

Press Release



R/43

ENERGY EFFICIENCY CAN HELP REDUCE IMPACT OF ENERGY PRICE RISES

- **Energy efficiency and changing the way you pay for your energy can cut over £100 off energy bills**
- **Energy customers can also save up to £158 if they have never switched energy supplier**
- **Gas customers who have never switched away from British Gas are paying up to £116 more than they need to and electricity customers are paying up to £42 more if they are still with their original supplier**

With Energy Efficiency week just around the corner and winter fast approaching now is the time for **Energy Smart** customers to act to reduce the impact of rising gas and electricity prices.

Energy bills have risen in real terms by around **£127** (£39 for electricity and £88 for gas) since October 2003, however many **Energy Smart** domestic customers can cut their bills by over **£288** by taking three money saving steps:

- **Energy efficiency measures** can save **£££s** on bills - Cavity wall and loft insulation can save over **£100** year after year on a household's energy bill
- **Switching supplier** – customers, who have never changed energy suppliers, can save up to **£158**. Customers who have already switched should check to see that they are still getting a good deal, and
- **Changing tariff** - customers still paying for their energy by standard credit could save around **£30-35** by paying by direct debit.

Total savings possible of over £288

Total price rises £127

Prepayment meter customers, who have never switched, could also be paying **£153** a year more than they need to (electricity £43, gas £110).

Ofgem's Chief Executive Alistair Buchanan said: "Research by Ofgem shows that it is possible for many domestic customers to take action now before winter sets in to dramatically reduce or in some cases avoid altogether the recent energy price rises."

"Our advice is to be **Energy Smart** and make sure your home is as energy efficient as possible, switch your energy supplier if you have still not done so, and choose the cheapest payment method for your energy bills. If you have yet to take any of these steps you could save yourself over £200 off your energy bills in time for this winter."

Allan Asher, Chief Executive of energywatch, added: "All consumers can cut their bills by taking some simple energy savings steps. Consumers can find out more by contacting their supplier or calling their local Energy Advisor on 0845 7277200."

Customers thinking of changing supplier should contact energywatch, who provide customers with free impartial advice on the savings available and advice on saving energy.

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Notes to editors:

1. Savings are based on medium consumption standard credit and prepayment meter customers, who have never switched before, changing both their gas and electricity suppliers.
2. Powergen, EDF Energy, Scottish Power and Centrica have all announced energy price rises in the last few months.

Despite these price rises energy bills for domestic customers in Britain are still around **£150** cheaper in real terms than before privatisation. Households in Britain also have some of the lowest energy bills in Europe due to competition and effective regulation of the cost of transporting energy by Ofgem.

3. Changing supplier

There is no need to contact a salesman to change energy supplier. Just add up how much a year you use for gas and electricity and then phone consumer watchdog **energywatch** on **08459 060708** for free price comparison factsheets or visit their new website at www.energywatch.org.uk for approved online price comparison services. Research shows that 50 per cent of all gas and electricity customers have already switched supplier at least once, however those that have not already switched are likely to benefit most from changing suppliers.

4. Energy efficiency – Top tips from energywatch

- **Take control of your heating...** Is your heating on too high? The most important thing is to keep warm in winter, but turning your thermostat down by 1°C could cut your heating bills by up to 10%. And if you're going away for winter, leave the thermostat on a low setting to provide protection from freezing at minimum cost. You could save around £30 per year. Hot water doesn't need to be scalding. For most people, setting the cylinder thermostat at 60°C/140°F is fine for bathing and washing.
- **Get help!** There are a range of grants available to help people make their homes more energy efficient and cut your fuel bills through draught proofing, cavity wall or loft insulation, radiator controls and other methods. To find out if you are eligible for any of these phone your local energy efficiency advice centre on **0800 512 012**. Also, look out for any special offers from your energy company or local authority - you might receive information about these along with your bill.
- **Plug up the gaps...** If you stop draughts and heat escaping by filling gaps under skirting boards with newspaper, beading or mastic sealant you can save £5-£10 off your bills every year! Double-glazing cuts heat loss through windows by 50% and could cut your heating bill by up to £40 a year. Just closing your curtains at dusk will stop heat escaping through windows. You can eliminate even more draughts and wasted heat by using an easy-to-fix brush or PVC seal on your exterior doors. Always put the plug in your basin or sink. Leaving hot water running straight down the drain really is throwing money away.
- **Don't standby, switch off!** Turn the lights off when you leave a room and adjust your curtains or blinds to let in as much light as possible during the day. Televisions, videos, stereos, computers, and cordless phones: To cut down on wasted energy, avoid leaving

appliances on standby and remember not to leave them on charge unnecessarily. But please check the user manual first.

- **Dress up your hot water tank...** An insulating jacket for hot water tanks only costs a few pounds and pays for itself within months. Fit one that's at least 75mm (3") thick and you could save £10-£15 a year. If every UK household fitted a jacket on their tank tomorrow, we'd save over £150 million of energy every year!
- **Half empty or half full...** Only fill the kettle with the amount of water you need. You'll get your drink quicker and you'll save energy too! However for washing machines, tumble driers and dishwashers always aim for a full load if you can't use a half-load or economy programme. Use the low temperature programme bearing in mind that modern washing powders will be just as effective at lower temperatures. Wring out or spin-drying really wet clothes before putting them into a tumble dryer will save you money, and they dry faster.
- **A bright idea...** buy an energy efficient light bulb When the days are shorter you'll be relying on your lights more. Trade up your ordinary light bulbs for energy saving ones. Priced from just £5, energy efficient light bulbs last 12 times longer and for each bulb you fit, you can save up to £7 on your annual electricity bill. If every UK household installed just one bulb we'd save over £80 million per year!
- **Figure out what works for you ...** take the EST Home Energy Check... You know what energy saving methods will work best for you. To get an idea of how much you could save in your home use the Energy Savings Trust online home energy check. Alternatively, you can obtain a paper version by calling your local Energy Efficiency Advice Centre (EEAC) on **0800 512 012**. Staff at your local EEAC can also provide you with free, impartial advice on how to make your home more energy efficient and talk to you about the grants available in your area to implement energy efficient measures.

5. 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. Ofgem's aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000.

For further press information contact:

Ofgem

Mark Wiltsher: 020 7901 7006 or 07774 728971

Chris Lock: 020 7901 7225 or 07766 511470

energywatch

Madeleine Burbidge: 0207 799 8367