



**For immediate release: Monday 16<sup>th</sup> January, 2012**

## **E.ON CUTS PRICES**

- **E.ON is cutting its prices by 6% or £33 for electricity with effect from 27<sup>th</sup> February<sup>[1]</sup>**
- **Move will benefit 3.7 million customers<sup>[1]</sup>**
- **Average household bill for a dual fuel E.ON customer will now drop from £1,293 to £1,260<sup>[1]</sup>**
- **Prior to recent price cuts suppliers put prices up by 21% or £224 in just over a year, adding £2.24 billion onto household energy bills<sup>[2]</sup>.**

The flurry of price drops by Britain's energy suppliers continues with E.ON the latest supplier to announce that it is cutting its prices, this time by 6% or £33 for electricity. The reduction comes into effect from 27<sup>th</sup> February<sup>[1]</sup>. It means that the average E.ON dual fuel bill will drop from £1,293 to £1,260<sup>[1]</sup>. The supplier is also waiving its cancellation fees for customers on existing fixed price plans.

**Ann Robinson, Director of Consumer Policy at [uSwitch.com](http://uSwitch.com), says:** "Cash strapped consumers have now seen five of Britain's big six energy suppliers move to cut their prices. This will alleviate some of the pressure that households are under, but with cuts coming in at around £30 compared to increases of £224 or 21% since the end of 2010<sup>[2]</sup>, consumers may be feeling short changed. This will not be helped by the fact that suppliers are focussing their cuts on one fuel, while previous hikes hit both gas and electricity.

"The fact is that these cuts will not even come close to wiping out last year's eye watering price hikes and even if there is a further cut later this year are still unlikely to do so. Thankfully though this is something that consumers can do for themselves by shopping around for a cheaper energy deal and reducing the amount of energy they use. Households can save up to £420<sup>[3]</sup> by moving to dual fuel, paying by direct debit and signing up to a competitively priced deal – a far bigger saving than that being offered by suppliers lowering their prices."

## Average household energy bills:

Supplier	October 2010	November 2011	After announced price decrease
British Gas	£1,030	£1,286	£1,260
EDF Energy	£1,037	£1,241	£1,203
E.ON	£1,061	£1,293	£1,260
npower	£1,095	£1,282	£1,243
ScottishPower	£1,152	£1,391	-
SSE	£1,038	£1,265	£1,237
<b>Average</b>	<b>£1,069</b>	<b>£1,293</b>	<b>£1,266</b>

Source: uSwitch.com

Based on a medium user consuming 3,300 kWh of electricity and 16,500 kWh of gas with bill sizes averaged across all regions.

For more information visit [www.uSwitch.com](http://www.uSwitch.com) or call 0800 093 06 07

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### Notes to editors:

1. Based on a medium user customer using 3,300 kWh of electricity and 16,500 kWh of gas, on an E.ON standard Dual Fuel plan, paying quarterly by cash or cheque with bill sizes averaged across all regions. Number of customers and percentage decrease comes from E.ON's press release issued 16<sup>th</sup> January, 2012.
2. Customers affected taken from individual supplier announcements as follows: SSE (announcement 29/10/2010) increase to affect around 3.6 million customers, British Gas (announcement 12/11/2010) increase will affect around 8 million customers, ScottishPower (announcement on 19/11/2010) move to affect around 2.5 million customers, nPower (announcement on 10/12/2010) move to affect around 6.2 million customers, E.ON (announcement on 11/01/2011) move to affect around 4.3 million customers. EDF Energy (announcement 3/2/2011) will affect 3.3 million customers. These add up to 27.9 million customers. uSwitch.com estimates 10 million standard plan customers based on 26 million households and Ofgem statistics showing that 7 million customers are on price guarantee plans, 3.5 million are on online tariffs, 3.8 million electricity customers and 2.6 million gas customers are on PPMs. The average increase from the first wave of price rises for a customer on a standard plan, based on a medium user profile using 3,300kWh of electricity and 16,500kWh of gas paying on receipt of bill, was £63. Taking this increase over 10 million standard plan customers totals £630 million added to consumer bills. On the same basis, the second wave of increases added £1.61 billion to bills.
3. Between 1<sup>st</sup> July, 2011 and 31<sup>st</sup> October, 2011 at least 10% of people who switched energy supplier for both gas and electricity with uSwitch.com saved £420 or more.

### About us

uSwitch.com is a free, impartial, online and telephone-based comparison and switching service, helping consumers compare prices on gas, electricity, water, heating cover, home telephone, broadband, digital television, mobile phones and personal finance products including mortgages, credit cards, current accounts and insurance. In 2010 uSwitch.com celebrated ten years of saving customers money.

uSwitch.com is the first comparison website to achieve the Plain English Campaign's Internet Crystal Mark, which is recognised as a standard that a website has clear language, is accessible and easy to use, and has been tested on a sample of its users.

uSwitch.com is dedicated to helping consumers save money whether they have internet access or not. It offers a dedicated call centre, manned by uSwitch customer service representatives, as well as a freepost 'Send us your bill' service, whereby customers can post their latest energy bills with their telephone number to FREEPOST USWITCH, to get a free call back from a dedicated customer services representative. The service is also available via fax, email and post. Consumers should fax 0203 214 8417, email [CustomerServices@uswitch.com](mailto:CustomerServices@uswitch.com) or write to Customer Services, uSwitch.com, Centro 3, 19 Mandela Street, London, NW1 0DU with their postcode and usage details.

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