



14 June 2022

BY EMAIL ONLY

info@endfuelpoverty.org.uk

Jonathan Brearley,
Chief Executive,
The Office of Gas and Electricity Markets,
10 South Colonnade, Canary Wharf, London, E14 4PU

Dear Jonathan,

The End Fuel Poverty Coalition* would like to thank you for your appearance at the Commons BEIS Committee which sparked the financial support outlined by the Chancellor on 26 May 2022.

With a new political will to address the challenge of the millions of homes in fuel poverty, we would also request that Ofgem reviews the areas where the regulator could better support households across the country.

First, we would urge you to abandon plans for a quarterly price cap and instead move to a three-times a year (at most) model. This would ensure more flexibility in the cap, but also mitigate a devastating January price increase, as predicted by Cornwall Insight, in the middle of winter.

Second, we need to see reform of the price cap itself - especially so that it does more to help those on pre-payment meters and is extended to cover people off-gas and on heat networks.

More broadly, we also need to see Ofgem lead the way to ensure better support for vulnerable customers, including a package of additional support from suppliers for this winter.

This support should be similar in scope to that introduced during the pandemic, but enhanced in its ambition given the numbers of people expected to be in fuel poverty this winter. We would also welcome Ofgem's views on how it can ensure no-one is disconnected this winter or [abandoned by their supplier](#).

We also need urgent reform of the regressive and punitive standing charges regime that penalises the most vulnerable. These charges should be reduced. In addition, customers should no longer be penalised for the failures in the energy market, which we will highlight as an issue to the Treasury.

Finally, in the longer-term we would request that Ofgem reviews the operation of the price cap and works with consumer groups to set out reforms to the market that would offer more support to those in fuel poverty. This could include the introduction of a price ceiling (i.e. a “super cap” set at current levels over which consumers will not have to pay for fair usage) and the introduction of a social tariff or “energy for all allowance.”

We would welcome the opportunity to speak to you about these issues at a future meeting of the End Fuel Poverty Coalition.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Simon Francis', with a stylized, flowing script.

Simon Francis, co-ordinator, on behalf of the End Fuel Poverty Coalition.

CC:

The Rt Hon Kwasi Kwarteng MP Secretary of State for Business, Energy & Industrial Strategy

Darren Jones MP, Chair, Business, Energy and Industrial Strategy Committee

** The End Fuel Poverty Coalition is a broad group of over 60 anti-poverty, energy, environmental and health campaigners, local authorities, trade unions and consumer organisations and is also supported by academics and industry experts. For more information, visit*

<https://www.endfuelpoverty.org.uk/>