## **Energy Regulatory Office**

https://www.ure.gov.pl/en/communication/news/371,In-2023-nearly-26000-customers-switched-their-electricity-supplier-In-total-near.html 28.04.2024, 17:49

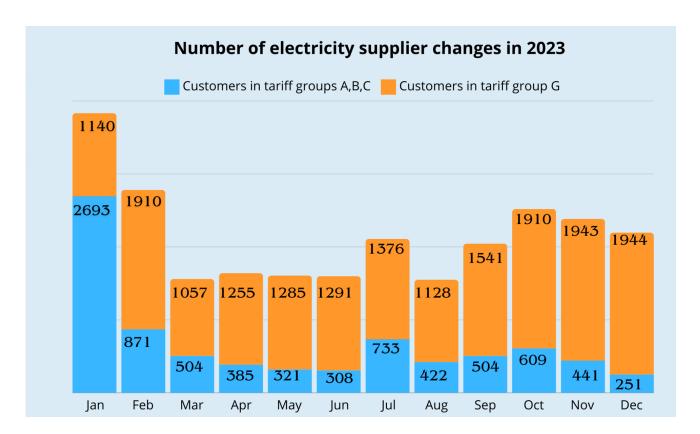
## In 2023, nearly 26,000 customers switched their electricity supplier. In total, nearly one million customers have opted for such change since 2007

Last year, almost 18,000 household customers (group G) and 8,000 in business tariff groups (A,B,C) switched their electricity supplier.

As demonstrated by the data collected and presented by URE, despite the <u>special solutions</u> introduced by the legislator in 2023 for household customers, many of them still decided to switch their electricity supplier. There were 26,000 such proactive customers last year, as compared to 30,000 one year earlier.

- Since 2007, households have been eligible to switching their supplier. This means that the customer has the right, but not the obligation, to use the official tariff approved by the President of ERO. Accordingly, when electricity suppliers offer lower prices than those in the tariff, because, for example, market conditions allow it, the customer can take advantage of such an offering, rather than the tariff. Nevertheless, it is still the tariff that is the most common and relatively safest option for households. It minimises the risks of price volatility. On the other hand, however, the customer is not bound to use it, if they find the non-tariff offer more attractive. Falling energy prices at TGE may result in alternative offerings from electricity suppliers, different than the tariff -points out Rafał Gawin, President of URE.

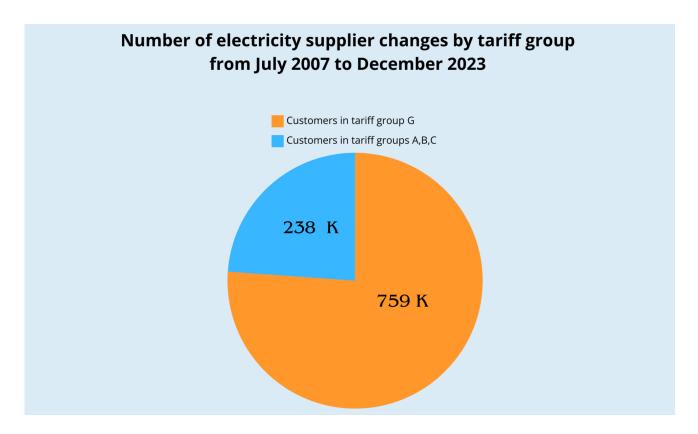
Figure 1. Number of electricity supplier changes by month, 2023



The increase in the number of supplier changes in January in customer groups A,B and C is observed on a regular basis and can be explained by the accumulation of contracts from the previous year, which come into effect from the first month of the year. It may also result from the purchasing strategy of customers.

Since 2007, i.e. during the time this option has been available to customers, over 997 thousand customers in our country have switched the electricity supplier, of which over 759 thousand are household customers (in tariff group G) and over 238 thousand are customers in tariff groups A, B and C.

Figure 2. Number of electricity supplier changes by tariff group from July 2007 to December 2023



The decision to switch the supplier is influenced by a number of key factors, including: the level of customer awareness and motivation to switch, as well as the sheer ease of making such a switch (no complicated procedures) and the availability of competitive offers on the market.

You have a choice. Make an informed choice

The right to switch the supplier is one of the basic consumer rights and an important element in strengthening market competition. However, with an increasing number of suppliers and offers, players that engage in unfair market practices are also emerging. Therefore, the Energy Regulatory Office reminds about the need to read the offer and the contract carefully and thoroughly before signing the documents received from a new supplier. In addition to the electricity price itself, attention should be given to the following contract terms:

- does the offer include additional services and related charges, in addition to the supply of electricity,
- what is the contract term,
- what are the terms on settlement will take place at the end of the period covered by the offer,
- what are the terms of termination (are there any fees for early termination of the contract), what are the terms of settlement at the end of the offer period.

Before you enter into a contract with a new supplier ALWAYS:

- consider whether the offer is indeed advantageous for you,
- carefully examine all documents, including the contract, before signing,
- make sure that the details of the company represented by the salesperson appear on the documents, offers or contracts.

REMEMBER! Don't let yourself be deceived – since July 2021, door-to-door sales to household customers is has been banned.

This means that energy companies are no longer allowed conclude off-premises contracts with household customers (e.g. when a representative visits the customer's home). However, the prohibition of off-premises contracting for the sale of gas and electricity does not limit the possibility to conclude such a contract remotely (e.g. by telephone) or at a supplier's outlet located, for example, in a shopping mall.

## Your rights:

- when concluding a distance contract, the salesperson should inform you in writing of your right of withdrawal and provide you with a model of the relevant statement,
- you may withdraw from a contract concluded at a distance, e.g. by telephone, within 14 days of its conclusion, without giving reasons and without incurring any costs for doing so.

## Take special care whenever:

- the details of the company the salesperson represents are not shown in the documents,
- you are unable to verify what company the salesperson represents,
- you are persuaded to sign a contract quickly, e.g. under the pretext of a promotion,
- the salesperson promises you a lower price for electricity/gas, but does not inform you about other additional charges and penalties and additional payable services (e.g. additional insurance),
- you are asked to show your last electricity/gas bill (the bill contains information about the types of services and the charges for these services) and are given several or more documents to sign.

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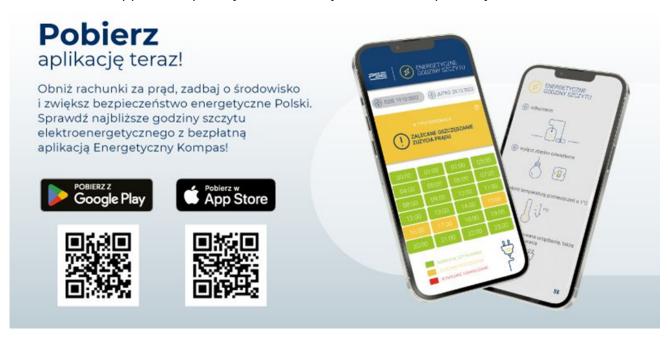
Switching the supplier is most often driven by the desire to reduce energy bills. And what else can we do to minimise the expenses?

- <u>"We save energy" public awareness campaign of the Ministry of Climate and Environment</u>
- Polskie Sieci Elektroenergetyczne (PGE) has launched a mobile application named

<u>"Energetyczny Kompas"</u>, which will help in planning the use of appliances in a way that is most beneficial to the electricity system and the environment. Conscious and responsible use of electricity will also lead to lower electricity bills.

The app indicates the peak hours for electricity consumption. They are defined for the following day (except Sundays and holidays) and published before 5pm. These are the hours when coal and gas-fired power stations will cover the largest portion of the demand. Conventional power plants have to run at peak capacity during these hours and the least efficient, and therefore most expensive, units are required to operate in order for the demand to be satisfied. This often is also the period when the reserve capacity necessary to balance the national power system and ensure its safe operation, is at its lowest level.

Download the app developed by PSE and do your bit to keep the system safe and stable.



- According to the law in force since 2007 (establishing the so-called TPA principle: Third Party Access), end consumers are free to choose their electricity and gas supplier. The President of URE monitors the switching of electricity suppliers in two groups of customers: individual customers (group G) and business customers (A, B, C).
- Information and statistics on supplier switching are published on a regular basis on the URE's website.
- Data on supplier switching comes from URE's "Survey on information on customers who have changed their supplier and on the progress of General Distribution Agreements (GDAs) and General Distribution Agreements for Comprehensive Service (GDA-K)".
- Groups A and B comprise customers supplied from the high and medium voltage grid referred to as industrial customers, while Group C includes customers connected to the low voltage grid taking electricity for commercial purposes and known as business customers.

Link: In 2023, nearly 26,000 customers switched their electricity supplier. Overall, almost one million customers have decided to switch since 2007 – News – Energy Regulatory Office (ure.gov.pl)

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