



Making a positive difference  
for energy consumers

Sir Christopher Chope OBE  
House of Commons  
London  
SW1A 0AA  
**(by email)**

MC2024/02410

Email: [parliamentary.correspondence@ofgem.gov.uk](mailto:parliamentary.correspondence@ofgem.gov.uk)

Date: 21 January 2025

Dear Sir Christopher,

Thank you for your recent correspondence on behalf of your constituent, regarding electricity price cap charges. Apologies for the delay in responding. There have been some very recent changes to the rules in this area and I wanted to ensure you had the most up-to-date information to pass on to your constituent.

### **Park home energy supply**

As your constituent has been advised, residents on a park home site are usually not classed as domestic energy consumers as defined in the Supply Standard Licence Conditions. This is because the individual park home plots do not normally have their own connection to the public energy network and so do not have their own contract with a domestic energy supplier. Instead, on park home sites generally the site owners have a non-domestic (business) energy supply contract with a non-domestic supplier and then resell this energy to their residents by way of a private network (e.g. through sub-meters) owned and operated by the site owner. As you note, the price cap only applies to domestic consumers supplied by a domestic supply contract.

It is difficult to comment on individual cases and whether prices might be higher than those available to customers on a domestic contract. For example, the unit rate that your constituent quotes needs to be considered in the context of other

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charges, such as the standing charge, that might be paid by a customer on a domestic contract.

### **Maximum Resale Price of Gas and Electricity**

There are rules governing the reselling of electricity. This is covered by Ofgem's Maximum Resale Price direction which protects end consumers by only allowing energy to be resold at cost (i.e. resellers cannot profit from the act of reselling). The full direction is available here: [mrp\\_direction.pdf](#). Ofgem has also published a webpage to offer help and advice to consumers such as your constituent, who do not have a domestic energy supply: [Alternative homes energy guidance | Ofgem](#).

Anybody reselling energy under these arrangements, such as an owner / manager of a park home, needs to meet certain requirements. This includes supplying on request to their customers details of the energy prices payable under the contract. Where the maximum resale price has been estimated, the reseller must also provide details of the methodology used to calculate the resale price.

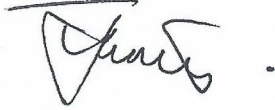
Ofgem does not enforce the rules of the Maximum Resale Price (MRP) direction. Enforcement and redress is a civil matter. If the residents are unable to reach an amicable solution with the site owner, they may seek their own legal advice. The site owner may already use a mediation service in cases of intractable disagreement. But we have raised with Government the importance of ensuring that consumers that may struggle to take legal action themselves should have access to an Ombudsman-type of resolution service. So far, we have successfully influenced Government to widen access to the Energy Ombudsman to small business customers. We continue to engage with Government on ways to allow those consumers who are resold energy access to similar support.

### **Changes coming to private networks**

We also recently approved a change to industry rules to allow domestic customers who are resold energy on a licence exempt network (for example, a resident at a mobile park home) the potential to take out their own domestic energy contract. This rule change will mean, depending on their specific contractual arrangements, customers may have the option to switch to a domestic contract and be covered by

the price cap and other domestic protections. We are proposing to produce guidance on how consumers can take advantage of this rule change. Your constituent would need to take advice on their specific contractual arrangement with the park owner to establish how this might apply to her individual circumstances.

Thank you for writing to us and I hope this response is helpful to your constituent.

A handwritten signature in black ink, appearing to read 'Tim Jarvis', followed by a period.

**Tim Jarvis**

**Director General, Markets**