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EMBARGOED UNTIL 00.01 HOURS ON WEDNESDAY 17 OCTOBER 2007

OVER 2.8 MILLION HOUSEHOLDS SWITCH SUPPLIER

- **2.8 million households switched supplier in the first seven months of 2007.**
- **Savings greatest for prepayment gas and electricity customers who can save on average £100 a year if they have never switched supplier.**
- **Now is the best time for all customers to get the best deal in terms of innovation, price and service before winter sets in.**

Energy customers have continued to take advantage of the competitive energy market this year with more than **2.8 million** switching suppliers in the first seven months. This shows that customers are continuing to hunt for the best deal as suppliers have lowered their prices.

Research from Ofgem shows that all customers who have not switched supplier can save money by doing so. Average yearly savings range from **£60** for direct debit, **£86** for standard credit, but it is prepayment customers who can save the most - around **£100**. In some regions this can be as great as **£170** per year.

But there is more to gain from switching than just better prices. Suppliers are competing not only on price but also on innovation and quality of service. Research has shown that customers will switch because of poor service and companies know that if their service is poor they will lose customers.

Ofgem Chief Executive, Alistair Buchanan said:

"With **2.8 million** households switching in the first half of the year the heat is still on suppliers to offer customers the best deal for their energy. With winter drawing in and all suppliers having lowered their prices, now is a good time for all customers to check whether they are getting a good deal for their energy.

"This is particularly true for prepayment meter customers, who can reap savings on average of **£100** if they have never switched supplier. We also want to highlight the benefits of changing how you pay for your energy and the special tariffs many suppliers offer to those struggling to pay their energy bills."

Customers can also save money on their energy bills by changing payment method, for example moving from prepayment meter to direct debit or standard credit. Any customer struggling to pay for their energy should also contact their supplier to see what help is available. Many suppliers offer special tariffs or other help for vulnerable customers.

Further help for customers on low incomes is offered by the Home Heat helpline on **0800 33 66 99**.

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## Notes to editors

### 1. Switching figures

Between January 2007 and July 2007 2.8 million customers switched their electricity supplier and 2.3 million switched their gas. In 2006 between January-July 2.6 million electricity customers and 2.2 million gas customers switched supplier.

The electricity switching figure is used to represent the number of households that have switched because while all households have electricity, not all have gas. The number of gas switchers has not been added to this figure as a large proportion of these will be dual fuel switchers, and will therefore already be included in the electricity switching figures.

## 2. Innovation for fuel poor customers

Corporate Social Responsibility initiatives are an important part of supplier innovation. All suppliers offer some form of special tariff or trust fund arrangement, or work in partnership with charities and other agencies.

Ofgem has recently published a review of these developments as part of its Social Action Strategy, which sets out our work in support of vulnerable customers.

For more information on Ofgem's Social Action Strategy and its report "Domestic suppliers: social obligations annual reporting for 2006" are available at [www.ofgem.gov.uk](http://www.ofgem.gov.uk)

## 3. Home Heat helpline 0800 33 66 99

This is a free national helpline run by energy suppliers for customers having difficulties paying their fuel bills. It offers advice on cheaper payment schemes, grants for insulating your home, how to get on to the Priority Services Register for extra services and information on extra government benefits that you may be entitled to. For more information visit [www.homeheathelpline.org](http://www.homeheathelpline.org)

For more information Ofgem has published a factsheet "Britain's competitive energy market," which is available at [www.ofgem.gov.uk](http://www.ofgem.gov.uk)

## 4. Average prices for PPM customers for both gas and electricity

### Electricity PPM

	GB Average Bill	Diff to Best Offer
SSE	356	0
EDF Energy	357	1
Scottish Power	368	12
British Gas*	375	19
Powegen	384	28
npower	435	79

### Gas PPM

	GB Average Bill	Diff to Best Offer
Scottish Power	560	0
SSE	579	19
npower	582	22
EDF Energy	584	23
Powergen	615	54
British Gas*	617	56

\*Does not apply to vulnerable customers on British Gas' Essential Tariff

**5. Average saving figures for Standard Credit and Direct Debit dual fuel deals**

**Standard Credit**

	<b>Average Dual Fuel SC</b>	<b>Diff to Best Offer</b>
SSE	875	0
EDF Energy	907	32
npower	909	33
British Gas	913	38
Powergen	913	38
ScottishPower	961	86

**Direct Debit**

	<b>Average Dual Fuel DD</b>	<b>Diff to Best Offer</b>
npower	825	0
SSE	828	3
ScottishPower	836	12
British Gas	837	13
Powergen	857	32
EDF Energy	865	40

The bills above are based on annual consumption of 3,300 kWh for electricity and 20,500kWh for gas.

6. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's functions are set out mainly in the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998 and the Utilities Act 2000. In this note, the functions of the Authority under all the relevant Acts are, for simplicity, described as the functions of Ofgem.

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