

Research Briefing

By Paul Bolton

3 February 2023

# Gas and electricity prices under the Energy Price Guarantee and beyond



## Summary

- 1 The Energy Price Guarantee
  - 2 Prospects for prices
- Latest price under the EPG

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## Summary

This briefing looks at the Energy Price Guarantee and how it works in Great Britain. It includes data on price caps and wholesale prices for gas and electricity.

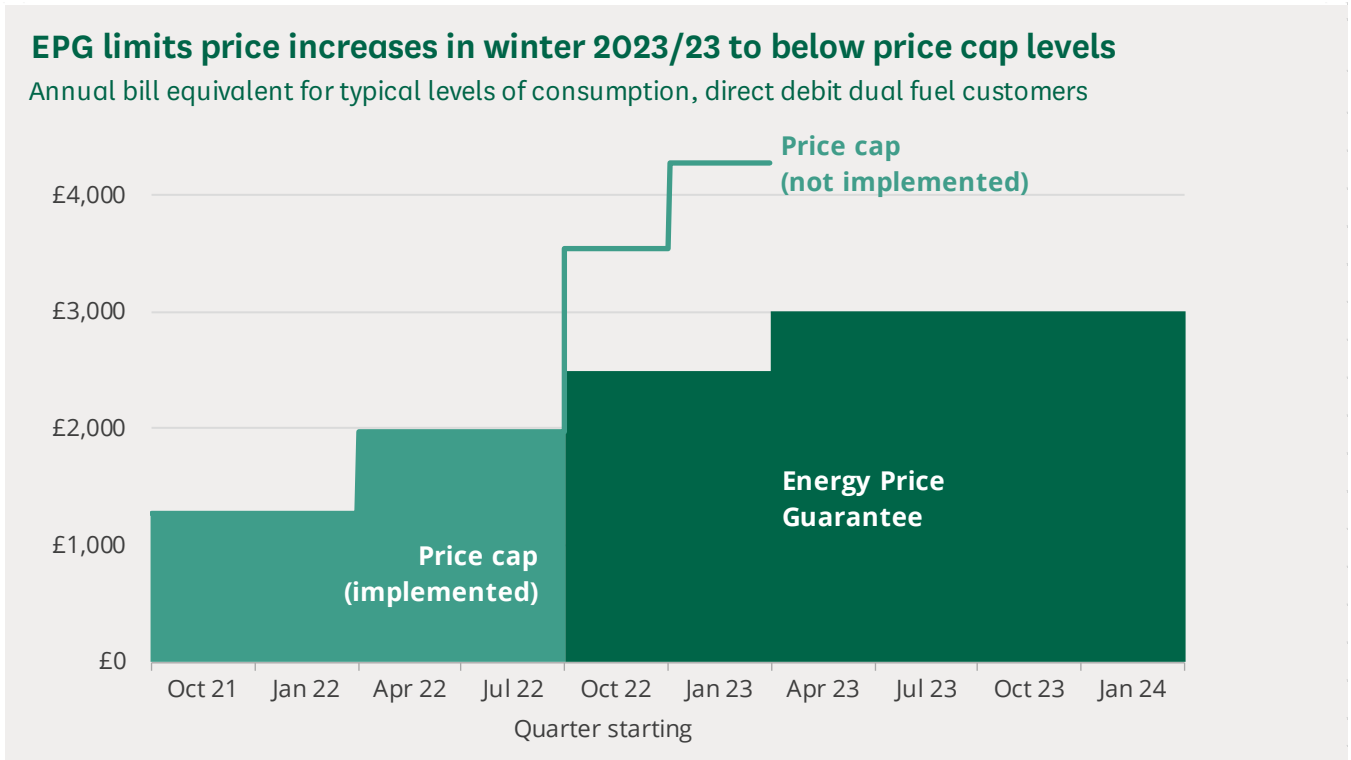
### What is the Energy Price Guarantee?

Following concerns over the effect of a proposed 80% increase in energy prices energy price rises, then Prime Minister Liz Truss announced that the [Energy Price Guarantee](#) (EPG) would be introduced from 1 October 2022 and last two years.

The EPG was to reduce the extent of price increases for domestic customers. Under the scheme, the Government sets maximum prices for gas and electricity and compensates energy suppliers for providing these at below cost prices.

### How much will customers pay?

The EPG sets maximum unit costs and daily standing charges, but it is normally expressed as an annual figure. It was originally set at £2,500 for two years, but later changed to £2,500 for the first six months followed by an increase to £3,000 for the following 12 months. This is the annual bill that dual fuel (gas and electricity) direct debit customers with typical consumption levels would face if these prices remained constant across a year. Annual bills are not capped. Households which use more energy will pay more, those which use less will pay less.



Prices vary by region and are higher for prepayment meter customers and those paying quarterly bills.

The price increases under the first six months of the EPG have been softened by the £400 Energy Bill Support Scheme payment which is being paid in six separate monthly instalments from October 2022 to March 2023.

Without the EPG, customers would currently be paying more under the price cap. The regulator Ofgem still calculates the price cap level for each quarter.

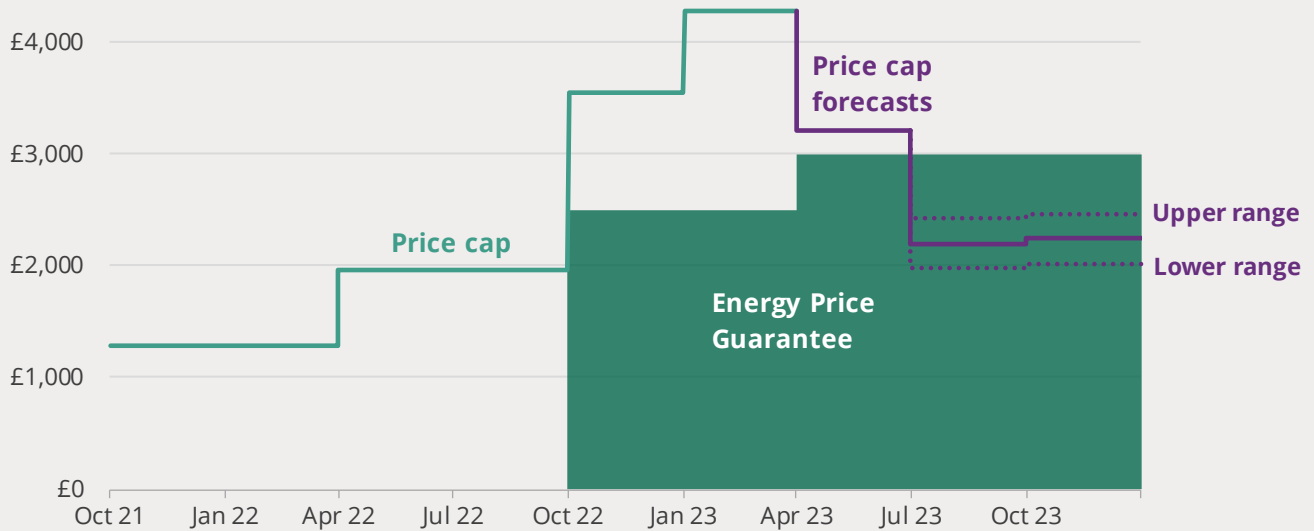
## Will energy prices fall?

Wholesale energy prices have fallen from their summer 2022 peaks but there is a substantial lag before these feed through to consumers.

The latest price cap forecasts show it falling to well below the £3,000 EPG level. This would result in cuts in household bills as prices are capped by whichever is lower, the EPR or the price cap rate.

## April 2023 will see increases in energy prices and the end of the £400 Energy Bills Support Scheme, just as the price cap is expected to start falling

Annual bill equivalent for typical levels of consumption, direct debit dual fuel customers



Lower wholesale prices may also lead to suppliers offering cheaper fixed tariffs, however it's likely that suppliers will be cautious in their pricing and any return of competition to the market is likely to be slow. Even if prices fall as forecast, they will still be more than 70% higher than in winter 2021/22.

### Further information

The latest Government guidance on the EPG can be found on the [Energy Price Guarantee](#) page.

The Library briefing [Domestic Energy Prices](#) includes more analysis of the causes of recent prices rises, historical data and information on prices of other domestic fuels.

The briefing [Constituency casework: Government support for energy bills](#) includes answers to frequently asked questions about Government help with energy bills.

The data dashboard [Local area data: fuel poverty](#) provides fuel poverty statistics for constituencies in England and local authorities in Scotland, Wales and Northern Ireland.

# 1 The Energy Price Guarantee

## 1.1 What is the Energy Price Guarantee?

The Energy Price Guarantee (EPG) was introduced in October 2022 to reduce price increases for domestic customers. Under the scheme, the Government sets maximum prices for gas and electricity and compensates energy suppliers for providing gas and electricity at below cost prices.

Before the EPG, maximum prices for customers on standard variable tariffs were controlled by the price cap. The level of the cap is set by the regulator Ofgem at a level which is intended to allow energy suppliers to cover their costs and make a 2% profit. Rapid increases in wholesale energy prices from mid-2021 onwards led to a 54% increase in the price cap in April 2022<sup>1</sup> and it was due to increase by a further 80% in October 2022.<sup>2</sup>

Following concerns over expected price rises, then Prime Minister Liz Truss [announced on 8 September 2022 that a new Energy Price Guarantee](#) would be introduced from that October.<sup>3</sup> The level of the EPG was lower than Ofgem's cap for October-December 2022, but was still 27% higher than the summer 2022 cap.

The EPG sets caps for unit costs and daily standing charges, but, as with Ofgem's price cap, it is normally expressed as an annual figure. This is £2,500 from October 2023 to March 2023, increasing to £3,000 from April 2023 to March 2024.

The £2,500 figure is the annual bill that dual fuel (gas and electricity) direct debit customers with typical consumption levels<sup>4</sup> would face if these prices remained constant across a year.<sup>5</sup> As with the price cap it is an illustrative amount. Annual bills are not capped. Households which use more energy will pay more, those which use less will pay less.

As under the price cap, the EPG sets different unit prices and daily standing charges for the different energy supply regions and different payment methods. More detail is given in [section 1.2](#).

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<sup>1</sup> Ofgem, [Price cap to increase by £693 from April](#) (3 February 2022)

<sup>2</sup> Ofgem, [Ofgem updates price cap level and tightens up rules on suppliers](#) (26 August 2022)

<sup>3</sup> BEIS, [Government announces Energy Price Guarantee for families and businesses while urgently taking action to reform broken energy market](#) (8 September 2022)

<sup>4</sup> 12,000 kWh for gas and 2,900 kWh for electricity.

<sup>5</sup> 12,000 kWh for gas and 2,900 kWh for electricity.

The EPG was originally planned to last for two years and remain at the same level of £2,500. After a change of Prime Minister and Chancellor, the new Chancellor announced on 17 October 2022 that [the Energy Price Guarantee would now only last sixth months, ending at the end of March 2023](#). The Chancellor's statement said:

...the Prime Minister and the Chancellor have agreed that it would be irresponsible for the government to continue exposing the finances to unlimited volatility in international gas prices.<sup>6</sup>

However, in the November [Autumn Statement 2022](#), the Chancellor said the EPG would last for a further year from April 2023, but would increase from this date from £2,500 to £3,000 for 'typical' annual consumption. This higher price level is planned to last to the end of March 2024. It was expected to save the Government £14 billion compared to keeping the EPG at £2,500 for the whole of 2023/24.

The level of support the EPG provides will be kept under review and the parameters of the scheme could change if forecast costs increase significantly.<sup>7</sup>

The price increases under the October 2022 to March 2023 EPG level have been softened by the £400 Energy Bill Support Scheme payment which is being paid in six separate monthly instalments from October 2022 to March 2023. This means that while the headline increase in prices under the EPG is 20% (from £2,500 to £3,000), the actual increase faced by consumers in their monthly bills will be substantially larger after March 2023.

## How does it operate in Northern Ireland?

The energy market is different in Northern Ireland to the rest of the UK. The Government announced its plans to support households in Northern Ireland on 21 September 2022.<sup>8</sup> This includes support equivalent to the Energy Price Guarantee with the following discounts to unit prices:<sup>9</sup>

- Q4 2022; up to 19.9 p/kWh discount for electricity and 4.8 p/kWh for gas.
- Q1 2023; up to 13.6 p/kWh discount for electricity and 3.9 p/kWh for gas.

These discounts were introduced in November bills and backdated to October. The Government has said the typical household bill for those using gas and electricity will be the annual equivalent of £1,950 between November 2022 and March 2023.

More details can be found in [How the Energy Price Guarantee and Energy Bills Support Scheme will be applied to energy bills in Northern Ireland](#). All households in Northern Ireland will also receive a one-off £600 payment to

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<sup>6</sup> HM treasury, [Chancellor brings forward further Medium-Term Fiscal Plan measures](#) (17 October 2022)

<sup>7</sup> HM Treasury, [Autumn Statement 2022, 17 November 2022](#)

<sup>8</sup> BEIS, [Energy bills support factsheet](#) (Updated 21 September 2022)

<sup>9</sup> BEIS, [Energy bills support factsheet](#) (Updated 29 November 2022)



help with energy bills in winter 2022/23. This is made up of the £400 Energy Bills Support Scheme plus the £200 Alternative Fuel Payment.<sup>10</sup>

## 1.2

# What are current gas and electricity prices under the EPG?

## Standard variable tariffs October 2022 to March 2023

The Department for Business, Energy and Industrial Strategy (BEIS) published [unit costs for different regions and payment methods](#) for October to December 2022 on 7 October 2022.

It published relatively small changes to [unit costs for the period January to March 2023](#) on 29 November 2022. The [table at the end of this briefing](#) gives current unit costs, standing charges and typical bills by region and payment method.

The £2,500 illustrative annual bill figure is for direct debit customers under the EPG up to March 2023. There are higher levels for prepayment meter users of £2,579 and £2,753 for those paying by other standard credit (normally quarterly bills after usage).

All these annual levels use the same ‘typical’ consumption levels as for direct debit customers.

## How do these prices vary?

The EPG prices up to March 2023 translate to bills give bills which are the equivalent of £2,500 for typical annual consumption for direct debit customers. This is an average for Great Britain and there are different regional caps which reflect differences in network costs across the country.

Under the EPG (January 2023 to March 2023) direct debit prices vary in the following ways (all prices include VAT):<sup>11</sup>

- Standing charges for gas were the same in each region at 28.5 pence per day
- Unit costs for gas varied from 10.2 p/kWh in the North East<sup>12</sup> to 10.5 p/kWh in London
- Standing charges for electricity varied from 33.2 p/day in London to 52.6 p/day in the South West
- Unit costs for electricity vary from 31.9 p/kWh in the North East to 36.4 p/kWh in North Wales and Merseyside.

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<sup>10</sup> BEIS, [Getting household energy bill support in Northern Ireland](#) (Updated 30 December 2022)

<sup>11</sup> Ofgem, [Default tariff cap level: Model – Default cap level v1.14](#);

<sup>12</sup> Northern Electric area

## Differences between gas and electricity price increases

Both gas and electricity prices have increased substantially since 2021. Prices of electricity generated by gas effectively set the wholesale price for all generation, so there is a close link in the direction of price trends for the two fuels.

However, the increase in prices for gas has been larger. Gas bills for typical consumption levels under the current EPG level are £760 or 130% higher than they were under the summer 2021 cap. The equivalent increase in electricity prices is £460 or 67%. Without the EPG, the price cap for gas would have increased by 269% for gas and 206% for electricity.<sup>13</sup>

The [latest cap forecasts, released by Cornwall Insight](#), are that there will be a similar cut in gas and electricity prices in Q2 2023. It suggests electricity prices will fall faster than gas prices in Q3 2023 and there will be little change in prices in Q4 2023.<sup>14</sup> These forecasts are uncertain particularly those further into the future.

## Fixed price tariffs

Many suppliers withdrew their cheaper fixed tariffs from the market when wholesale prices started to increase. This led to a fall in the number of customers on fixed tariffs. According to Ofgem, the price cap covered around 15 million domestic customers in August 2021.<sup>15</sup> The remaining 13 million were on fixed tariffs. In November 2022, Ofgem said around 26 million households were protected by the cap, with 2 million households still on fixed price tariffs.<sup>16</sup>

### October 2022 to March 2023

Under the EPG there will be support for some customers on fixed tariffs. The maximum discounts on unit prices are:<sup>17</sup>

- October to December 2022: up to 17.0 p/kWh for electricity and up to 4.2 p/kWh for gas
- January to March 2023 up to 31.8 p/kWh for electricity and up to 6.4 p/kWh for gas.

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<sup>13</sup> Ofgem, [Default tariff cap level: Model – Default cap level v1.14](#); BEIS, [Energy Price Guarantee: regional rates, January to March 2023](#);

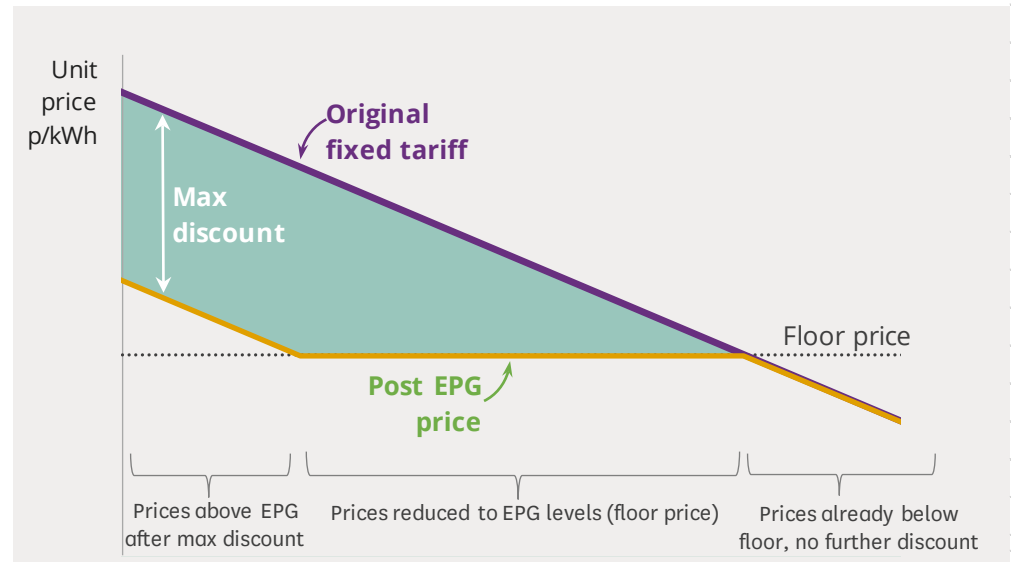
<sup>14</sup> Cornwall Insight, [Winter 2023-24 price cap forecasts fall further below 2022-23 EPG, but long-term prospects remain uncertain](#) (19 January 2023)

<sup>15</sup> Ofgem, [Record gas prices drive up price cap by £139 – customers encouraged to contact supplier for support and switch to better deal if possible](#) (4 August 2021)

<sup>16</sup> Ofgem, [Latest energy price cap announced by Ofgem](#) (24 November 2022)

<sup>17</sup> BEIS, [Energy bills support factsheet](#) (Updated 29 November 2022)

These discounts will be applied to bring fixed tariff prices down to, but not below, the EPG levels in this period. These are the ‘floor’ EPG unit prices of 34.0 p/kWh for electricity and 10.3 p/kWh for gas. The diagram below shows how these discounts work.



The discounts mean:<sup>18</sup>

- Customers on fixed tariffs below the floor prices will receive no reduction in prices. They will already be paying below the EPG level for the remainder of their fixed term.
- Customers on fixed tariffs above the EPG level, but below the original cap level will see their unit costs cut to the ‘floor’ level which will bring their bills in line with the EPG.
- Customers on very high fixed tariffs will see their unit costs cut by the maximum amounts, but this will still leave them paying more than the EPG level for the rest of the time they stay on that fixed rate. The Government has said that “Any transfer to a different tariff is a matter for suppliers.”

## 1.3

## EPG prices from April 2023

In the [Autumn Statement 2022](#), the Chancellor announced that from April 2023, bills under the EPG would increase from £2,500 to £3,000 for ‘typical’ annual consumption.<sup>19</sup> This higher price level is planned to last to the end of March 2024. At the time of writing, the Government has not published any details of how the April 2023 increase in the EPG will affect gas and electricity unit costs or standing charges.

<sup>18</sup> BEIS, [Energy bills support factsheet](#) (Updated 29 November 2022)

<sup>19</sup> HM Treasury, [Autumn Statement 2022](#)

## 1.4

## How does the EPG work with the price cap?

The price cap was introduced across all payment types in January 2019. Its original aim was to protect customers who remained on suppliers' standard variable tariffs and did not shop around for cheaper deals. It is set by Ofgem at a level that allows suppliers to recoup their 'efficient costs', ie. an efficient supplier should be able to cover their costs and make a modest profit at price cap levels.<sup>20</sup>

The rapid increase in wholesale prices from mid-2021 onwards strained the existing six-month price cap model and the wider price system of competition and regulation in the energy market.

Suppliers removed cheaper deals from the market, more households moved on to standard variable tariffs (covered by the cap) when their existing fixed deals ended and the number of customers switching suppliers fell dramatically.<sup>21</sup> The price cap provided protection for almost all customers, which was not its original aim. Many smaller suppliers went out of business.

Ofgem introduced reforms to the cap in August 2022 which included moving to a shorter three-month (quarterly) price cap period. The Library briefing [Energy bills and the price cap](#) gives more details on these changes and background to the cap.

The summer 2022 price cap was set at £1,971 for dual fuel direct debit customers with typical annual consumption.<sup>22</sup> The Q4 (October-December) 2022 price cap was £3,549.<sup>23</sup> The Government announced the EPG soon after this cap was announced. It was set at a lower level than the Q4 cap, £2,500 for typical annual consumption. Customers do not pay prices implied by the (Ofgem) price cap as they are now limited by the EPG.

Ofgem will still update the price cap every three months during the period the EPG applies. The Government has said "...the default tariff cap which Ofgem operates plays a key role in delivering the EPG." The cap is used by the Government to set the level of support it needs to provide to suppliers so they can cover their costs and provide discounted EPG prices to consumers. The Energy Prices Act 2022 adds a new duty for Ofgem to consider the impact on public spending of any methodological changes to the cap.<sup>24</sup>

In November 2022, Ofgem announced that in Q1 (January-March) 2023 the cap would increase to £4,279.<sup>25</sup> As this is again higher than the EPG level it

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**Energy price cap:**

Winter 21/22:  
£1,277

Summer 22: £1,971

Q4 2022: £3,549

Q1 2023:  
£4,479

From Q4 2022  
customers were  
protected by the EPG

<sup>20</sup> The cap includes a 2% uplift for supplier Earnings Before Interest and Taxation.

<sup>21</sup> The number switching in September 2022 was 88% less than in March 2021. BEIS, [Quarterly domestic energy switching statistics](#)

<sup>22</sup> Ofgem, [Price cap to increase by £693 from April](#) (3 February 2022)

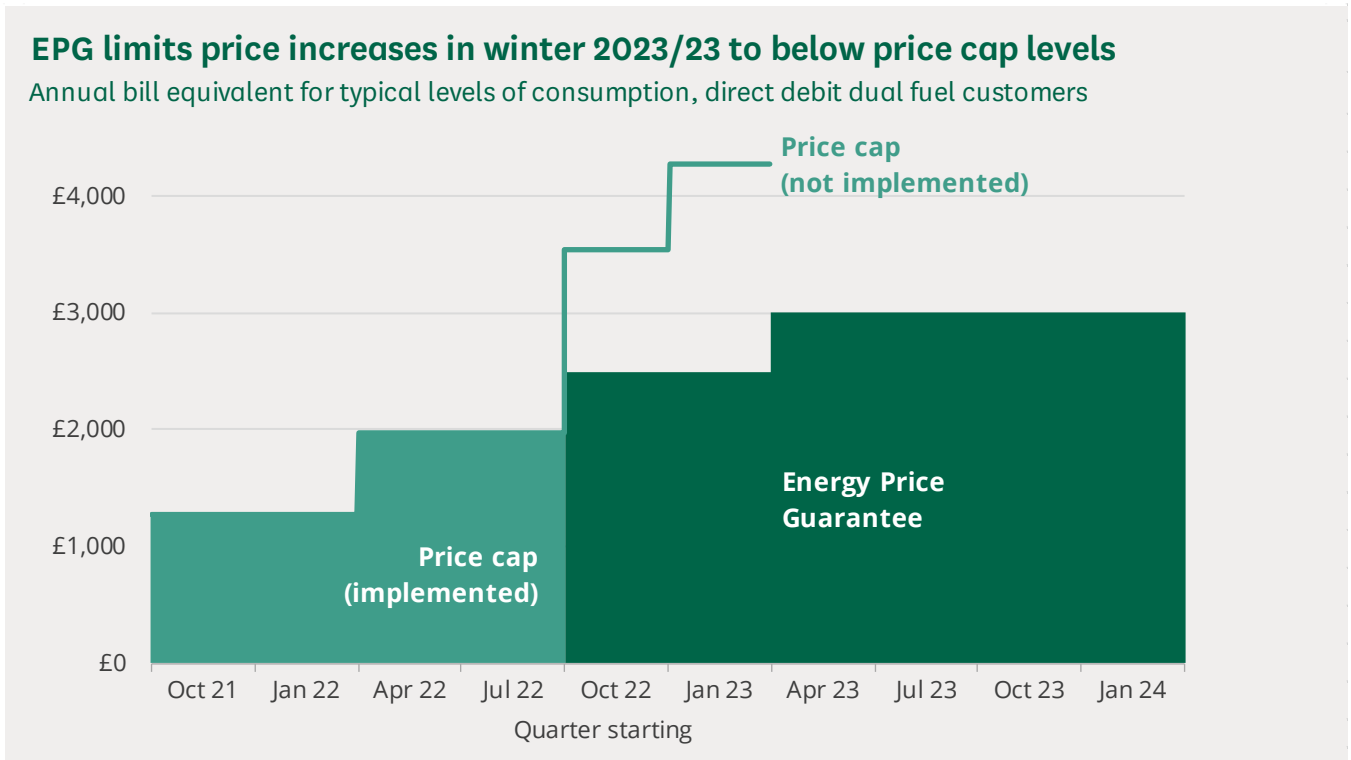
<sup>23</sup> Ofgem, [Ofgem updates price cap level and tightens up rules on suppliers](#) (26 August 2022)

<sup>24</sup> Ofgem, [Price cap - Letter from BEIS on the cap's role in delivering the Energy Price Guarantee \(EPG\)](#), 24 November 2022

<sup>25</sup> Ofgem, [Latest energy price cap announced by Ofgem](#) (24 November 2022)

does not affect consumer prices, only the amount of support paid by Government to energy suppliers.

The following chart illustrates the difference between price cap and EPG levels. The Q2 (April-June) 2023 cap is due to be announced on 27 February 2023 and the Q3 (July-September) 2023 cap on 26 May 2023.<sup>26</sup>



<sup>26</sup> Ofgem, [Energy price cap explained](#) (accessed 30 January 2023)

## 2 Prospects for prices

While the Energy Price Guarantee (EPG) is due to increase to £3,000<sup>27</sup> in April 2023 and remain at that level for a year, it only sets maximum prices. If Ofgem sets a cap below this level, then these lower prices will apply. Wholesale prices have fallen, but there is a substantial lag before these feed through to consumers. So far, they have only led to lower forecasts of Government spending on the EPG.

The latest price cap forecasts show it falling to well below £3,000 in the second half of 2023. This would result in cuts to household bills. Lower wholesale prices may also lead to suppliers offering cheaper fixed tariffs, however, it is likely that suppliers will be very cautious in their pricing and any return of competition to the market is likely to be slow. Even if prices fall as forecast, they will still be more than 70% higher than in winter 2021/22.

### 2.1 Trends in wholesale prices

Wholesale energy prices are the biggest single element in energy bills. They made up around 75% of the Q1 2023 price cap. This means they largely dictate whether household bills go up or down. Increases in wholesale prices were by far the largest contributor to the increased prices paid by consumers.

Wholesale energy prices increased dramatically from mid-2021, both globally and in the UK. Gas led the price rise, but electricity prices have followed as gas is typically the ‘marginal fuel’<sup>28</sup> which means gas generation costs effectively sets the wholesale price for electricity.<sup>29</sup>

Gas prices in Europe increased by 50% on 24 February 2022, the day Russia launched its full-scale invasion of Ukraine. Early March prices were around ten times their level from a year earlier.

Gas prices fell back in spring 2022 and increased for the whole of summer before falling again in autumn. There was a very sharp spike in early December before a return to lower prices. The Library briefing [Domestic energy prices](#) looks in much greater depth at wholesale price trends and their causes.

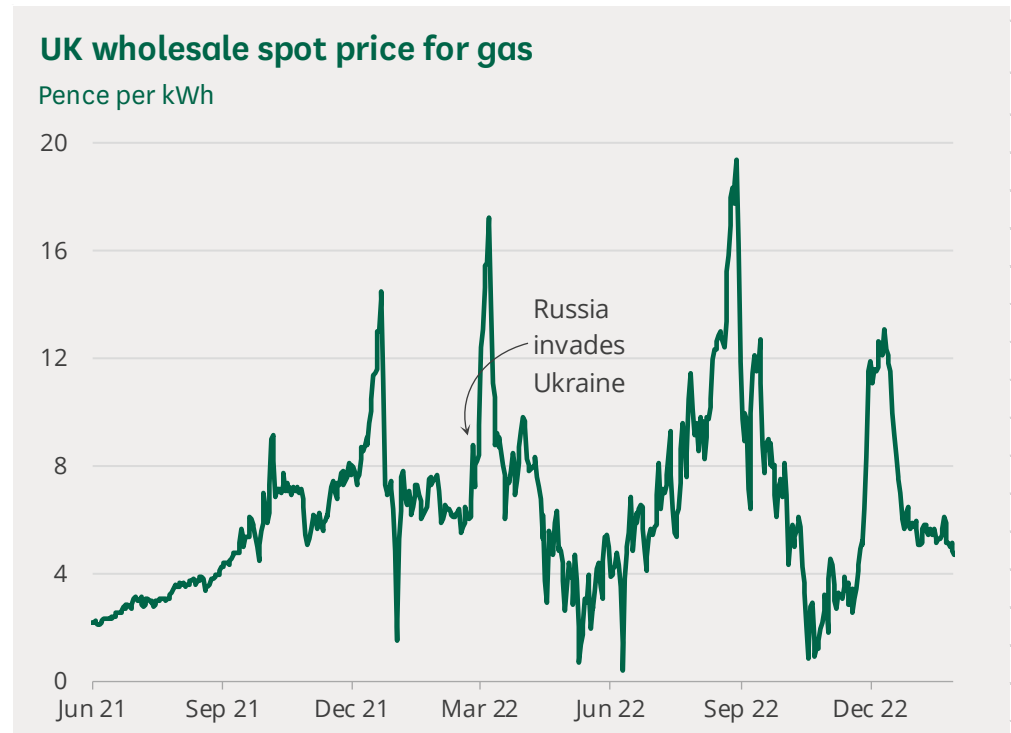
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<sup>27</sup> For dual fuel direct debit customers with typical energy usage

<sup>28</sup> The fuel used for peak load generation which responds to short term changes in demand

<sup>29</sup> Researchers at UCL estimated that gas set electricity prices 84% of the time in 2019. UCL news, [Electricity prices dictated by gas producers who provide less than half of UK electricity](#) (6 September 2022)

These broad trends can be seen in the following chart as well as the very high level of general volatility in prices. The five weeks from late December to the end of January has been the most stable since late spring 2021.



Source: nationalgrid.com [Prevailing View tool](#) (system average price)

UK spot prices for electricity have followed a similar trend with spikes in early March, late August and mid-December 2022. The average price in January 2023 was around 13 p/kWh. This was similar to levels in October and November 2022, but lower than prices in January and February 2023. As explained earlier, the cost of gas generation effectively sets the wholesale price for electricity, so price trends are similar at present.

Daily spot prices on the wholesale market are highly volatile. To protect themselves from variations in prices, energy suppliers ‘hedge’ their energy purchasing through forward-looking contracts. This means that rather than buying gas or electricity on the spot market for immediate delivery and being exposed to whatever the price may be, suppliers access the market continually, buying some energy up to years in advance.

This ‘hedging’ means suppliers are less exposed to very short-term market fluctuations. Coupled with the price cap methodology, it also means there is a considerable time lag between changes in the spot price of gas and electricity and changes in consumer prices.

Ofgem analyses forward-looking energy contracts that suppliers purchase for gas and electricity. These feed through into the cap for the following period. For instance, the contracts which Ofgem looked at for the Q4 2022 were

agreed between mid-August and mid-October 2022 for delivery across the whole of 2024.<sup>30</sup>

It are therefore longer term changes in prices, averaged over three-month observation periods, which determine the wholesale cost element of the price cap. The next section looks at how the recent fall in wholesale prices has affected cap forecasts and raised the prospect of lower energy bills.

## 2.2 Forecasts of the price cap

The latest forecasts for future levels of the price cap were published by energy consultancy Cornwall Insight on 19 January 2023. It predicts the cap will fall from its Q1 2023 level of £4,279 to £3,209 in Q2 2023 and around £2,200 in Q3 and £2,250 in Q4 of 2023.<sup>31</sup>

These are somewhat lower than its early January forecasts<sup>32</sup> and substantially lower than the forecasts made towards the end of November 2022.<sup>33</sup> This reflects the continued fall in wholesale prices for energy.

The forecast for the Q2 2023 cap is still above the EPG level so there would be no fall in household energy bills as these would still be covered by the EPG. The chart below plots these forecasts against the EPG level and shows that despite the fall in the level of the cap, prices under the EPG will increase from April 2023

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<sup>30</sup> Ofgem, [Price cap - Decision on changes to the wholesale methodology](#) (Table 3.1)

<sup>31</sup> Cornwall Insight, [Winter 2023-24 price cap forecasts fall further below 2022-23 EPG, but long-term prospects remain uncertain](#) (19 January 2023)

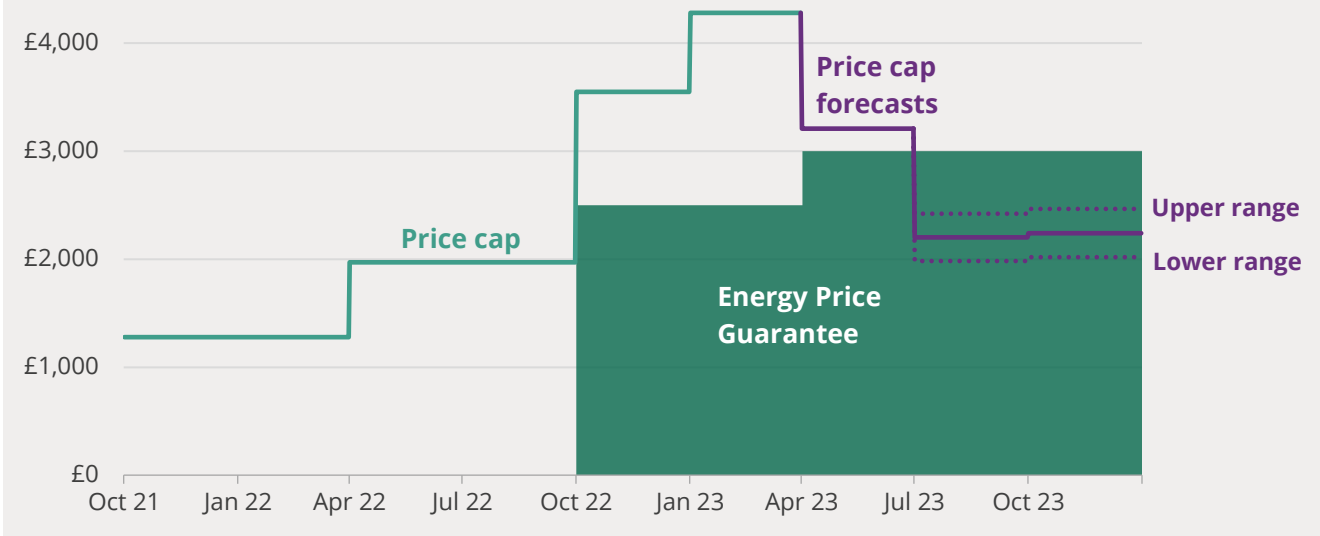
<sup>32</sup> Cornwall Insight, [Drop in wholesale energy prices sees price cap predictions fall below the Energy Price Guarantee for second half of 2023](#) (4 January 2023)

<sup>33</sup> Cornwall Insight, [Cornwall Insight release final Default Tariff Cap and EPG cost predictions prior to Ofgem announcement tomorrow](#) (24 November 2022)



## April 2023 will see increases in energy prices and the end of the £400 Energy Bills Support Scheme, just as the price cap is expected to start falling

Annual bill equivalent for typical levels of consumption, direct debit dual fuel customers



Sources: Ofgem, [Default tariff cap level: Model – Default cap level v1.14](#); Cornwall Insight, [Winter 2023-24 price cap forecasts fall further below 2022-23 EPG, but long-term prospects remain uncertain](#) (19 January 2023)

The fall in the price cap in Q2 2023 only benefits the Government/taxpayer as it means the costs of the EPG will be lower than forecast. If it falls to below EPG price levels, the scheme would no longer cost the Government. It would also mean household bills fall. According to Ofgem “...customers are charged either the EPG or price cap rate, depending on whichever rate is lower”.<sup>34</sup>

Volatility in wholesale prices mean that the price cap forecasts are uncertain. They can and have changed substantially in the past There is less uncertainty about the Q2 2023 price cap as it was made two months into the price observation forecasts.

There is more uncertainty about the forecasts for the rest of 2023. This is why Cornwall Insight has added at range of plus or minus 10% (shown in the chart above) to its central forecast which is based on actual prices at the time. It says:

While the energy market outlook has improved markedly from last year, with a mild winter and higher storage levels in Europe causing substantial falls in wholesale rates, prices remain very volatile. The price cap setting for beyond the summer of 2023 is still a fair distance away, and we would expect wholesale prices to move daily before those cap levels are set, so any forecasts should be viewed in that context.

[...]

We do not know what will happen over the coming months and there is a long way to go before anyone can be certain what the true unit rates will be beyond the summer. So, while declining wholesale markets and cap forecasts may be

<sup>34</sup> Forbes energy market update, [19 January: Cornwall Insight Says Cap Could Fall To £2,200 In July](#)

a reason to feel cheerful, nothing is guaranteed in this new European energy market.

It is important to note that even if the price cap did fall to around £2,200 it would still be 75%, or almost £1,000 a year, above its 2021/22 level.

## 2.3 Will suppliers start offering cheaper deals?

The price cap and EPG set maximum prices only. Lower wholesale price could eventually lead to some suppliers offering cheaper deals below these levels. However, the experience of the last 18 months or so with rising prices, smaller suppliers going out of business, volatility of prices and major changes to regulation, changes to how the cap is set and support for households, any return to competition between suppliers for customers will to be tentative.

Offering lower priced fixed tariffs to large numbers of customers would create a risk for suppliers and they are likely to want to charge an effective 'risk premium' to consumers before doing this.

## Latest price under the EPG

### Standing charges, unit costs and annual bills under the Energy Price Guarantee (January to March 2023) by energy supply region

Including VAT

	Standing charge (pence per day)			Unit cost (pence per kWh)			Annual bill for typical consumption (£ per year)		
	Direct debit	Standard credit	PPM	Direct debit	Standard credit	PPM	Direct debit	Standard credit	PPM
<b>Electricity -single rate meter</b>									
Eastern	38.9	44.6	44.0	35.1	38.8	34.1	1,161	1,288	1,149
East Midlands	45.8	51.8	50.8	32.8	36.3	31.8	1,119	1,243	1,107
London	33.2	38.5	38.3	36.1	39.8	35.0	1,167	1,294	1,155
N Wales & Mersey	48.6	54.8	53.6	36.4	40.2	35.4	1,234	1,365	1,222
Midlands	49.2	55.3	54.2	33.8	37.4	32.8	1,160	1,287	1,149
Northern	49.9	56.2	55.0	31.9	35.3	30.9	1,106	1,230	1,096
North West	43.3	49.1	48.3	33.3	36.9	32.3	1,124	1,249	1,113
Southern	44.4	50.4	49.5	34.3	37.9	33.2	1,156	1,282	1,145
South East	42.7	48.5	47.8	35.4	39.1	34.4	1,182	1,310	1,171
South Wales	49.2	55.4	54.2	34.0	37.6	32.9	1,165	1,291	1,153
Southern Western	52.6	59.0	57.7	33.7	37.3	32.7	1,169	1,296	1,158
Yorkshire	49.6	55.8	54.6	33.0	36.5	32.0	1,138	1,263	1,126
Southern Scotland	50.7	56.9	55.7	33.9	37.5	32.9	1,168	1,295	1,157
Northern Scotland	51.1	57.4	56.1	32.8	36.3	31.7	1,137	1,262	1,125
<b>GB average</b>	<b>46.4</b>	<b>52.4</b>	<b>51.4</b>	<b>34.0</b>	<b>37.6</b>	<b>33.0</b>	<b>1,156</b>	<b>1,283</b>	<b>1,145</b>
<b>Gas</b>									
Eastern	28.5	33.5	37.5	10.3	11.2	10.8	1,341	1,468	1,436
East Midlands	28.5	33.5	37.5	10.2	11.1	10.7	1,332	1,459	1,425
London	28.5	33.5	37.5	10.5	11.4	11.0	1,365	1,493	1,454
N Wales & Mersey	28.5	33.5	37.5	10.3	11.3	10.8	1,345	1,473	1,433
Midlands	28.5	33.5	37.5	10.3	11.2	10.8	1,344	1,472	1,433
Northern	28.5	33.5	37.5	10.2	11.1	10.7	1,327	1,454	1,423
North West	28.5	33.5	37.5	10.3	11.2	10.8	1,344	1,471	1,433
Southern	28.5	33.5	37.5	10.5	11.4	10.9	1,359	1,487	1,449
South East	28.5	33.5	37.5	10.3	11.2	10.8	1,340	1,467	1,430
South Wales	28.5	33.5	37.5	10.4	11.3	10.8	1,351	1,479	1,436
Southern Western	28.5	33.5	37.5	10.4	11.3	10.9	1,355	1,483	1,449
Yorkshire	28.5	33.5	37.5	10.2	11.2	10.8	1,334	1,461	1,427
Southern Scotland	28.5	33.5	37.5	10.3	11.2	10.8	1,338	1,464	1,430
Northern Scotland	28.5	33.5	37.5	10.3	11.2	10.8	1,338	1,464	1,430
<b>GB average</b>	<b>28.5</b>	<b>33.5</b>	<b>37.5</b>	<b>10.3</b>	<b>11.2</b>	<b>10.8</b>	<b>1,344</b>	<b>1,471</b>	<b>1,435</b>

Notes:

PPM = Prepayment meter

Typical consumption is assumed to be 2,900 kWh for electricity and 12,000 kWh for gas


Source: BEIS, [Energy Price Guarantee: regional rates, January to March 2023](#); Ofgem, [Default tariff cap level: 1 October 2022 to 31 December 2022](#) (Annex 4 – Policy cost allowance methodology v1.13), 26 August 2022

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