

## **Re: Gas Contract Increases**

In October of 2022 our gas contract came up for review.

Our broker (REDACTED) was unable to find an alternative supplier to give a competitive contract price for our gas. In so much as no other company would quote for supply. Absolutely nothing was available to us, not even the company that we were originally with just before we went over to present company. We also phoned round to companies and brokers to make sure that our broker was being fair.

Although we did not like it, it seemed that our broker was also in a bit of a fix.

Our rate went from 3.17p/kWh to 28.4211p/kWh on our new tariff. Our stand charge went from 27.90p/day to 44.4699p/day. This was an increase of 900 % on the kWh rate alone = respectively.

The only other option we had was to take out a longer contract (2 or 3 years) with a less punishing rates or go on the open market rates. We were advised that the open market could see our rates double and more from what we were being offered. We were also advised that we could not receive the government subsidy unless we were in a contract. We had nowhere to turn. Each of the options were catastrophic to the business.

We were being blackmailed into accepting a deal that would ruin us if we took it out and ruin us if we didn't.

We did, however, receive an email from our gas supplier announcing that the Government Bill Relief Scheme will be in place from 1<sup>st</sup> October 2022 until April 2023, helping us with the p/kWh rate, at a total of 7.4p/kWh, which means that our rate for this period only will change from 28.42p/kWh to 21.02p/kWh, although this is still a 700% increase in our tariff, still devastating to any business and of course will revert back to 28.4211p/kWh once the scheme comes to an end in April 2023 making it a 900% increase.

We have a microbrewery attached to our public house and another pub in the middle of a full renovation. When you add the accumulative effect of the lockdown and corona virus, this gas price increase was the last straw in our effort to have a manageable business. The wider effect is that our customer base for our brewery products has now all but disappeared. Small brewers are corralled into a very small section of the market by the big suppliers whom guard their slice of the market rigorously.

We have also had to reduce our own opening hours as we cannot afford to heat our grade 2 listed building that is hopelessly energy inefficient. Our staffing hours have been cut which has had an effect on their ability to either remain in the job or pay their bills. While at the same time placed an unmanageable burden on myself and my wife of extra hours to cover for staffing shortfall costs.

At 67 years old and 18 years of building a fine business with my wife who is 65 years old, we now have a business that is worthless and unsellable. This business and the industry as a whole is in a downward spiral of decline. Future growth seems all but impossible.

We have been reduced to a single bar gas fire for our accommodation and are effectively paupers in our own building.

We are trying to hang on but like many others we are all but on suicide watch.

I have written to my MP, REDACTED and only received the obligatory reply with information about possible grants. This is an absolutely useless gesture.

We are able to supply the email correspondence that brought us to this point.

The system of energy supply does not work. The arbitrary setting of rates for supply must be linked to sustainability in the industry. At the moment it is set by unaccountable business that is too big to argue with. The people setting these rates are not affected by this and the shareholders are gaining without risk.

The saddest part of this is we are unable to renegotiate this contract even though the dire predictions have been unfounded. We have been duped, misled, damaged and as an industry put to the sword.

This is shameful exploitation.

Should you wish for documented information we will be happy to supply this.

Yours sincerely

REDACTED