



Industry Focus: 5 Minute Read

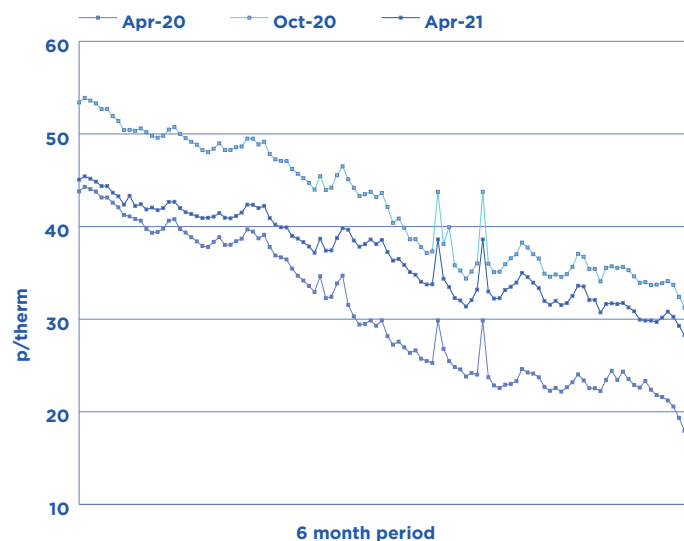
BUSINESS ENERGY: HUGE PRICE DROPS WILL HELP ECONOMIC FIGHT BACK

By

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Energy prices drop to lowest in over a decade

UK Seasonal Gas Prices



The graphs above illustrate the sharp decline in energy prices that has seen them reach their lowest levels in well over a decade. The net result of this is that UK businesses are now presented with a unique window of opportunity to secure rock bottom pricing. This will be welcome reading for many as businesses start to formulate their recovery plans.

Whilst energy bills might not be top of the priority list when it comes to cost cutting exercises it will surprise many just how significant these savings could be. In an economy that is set to be volatile for the foreseeable future, locking in the cost of energy at highly advantageous pricing will prove a welcome constant in monthly overheads. To help illustrate this we've included two 'then and now' pricing examples on the opposite page.

INDUSTRY FOCUS: BUSINESS ENERGY

View from the experts

“Parts of the wholesale gas market have hit the lowest prices since 2007. Securing a fixed price energy contract at this time means businesses could take advantage of these lower prices for the duration of their contract.”

Andrew Whiston
Flexible Trading Analyst, Gazprom

“54% of the energy used in the UK is wasted which equates to £9.5bn of energy”

Association for Decentralised Energy

Businesses need to move quickly to ensure long term **cost savings**

Pricing in the UK business energy market is at an unprecedented low but it's highly unlikely to remain like this for a sustained period of time. Economic conditions are anticipated to be highly unpredictable over the coming months and years. The business energy market will not be immune to this.

An example of the impact of this being the delayed maintenance to gas storage facilities, as a result of Covid-19, which will likely trigger a global gas shortage as we move into the winter of 2020/21. History tells us that if a natural resource, such as gas, is in short supply it's highly likely to provoke a spike in pricing which will be passed down the chain to the businesses that consume it.

As the UK begins its economic recovery businesses can look to these types of tools and services to reduce overheads and their impact on the environment.

Avg. Consumption (kWh) 141,413 A café with this energy consumption profile could save an average of:

£2,036 p/a if they bought **today** compared with **Sept 2018**

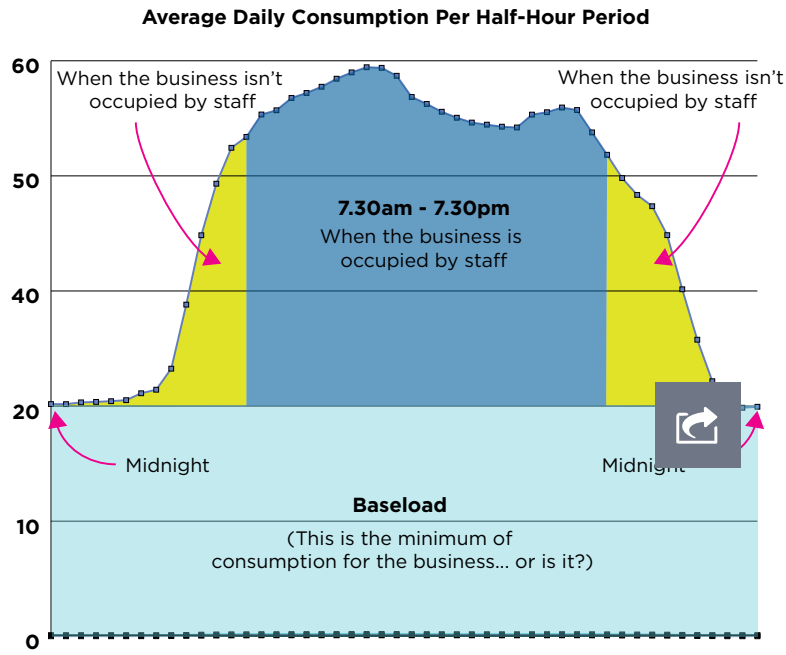
Avg. Consumption (kWh) 397,799 A printing business with this energy consumption profile could save an average of:

£5,728 p/a if they bought **today** compared with **Sept 2018**



Get a grip on your consumption, get a grip on costs

The story behind the data



The mass adoption of Smart Meters has seen a new wave of technology become accessible for UK businesses to easily understand how and where they use energy.

The chart to the left illustrates, through the use of energy analytics software, just how easy it is now to visualise your businesses energy consumption. This example uses anonymised data from a 3,000 sq ft commercial office in Northampton. It clearly highlights the areas that require further investigation and importantly the potential to reduce wastage and save money.

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This publication was written and produced by Online Direct Ltd for the use and distribution by its network of TPI partners.

Let's talk. To discuss the topics in this document or anything else relating to your business energy please contact:



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