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Competition in British business energy supply markets

An independent assessment for



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I Executive summary

This paper has been prepared by Cornwall Energy at the request of Energy UK as an update on the state of the competitive markets for supplying gas and electricity to businesses in Great Britain. It considers developments in the last three years taking six-monthly snapshots from 31 October 2012 to 31 October 2015.

An update on the household energy market is also available.

Competition in the business energy markets is primarily single fuel driven. They segment into sectors for small and medium enterprises (SMEs), including micro-businesses¹, and larger industrial and commercial (I&C) customers, including the public sector.

I.1 Main findings

The primary measures of competitiveness used in this report are the numbers of competing suppliers, market shares and the Herfindahl-Hirschman Index (HHI) of market concentration². According to all three of these indicators, competition has been generally increasing in the three years to 31 October 2015.

Overall, the six months to 31 October 2015 saw competition in the electricity and gas supply markets continue to grow by reference to our indicators. HHIs in SME electricity volumes fell below the lower threshold of 1,500 (1,442), at which the market is deemed unconcentrated. This means that, at 31 October 2015, the gas and electricity I&C and SME markets were all deemed to be unconcentrated.

Other important findings from this paper include:

- there are now 38 companies actively supplying energy in the business electricity market, and 33 suppliers active supplying business gas. While the gas figure is unchanged on 30 April 2015, the electricity figure is one fewer due to the exit of Ovo Energy. 24 of those supply both electricity and gas to the non-domestic sector, again unchanged on 30 April 2015;
- aggregate major supplier share decreased across all gas and electricity sectors. Other suppliers now account for more than a quarter of electricity volume share (26.8%) and more than 80% of gas volume share;
- our measures of competitiveness for the business market continue to show more competition than for the domestic sector;
- in business electricity supply, between 30 April 2015 and 31 October 2015 one supplier moved above the 1% threshold to be recorded in the >1% - <3% band by volume. In SME electricity volume, one supplier reduced its share below the 10% band, moving down into >3% - <10%;
- one supplier moved bands in its I&C gas share, increasing its share above 3% to register in the >3% - <10% band between 30 April 2015 and 31 October 2015; and
- GDF Suez Energy UK rebranded to ENGIE.

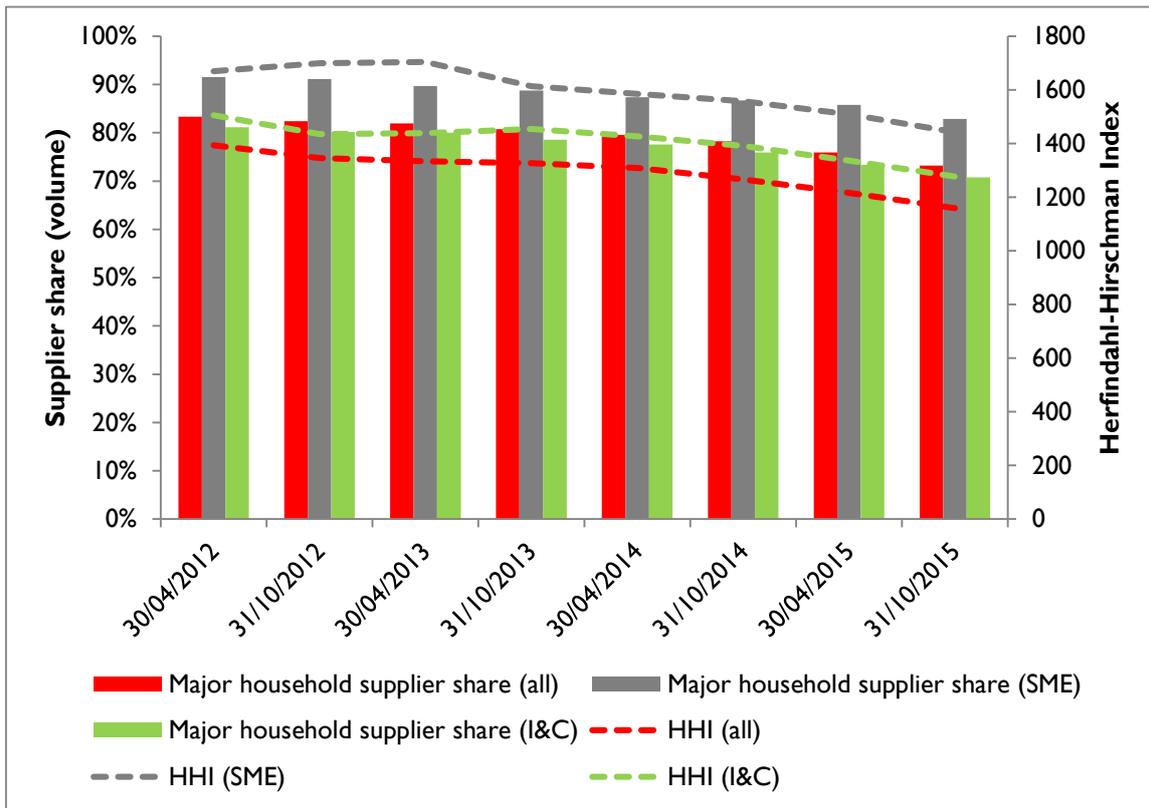
In addition, other companies were testing their systems ahead of full entry to the energy markets. Some may emerge as suppliers to businesses in the coming months.

The charts overleaf illustrate the headline findings.

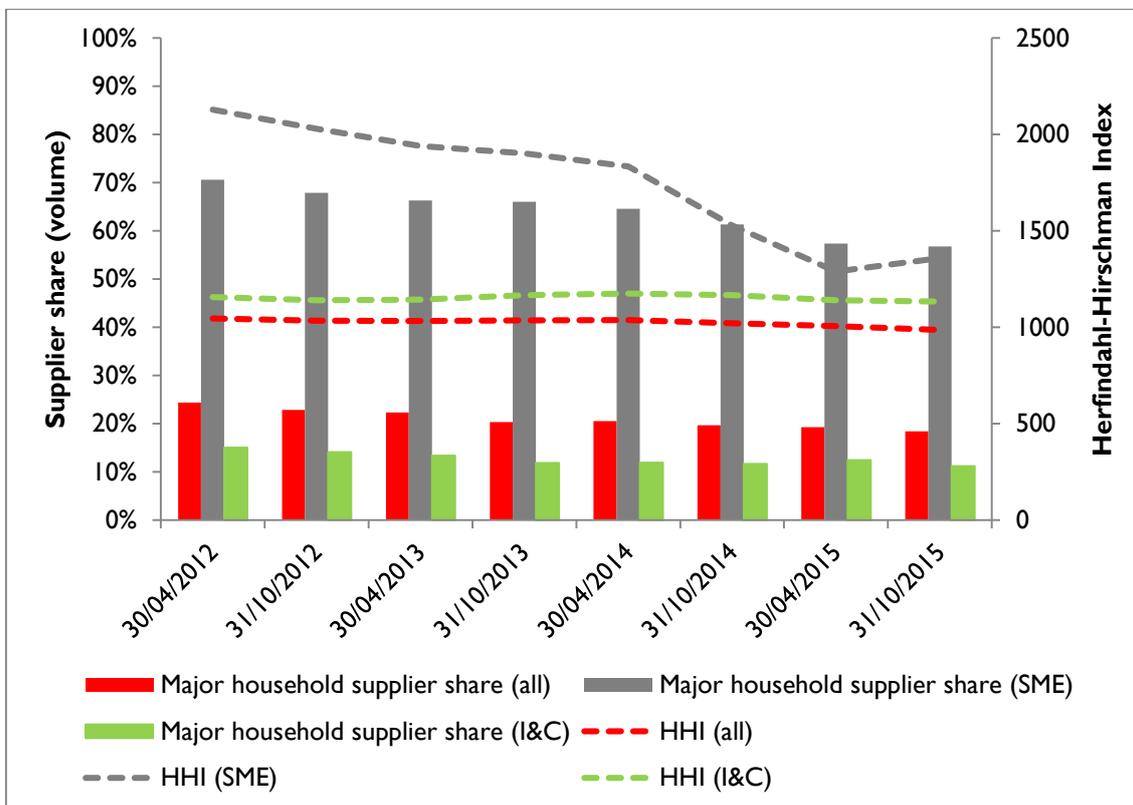
¹ For the definition of micro-business see page 9

² See Section 2.4 for an explanation of this measure.

Measures of competitiveness—business electricity volume



Measures of competitiveness—business gas volume



The table below shows the HHI scores by market segment, and the overall HHI assessments in the gas and electricity markets.

HHI assessments of the SME and I&C business electricity and gas markets by volume

	Electricity	Gas
SME	1,442	1,359
I&C	1,277	1,134
Total	1,159	986

Source: Cornwall Energy

2 Methodology and scope

2.1 Purpose

This paper has been prepared by Cornwall Energy at the request of Energy UK. It provides an update on the state of the competitive markets for supplying gas and electricity to businesses in Great Britain over the period 31 October 2012 to 31 October 2015 in six-monthly increments.

The information is originally researched by Cornwall Energy and is drawn from its six-monthly surveys of supply market competition provided for many energy suppliers since 2005.

Various measures of the market and competition are provided including:

- the total envelopes of business electricity and gas markets including numbers of customers and the energy they consume;
- the number of suppliers competing to supply; and
- information on market shares and competitiveness specifically including the shares of the major household suppliers³ and other companies plus trends in the Herfindahl-Hirschman Index (see below).

2.2 Market definitions

Reflecting the segmentation used in our market share surveys, we have used the following criteria to segment business markets:

- business electricity accounts are those accounts with settlement profiles 0 (half hourly metered) and 3 to 8; and
- business gas accounts are those accounts where gas is used for a business or charity purpose and where the gas is not used solely for large-scale power generation.

In addition Cornwall Energy segments the business markets into small and medium enterprise (SME) and industrial and commercial (I&C) sectors.

SME energy contracts are defined by Cornwall Energy as:

- non half-hourly metered electricity contracts for privately-owned companies with up to 10 meters; and
- gas contracts for privately-owned companies of up to 10 meters where the typical meter consumes less than 732MWh (25,000 therms) a year.

Cornwall Energy does not segment the market into the official definition of micro-businesses, as our reporting structure predates the introduction of this regulated customer group in 2010⁴. We believe micro-businesses account for 90% plus of our SME definition, with the balance being accounted for by larger small businesses.

All other contracts, including those for the public sector, are defined as I&C.

³ British Gas, EDF Energy, E.ON UK, RWE npower, SSE (formerly known as Scottish and Southern Energy) and Scottish Power.

⁴ As discussed on page 12, effective 31 March 2014 the microbusiness thresholds were increased to captures businesses that:

- consume less than 100,000kWh of electricity per year; or
- consume less than 293,000kWh of gas per year.

2.2.1 What is a supplier?

For the purposes of this report we define a supplier as a company that:

- is licensed by the Office of Gas and Electricity Markets (Ofgem) to be able sell electricity and/or gas direct to consumers in Great Britain;
- manages its own engagement directly with the central electricity and/or gas trading arrangements or lets a contract specifically for that purpose; and
- is or has been actively billing consumers direct for their use of electricity and/or gas during the period 31 October 2012 to 31 October 2015.

There are a small number of companies supplying energy to business customers that outsource to third parties one or more of these functions. In this report these suppliers are treated as part of the fully active suppliers with which they are affiliated.

2.2.2 Terminology about suppliers in this report

This report refers to three different types of energy supplier:

- major household suppliers—companies that hold 10% or more of the household (as opposed to business) electricity, gas or dual fuel markets;
- energy producers—suppliers that are under common ownership with electricity generation or gas production companies; and
- stand-alone suppliers—suppliers that are not under common ownership with electricity generation or gas production companies.

In addition “other suppliers” is sometimes used to refer to energy producers and stand-alone suppliers in combination.

2.3 Measures of consumption

Data in this report are presented as follows:

- volume information is based on assessments of terawatthours (TWh) billed to customers in the year up to each date shown; and
- customer numbers information is based on those registered with the central industry settlement systems and where energy is actually flowing on each reporting date and known as “live on supply”. For businesses the number of meters served by suppliers is the preferred measure of customers.

2.4 Index

In this report we refer to the Herfindahl-Hirschman Index (HHI). The HHI is an indicator of market concentration that measures the size of companies in relation to the market. The index is calculated by finding the sum of the squares of the market shares of the individual companies and can be expressed as:

$$\text{HHI} = \text{supplier share } 1^2 + \text{supplier share } 2^2 + \text{supplier share } 3^2 + \text{supplier share } 4^2 \dots + \text{supplier share } n^2$$

Therefore in a market where there are five competitors with shares of 35%, 25%, 15%, 15% and 10% the HHI would be:

$$\text{HHI} = 35^2 + 25^2 + 15^2 + 15^2 + 10^2$$

$$\text{HHI} = 1,225 + 625 + 225 + 225 + 100$$

$$\text{HHI} = 2,400$$

We have commented on the concentration with reference to the criteria set by the United States Department of Justice⁵. It considers markets in which:

- the HHI is below 1,500 to be unconcentrated;
- the HHI is between 1,500 and 2,500 points to be moderately concentrated; and
- the HHI is in excess of 2,500 points to be highly concentrated.

Transactions that increase the HHI by more than 200 points in highly concentrated markets are presumed likely to enhance market power under the guidelines issued by the Department of Justice and the US Federal Trade Commission.

2.5 Author's note

Much of the information is drawn from confidential research undertaken by Cornwall Energy. This research has been distilled to yield measures of the extent of competition in electricity and gas supply without disclosing information that might be commercially sensitive.

This report is intended to enhance understanding of the state of competition at one point in time and how it compares with recent experience. Many energy suppliers publish information on their own sales to different customer markets and comment on the implications for their own businesses.

The authors welcome feedback on the content of this report and suggestions for improvement at robert.buckley@cornwallenergy.com.

⁵ <http://www.justice.gov/atr/public/guidelines/hhi.html>

3 Market scale

This section summarises information on the size of the British electricity and gas markets and comments on the numbers of suppliers entering and exiting them.

3.1 The total gas and electricity markets

Electricity: households and businesses in Great Britain consume more than 280TWh of electricity each year. More than one third of this power (35%) is used by 27.5mn household consumers. The household market accounts for 91% of all customers by number. The 9% who are businesses therefore account for nearly two thirds (65%) of electricity demand. Compared with the year to 30 April 2015, total electricity consumption for the year to 31 October 2015 was 1.9% lower due to a 4.4% reduction in household consumption and a 0.5% reduction in business demand.

Gas: in the gas market, about 540TWh is consumed by household and businesses in Great Britain. The 0.88mn business customers (4% of all customers) consume around 240TWh of gas (almost 45% of total) with the remaining 22.8mn household customers (96%) consuming 300TWh (~55%). Compared to the year to 30 April 2015, total gas consumption for the year to 31 October 2015 was 2.9% higher due to a 3.8% increase in household consumption and a 1.7% increase in business demand.

Table 3:1 summarises information on the total size of the British gas and electricity markets.

Table 3:1: Overview of British electricity and gas market

Fuel	Demand	Household*	Business*	All
Electricity	Customers (k)	27,510	2,665	30,175
	Consumption (TWh)	100	188	288
Gas	Customers (k)	22,795	876	23,671
	Consumption (TWh)	301	239	540
Household dual fuel	Customers (k)	19,435	N/A	N/A
	Dual fuel as % gas accounts	85.2%	N/A	N/A

Source: Cornwall Energy. Household customers are accounts, business customers are meters live on supply at reporting date. Consumption is energy volume billed to customers in the year to the reporting date. Household and business figures are for the year to 31 October 2015.

3.2 The gas and electricity markets for businesses

The business market splits into various subsectors. The primary segmentation is between the markets for small and medium enterprises (SMEs) and for industrial and commercial (I&C) customers including the public sector.

The SME market includes the regulatory definition of micro-business, which from 31 March 2014 captures businesses that:

- consume less than 100,000kWh of electricity per year; or
- consume less than 293,000kWh of gas per year.

At 31 October 2015, there were 0.64mn SME gas meters, up from 0.63mn at 30 April 2015. SME electricity meters reached 1.80mn, up from 1.76mn⁶ at 31 October 2014. The I&C sector saw a decrease of 5,000 gas meters while I&C electricity meters fell by 112,000 over the six month period, as Table 3:2 shows.

⁶ The majority of this change is a technical adjustment for new information by Cornwall Energy rather than an actual reduction in market size.

Table 3:2: Business energy accounts and consumption—31 October 2012 to 31 October 2015

	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
SME gas meters (k)	641	647	668	633	642
SME gas volume (TWh)	39.9	38.4	37.5	35.7	37.9
SME electricity meters (k)	1,814	1,814	1,828	1,759	1,803
SME electricity volume (TWh)	39	40	40	39	37
I&C gas meters (k)	223	227	226	239	234
I&C gas volume (TWh)	200	206	196	199	201
I&C electricity meters (k)	843	913	958	974	862
I&C electricity volume (TWh)	149.9	149.9	149.3	150.2	151

Source: Cornwall Energy.

For the year to 31 October 2015, average electricity consumption in the SME sector was 20,521kWh while average gas consumption was 56,398kWh. These figures are 7.4% lower and 4.7% higher respectively than the equivalent values for 30 April 2015.

Average electricity consumption per account in the I&C sector was 175,174kWh for the year to 31 October 2015, while average gas consumption 857,265kWh. These figures are 13.6% higher and 3.0% higher respectively than the equivalent values for 30 April 2015.

3.3 Suppliers entering and exiting the market

The household paper includes information on the total numbers of licences applied for and awarded by industry regulator Ofgem.

Comment is made where relevant in Section 4 on changes to the numbers of suppliers active in the various business energy markets.

We understand Ovo Energy has withdrawn from the business energy markets. In addition two existing I&C suppliers—Smartest Energy and ENGIE (formerly GDF SUEZ Energy UK)—have entered the SME electricity market.

4 Competition in business electricity and gas

This section comments on trends in competition in the business electricity and gas markets with further consideration of trends in the SME and I&C sectors⁷.

It references information on:

- the number of active suppliers;
- trends in the Herfindahl-Hirschman Index; and
- market shares of the competing suppliers.

4.1 Competition in business energy (electricity plus gas) supply

There are now 24 companies actively supplying in both the business electricity and gas markets. During the six months period to 31 October 2015, there were no new entrants or exits in the business energy market.

These companies (as at 31 October 2015) can be broadly grouped by background as follows:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—including ENGIE, Total Gas & Power, DONG Energy Sales and Gazprom Energy; and
- **stand-alone suppliers**—including Axpo, Opus Energy, Business Energy Solutions, Ecotricity, Good Energy, Extra Energy, Gnergy, Utility Warehouse, Corona Energy, Axpo, Yu Energy, Economy Energy, D-Energi, Lancashire Gas & Power and United Gas & Power.

Although some companies supply both gas and electricity, dual fuel contracts are not a strong feature of the business markets. The companies noted above are the most visible of the competitors. There are in addition several other companies that supply energy to specific market segments on a targeted basis.

The business markets have seen a consistent increase in market competitiveness in recent years. The results for 31 October 2015 show HHIs for both the electricity and gas markets below the 1,500 threshold of moderate concentration as Table 4:1 shows. In the six months to 31 October 2015, the business gas market also fell below 1,000.

Table 4:1: HHI assessments of the business electricity and gas markets by volume

	All business electricity HHI	All business gas HHI
31/10/2012	1,346	1,035
31/10/2013	1,326	1,036
31/10/2014	1,266	1,021
30/04/2015	1,216	1,006
31/10/2015	1,159	986

⁷ Cornwall Energy segments the business markets in to small and medium enterprise (SME) and industrial and commercial (I&C) sectors. SME energy contracts are defined as:

- non half-hourly metered electricity contracts for privately-owned companies with up to 10 meters; and
- gas contracts for privately-owned companies of up to 10 meters where the typical meters consumes less than 732MWh (25,000 therms) a year.

All other contracts, including those for the public sector, are defined as I&C.

Source: Cornwall Energy

4.2 Competition in business electricity supply

In the business electricity market, there were 38 active suppliers at 31 October 2015 drawn from backgrounds including:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—including Drax through Haven Power, Engie, Total Gas & Power, DONG Energy Sales, Ecotricity, Good Energy and Gazprom Energy; and
- **stand-alone suppliers**—Axpo, Opus Energy, Hudson Energy, Axis Telecom, Business Energy Solutions, MA Energy, Dual Energy, Green Energy, Smartest Energy, Extra Energy, Gnergy, Utility Warehouse, Corona Energy, Statkraft, Danske Commodities, EN-D-Co, Eneco, PX Group, D-Energi, Economy Energy, F&S Energy, Lancashire Gas & Power, United Gas & Power, Yu Energy and Tempus Energy.

There were no new entrants to business electricity supply in the six months to 31 October 2015, but one exit due to the departure of Ovo Energy.

Over the last six months, the major household suppliers have experienced further decline in their collective market share by volume down 2.7 percentage points (pp) to 73.2%. The major suppliers have seen an increase in the rate of share losses during the last two years. Other suppliers' now hold more than a quarter of the market share (26.8%), up from 24.1% at 30 April 2015.

At 31 October 2015 there were four suppliers holding shares above 10% of volume, six holding a share of >3% & <10% and two serving >1% & <3% of the market. The HHI in business electricity supply has consistently been below 1,500 defined as unconcentrated, as Figure 4:1 shows. HHI dropped to 1,159 at 31 October 2015, compared to 1,216 six months previously.

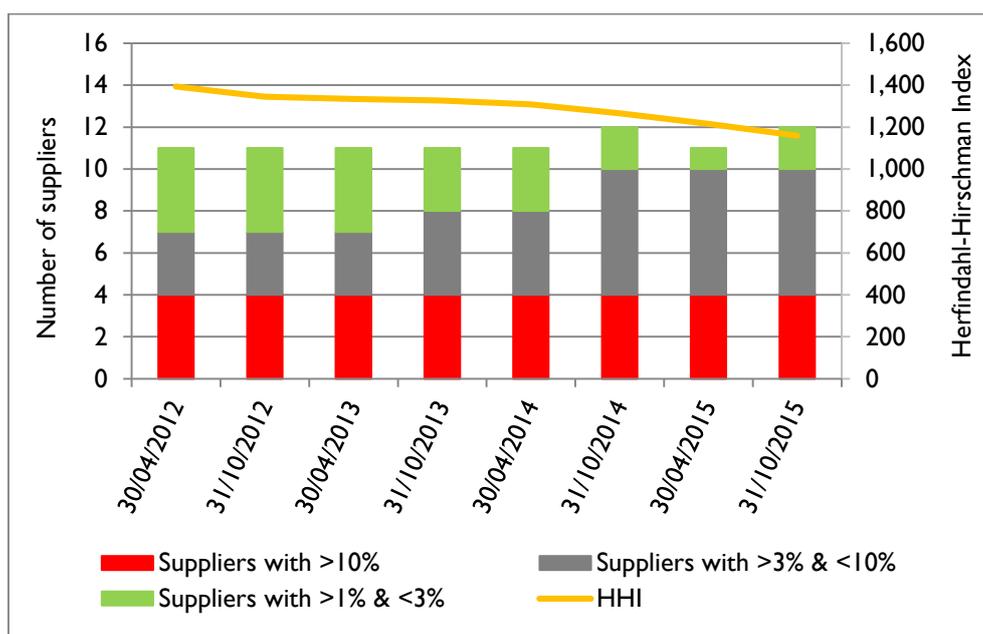
Table 4:2 and Figure 4:1 summarise information on competition in business electricity supply.

Table 4:2: Competition in business electricity supply

Electricity volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	4	4	4	4	4
Suppliers with >3% & <10%	3	4	6	6	6
Suppliers with >1% & <3%	4	3	2	1	2
Major household supplier share	82.4%	80.8%	78.2%	75.9%	73.2%

Source: Cornwall Energy.

Figure 4:I: Measures of competitiveness—business electricity volume



4.2.1 SME electricity

Companies supplying electricity to SMEs in early 2015 were drawn from backgrounds including:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—Drax through Haven Power, Total Gas & Power, Ecotricity, Good Energy, **ENGIE** and Gazprom Energy; and
- **stand-alone suppliers**—including Opus Energy, Hudson Energy, Axis Telecom, Business Energy Solutions, MA Energy, Dual Energy, Green Energy, Corona Energy, Extra Energy, Gnergy, Utility Warehouse, D-Energi, Economy Energy, Lancashire Gas & Power, United Gas & Power, Tempus Energy, Yu Energy and Smartest Energy.

There were **no brand new entrants** to the SME electricity market in the six months to 31 October 2015. However, two existing suppliers of the I&C electricity market—ENGIE and Smartest Energy—extended their supply into SME. There was one exit—Ovo Energy.

The SME electricity segment continued to hold a spread of supplier shares at 31 October 2015. Three suppliers held >10% of the market and a further four held >3% & <10%. Three more recorded a share of >1% & <3%, as Table 4:3 shows. This reflects that one supplier saw its share fall below 10% in the six months to 31 October 2015.

Aggregate major suppliers’ share of the SME electricity market has further decreased, down 2.9pp over the six month period to 82.8%. Between 31 October 2014 and 31 October 2015, aggregate major supplier share has fallen 3.9pp. Other suppliers’ share of this market rose to 17.2% at 31 October 2015.

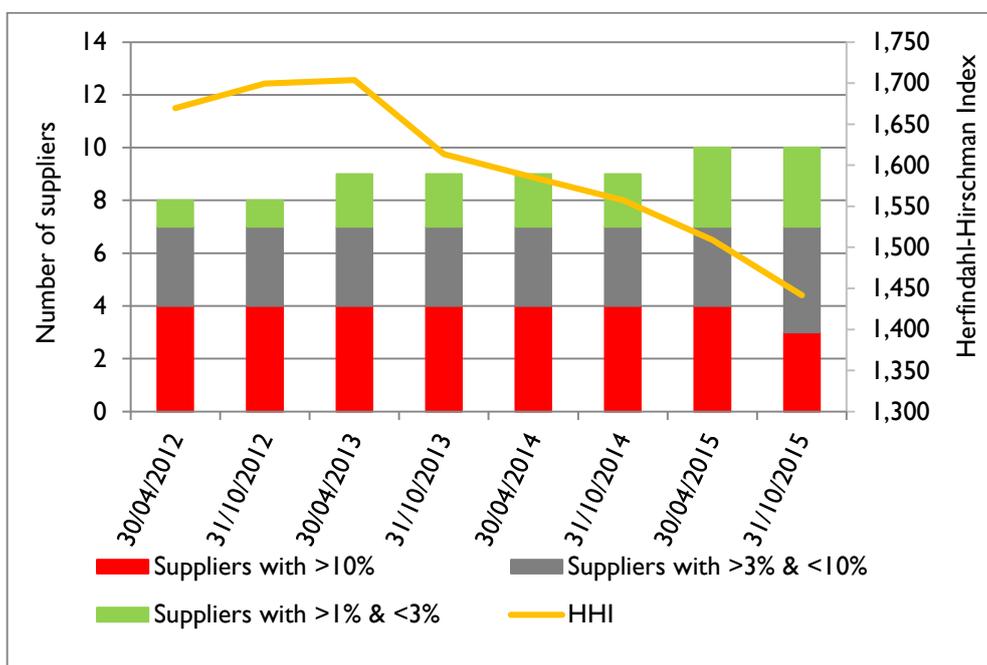
Table 4:3: Competition in SME electricity supply

Electricity volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	4	4	4	4	3
Suppliers with >3% & <10%	3	3	3	3	4
Suppliers with >1% & <3%	1	2	2	3	3
Major household supplier share	91.1%	88.7%	86.7%	85.8%	82.8%

Source: Cornwall Energy.

HHI in SME electricity volume fell to 1,442 at 31 October 2015 (as seen in Figure 4:2). This figure has now moved below the lower threshold for HHIs of 1,500, at which the market is deemed unconcentrated.

Figure 4:2: Measures of competitiveness—SME electricity volume



4.2.2 I&C electricity

Companies supplying electricity to I&C customers in early 2014 included:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—Haven Power (owned by Drax), Total Gas & Power, ENGIE, Ecotricity, DONG Energy Sales and Gazprom Energy, Good Energy; and
- **stand-alone suppliers**—Axpo Energy, Opus Energy, Smartest Energy, Corona Energy, Danske Commodities, EN-D-Co, Eneco, F&S Energy, Green Energy, Hudson Energy, MA Energy and PX Group.

There were no new entrant suppliers in I&C electricity in the six months to 31 October 2015.

In the six months to 31 October 2015, major household suppliers’ aggregate share in the I&C sector fell. The aggregate share of the major suppliers decreased to 70.8%, down 2.6pp during the six month period. The I&C sector continued to have a lower aggregate household supplier share than the SME market. It registered six suppliers with a share in electricity volume of >3% & <10%, with two suppliers serving >1% & <3% and four suppliers serving >10%, as shown in Table 4:4.

Other companies now hold almost 30% of the market share of I&C electricity volume (29.2%), while the major household suppliers have seen further decline.

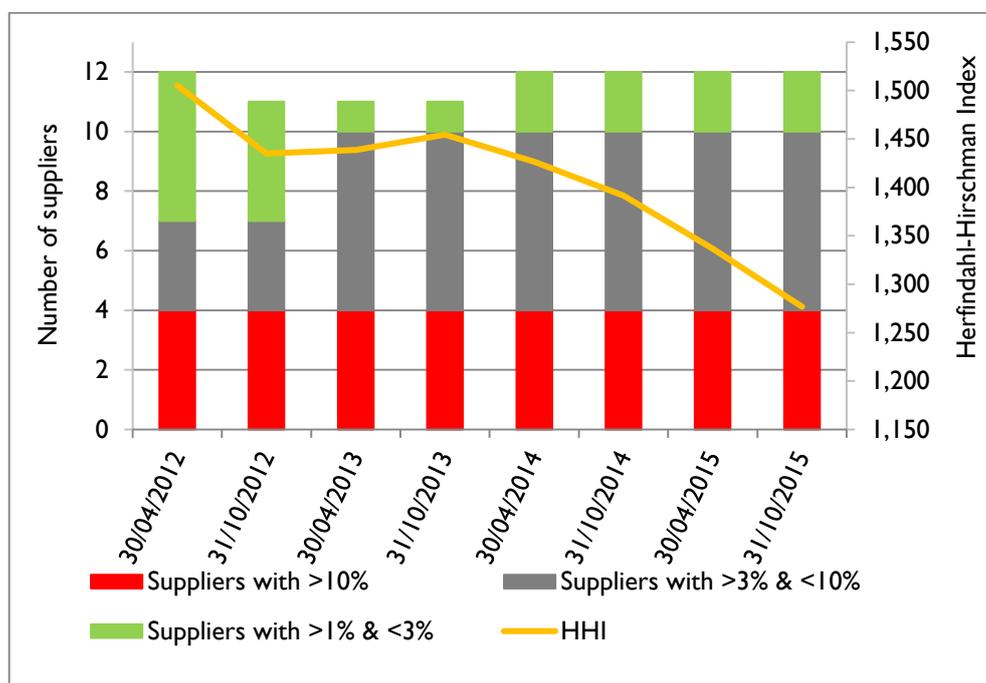
Table 4:4: Competition in I&C electricity supply

Electricity volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	4	4	4	4	4
Suppliers with >3% & <10%	3	6	6	6	6
Suppliers with >1% & <3%	4	1	2	2	2
Major household supplier share	80.2%	78.6%	75.9%	73.4%	70.8%

Source: Cornwall Energy.

In the I&C market, the HHI for electricity volume continued to be recorded below the threshold for an unconcentrated market. It fell from 1,337 to 1,277 over the six month period.

Figure 4:3: Measures of competitiveness—I&C electricity volume



4.3 Competition in business gas supply

In the business gas market, there were 33 active suppliers at 31 October 2015 from backgrounds including:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—DONG Energy Sales, Wingas UK, Statoil, ENI, Total Gas & Power, Gazprom Energy, ENGIE, Ecotricity; and
- **stand-alone suppliers**—including Contract Natural Gas, Corona Energy, Opus Energy, Business Energy Solutions, Crown Energy, Regent Gas, Extra Energy, Gnergy, Utility Warehouse, Axpo, Enterprise Gas, Good Energy, Société Valmy Défense 17, Vayu, D-Energi, Economy Energy, Lancashire Gas & Power, United Gas & Power and Yu Energy.

There were no **new entrant** suppliers in the six months to 31 October 2015.

The business market saw a fall in aggregate major household supplier share over the six months to 31 October 2015, down from 19.3% to 18.4%. Collectively, this share continues to be the minority fraction of the volume supplied. In the 12 months to 31 October 2015, aggregate major supplier share fell 1.2pp.

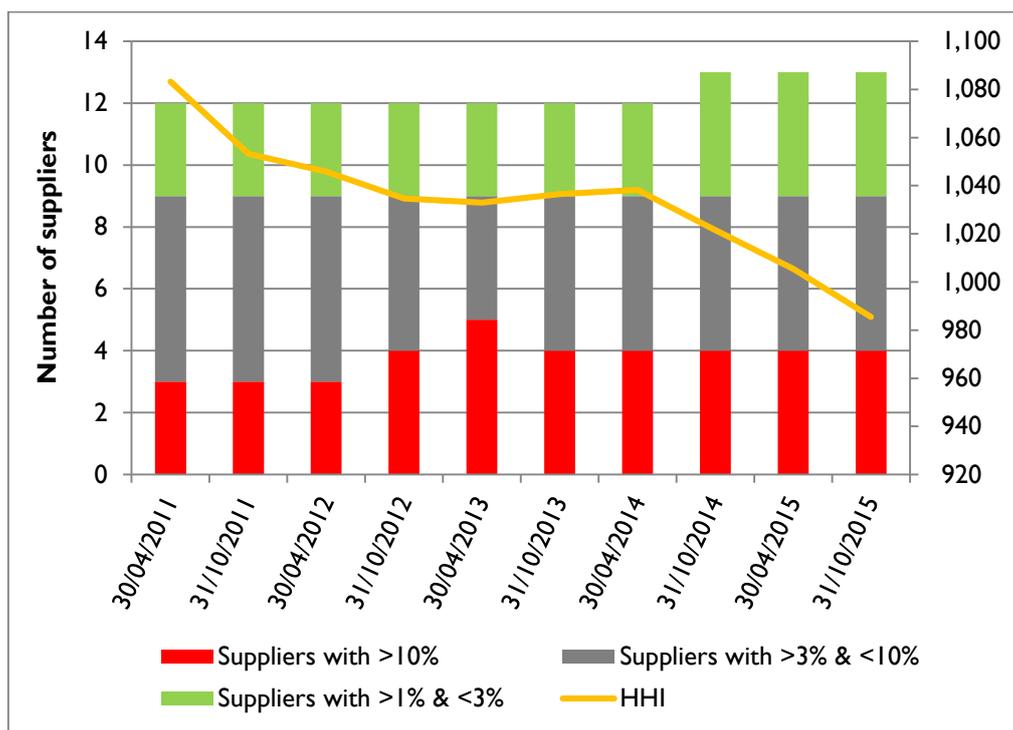
As Table 4:5 shows, four suppliers held >1% & <3% of gas volumes, five companies supplied >3% & <10% and four suppliers held a volume share of more than 10%.

Table 4:5: Competition in business gas supply

Gas volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	4	4	4	4	4
Suppliers with >3% & <10%	5	5	5	5	5
Suppliers with >1% & <3%	3	3	4	4	4
Major household supplier share	22.9%	20.4%	19.7%	19.3%	18.4%

Source: Cornwall Energy.

Figure 4:4: Measures of competitiveness—business gas volume



4.3.1 SME gas

Companies supplying gas to SME customers in late 2015 were also drawn from a variety of backgrounds including:

- **the major household suppliers**—Centrica (British Gas), E.ON UK, EDF Energy, RWE npower, Scottish Power and SSE;
- **other energy producers**—Total Gas & Power, Ecotricity, **ENGIE** and Gazprom Energy; and
- **stand-alone suppliers**—Contract Natural Gas, Corona Energy, Opus Energy, Business Energy Solutions, Crown Energy, Regent Gas, Extra Energy, Gnergy, Utility Warehouse, Enterprise Gas, Good Energy, Vayu, D-Energi, Economy Energy, Lancashire Gas & Power, United Gas & Power and Yu Energy.

There were no **new entrants** to SME gas supply in the six months to 31 October 2015.

In the SME gas market, shown in Table 4:6, aggregate household share decreased by 0.6pp to 56.8% during the six months to 31 October 2015. Collectively, share has now fallen 11.2pp between 31 October 2012 and 31 October 2015.

Three suppliers now register a share of more than 10%, while three more record a gas volume share of >1% & <3%. Six suppliers registered a share that was >3% & <10% by gas volume.

Table 4:6: Competition in SME gas supply

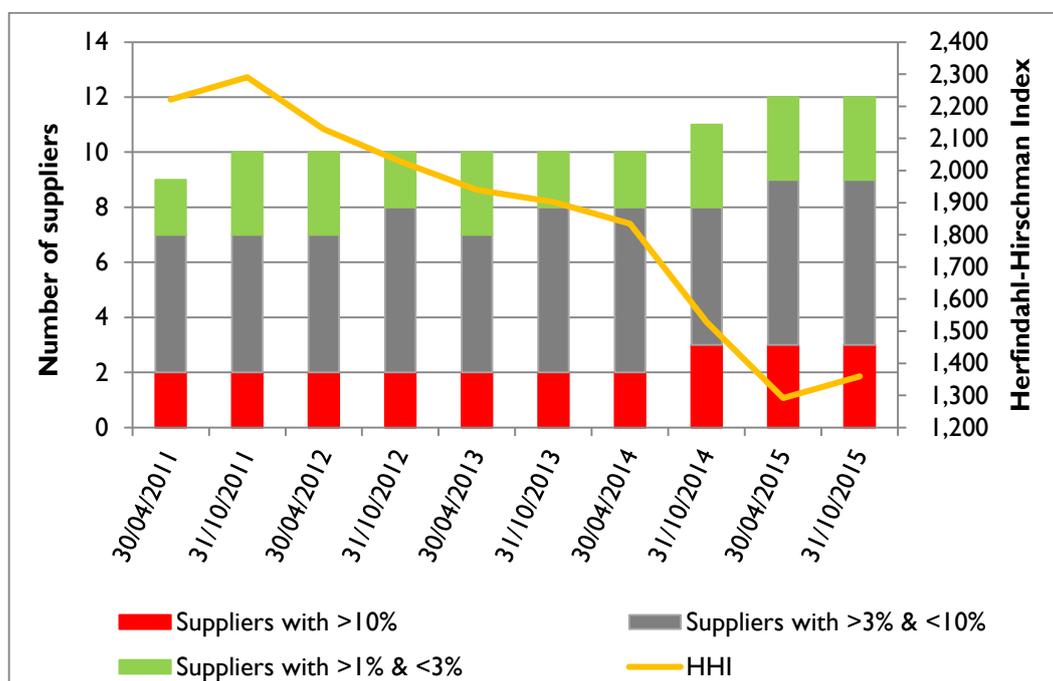
Gas volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	2	2	3	3	3
Suppliers with >3% & <10%	6	6	5	6	6
Suppliers with >1% & <3%	2	2	3	3	3
Major household supplier share	67.9%	66.0%	61.3%	57.4%	56.8%

Source: Cornwall Energy.

The level of competitiveness in the SME gas market has decreased over the last six months as measured by the HHI. The index rose from 1,292 at 30 April 2015 to 1,359 at 31 October 2015. Since 31 October 2014

the HHI figure has fallen below the threshold for HHIs of 1,500 at which a market is deemed unconcentrated, and it has remained below this threshold despite the increase.

Figure 4:5: Measures of competitiveness—SME gas volume



4.3.2 I&C gas

Companies supplying gas to I&C customers at 31 October 2015 included:

- **the major household suppliers**—including Centrica (British Gas), E.ON UK and RWE npower;
- **other energy producers**—including DONG Energy Sales, Wingas UK, ENGIE, Statoil, ENI, Total Gas & Power, and Gazprom Energy; and
- **stand-alone suppliers**—including Corona Energy, Opus Energy, Axpo, Société Valmy Défense I7, Vayu and Regent Gas.

In the I&C gas market, collective major supplier household share was recorded at 11.2%, down from 12.5% at 30 April 2015. The I&C gas market has much the lowest collective share of the major suppliers compared to SME electricity and gas and I&C electricity.

Table 4:7 shows that five suppliers registered a share of more than 10%. Five suppliers held shares of >3% & <10% while a further one held >1% & <3%. This reflects one supplier moving above the 3% threshold in the six months to 31 October 2015.

Table 4:7: Competition in I&C gas supply

Gas volume	31/10/2012	31/10/2013	31/10/2014	30/04/2015	31/10/2015
Suppliers with >10%	4	4	4	5	5
Suppliers with >3% & <10%	5	5	5	4	5
Suppliers with >1% & <3%	1	1	2	2	1
Major household supplier share	14.1%	11.8%	11.7%	12.5%	11.2%

Source: Cornwall Energy.

HHIs in the I&C gas market have been consistently in the range 1,100 to 1,200 as Figure 4:6 shows. At 31 October 2015, the I&C gas market recorded an HHI of 1,134, down from 1,141 at 30 April 2015.

Figure 4:6: Measures of competitiveness—I&C gas volume

