

Press release: CMA demands pricing action from energy company

The Competition and Markets Authority (CMA) has today issued [legal directions](#) to Daligas, a London-based company that provides energy to small businesses (SMEs) and domestic customers.

A previous CMA Order had required all energy companies supplying Microbusinesses to provide an online tool so SMEs can access accurate energy quotes to compare with other firms, and potentially switch to a better deal. More than 20 energy firms that offer energy to SMEs are already complying with the Order, issued as part of the CMA's investigation into the energy market.

The CMA has issued the directions after Daligas failed to respond to several reminders to meet this requirement.

By failing to provide this information, Daligas is also in breach of one of Ofgem's licensing conditions.

Andrea Gomes da Silva, Executive Director of Markets and Mergers at the CMA said:

Small businesses are vitally important to the UK economy. As a result of the CMA's investigation into the energy sector, these companies have a right to be given accurate pricing information so they can compare their energy deal with other suppliers and potentially switch to a better offer.

By not allowing companies to access this information in a timely way, Daligas is breaching its legal obligations, which is why we have issued these formal directions.

The company must now comply within the next month, or we will take it to court. We also want to remind other companies that we can and will take action if they fail to comply with CMA orders.

Anthony Pygram, director of conduct and enforcement at Ofgem, said:

Providing an online tool to create a quote for small business customers ensures they have the correct information they need to be able to compare suppliers and choose the right one for them.

We have written to Daligas to remind them of their licence obligations and our expectation that they will comply with the CMA's Directions.

When a supplier does not comply with their licence obligations, Ofgem has the powers by statute to impose financial penalties and for suppliers to accept commitments or undertakings relating to future conduct or arrangements.

Notes to editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on [Twitter](#), [Facebook](#) and [LinkedIn](#).
2. Daligas is in breach of the Energy Market Investigation (Microbusinesses) Order 2016. This order provides measures to increase price transparency for microbusiness customers and make it easier for them to switch supplier.
3. All information on the CMA's energy investigation is available on the case page. The Microbusiness Order was published in December 2016.
4. Directions are a formal enforcement instrument used to ensure that an Enterprise Act 2002 remedy imposed by the CMA, in this case the Order, is complied with fully. The firm has one month to comply with the direction, as failure to do so may lead to action before courts.
5. Directions have been used before to ensure compliance with a market remedy. A list of directions can be found on the CMA's website.
6. Media enquiries should be directed to press@cma.gov.uk or 020 3738 6460.