



For immediate release: Monday 21st June, 2010

FROM A MINEFIELD TO A LEVEL PLAYING FIELD – QUICK GUIDE TO BUSINESS ENERGY

Four in ten small businesses (39%) say that cutting costs is their prime objective for achieving business growth. And yet just a third (33%) proactively check the market before signing their next energy contract, while three in ten (30%) simply allow their existing energy contract to rollover – often paying over the odds as a result.

When it comes to business energy, one of the biggest problems SMEs face is confusion, says uSwitchforBusiness.com, the independent and impartial energy brokerage service for small businesses. To help overcome this it is offering the following quick guide to take SMEs out of a potential minefield and into a level playing field:

- 1. Contract end date** - this tells you when your current business energy deal is coming to an end, vital if you are going to make sure you get another good deal after your current contract finishes. Contract end dates are not written on bills – you will find this information on the initial correspondence about the contract or your renewal letter.
- 2. Renewal letters** - your current supplier will always contact you regarding the renewal of your existing contract with them. This is your trigger to start shopping around for your next energy deal. If you do not do this your supplier will simply roll you over onto a new contract with uncompetitive rates. The letter will tell you what your new rates are and your contract end date so that you can terminate within the correct notice period.
- 3. Moving into new premises** – you are in a great position to shop around as you will be in a ‘deemed’ contract with the existing supplier for those premises. Make sure you take time to think about your next contract – use an independent service to track down your next deal and don’t allow yourself to be hassled into signing up to anything.
- 4. Termination notice** - you can be rolled onto a new contract if you do not submit your termination letter on time. However notice periods typically vary according to supplier from 120 to 28 days. Moreover, some suppliers also have a specific termination window, meaning

that you can send your termination too early as well as too late. Always read the information your supplier gives you about termination notice and always follow up your fax or email terminating your contract with a letter sent by recorded delivery so that you have proof of delivery.

5. **Cooling off** – business energy contracts are legally binding with no cooling off period. Unfortunately that means the onus is on you to agree to a contract at the price you are happy with. There is never an obligation to agree to a contract if you only want a quote and you should also never just accept the renewal terms offered by your current supplier – always shop around first. If you get into a bad contract the only way out is to move premises or to pay-up.
6. **Green energy** – SMEs have a choice of suppliers when it comes to green energy. As well as a number of smaller specialist green suppliers, the big six are also becoming more innovative in this area. To help you judge for yourself, uSwitchforBusiness offers a dedicated green energy section where you can see fuel mixes and other important information about suppliers' green plans.
7. **Smart energy** – a smart meter allows you to monitor energy usage accurately so you can highlight the real energy hotspots in your business. If you are interested in reducing the amount of energy your business consumes then there are some great smart meter deals out there to help you - use your next renewal letter to shop around and find one.
8. **Small suppliers** – smaller energy suppliers often offer a good range of products and services. If you like what a smaller energy company offers – go for it! Don't be worried about its size – many have been around for 5 years or more. Even if a supplier goes out of business you will still receive your energy supply - the industry regulator appoints a 'supplier of last resort' to look after any customers affected so you won't lose out.
9. **Quotes** - by receiving a quote up to 120 days prior to their contract end date small business owners can secure the most advantageous rates and contract possible. These rates will be held for them and their new contract will take effect the day after their current contract ends providing they have terminated their current contract correctly. Remember – you are under no obligation to take up a contract after getting a quote.
10. **Being passive doesn't pay** – allowing your contract to be rolled over is a fast track to paying for more for your energy than you should. Shopping around is easy – just visit uSwitchforBusiness.com for free and impartial help and advice.

Jake Ridge, small business energy expert at uSwitchforbusiness.com, says: “There are many small businesses struggling to make ends meet in the current environment and ensuring that they are on the right energy deal could make a real difference. It is important that businesses understand energy contracts and what, when and how they need to act in order to prevent continual rollover onto uncompetitive terms. By taking the confusion out of the market we hope to encourage many more businesses to actively take control and shop around for the best deal.”

For more information visit www.uSwitchforbusiness.com or call 0800 093 06 07

-Ends-

For more information please contact:

Jo Ganly, uSwitch.com on 0207 802 2915 or joganly@uswitch.com

Katie Hayward, Lansons Communications on 020 7294 3631 or katieh@lansons.com

Lisa Grando, Lansons Communications on 0207 294 3669 or lisag@lansons.com

About us

uSwitch.com is a free, impartial, online and telephone-based comparison and switching service, helping consumers compare prices on gas, electricity, water, heating cover, home telephone, broadband, digital television, mobile phones and personal finance products including mortgages, credit cards, current accounts and insurance. In 2010 uSwitch.com celebrates ten years of saving customers money.

The service is also available via fax and post. Consumers should fax 020 7233 5933 or write to Customer Services, uSwitch.com, 111 Buckingham Palace Road, London, SW1W 0SR, with their postcode and usage details.

uSwitch.com is owned by Forward Internet Group, a privately funded collection of internet-based businesses focused on consumer engagement and innovation.