

Energy bill support for families and businesses

New Prime Minister Liz Truss has revealed her plan to support people and businesses with their energy bills with a new Energy Price Guarantee alongside the lifting of a ban on the controversial practice of fracking. She aims to tackle the root causes of the issues in the UK energy market by increasing supply to ensure the country is not left in the same position again.

Under new plans, a typical UK household will pay no more than £2,500 a year on their energy bill for the next two years from 1st October, through a new 'Energy Price Guarantee' that limits the price suppliers can charge customers for units of gas. This takes account of temporarily removing green levies, worth around £150, from household bills. The guarantee will supersede the existing energy price cap.

It is expected that this will save the average household £1,000 a year based on current energy prices from October. It comes in addition to the announced £400 energy bills discount for all households and together they will bring costs close to where the energy price cap stands today.

The planned action will deliver substantial benefits to the economy – boosting growth and curbing inflation by four to five points, reducing the cost of servicing the national debt.

As businesses have not benefited from an energy price cap and are not always able to fix their energy price through fixed deals, many are reporting projected increases in energy costs of more than five hundred per cent.



A new six-month scheme for businesses and other non-domestic energy users (including charities and public sector organisations like schools) will offer equivalent support as is being provided for consumers. This will protect them from soaring energy costs and provide them with the certainty they need to plan their business.

The Government is also taking action to accelerate domestic energy supply, increase our energy resilience, and achieve our ambition to make the UK an energy exporter by 2040. These plans include lifting the moratorium on UK shale gas production and launching a new oil and gas licensing round, expected to lead to over one hundred new licences.

Published in the Wigan Observer 20th September 2022.