

# Bulb customers protected as energy provider enters special administration

Energy provider Bulb has today entered energy supply company administration, with the business continuing to supply energy to its customers and operate as normal under a Special Administration Regime (SAR).

A SAR is a long standing, well-established process available to protect consumers and ensure continued energy supply when a large provider fails.

The move follows Bulb announcing its insolvency on Monday 22 November with the company continuing to supply energy to its customers.

Bulb customers will not experience any change or disruption to their energy supplies as the appointment of energy administrators will see Bulb continue trading and fulfilling the terms of its supply licence.

Bulb customers, including those with prepayment meters, do not need to do anything and customers' existing credit balances are protected.

Customers will not see any immediate increase to their energy bills while the company is under the administrators, and do not need to look for a new energy supplier, although they are free to do so if they wish.

Energy supplies across the country remain secure and the Government will work closely with Ofgem and the Energy Administrators to ensure the exit from the SAR achieves the best outcome practicable for Bulb customers, taxpayers, and the industry.

Energy Minister Greg Hands said:

Our overriding priority is to protect consumers and the appointment of administrators will ensure the supply of energy remains normal to Bulb customers across the country, providing vital reassurance while an enduring solution is agreed.

The administrators will now take temporary charge of operating Bulb, and that includes ensuring if a new owner cannot be found customers are safely moved to another supplier.

The current increase in wholesale energy prices is driven by a number of factors including the recovery of global energy demand since it fell sharply at the beginning of the pandemic. Recent volatile global gas prices have emphasised the need to ensure greater energy independence to protect households in the long-term through clean power generated in the country.

SARs are used to protect essential services that may otherwise be interrupted if normal insolvency processes were followed. The procedure can be used for

other critical services such as water, sewerage, rail transport, air traffic control, education, postal and investment services – with the intention for companies to be under a SAR for a short period of time.

The Government will provide the funding necessary to ensure that the administration is managed in a way that protects customers' supply. The Government can recoup these costs at a later date, ensuring that we get the best outcome for Bulb's customers and the British taxpayer.

The Energy Price Cap remains in place and will continue at the same level this winter to ensure millions of customers pay a fair price for their energy.

Further support for vulnerable and low-income households, including those with children, is available through initiatives such as the Warm Home Discount, Winter Fuel Payments and Cold Weather Payments, as well as the recently announced Household Support Fund.

Ofgem has published a [letter to the Business Secretary](#) outlining the reasons for seeking to place Bulb in a Special Administration Regime, with the Business Secretary's response available [here](#).

Further information regarding the SAR is [available from GOV.UK](#).