



Business, Energy and Industrial Strategy Committee

House of Commons, London SW1A 0AA

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Martin Cave
Chair, Ofgem
10 South Colonnade
Canary Wharf
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11th February 2020

Dear Martin,

I am writing to inquire into what action Ofgem will be taking in response to the decision by British Gas to increase the minimum top-up amount for its customers on pay-as-you-go tariffs to £5 and to end its contract with PayPoint.

I am concerned that this decision risks leaving thousands of British Gas customers in financial hardship unable to meet the minimum spend for this essential service. In addition, the reduced network will make it more difficult for customers, especially those with mobility issues, disabilities or living in remote and rural areas, to access a nearby terminal to top-up their energy meter. I would therefore appreciate a prompt response to the following questions:

1. Was Ofgem consulted by British Gas in the run up to its decision to increase the minimum top-up amount for fuel payments from £1 to £5 and to remove customer access to PayPoint terminals?
2. How many meetings, if any, took place between Ofgem and British Gas ahead of the decision being taken? What representations, if any, did Ofgem make in relation to this decision?
3. Has Ofgem undertaken any assessment on how the decision taken by British Gas may impact its most vulnerable customers? To what extent does Ofgem consider the decision made by British Gas to be commensurate with trying to reduce the risk of self-disconnection and self-rationing?
4. Will you be challenging the decision made by British Gas? If not, why not?
5. What powers does Ofgem have to stop other companies from following suit? Will Ofgem be taking action to prevent this from happening again?
6. When will your final proposals on helping to reduce the risk of self-disconnection and self-rationing be published?

Best wishes

Rachel Reeves

Rachel Reeves MP

Chair-elect of the Business, Energy, and Industrial Strategy Select Committee