

Energy Prices Support Package

I have received the letter below from the Secretary of State for Business, Energy and Industrial Strategy outlining support for businesses, charities & public sector organisations (such as schools and hospitals) against rising energy prices. Further information can be found on the following weblink: [Energy Prices Support Package](#)

Please note that this weblink is regarding support for non-domestic customers only. I will publish the link to updated support for households once it becomes available:

Dear Members,

ENERGY PRICES SUPPORT PACKAGE

Following the Prime Minister's announcement on 8 September, the Government is today publishing further details of the support we are offering to people and businesses in the face of soaring energy prices. This package of unprecedented assistance for the whole UK provides the certainty families and business owners need to help them manage their energy bills.

Details of the Energy Price Guarantee for domestic consumers and the Energy Bill Relief Scheme for business and non-domestic properties are available on gov.uk. The Chancellor of the Exchequer will set out more details of the costs of the Government's support as part of his fiscal statement on 23 September.

We have designed the schemes to be simple for energy consumers. Families and eligible businesses do not have to take action or apply for support, energy suppliers will automatically apply the appropriate reduction via their energy bill. Households will receive an equivalent level of financial support wherever they are in the UK. The same is true for businesses across the UK too.

The Energy Price Guarantee for Great Britain will ensure that a typical household pays an average £2,500 a year for their energy, from 1 October 2022 for the next two years. On average usage, a household will save £1,000 a year. This is in addition to the already announced £400 Energy Bills Support Scheme for households across the UK. The most vulnerable UK households will also continue to receive £1,200 of support. For consumers in England, Scotland and Wales who pay for their energy through a monthly, quarterly or other regular bill, the Energy Price Guarantee will be applied when their bill is calculated. The Guarantee limits the amount the bill payer can be charged per unit of gas or electricity, so the exact bill amount will continue to be influenced by how much energy is used.

The Energy Bill Relief Scheme will provide protections for all businesses, voluntary sector and public sector organisations in Great Britain which face excessively high energy bills over the winter period, whether they are on

existing fixed price contracts agreed on or after 1 April 2022, signing new fixed price contracts, variable or deemed tariffs or flexible purchase contracts To administer support, the Government has set a Supported Wholesale Price – expected to be £211 per MWh for electricity and £75 per MWh for gas, less than half the wholesale prices anticipated this winter – which is a discounted price per unit of gas and electricity.. Suppliers will pass the reduction in the wholesale price through to their customers.

The Energy Bill Relief Scheme will run initially for 6 months covering energy use from 1 October 2022 until 31 March 2023. We will publish a review of the scheme after 3 months. This review will consider how best to offer further support to customers who are the most vulnerable to energy price increases. These are likely to be those who are least able to adjust, for example by reducing energy usage or increasing energy efficiency.

As the Prime Minister said on 8 September, the Government is bringing forward emergency legislation to underpin the delivery of our support package. We will introduce a Bill immediately after Parliamentary Recess. It will include measures for the GB Energy Price Guarantee for domestic consumers and Energy Bill Relief Scheme for businesses and non-domestic properties so all of GB receives equivalent support; and enable the delivery of comparable schemes in Northern Ireland. It will provide powers to enable low carbon generators to move onto fixed prices to end the situation where electricity prices are set by the marginal price of gas ensuring consumers pay a fair price for their energy.

With every good wish,

Jacob Rees Mogg