

Tel :07528 493181

Info@strettonclimatecare.org.uk

www.strettonclimatecare.org.uk

Charity No. 1159816

Energy Advice Drop In
The Wellbeing Centre
Church Stretton
Thursday's 10.00 – 12.00



INFORMATION SHEET No. 25 DATE OF ISSUE January 2018

Energy tariffs

We are often asked to give advice re the cheapest energy tariff for homeowners. That advice in summary is:-

- Monthly direct debit is usually the most cost-effective way to pay. Quarterly billing is always the most expensive.
- Those with a smart meter can also pay by monthly variable direct debit.
- A fixed rate contract, usually one or two years, is cheaper than variable rates, unless in the unlikely event that unit costs are substantially reduced over the period.
- N.B. Sometimes there is an early exit fee for each fuel source if on a fixed term contract.
- Dual fuel contracts are not necessarily cheaper.
- Renewably sourced electricity is not now always more expensive (see info sheet No. 29 for information on renewable energy.)
- Some suppliers are offering a % of gas from renewable sources.
- Energy via Pre paid meters is generally more expensive BUT a few suppliers do not levy extra charges.
- When a fixed term contract expires if you do not renew, the energy company will transfer you to a variable rate contract which should be their cheapest offering but it will not have an early exit fee.
- Changing suppliers should be a simple process for those with a Smart Meter.

The Business energy market is different. There are several Business price comparison websites.

NB With the energy market so volatile at the moment there are few fixed rate contracts available. There is great uncertainty over prices and the market is not very competitive. OFGEM set a quarterly price cap which fixes the maximum unit cost of energy.

Standing charges vary according to geographical area and may also vary between suppliers.

(please see next page)

Caution - Please Read this:

Our Advice Note has been carefully prepared and is, as far as we know, accurate at the date of publication. However, things change very fast in the world of technology and in government schemes. Sometimes parts of Advice Notes become outdated and may not offer best advice very soon after publication. We do our best to keep them up to date with the limited resources we have. Furthermore, our advice may not be appropriate for your particular circumstances. We advise that you get advice from a relevant expert before making changes. We may be able to offer further advice or make suggestions on who to contact if you get in touch with us. We are not technical experts but have many years of offering common sense advice and we recommend you should not rely on our Advice Note alone for making decisions. The national advice centre Energy Savings Trust is a good source of information.

See <https://energysavingtrust.org.uk/>