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PRESS RELEASE

Utilita moves first to a 12 month contract

From tomorrow, 1 September 2007, Utilita will only be offering *new* customers a full 12 month energy supply contract similar to those used widely for other essential services like insurance.

This move follows the recent decision made by Ofgem, the energy industry regulator, to relax the rule* under which customers could switch suppliers every 28 days.

Utilita prices will remain highly competitive. Customers cannot switch within the 12 month period but retain the right (under Ofgem rules) to leave if Utilita raises the price of their energy supply within the period of the contract or if they move house.

In line with existing customer benefits, customers signing a 12 month contract with Utilita will also receive 'planetpoints' – rewards that can be exchanged for energy-saving products and technologies.

David Casale, chief executive of Utilita, says, "Our goal is to make it as easy as possible for our customers to curb their consumption and to cut their bills permanently. Keenly priced annual contracts help us to deliver our part in this essential change in consumer behaviour."

"We want to attract customers who are keen to cut their carbon footprint and who want to form a longer term relationship with their energy supplier in order to do that. Moreover, Utilita does not rule out the possibility of *lowering* prices for these customers if the cost of energy falls during the period of their annual contract because our aim remains to retain customers, not to walk away at the end of their first year. "

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Notes to Editors

[1] A full background media advisory about Utilita is available at www.utilita.co.uk/press.htm. For media queries and interview requests: please contact Hannah Pearce at Zintl Associates zintl@gn.apc.org or on 0207 263 0678.

[2] Utilita (www.utilita.co.uk) is the first - and to date the only - domestic energy supply company in the UK to offer an energy services contract requiring *no an additional customer investment* or contribution.

[3] * The so-called '28 day rule', established when the UK energy market was liberalized to promote free and fair competition has been relaxed by Ofgem in order to remove a barrier to new entrants and to encourage greater innovation in the marketplace as the UK moves towards a low carbon economy.

Ofgem rules continue to protect ensure that consumers on long term energy supply contracts are protected if a) prices rise b) they move house or c) a supplier makes any change within the period of a contract that disadvantages them. Utilita will impose *no penalty* on customers who change supplier in such circumstances.

[4] Utilita is the only small domestic supplier fully licenced by Ofgem still trading in the UK market

[5] Customers can see all Utilita tariffs at <www.utilita.co.uk> or may contact Jim Garrett, on 0845 450 4117 jimgarrett@utilita.co.uk

All Utilita tariffs make it possible for any customer to curb their domestic greenhouse gas emissions and reduce their energy bills at the same time. Utilita tariffs are also among the cheapest for many areas of the country.

[5] Utilita estimates that over a three year period most its customers will be able to pay for energy saving measures like loft and cavity wall insulation using their planetpoints. Utilita is also working to install smart meters more widely than has been done before.