

2014 No. 2378

CONSUMER PROTECTION

ELECTRICITY

GAS

**The Gas and Electricity Regulated Providers (Redress Scheme)
(Amendment) Order 2014**

Made - - - - *1st July 2014*

Coming into force - - *8th August 2014*

Laid before Parliament *8th September 2014*

This Order is made by the Secretary of State in exercise of the powers conferred by section 47(1) to (3) of the Consumers, Estate Agents and Redress Act 2007^(a).

In accordance with section 47(4) of that Act, the Secretary of State has consulted the Gas and Electricity Markets Authority^(b) and other persons appearing to the Secretary of State to be representative of persons who have an interest in the Order.

In accordance with section 47(7) of that Act the Secretary of State is satisfied that there will be at least one qualifying redress scheme in place on the date this Order comes into force which regulated providers will be eligible to join and membership of which will satisfy the requirement imposed by this Order.

Accordingly the Secretary of State makes the following Order:

Citation and commencement

1. This Order may be cited as the Gas and Electricity Regulated Providers (Redress Scheme) (Amendment) Order 2014 and comes into force on 8th August 2014.

Amendment of the Gas and Electricity Regulated Providers (Redress Scheme) Order 2008

2. In article 2(1) (interpretation) of the Gas and Electricity Regulated Providers (Redress Scheme) Order 2008^(c), in the definition of “relevant consumer”—

(a) 2007 c. 17.

(b) The Gas and Electricity Markets Authority was established under section 1(1) of, and Schedule 1 to, the Utilities Act 2000 (c.27).

(c) S.I. 2008/2268.

- (a) in sub-paragraph (b)(i)(aa), for “55,000 kWh”, substitute “100,000 kWh”;
- (b) in sub-paragraph (b)(i)(bb), for “200,000kWh”, substitute “293,000 kWh”.

1st July 2014

Gregory Barker
Minister of State
Department of Energy and Climate Change

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (“the 2008 Order”). It changes the upper limit for annual consumption of electricity and gas for a person to qualify as a “relevant consumer”, where that person is supplied with gas or electricity by a regulated provider of those utilities at premises other than domestic premises.

“Relevant consumers” may utilise a redress scheme, that regulated providers are obliged by the 2008 Order to join, in respect of certain kinds of consumer complaints. In relation to non-domestic consumers, the upper annual consumption limits demarcate the line between small businesses (sometimes called micro businesses) and larger businesses. Micro business consumers are eligible in the same way as domestic consumers to utilise the redress scheme, unlike larger business consumers, who are expected to be able to resolve disputes about electricity and gas supply themselves or through the courts.

The raising of the annual consumption thresholds in this Order from 55,000 kWh to 100,000 kWh for electricity consumption, and from 200,000 kWh to 293,000 kWh for gas consumption, will increase the numbers of micro business consumers able to utilise a redress scheme.

A validation impact assessment showing the likely cost implications for both energy providers and newly eligible micro businesses is published alongside the Explanatory Memorandum for this instrument, and is available at www.legislation.gov.uk. There are likely to be cost implications for both energy providers and newly eligible micro businesses, however any increased costs are expected to be outweighed by the savings made by micro businesses. No impact on civil society organisations or the public sector is foreseen.

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