

Energy prices and markets

On Monday we will be asked in Parliament to approve a comprehensive set of powers for government to set maximum consumer prices for energy, to send large subsidies to energy suppliers who have to sell below cost and to remove surplus revenues from producers of electricity selling well above cost.

Of course we need to look after people who cannot afford their energy bills and need to offset some of the big hit to consumers generally. The energy price rise is like a massive tax rise.

We also need to be careful not to stop companies investing in new capacity or deter big users of power from seeking to improve their energy efficiency and reduce their use. We also need to keep the cost to taxpayers down where possible.

I would be interested in your thoughts on if there could be a cheaper and less all commanding scheme that would work?