

Micro Businesses and Energy Contract Roll-Over Bill

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Require the Secretary of State to make provision to limit energy contract roll-over for micro businesses to 30 days; and for connected purposes.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

- 1 Requirement of Secretary of State to make provision that energy contract “roll-overs” for micro businesses should be limited to 30 days**
- (1) The Secretary of State will make regulations to require Ofgem, the energy regulator, to amend Standard License Condition 7A (SLC7A) to limit energy contract rollovers for micro businesses to 30 days. 5
- (2) The power to make regulations is exercisable by statutory instrument.
- (3) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.
- 2 Requirement by Secretary of State to direct Ofgem to complete an investigation into the practice of out of contract rates** 10
- The regulations under section 1 shall provide for the 30 day limit to come into force no later than 3 months after the publishing of a report by Ofgem on the practice of out of contract rates and the related altering of supplier license conditions, which shall be completed within 6 months following the passing of this Act. 15
- 3 Interpretation**
- In this Act—
- “micro business” means a business—
- (a) which has— 20
- (i) fewer than 10 employees (or full time equivalent), and

- (ii) an annual turnover or annual balance sheet not exceeding 2 million Euros; or
 - (b) which uses less than 200,000 kWh of gas per year or 55,000 kWh of electricity per year (as set out in article 2(1) of the Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (S.I.2008/2268));
- “energy contract roll-over” means the transfer by an energy supplier of a consumer nearing the end of a fixed term, fixed rate tariff, to another fixed rate for a further fixed period without the customer actively indicating his or her desire to do so.

4 Short title and extent

- (1) This Act may be cited as the Micro Businesses and Energy Contract Roll-Over Act 2013.
- (2) This Act extends to England and Wales, Scotland and Northern Ireland.

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Presented by Caroline Lucas.

*Ordered, by The House of Commons,
to be Printed, 25 June 2012.*

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