

For immediate release

## EDF Energy announces price change for residential customers

- **EDF Energy's new standard prices still cheaper on average for typical customers than all other major suppliers which have recently announced price rises**
- **Most vulnerable elderly customers to benefit automatically from cheapest available tariff prices**
- **New fixed price deal allows customers to fix prices for three winters**

EDF Energy is increasing its standard variable prices for gas and electricity residential customers by 10.8% from December 7, 2012. For typical customers the company's new standard variable prices will however still be lower than those of all the major suppliers which have announced standard price rises this autumn.<sup>1</sup>

More than one million existing fixed deal accounts will be unaffected by price changes this winter and the company has today launched Blue +Fixed Price March 2015 which offers customers the opportunity to protect themselves from future price rises for the next three winters.<sup>2</sup>

EDF Energy has also confirmed support for its most vulnerable elderly customers and plans to ensure they automatically benefit from its cheapest available prices. This could save them around £165 next year as well as offering them a rebate this winter.<sup>3</sup> EDF Energy is the only supplier to make this pledge, which forms part of its Customer Commitments on fair value, better service and simplicity.<sup>4</sup>

The company acknowledged the price rise would be unwelcome but said that the combination of significant extra costs in the use of gas and electricity networks, mandatory energy efficiency and social schemes, plus the rising price of wholesale energy meant it could no longer put off a price change.<sup>5</sup>

A typical standard variable dual fuel energy bill will rise by £2.35 a week.<sup>6</sup> EDF Energy's last price change was to cut gas prices earlier this year and it has offered typical customers the lowest standard variable dual fuel prices of all major suppliers for 50 of the last 52 weeks.<sup>7</sup>

Martin Lawrence, Managing Director of Energy Sourcing and Customer Supply said: "We know that customers will not welcome this news and do not want to see prices going up. Our new prices will however be cheaper on average than those of all the other major suppliers which have announced standard price rises so far this autumn. We've taken extra measures to make sure the most vulnerable benefit from the best deals and we continue to help customers reduce their bills with energy efficiency measures.

"It's worth pointing out that one in five of our customers are already on competitive fixed priced tariffs and will not be affected by these price changes this winter. And for those worried about any future price rises, EDF Energy has launched Blue +Fixed Price March 2015 which comes with a guarantee that its price will not increase for the next three winters.

# Press Release



“We also want to look after our vulnerable customers, which is why we have become the first and only company to promise that those whom the government identifies as most in need will automatically benefit from a discount equivalent to being on our cheapest available tariff. Eligible customers will start to receive the benefit this winter.”

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## Footnotes

1. National average dual fuel direct debit annual bills at typical consumption, rank and EDF based differential are shown in the table below. The figures are based on a typical consumption (3,300 kWh standard electricity and 16,500 kWh standard gas per annum) and include VAT charged at 5%. Shows SSE's price position post 15th October 2012, British Gas's price position post 16th November 2012, npower's price position post 26th November 2012, Scottish Power's price position post 3rd December and EDF Energy's new price position post 7th December 2012.

## EDF Energy Dual Fuel Direct Debit annual bill (£) ranking amongst other major suppliers:

Supplier	EDF Energy	npower	British Gas	Scottish Power	SSE	E.On
Price Change Announcement Date	26 <sup>th</sup> Oct 2012	12 <sup>th</sup> Oct 2012	12 <sup>th</sup> Oct 2012	15 <sup>th</sup> Oct 2012	22 <sup>nd</sup> Aug 2012	Yet to announce
Typical Dual Fuel Direct Debit Bill	£1,251	£1,258	£1,270	£1,271	£1,274	
Rank	1	2	3	4	5	
Difference to EDF Energy	n/a	£7	£19	£20	£23	

Note E.On has yet to announce a price change as at 26<sup>th</sup> October 2012, but have promised not to raise prices this year.

2. Blue +Fixed Price March 2015 will cost on average £1,251 a year for a dual fuel customer with typical consumption paying via monthly direct debit. The tariff is subject to an early termination fee if you decide to leave the tariff or change supplier on or before 31 March 2014.
3. Customers identified by the government as being eligible under the core group criteria of the Warm Homes Discount scheme will automatically benefit from EDF Energy's Blue +Price Promise September 2013 tariff. At this group's expected annual consumption (3,500kWh standard electricity and 13,000kWh standard gas), this represents an estimated annual saving of around £165 compared to EDF Energy's new Standard (Variable) prices using the same criteria.
4. In March, EDF Energy launched its Customer Commitments. These are based on fair value, better service and simplicity. To find out more, please visit:  
<http://www.edfenergy.com/products-services/for-your-home/customer-commitments/>
5. The company has seen a sharp increase in costs since the start of the year, with transmission and distribution charges rising by 9%, and the costs associated with the implementation of obligatory renewable, energy efficiency and social schemes increasing by more than 50%. The cost of buying energy has also risen by 4% for next year. These costs are average percentage based on anticipated costs for 2013 compared to 2012, as of October 2012. The cost of buying energy accounts for around 50% of a typical energy bill. The other half is made up of non-energy costs. For a full breakdown of the costs which make up a bill, please visit <http://www.edfenergy.com/products-services/for-your-home/customer-commitments/what-makes-up-bill.shtml>
6. Based on a dual fuel customer with typical consumption paying via monthly direct debit, and includes VAT charged at 5%. Typical consumption is 3,300 kWh electricity and 16,500 kWh gas per annum.
7. Based on a national average of regional prices of dual fuel customers paying by cash/cheque, monthly direct debit or via a prepayment meter at typical consumption. Major competitors are British Gas, E.ON, npower, Scottish Power and SSE.

## **EDF Energy**

EDF Energy is one of the UK's largest energy companies and the largest producer of low-carbon electricity, producing around one-sixth of the nation's electricity from its nuclear power stations, wind farms, coal and gas power stations and combined heat and power plants. The company supplies gas and electricity to more than 5.5 million business and residential customer accounts and is the biggest supplier of electricity by volume in Great Britain.

EDF Energy's safe and secure operation of its eight existing nuclear power stations at sites across the country makes it the UK's largest generator of low carbon electricity. EDF Energy is also leading the UK's nuclear renaissance and has published plans to build four new nuclear plants, subject to the right investment framework. These new plants could generate enough low carbon electricity for about 40% of Britain's homes. They would make an important contribution to the UK's future needs for clean, secure and affordable energy. The project is already creating business and job opportunities for British companies and workers.

# Press Release

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In its nuclear activities EDF Energy has partnered with Centrica, which has a 20% stake in the company's eight existing plants and in the project carrying out pre-development work for new build. Centrica also has the option to take up to 20% stakes in each of the four planned plants.

Through Our Sustainability Commitments, EDF Energy has launched one of the biggest environmental and social programmes of any British energy company and the company has since been awarded the highest ranking of Platinum Plus in Business in the Community's 2011 Corporate Responsibility Index, the UK's leading voluntary benchmark of corporate responsibility.

EDF was the official electricity supplier and an official partner of the London 2012 Olympic and Paralympic Games. The company is also helping its customers and others use energy more sustainably through products and initiatives such as Team Green Britain, real time energy monitoring and electric vehicle research.

EDF Energy is part of EDF Group, one of Europe's largest power companies. The company employs around 15,000 people at locations across the UK.

For more news from EDF Energy please see [www.edfenergy.com/media-centre/](http://www.edfenergy.com/media-centre/). To find out more about the UK's energy challenges look at [www.edfenergy.com/energyfuture/](http://www.edfenergy.com/energyfuture/)