnerable consumers?

We encourage the CMA to focus on the following areas:

- **Payment flexibility:** Many vulnerable households struggle with upfront payments for full tank fills. Exploring options such as payment plans or instalment arrangements could ease financial pressure. Though we caution that payment arrangements may reduce engagement and create a potential lock-in, which warrants further consideration.
- **Access to timely and clear information:** Price transparency is a key issue, particularly for less engaged customers who may not actively shop around and risk paying higher prices. BoilerJuice improves this through free, instant pricing, allowing customers to benchmark easily. Confusion around pricing changes disproportionately harms consumers with less digital access or higher cost sensitivity.
- **Delivery reliability during peak periods:** Delayed deliveries during cold weather disproportionately affect vulnerable households, including older people and those with health conditions.
- **Priority Services Register:** There is no equivalent to the "Priority Services Register" found in regulated energy markets. Creating a similar, centralised framework for heating oil would support those most at risk. However, there are challenges here - heating oil customers tend to hold several accounts with multiple suppliers, which makes it difficult to hold a central register. The industry body (UKIFDA) has introduced a Cold Weather Priority Scheme designed to identify the individuals most at risk and ensure that suppliers can prioritise deliveries during cold weather or disruptive events.
- [redacted]

[redacted]

Q6: Competition between suppliers

Price competition is generally strong but varies by geography. In high-density heating oil areas, multiple suppliers actively compete. As noted above, the biggest factor in the price of heating oil is the wholesale price of jet fuel. Beyond prices, suppliers differentiate through delivery times, and reliability; service standards are inconsistent across the market. Customers make use of online review sites (e.g. Trust Pilot) if they receive a poor service, improving transparency of service standards.

BoilerJuice enhances competition by creating a level playing field and enabling easy comparison. Importantly, our platform extends competition beyond our own direct transactions; many customers use BoilerJuice-sourced pricing to negotiate directly with suppliers. We also provide a customer service function for suppliers, liaising with customers on their behalf when issues arise with deliveries.

Conclusions

BoilerJuice supports the CMA's market study and welcomes the opportunity to contribute. We remain committed to working constructively with suppliers, regulators, and consumer groups to help deliver a fair, transparent, and resilient heating oil market for all households. In this regard, please let us know if there is additional information that BoilerJuice may be able to provide, to assist in your review.

With kind regards

Yours sincerely

[redacted]

[redacted]

BoilerJuice Limited