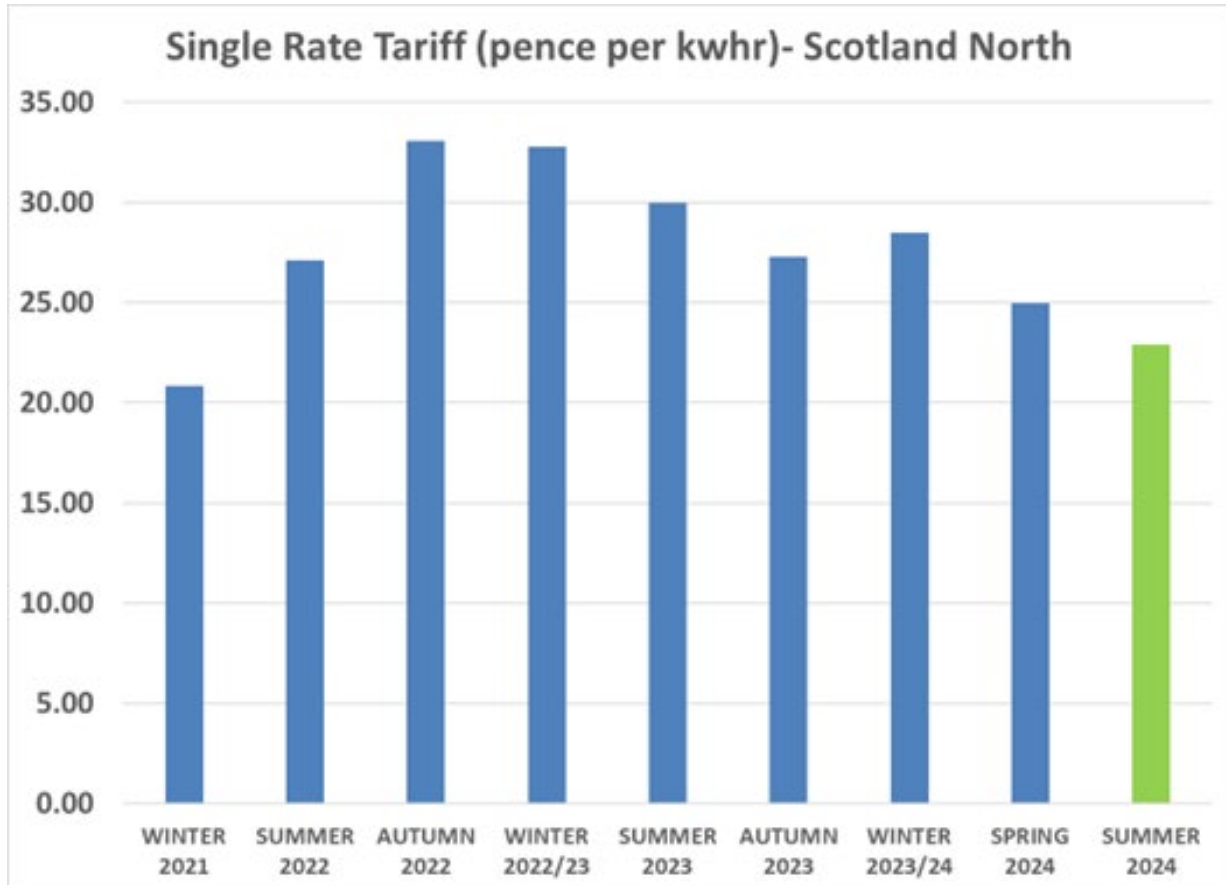


LSHA Energy Advice Update August 2024

Update on Current Pricing

Capped electricity prices have fallen by at least 2p since the last quarter to their lowest since spring 2022, however they are predicted to rise marginally again this winter. July's price cap sets current rates at 22-23p per kwh for credit and prepay customers, however before the electricity market crashed in spring 2021 it's worth noting that credit switchers could get a tariff of 12.68p per unit and prepay customers 15.84p, standing charges were 20p and 26p respectively compared to 60p today.



The energy market analysts Cornwall Insight currently anticipate energy prices rising again in the Autumn with no current prediction yet published for 2025.

<https://www.cornwall-insight.com/predictions-and-insights-into-the-default-tariff-cap/>

Should I switch?

Unit rates for standard variable prices have fallen this quarter but will likely rise in the Autumn again – and energy companies are gradually introducing one or two year fixed deals – although they don't offer radical savings and most have high exit fees. It does however look as if switching is now a realisable option again with decent savings possible for two rate meters – if you find a company that better prices your time of use trends.

If you can fix at current prices you will likely save a little over the winter months and there are a few energy startups that offer even cheaper deals. However the benefits **aren't major** for single

rate tariffs although switching for a better consumer experience is always still an option – and the new providers Tomato and Fuse Energy although untested might be a worthwhile consideration. Some companies like Scottish Power, EDF and Eon Next are also offering tracker style rates that promise to always charge around £50 a year less than the cap – these seem more a device to keep a customer than to truly incentivise, but companies are in essence dipping their toes into new pricing models.

THTC Meters and the end of the Radio Teleswitch Signal



The end date of the Radio teleswitch signal is now formalised as 30th June 2025. When this signal is switched off the current timed heating and hot water set-up will be affected for those with THTC meters and will fail to work as it once did and this will likely affect billing and access to off-peak electricity. It is the duty of the electricity provider to supply a suitable meter upgrade and it's **imperative that tenants must engage with their suppliers** as LSHA does not have the authority to act on tenants behalf when speaking with electricity companies.

Recent feedback from a partner affordable warmth service adviser, who made contact with a telephone adviser at OVO, indicated that there is an intention to try and replace these meters with smart meters programmed to offer five tariffs - Single Rate, Economy 7, Domestic Economy (another name for E7), Economy 9 and Economy10. He indicated that OVO understood there was not a one size fits all strategy and the replacement would have to be identified on a site-by-site basis in consultation with their customers. As a customer you are free to discuss with your provider who your replacement meter will function and work and how you will continue to pay – be it credit or prepayment.

There are potentially many complex issues which may arise in securing a meter upgrade, however please see some options below in simple terms -

- If a home has THTC metering but now has a heat pump (an increasingly common scenario) they should chose a single rate smart meter.
- If a customer has THTC with traditional storage heaters, no living room convector and is unlikely to be a switcher they should choose Economy 9 or Economy 10 as these tariffs are the closest in function to THTC and storage heaters will maintain heat into an evening
- If a home has traditional storage heating with a living room convector, or Quantum storage heating and is keener to switch – they should choose a E7 smart meter as it will allow greater access to the market.

It is imperative that tenants engage with any contact from suppliers when initiating a meter change in order to avoid disruption when the radio teleswitch is eventually switched off.

Please get in touch with our Energy Advice Service energyadvice@LSHA.co.uk if you have had contact from your supplier and you would like further advice and support regarding a meter upgrade.

Links to advice regarding electricity tariffs and support

- ✚ For good all-round information on energy bill advice and energy bill support related matters in Scotland visit the knowledge centre at <https://energyadvice.scot/>
- ✚ Details of The UK Government's remaining cost of living support schemes can be viewed at <https://helpforhouseholds.campaign.gov.uk/help-with-your-bills/>
- ✚ Ofgem energy advice for households <https://www.ofgem.gov.uk/information-consumers/energy-advice-households>
- ✚ The Scottish Government's guide to cost-of-living support schemes is also still available at <https://costofliving.campaign.gov.scot/>
- ✚ In addition to the pre-existing Winter Fuel Payments and Warm Home Discount, the following support schemes are summarised by Money Advice Scotland.
<https://www.moneyadvicescotland.org.uk/Listing/Category/help-with-energy-costs>

Keeping track of meter readings and knowing your actual yearly consumption is the best way to help inform switching options. Please feel free to contact LSHA Energy Advice at energyadvice@lsha.co.uk or call our partner advice service – ALLenergy enquiries@alienergy.org.uk **Tel 01631565183** if you would like a price comparison carried out when considering your switching options.



- ✓ If you are in energy debt, talk to your energy company and ask for help. They can offer a range of options to help you manage payments



- ✓ Get advice from Citizens Advice via their website or call the local office [01478 612032](tel:01478612032)
<https://www.citizensadvice.org.uk/consumer/energy/energy-supply/get-help-paying-your-bills/grants-and-benefits-to-help-you-pay-your-energy-bills/>