

Gas Distribution Price Control – Supplementary Submission by FPAG

In FPAG'S submission on the Gas Distribution Price Control we said that gas is still the cheapest fuel for heating in spite of the price increases. The table below, prepared by Peter Matejic for FPAG, underlines this and vividly highlights the importance of securing access to gas for low income customers.

Heating costs by dwelling type and heating system

Boiler Type	EXISTING HOUSING				
	Flat	Bungalow	Terraced	Semi-detached	Detached
Gas - old boiler (heavy weight)	388	508	528	599	848
Gas - old boiler (light weight)	328	429	446	506	718
Gas - new, non-condensing	270	352	368	417	590
Gas - new, condensing	236	310	323	366	518
LPG - old boiler (heavy weight)	862	1,128	1,174	1,330	1,886
LPG - old boiler (light weight)	733	959	999	1,131	1,604
LPG - new, non-condensing	606	794	826	936	1,327
LPG - new, condensing	534	699	728	825	1,169
Oil - Regular (pre-1985)	416	545	568	644	911
Oil - Regular (pre-1998)	360	471	491	558	791
Oil - Combi (pre-1998)	360	471	491	558	791
Oil - Regular (new)	319	416	434	491	697
Oil - Combi (new)	330	432	450	509	722
Oil - Condensing regular (new)	290	380	396	450	636
Batch feed (house coal)	338	442	461	521	740
Batch feed (anthracite)	378	494	515	582	826
Batch feed (smokeless fuel)	545	714	744	843	1,194
Gravity feed (anthracite)	349	456	475	537	762
Electricity - standard tariff	935	1,224	1,275	1,443	2,046
Electricity - off-peak	376	493	513	581	823

Source: SAP 2001 prices inflated to Q2 2006 using RPI data

Fuel price changes in real terms from 1997 to Q2 2006

Fuel prices changes from 1997 to Q2 2006					
	All fuels	Gas	Elec	Oil	Coal
Percentage change	+21	+33	+5	+85	+17

Source: RPI data, Office for National Statistics

Benefit level changes in real terms from 1997/98 to 2004/05

Benefit level changes from 1997/98 to 2004/05					
	Pension credit	State pension	Jobseekers allowance	Incapacity benefit (with children)	Income support
Percentage change	+35	+7	-5	0	+23

Source: DWP, Work and Pension Statistics, 2005

Fuel price changes in real terms from 2003 to Q2 2006

Fuel prices changes from 1997 to Q2 2006					
	All fuels	Gas	Elec	Oil	Coal
Percentage change	+39	+47	+31	+60	+14

Source: RPI data, Office for National Statistics

Fuel price changes in real terms from Q2 2006 to 2010

Fuel prices changes from Q2 2006 to 2010				
	Gas	Elec	Oil	Coal
Low	-27	-13.5	-54	-21
Medium 1	-18.5	-7.5	-37	-19.5
Medium 2	-10.5	-4.5	-37	-19.5
High	6	4	-20	-18.5

Source: DTI estimates