



Response: statutory consultation on reassessing the wholesale allowance in the first default tariff cap period

Bulb's response

Bulb supports the default tariff cap. We continue to offer our members a competitive rate significantly below the ceiling that Ofgem sets for all suppliers. We welcome Ofgem recognising that our VariFair tariff is different to the Standard Variable Tariffs of the old established suppliers. Bulb prices independently of the price cap and will continue to price our tariff to reflect the true cost of energy.

Despite Ofgem's reassessment of historic wholesale prices after the High Court challenge by British Gas, we do not recommend raising the cap. Bulb notes that some suppliers consistently price at the cap, using it as a target rather than a maximum; we expect that raising the cap will increase the financial difficulties caused by the COVID-19 pandemic. Any increases in the cap will likely increase energy bills, which could lead to more bad debt in the energy sector.

About Bulb

We are a technology-led B Corp energy supplier providing renewable energy to homes and businesses across the UK. The Bulb community is now over 1.6 million members strong, all of whom are on our single tariff which provides 100% renewable electricity and 100% carbon neutral gas. Through investing in technology to reduce costs, Bulb is able to supply renewables at prices around 20% lower than standard Big Six plans, making Bulb one of the cheapest suppliers in the market - renewable or not. For more information, please contact Ilana Lassman, Bulb's Policy Manager, at ilanalassman@bulb.co.uk.