Department for Business, Energy & Industrial Strategy

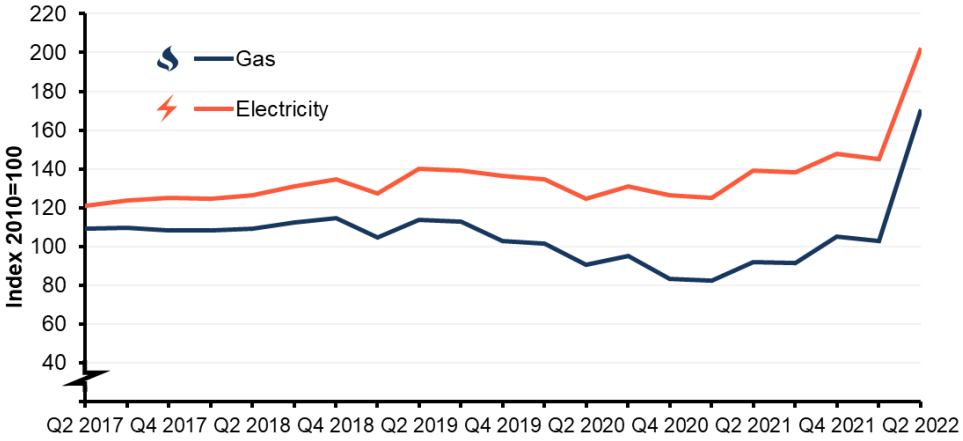
Quarterly Energy Prices

UK April to June 2022

The consumer price index for all domestic fuels increased by 60 per cent (in real terms - accounting for inflation) in the second quarter (April to June) of 2022 compared with the same quarter in 2021.

Over the same period, **domestic electricity prices increased by 45 per cent** and **domestic gas prices increased by 84 per cent**. Most of this increase occurred in the second quarter of 2022 reflecting the increase in the default price cap from 1st April.

Chart 1: Real terms energy price indices in the domestic sector



Source: Office of National Statistics, Consumer Prices Index

Far fewer customers chose to transfer between energy suppliers in Quarter 2 2022 compared to the same period in 2021; there were an estimated 201,000 electricity transfers and 129,000 gas transfers in Quarter 2 2022, **down by 85 per cent** for electricity and **down 86 per cent** for gas.

(Please note 'Supplier of Last Resort' events are not counted in the transfer statistics).

Average prices in the non-domestic sector for electricity and gas continue to increase. The average price for electricity between April and June 2022 was **18.64 pence per kWh, up by 5.8 pence per kWh (or 45 per cent)** compared with April to June 2021. The price for gas was **4.76 pence per kWh, which doubled from by 2.4 pence per kWh** over the same time period.

Road fuel prices have fallen in the past two months but remain high; the mid-month average retail price of petrol for September 2022 was **167 pence per litre**, **11 per cent lower** than the recent peak in mid-July 2022, but **24 per cent higher** than the same period in 2021. The average retail diesel price was **182 pence per litre**, **8 per cent lower** than the recent peak in mid-July 2022, but **33 per cent higher** than the same period the year before. Road fuel prices reflect the cost of crude oil; **prices for crude oil have fallen since June 2022 but remain high.** The provisional price of crude oil purchased by UK refineries in August 2022 was **73 per cent higher** than August 2021.

In 2021, in the IEA countries reported, the UK had the highest industrial electricity prices and the eighth lowest gas prices. In the domestic market the UK had the sixth highest electricity prices and eighth lowest gas prices.

About this release

Information on average prices paid for energy in the United Kingdom and related energy market statistics.

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Data tables

Additional data are available online as part of the Energy Prices series:

Domestic
Industrial
International comparisons
Road fuel

This publication is based on data from several survey from energy suppliers.

New data are incorporated in line with the revisions policy

Introduction

The **Quarterly Energy Prices** (QEP) publication and the associated tables provide information on prices paid for energy and fuels in the United Kingdom and related energy market statistics. Information is presented for both the **domestic market** (which are the prices paid by households for their energy and fuels) and the **non-domestic sector**.

Domestic market metrics presented include the **consumer price index** for fuels used in households (based on Office for National Statistics data), **average gas & electricity bills** for UK households, information on **how customers pay** for their electricity and statistics on **competition in the market**.

Domestic Market Prices

Data are presented on the **non-domestic sector** (any user of energy that is not a household) and subcategories within this population. Prices paid for fuels in the **industrial sector**, by **manufacturing companies** within this sector and by electricity generating companies (**major power producers**) are outlined in this section.

Non-Domestic Sector Prices

The publication also provides a summary of national information on prices for **oil and petroleum** products. Additionally, road fuels are collated and published online both on a **weekly** and **monthly** basis here: www.gov.uk/government/collections/road-fuel-and-other-petroleum-product-prices

Oil and Petroleum Prices

International data are also collated and presented in the publication to provide comparisons in prices paid in the UK with other countries. This includes comparisons with other members of the **International Energy Association** (IEA) and with **European Union** (EU) member states.

International Comparisons

This issue of the Quarterly Energy Prices release provides UK energy data for the second quarter of the 2022 calendar year and, in some series, revisions to previous quarters. It also contains monthly and yearly data.

This includes an update of the **retail price of fuels for the domestic sector, customer account transfer statistics** and **proportions of customers and what types of contracts they are on**. It contains updates on **non-domestic energy prices**, including prices paid by **energy generators.** There are updates on the **prices of petroleum products** (both domestically and internationally) and **IEA Gas and Electricity comparisons**.

Please note: When a '**quarter**' is referred to in this release it is a quarter (3 months) in the context of a **calendar year**, so 'Quarter 2' refers to 1 April to 30 June unless otherwise stated.

The underlying data series associated with this release are available her

Domestic energy prices	gov.uk/government/collections/domestic-energy-prices
Industrial energy prices	gov.uk/government/collections/industrial-energy-prices
International price comparisons	gov.uk/government/collections/international-energy-price-comparisons
Oil and petroleum product prices	gov.uk/government/collections/road-fuel-and-other-petroleum-product-prices

Weekly petroleum prices are also available - published as part of the Weekly Fuel Prices series.

More information on the frequency and specific content of these tables can be found in the accompanying tables section.

Domestic Market Prices

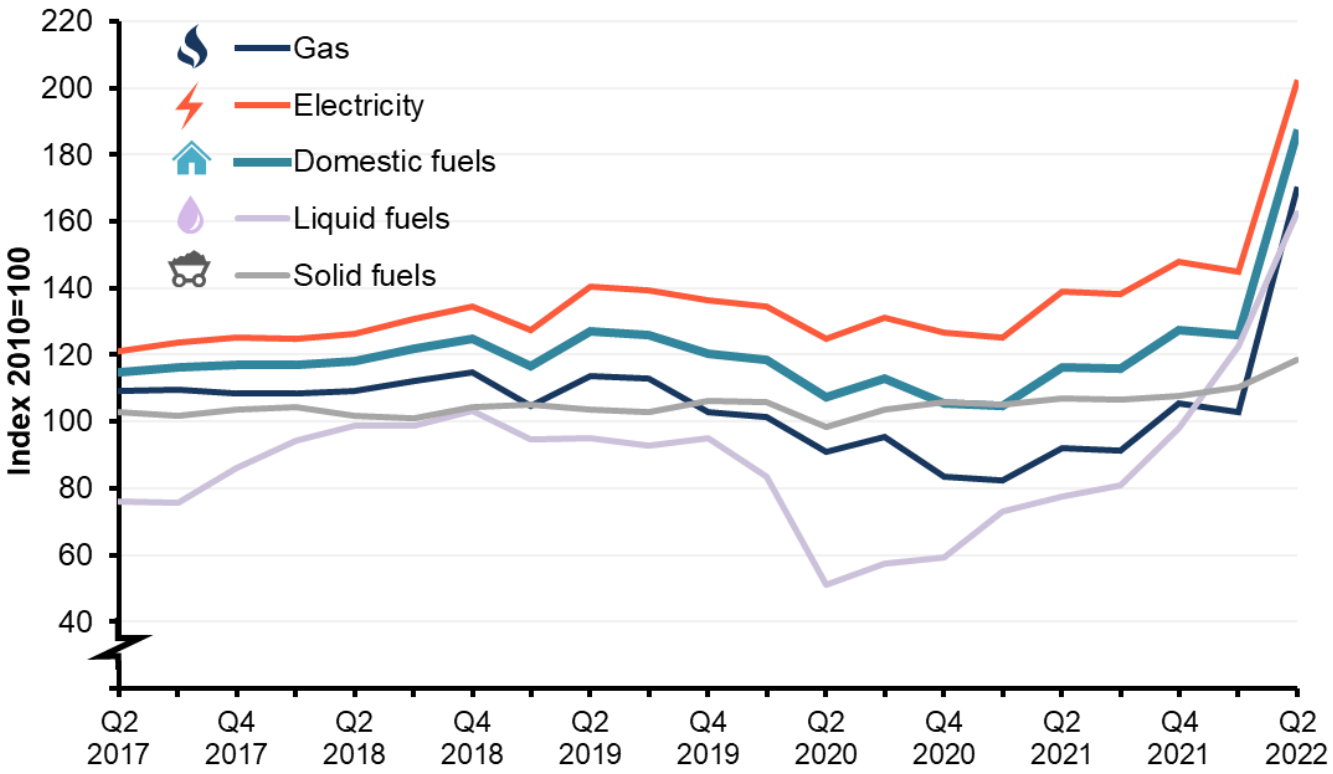
Households in the UK predominantly use **Electricity** from the national grid as their main source of energy. Most households (approximately 23.7 million in Great Britain) also use **Gas** in their homes. Some households also use other fuels, such as heating oil for fuel-based generators and for heating as alternatives to on-grid options.

The domestic market prices section in this issue covers the **consumer price index data** from ONS (the Office of National Statistics) and **market competition** data from Ofgem (the energy market regulator). **Customer proportions** are also presented to illustrate which methods households use to pay for their energy.

Retail Price of Fuels for the Domestic Sector

Retail market price **indices** of fuels used in the domestic sector information is sourced from the Office for National Statistics' **Consumer Price Index (CPI)** data series, the full series available here at the ONS Consumer Price Inflation page.

Chart 2.1: Real terms energy price indices in the domestic sector, quarterly, UK



Source: Office of National Statistics, Consumer Prices Index
Data in real terms, adjusted for inflation using the GDP (market prices) deflator

Reference and links to tables:
Table 2.1.1 - 2.1.3: Consumer prices index: fuel components in the UK

Chart 2.1 shows quarterly changes in the domestic sector price indices (in real terms) over the past 5 years.

Ofgem sets and regulates a price cap on default tariffs. This publication covers the first quarter of Ofgem's price cap which covers 1 April 2022 to 30 September 2022. Under the cap, a typical household with average consumption on default tariffs paying by direct debit saw an increase of £693 from £1,277 to £1,971 per year. For prepayment customers the increase was £708 from £1,309 to £2,017. More information can be found at https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/default-tariff-cap.

The price paid for all domestic fuels in quarter 2 2022 (in **real terms** and **including VAT**) **increased** by **60 per cent** when compared with the same quarter in 2021. Electricity prices have **increased** by **45 per cent** and Gas prices **increased** by **84 per cent**. (Tables 2.1.1 - 2.1.2). Much of this increase was between quarter 1 and quarter 2 2022, with electricity prices increasing by **39 per cent** and gas prices by **65 per cent** quarter on quarter.

Solid fuels in this release include coal and smokeless fuel. The prices presented are based on standard grade household coal and boiler grade smokeless fuel.

Liquid fuels in this release comprises of domestic kerosene and similar heating oils.

Prices for electricity and gas closely follow similar trends (see **Chart 2.1**) and as they make up the majority of the weighting for domestic fuels, they steer the trend in overall domestic fuels. However, prices for other domestic fuels follow different and, in the case of liquid fuels, more erratic trends than other fuels.

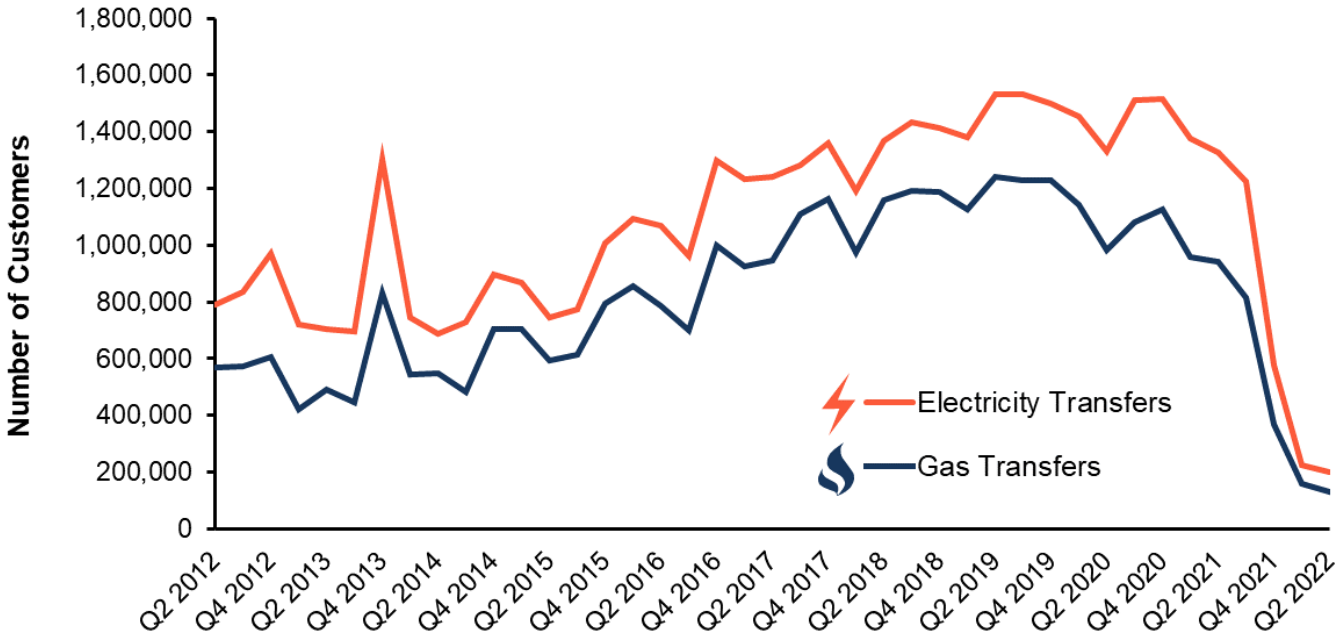
Prices of liquid fuels are based on retail market prices and vary depending on the locations sold and are also prone to the effects of other factors such as demand, weather, material, and delivery costs. Additionally, prices for these fuels are not subject to the same level of regulation seen in the electricity and gas markets, which have price caps set by the regulator.

Transfer Statistics

The Office for Gas and Electricity Markets (Ofgem) provides BEIS with the number of domestic customers in Great Britain that have switched supplier for both electricity and gas. More information on the retail market can be found on Ofgem's retail market data portal.

Please note: the number of customers switching supplier shown in the graph is based on the number of meter points a supplier gains from another following a customer choice to change their supplier. This number **does not include** either internal switches among white labels or brands associated with the same supplier or customer transfers resulting from corporate changes, company mergers and Supply of Last Resort events.

Chart 2.2 Domestic Gas and Electricity transfers[1]



Source: Ofgem
Please note: For Electricity, this covers the whole domestic market. Formerly Gas switching levels only covered the main six suppliers. From January 2014 Ofgem provided switching levels for the whole market.

Reference and link to tables:
Table 2.7.1: Transfer statistics in the domestic Gas and electricity markets

There were an estimated 201,000 electricity transfers and 129,000 gas transfers in Quarter 2 2022. Compared with Quarter 2 2021, electricity transfers are down by **85 per cent** and gas transfers are down **86 per cent**. These quarterly transfers represent around **0.7 per cent** for electricity customers and **0.5 per cent** for Gas customers in the domestic market.

These figures are the lowest quarterly figures since the data series began (in 2008). The large drop in transfers since Quarter 4 2021 follows increases in wholesale gas prices and other market shocks which meant the variable tariffs being offered were increasingly charged closer to or at the Ofgem price cap level and fixed tariffs, where available, were offered above the cap.

[1] Since April 2016 data supplied to BEIS has included additional filtering to remove non-domestic customers. This data is sourced from network operators and filtered by the active suppliers in the market, who to the best of Ofgem's knowledge are operating in the domestic and non-domestic segments of the energy market. For this reason, the data supplied from April 2016 onwards may be more accurate but lower than levels before this time.

Domestic electricity and gas bills

Provisional annual domestic bills estimates are published in December and final estimates in March. The most recent figures are published at https://www.gov.uk/government/statistics/quarterly-energy-prices-march-2022 and cover final bills estimates up to 2021.

Reflecting the cost-of-living pressure on households, the government announced a package of support measures, including the Energy Bills Support Scheme (EBSS) and the Energy Price Guarantee (EPG). More information can be found at https://www.gov.uk/government/publications/energy-bills-support/energy-bills-support-factsheet-8-september-2022. These start from October 2022 and as such do not directly influence figures in this publication.

In the provisional annual bills estimates for 2022 which will be published in December, we propose to reflect the support measures in the following way:

The **Energy Bills Support Scheme** provides £400 to households with a domestic electricity connection in 6 monthly tranches of £66/67 from October 2022.

The ONS's classification assessment of EBSS has concluded that payments under the scheme should be classified as a **transfer paid by government to households** and as such an **increase in household income** rather than reducing household expenditure. That means the payment does not affect the CPI.

In line with this, we propose to provide headline domestic bill statistics for 2022 excluding EBSS but will include explanation of how the payments to consumers in October to December 2022 will have affected their energy costs.

The **Energy Price Guarantee directly limits** the unit cost of electricity and gas paid by households such that the typical household[2] will pay on average around £2,500 on their energy bill, with effect from 1 October 2022. As such we expect unit costs under the EPG to be directly reflected in the 2022 estimated annual bills.

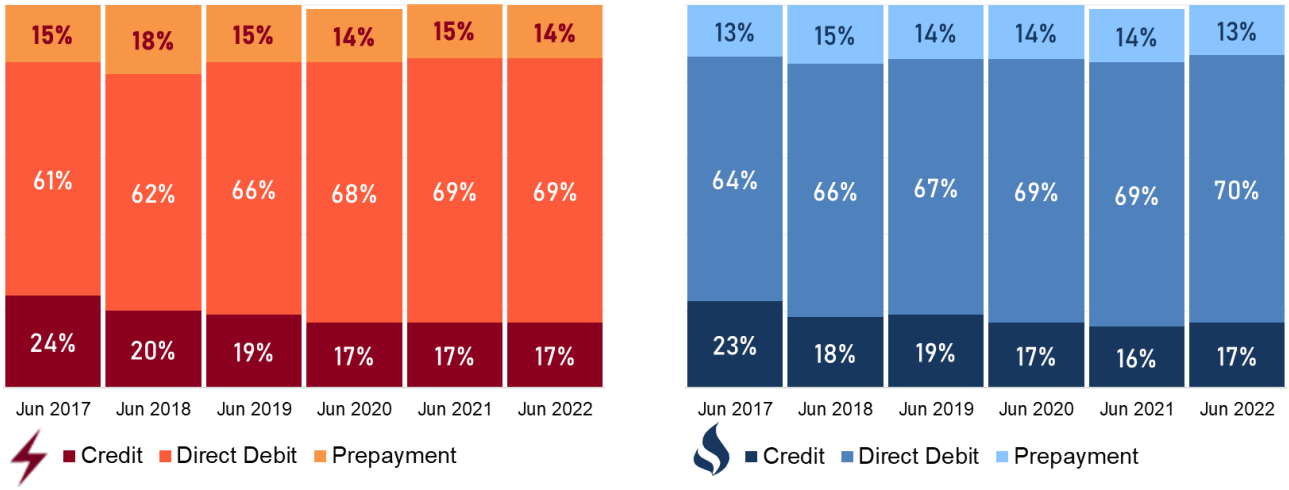
[2] A typical household is defined as having an annual average consumption of 2,900 kWh of electricity and 12,000 kWh of gas.

Customer Statistics

The three main **payment methods** consumers use to pay for their domestic energy bills we identify are **Prepayment**, **Credit** and **Direct Debit**

Prepayment is essentially a 'pay as you go' method, users topping up an allowance and usage drawing on their balance. **Credit** is where households settle the bill on the electricity or gas, they used upon receipt but do not pay a recurring set payment as with **Direct Debit**.

Chart 2.3: Proportion of households by payment type, between June 2017 and June 2022



Reference and links to tables:
Table 2.4.2: Regional variation of payment method for standard electricity
Table 2.5.2: Regional variation of payment method for Gas

At the end of June 2022, most Standard Electricity customers in the United Kingdom (UK) and Gas customers in Great Britain (GB[3]) were paying their bills via **Direct Debit**. Comparing proportions over the last five years (**Chart 2.3**), the number of customers on prepayment remains relatively unchanged, whilst there has been a shift by households to Direct Debit of **8 percentage points** for Standard Electricity and **6 percentage points** for gas

Domestic energy competition

Prior to the privatisation of the GB energy market, all energy customers were supplied by their regional electricity and Gas boards. Following privatisation these boards became the commercial 'home' suppliers for each region to which all customers in that region belonged before the market opened to competition.

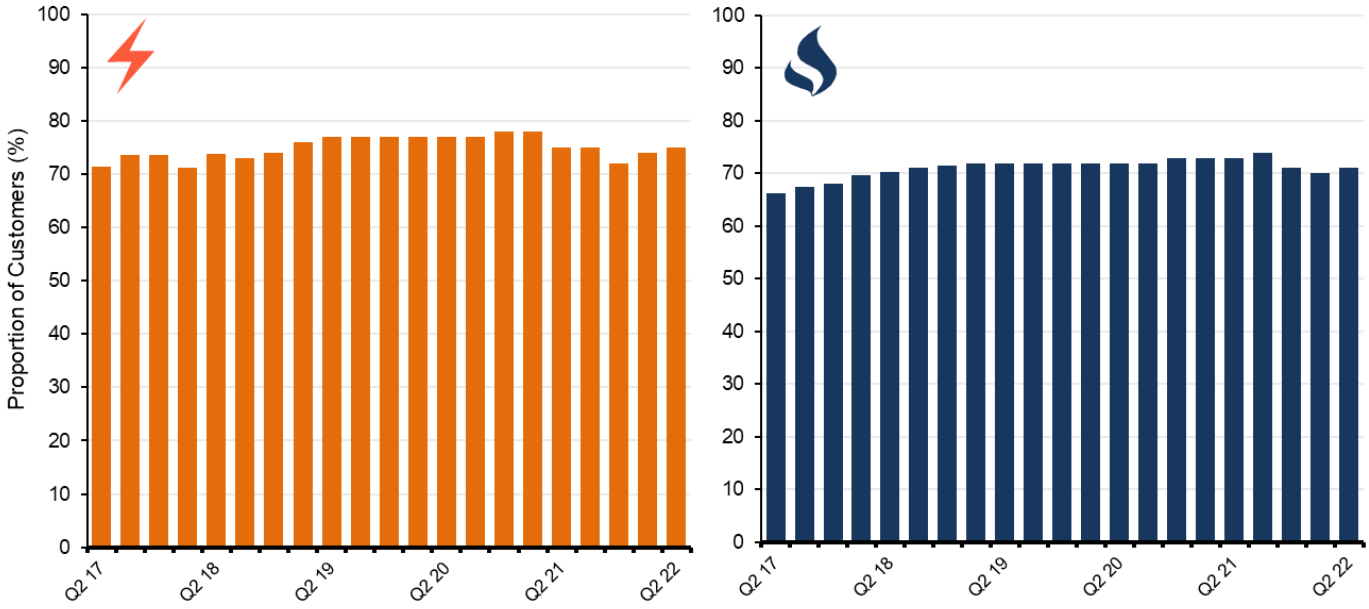
The first trial in competitive Gas supply started in April 1996 in South West England, with all customers able to choose their Gas supplier by May 1998. Competition in domestic electricity supply began on 14 September 1998 with 750,000 consumers in four areas and was gradually extended to all consumers in Great Britain by 24 May 1999.

In Northern Ireland, the market is now open to competition, after being monopolistic for many years, although two suppliers still currently supply most of the market. Gas is still not yet widely available in Northern Ireland, although the number of customers with access to the Gas grid is increasing.

[3] Gas is not as widely adopted in Northern Ireland, so this collection does not include Northern Ireland gas data.

'Home' suppliers as referred to in this release, are those energy companies that are the regional suppliers of Gas and electricity to households prior to privatisation. **'Non-home' suppliers** are those energy companies that were not the regional suppliers of Gas and electricity to households prior to privatisation.

Chart 2.4 Proportion of customers with 'Non-Home' suppliers, for Electricity and Gas since Quarter 2 2017



Reference and links to tables:
Tables 2.4.1 and 2.5.1

At the end of June 2022, an estimated **75 per cent** of domestic Electricity[4] customers and **71 per cent** of domestic Gas customers in Great Britain[5] were no longer with the areas home supplier - which was the firm who had supplied that region before the energy market opened to competition (see chart 2.4).

Direct Debit customers were most likely to have changed from home suppliers, with **79 per cent** of electricity customers and **75 per cent** of Gas customers no longer with their home suppliers.

Credit customers were the least likely to have changed from home energy suppliers, with **65 per cent** of electricity customers and **54 per cent** of Gas customers supplied by a non-home supplier.

The proportion of Gas customers at the end of June 2022 with non-home suppliers was **up by 1 percentage point and is up by 5 percentage points** since the end of June 2017[6]. For Electricity, the proportion of customers with a non-home supplier is **up 1 percentage point** since the last quarter and **up 4 percentage points** since June 2017.

In 2020, OVO acquired the domestic services of SSE[7]. Customers that remain on historical SSE tariffs can still be identified in our dataset. Therefore, SSE remains the home supplier of several regions. However, as these SSE customers transfer over to OVO tariffs, the proportion of customers in these regions being identified as with the home supplier has reduced.

[4] Includes both standard electricity and Economy 7 electricity.
[5] Competition is still limited in scope for domestic customers in Northern Ireland, and so this country has been excluded from this analysis.
[6] Before 2016, home and non-home customers number proportions were not adjusted as figures were primarily based on data from large suppliers. Since 2016, this has now been adjusted to be representative of Great Britain. This change means that figures before 2016 are not directly comparable with future years.
[7] Information about the OVO and SSE merger can be found at https://www.gov.uk/cma-cases/ovo-sse-retail-merger-inquiry.

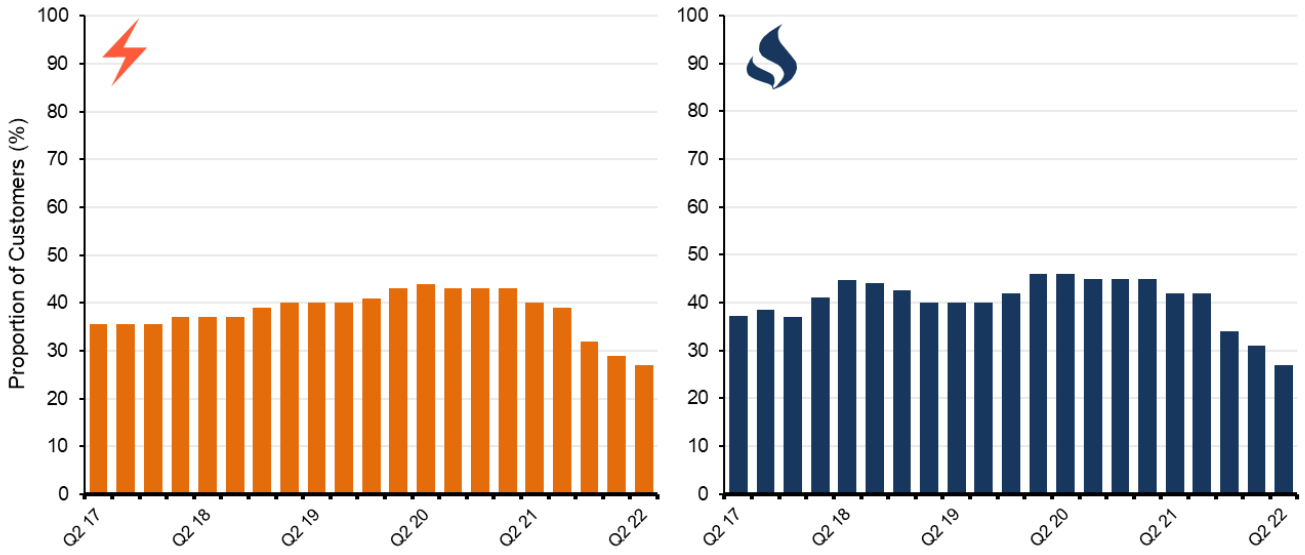
Fixed and Variable Tariffs

A **variable tariff** is a tariff that is subject to change at any point in time. A **fixed tariff**[8] is one where the price has been set at a constant rate for a defined period.

Please note BEIS determines whether tariffs are fixed or variable, based on the attributes of tariff names provided by energy companies.

We are continually reviewing our methodology, but these are currently classed as **Experimental Statistics** and are not as robust as the data presented elsewhere in the release. We are intending to change this classification but will require a change to the data collection to include this information from companies on submission.

Chart 2.5: Proportion of customers on fixed tariffs for both Electricity and Gas since Quarter 2 2017



Reference and link to tables:
Table 2.4.2: Regional variation of payment method for standard electricity
Table 2.5.2: Regional variation of payment method for Gas

The proportion of customers on fixed term contracts has fallen over the past year. Customers at the end of their fixed term are electing to go onto the variable tariff as fixed tariffs have become less competitive. At the end of June 2022, **27 per cent** of all Standard Electricity and Gas customers were on fixed tariffs. This compares with **40 per cent** of all Standard Electricity and **42 per cent** of all Gas customers in June 2021.

Direct Debit customers were most likely to be on fixed tariffs with around **37 per cent** of Standard Electricity customers on a fixed deal and **34 per cent** for Gas customers.

Credit customers were the second most likely to be on a fixed tariff, with **9 per cent** of Standard Electricity customers and **19 per cent** of Gas customers on a fixed tariff.

Prepayment customers were the least likely to be on a fixed tariff, with **1 per cent** of Standard Electricity and almost **0 per cent** of Gas customers on a fixed tariff.

[8] The method used to determine a fixed tariff is dependent on the tariff name and BEIS' research of tariffs. It is therefore possible that some fixed tariffs have not been identified and may well have been incorrectly classified as a variable tariff.

Non-Domestic Market Prices

Electricity and gas prices for the non-domestic sector

This section presents electricity and gas prices data in the non-domestic sector, which **excludes** prices paid by households and generally **comprises** the industry sector (manufacturing, energy for example) and the commercial sector (services, retails for example) (Tables 3.4.1 and 3.4.2).

Many businesses are on fixed price contracts which are renewed at different points in time and therefore increases in wholesale prices and changes in the energy market will impact on non-domestic customers in different ways.

A new business support scheme, the Energy Bill Relief Scheme was announced in September and will provide discounts to energy usage initially between 1 October 2022 and 31 March 2023; as such this scheme is not reflected in the data presented here. Statistics on non-domestic prices for October to December 2022 will be published in the March 2023 edition of QEP.

Table 3a Percentage change in Quarter 2 2022 non-domestic electricity prices compared to the previous year

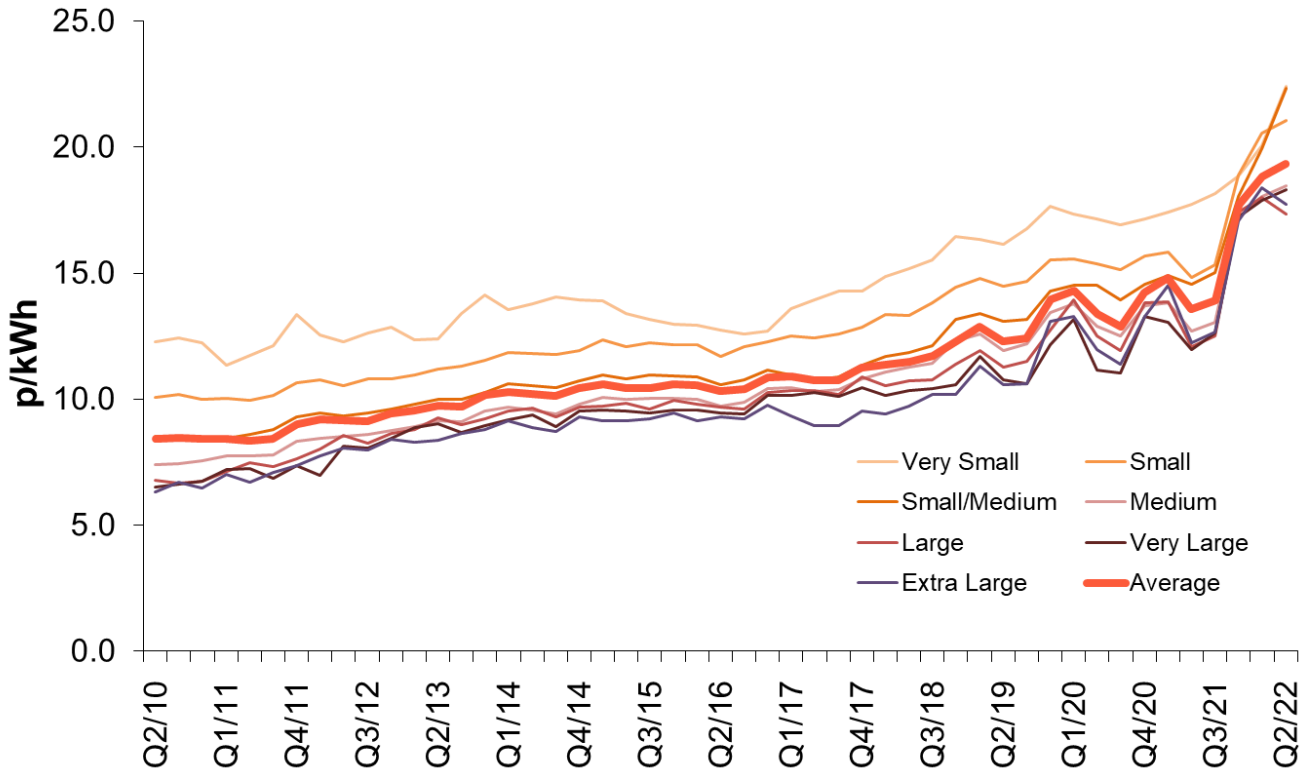
Consumer Band	Consumption Band (in MWh)	Prices excluding CCL pence per kWh	% change on previous year (excluding CCL)	% difference in prices when including CCL
Average		**18.64**	**45%**	**3.7%**
Very Small	0 - 20	21.78	27%	3.0%
Small	20 - 499	20.31	44%	3.6%
Small/Medium	500 - 1,999	21.76	57%	2.6%
Medium	2,000 - 19,999	17.74	48%	4.1%
Large	20,000 - 69,999	16.61	46%	4.5%
Very Large	70,000 - 150,000	17.52	55%	4.5%
Extra Large	> 150,000	17.06	48%	4.1%

Reference and link to tables:
Table 3.4.1 and 3.4.2: Price of fuels purchased by non-domestic consumers in the UK excluding and including CCL

Between quarter 2 2021 and quarter 2 2022 the average electricity price in cash terms **excluding CCL** in the non-domestic sector **rose by 45 per cent** to **18.64 pence per kWh**. Price increases were seen in all consumption bands. Note that the very large and extra-large bands are subject to more erratic change over time as they are based on fewer consumers.

In quarter 2 2022, the inclusion of CCL increased the average price of electricity in the non-domestic sector by **3.7 per cent** and by between 2.6 per cent to 4.5 per cent for the various consumer bands.

Chart 3.1 Average Non-Domestic Electricity Prices Including CCL



Reference and link to tables:
Table 3.4.1 and 3.4.2: Price of fuels purchased by non-domestic consumers in the UK excluding and including CCL

Since the second quarter of 2011 average electricity prices in the non-domestic sector, **including CCL**, have been on a general upward trend.

Since quarter 3 2021 there was a sharp rise in average electricity prices and in quarter 2 2022 prices remain well above the level seen at the same time in the previous year.

Table 3b Percentage change in Quarter 2 2022 non-domestic gas prices compared to the previous year

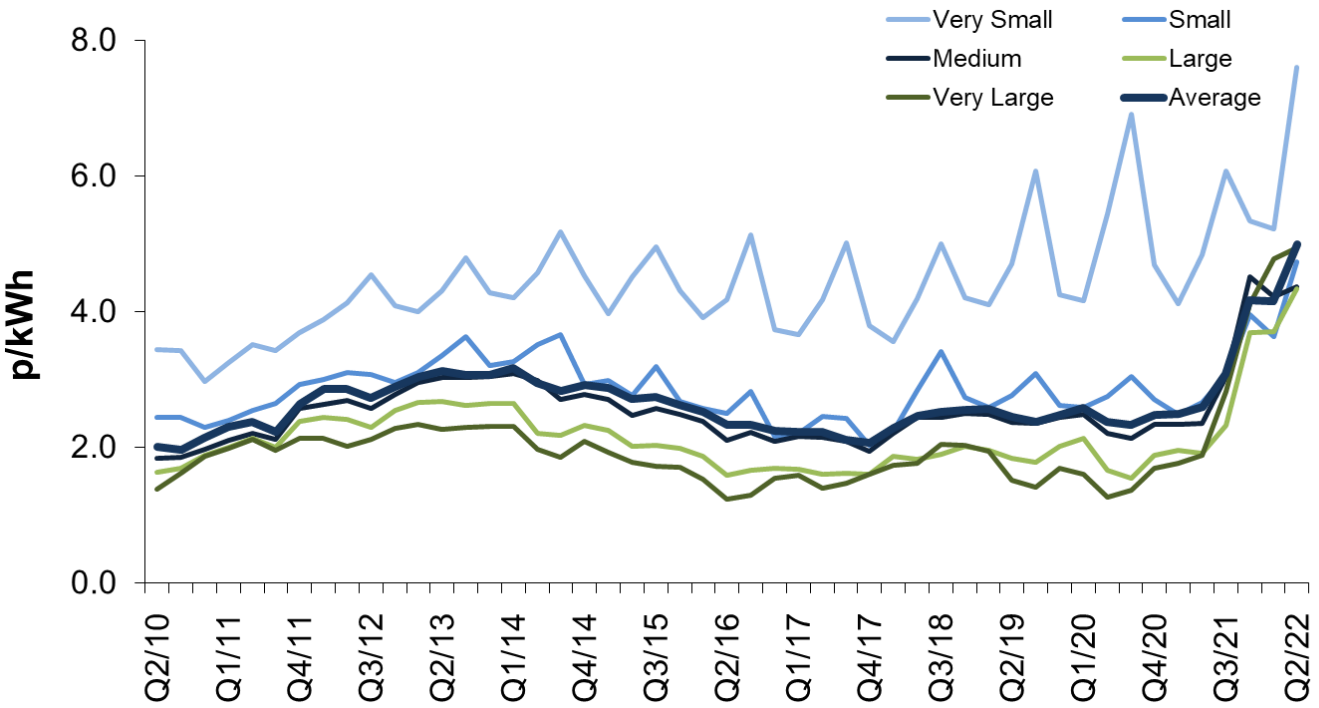
Consumer Band	Consumption Band (in MWh)	Prices excluding CCL pence per kWh	% change on previous year (excluding CCL)	% difference in prices when including CCL
Average		**4.76**	**98%**	**4.9%**
Very Small	<278	7.30	60%	4.1%
Small	278 - 2,777	4.38	86%	8.3%
Medium	2,778 - 27,777	4.09	91%	6.9%
Large	27,778 - 277,777	4.21	138%	3.1%
Very Large	277,778 - 1,111,112	4.83	170%	2.4%

Reference and links to tables:
Table 3.4.1 and 3.4.2: Price of fuels purchased by non-domestic consumers in the UK excluding and including CCL

Between quarter 2 2021 and quarter 2 2022, the average **gas** price in cash terms **excluding CCL** in the non-domestic sector **rose by 98 per cent** to **4.76 pence per kWh**. Price rises were seen in all sizes of consumer bands. Note that the very large band is subject to more erratic change over time as it is based on fewer consumers.

In quarter 2 2022, the inclusion of CCL increases the average price of gas in the non-domestic sector by **4.9 per** cent and by between 2.4 to 8.3 per cent for the various consumer bands.

Chart 3.2 Average Non-Domestic Gas Prices Including CCL



Reference and links to tables:
Table 3.4.1 and 3.4.2: Price of fuels purchased by non-domestic consumers in the UK excluding and including CCL

Average gas prices, **including CCL,** fell at a steady pace from the high reached in Quarter 1 2014 to a low of 2.07 pence per kWh in Quarter 4 2017. Prices then increased in 2018 but remained lower than the highs in 2014.

Gas prices up until quarter 3 2021 were broadly stable when factoring in seasonal variation. Since quarter 3 2021 there has been a sharp rise in average gas prices. In quarter 2 2022 prices remain well above the level seen at the same time in the previous year.

Energy prices in the manufacturing sector

Manufacturing is a subset of industry that use fuels in the manufacturing process and include companies that produce by-products of the fuels.

Prices of fuels in the manufacturing sector, excluding CCL, for various size bands of consumers are presented in Tables 3.1.1 to 3.1.4. The fuels used in the manufacturing sector are mainly **heavy fuel oil, gas oil, electricity and gas** though **coal** is also used.

Heavy Fuel Oil, a derivative from the oil refining process is used for heating and to fuel furnaces and boilers in industrial plants. It is very viscous and requires to be kept at a high temperature and pre-heating before use.

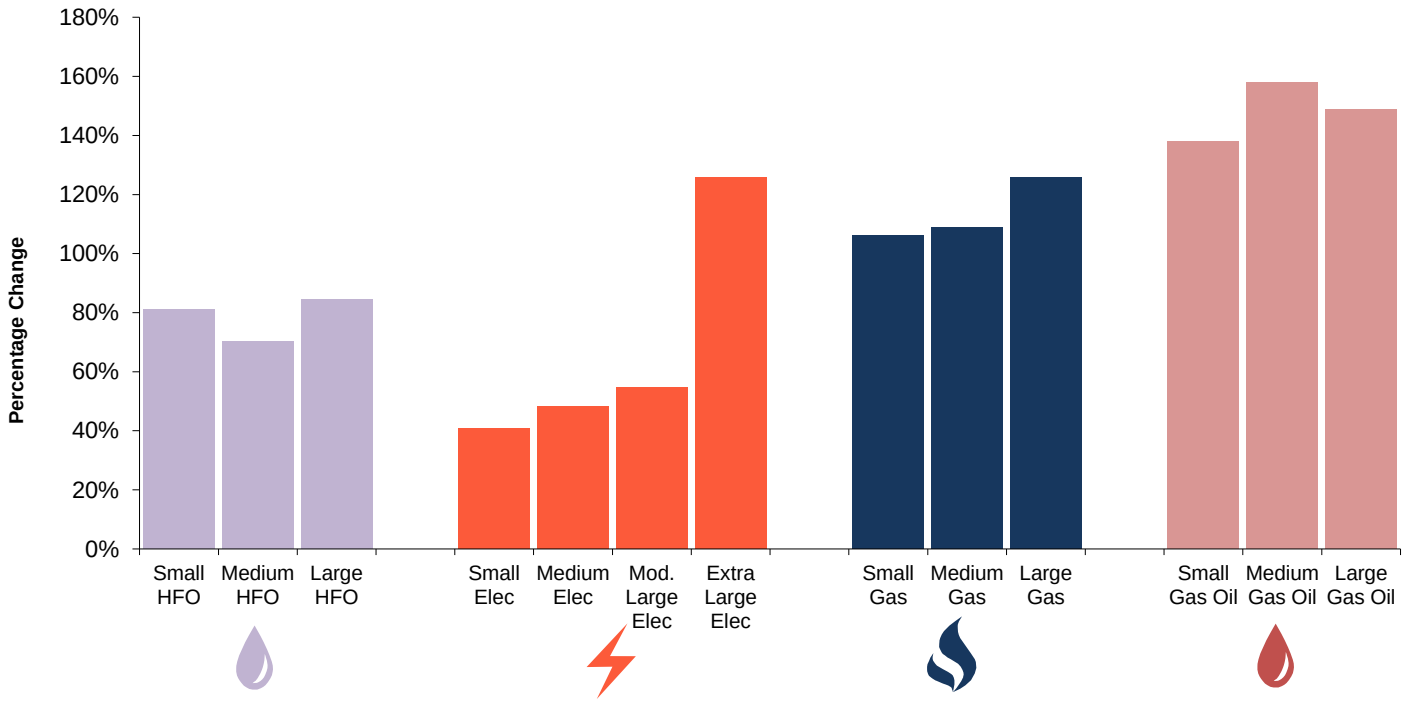
Gas Oil (sometimes referred to as Red Diesel for agricultural uses) is a more refined product than Heavy Fuel Oil and is also used as a fuel for heating and in off-road vehicles like tractors and machinery in the construction and agricultural sectors.

For reference, the various bands of consumers for manufacturing firms classified by the amount of fuel purchased in a year are shown in the table below:

	Small	Medium	Large[1]	Extra Large
Heavy Fuel Oil (tonnes)	< 490	490 - 4,900	> 4,900	
Electricity (MWh)	< 880	880 - 8,800	8,800 - 150,000	>150,000
Gas (MWh)	< 1,500	1,500 - 8,800	> 8,800	

1. Large is '*Moderately Large*' for electricity

Chart 3.3 Manufacturing industry fuel price change between Q2 2021 and Q2 2022 (provisional) by size of consumer (1)



(1) Percentage price movement between Q2 2021 and Q2 2022 for heavy fuel oil (HFO), electricity, gas and gas oil in cash terms excluding Climate Change Levy (CCL)

References and link to tables:
Table 3.1.1: Quarterly prices of fuels purchased by manufacturing industry (original units)
Table 3.1.2: Quarterly prices of fuels purchased by manufacturing industry (p/kWh)
Table 3.1.3: Annual prices of fuels purchased by manufacturing industry (original units)
Table 3.1.4: Annual prices of fuels purchased by manufacturing industry (p/kWh)

Compared to the previous year, **heavy fuel oil** consumers in the manufacturing industry in Q2 2022 have seen an average price **increase of 54 per cent** or **2.56 pence per kWh** in cash terms to 7.29 pence per kWh. Prices have continued to increase since 2021 with a large proportion of this increase taking place between the 1st and 2nd quarters of 2022.

Over the same period, the average price paid by **electricity** consumers in the manufacturing industry, in cash terms excluding CCL, **increased by 67 per cent** or **7.05 pence per kWh** to an average of 17.53 pence per kWh.

Compared to the previous year, in Q2 2022, the average price for **gas** consumers in the manufacturing industry, in cash terms excluding CCL, **increased by 125 per cent** or **2.25 pence per kWh**. Increasing from 1.83 pence per kWh in April to June 2021 to 4.08 pence per kWh in the same period in 2022. This change taking place predominately in the second half of 2021 with a drop between Q1 and Q2 2022, as this average closely follows the trend in wholesale gas prices.

Also, over the same period, the average price paid for **gas oil** in the manufacturing industry, in cash terms excluding CCL, **increased by 150 per cent** or **6.42 pence per kWh** to an average of 10.71 pence per kWh.

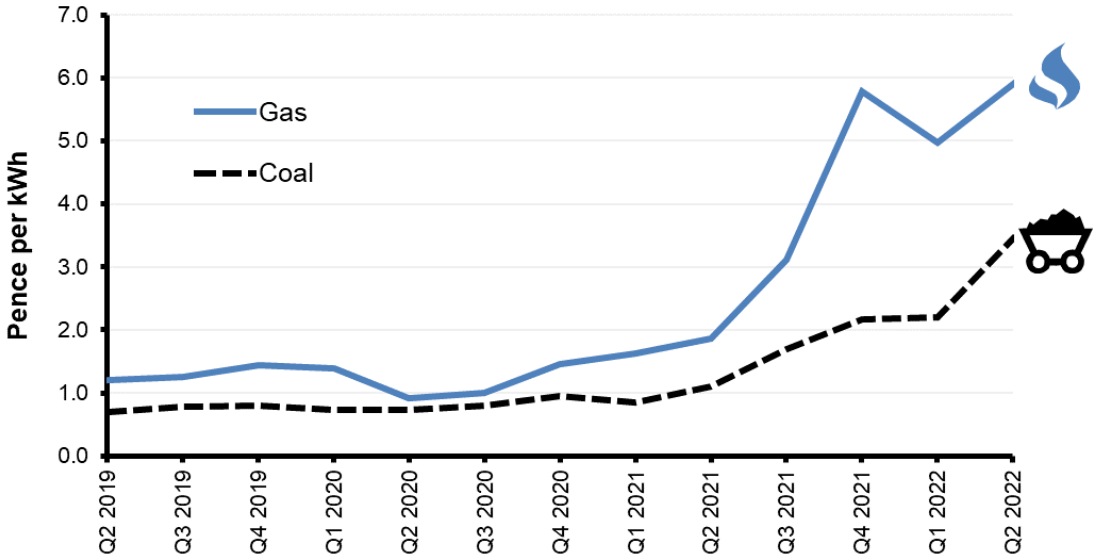
Average prices of fuels purchased by the major UK power producers

Major Power Producers are another distinct entity within 'Non-Domestic', it covers companies that use fuels such as natural gas and coal to produce electricity.

Average purchase costs of fuels (presented in common units) used to generate electricity are recorded in Table 3.2.1.

Please note: These figures present the fuel input costs, however comparing the different input costs between fuels does not explain the full costs involved in generation. Total generation costs are also affected by other costs, including transportation and the efficiency with which fuels are converted into electricity in different types of power station.

Chart 3.4 Price paid by UK power producers for coal and natural gas - quarterly



Reference and link to tables:
Table 3.2.1: Average price of fuels purchased by the major UK power producers

Between Q2 2021 and Q2 2022 the price of **coal** in cash terms for power stations **rose by 211 per cent** and was **up by 56 per cent on the previous quarter** to 3.4 pence per kWh. The **gas** price in Q2 2022 was **216 per cent higher** than the price at the same quarter in the previous year**.** There was an **18 per cent increase** on the previous quarter's price and now stands at 5.9 pence per kWh.

As shown in Chart 3.4, in Q2 2022 the price of gas, in pence per kWh, was **71 per cent** higher than the price of coal leading to a price gap in cash terms of 2.5 pence per kWh.

Oil and Petroleum Product Prices

This section presents information on oil and petroleum products prices paid in the United Kingdom. The petroleum products referred to in this section are unleaded petrol, diesel, burning oil and gas oil.

Diesel and unleaded petrol are referred to as **road fuels**. Together these account for the majority of fuels used in the transport sector with aviation fuel, biofuels and some gas oil making up the remainder.

This section focuses on the average 'forecourt' or 'pump' prices for unleaded petrol and diesel. Other derivatives of oil products are presented as their average wholesale prices.

All underlying petroleum and oil data and other related publications can be found on GOV.UK here: gov.uk/government/collections/road-fuel-and-other-petroleum-product-prices

In addition to the summary in this publication, average road fuel prices are also published in the **Weekly Road Fuel Prices** publication and are available at: gov.uk/government/statistical-data-sets/oil-and-petroleum-products-weekly-statistics

Also, experimental statistics on **Average Weekly Road Fuels Sales and Stock Levels at Forecourts** are available at gov.uk/government/statistics/oil-and-oil-products-section-3-energy-trends

Crude oil prices

Movements in the price of crude oil can affect the prices of the various refined petroleum products and therefore impact on the domestic and industrial fuels.

Over the years, several factors have affected the prices of crude oil, for example: oil shortages (1973), over-supply and weak demand (1998), hurricanes (2005), the global recession (2008-9), geopolitical tensions (2008 onwards) and more recently the Coronavirus pandemic and the recovery from it (2020 onwards), and the Russia-Ukraine conflict (2022 onwards).

Crude oil is the raw material processed at refineries to produce various petroleum products. They vary in colour, composition and consistency. The economic value of crude oil increases as its API gravity (a measure of its density) increases and its sulphur content decreases.

Chart 4.1 Monthly index[(1)] of crude oil prices acquired at refineries

The index represents the monthly average price paid by refineries, calculated in pound Sterling on a cost, insurance, freight (CIF) basis.

Reference and link to tables:

Table 4.1.1: Typical monthly retail prices of petroleum products and a crude oil index

Chart 4.1 shows the price indices of crude oil acquired by UK refineries over the past five years.

Since March 2020, demand has been affected by the Coronavirus pandemic which initially drove prices down, reaching a low in April 2020 before steadily rising throughout 2021 with a sharp uptick in early 2022 as volatility reflecting geopolitical events and the Russia-Ukraine conflict impacted global markets.

The latest available crude oil price index is for August 2022. Crude oil prices have fallen over the past two months by **12 per cent**. However, the price index remains high and was **73 per cent higher** than that of a year ago. Crude oil prices are now **12 per cent higher** than in March 2012, which was previously the highest level recorded in our series (which started in 1991) before this current price trend.

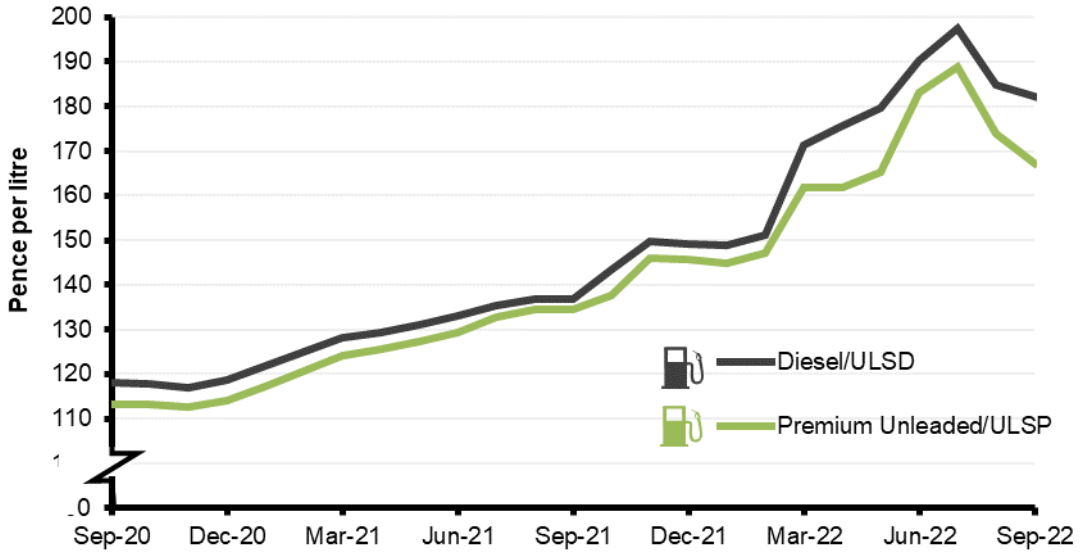
Retail prices of petroleum products

Prices of **unleaded petrol (ULSP)** and **diesel (ULSD)** are at their highest level in the recorded series. Pump prices reflect a range of factors include the wholesale price of crude oil, delivery and distribution costs, duty, VAT, environmental levies and retail margins.

ULSP Ultra-Low-Sulphur Petrol. This is the specific grade of petrol that is commonly used on forecourts across the UK. It is the standard for petrol used when referring to 'unleaded petrol' in this release.

ULSD Ultra-Low-Sulphur Diesel. This is the grade of diesel product used on forecourts in the UK. Wherever **DERV** or **Diesel-Engine Road Vehicles** is used in this release, it is referred to this standard for diesel.

Chart 4.2 Average retail prices of road fuels, monthly



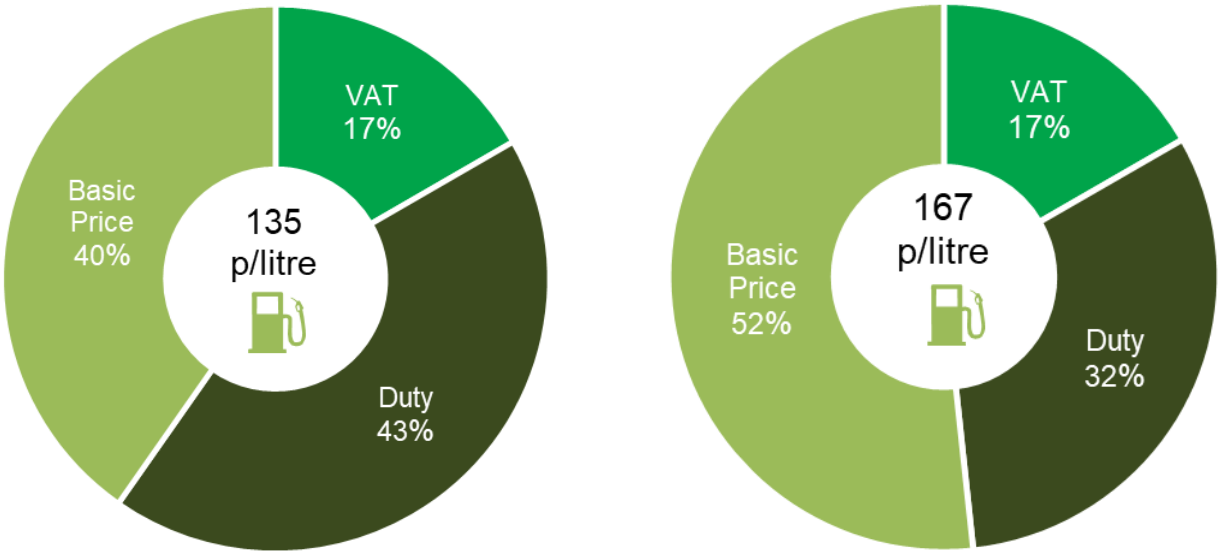
Reference and link to tables:
Table 4.1.1: Typical monthly retail prices of petroleum products and a crude oil index

Prices of petroleum products, including road fuels, are presented in Tables 4.1.1 to 4.1.3.

Chart 4.2 shows that, in mid-September 2022, a litre of **ULSP** was on average **167 pence per litre**. This was **24 per cent higher** than the same period the year before, but **11 per cent lower** than the recent peak of **189 pence per litre** in mid-July 2022.

The **ULSD** price was **182 pence per litre** in mid-September 2022. This was a **33 per cent rise** from the same period the year before. However, this is **down by 8 per cent** from the recent peak of **197 pence per litre** in mid-July 2022.

Chart 4.3 Component price of unleaded petrol, September 2021 and September 2022



September 2021 **September 2022**

Basic price is the price excluding VAT and duty
Reference and link to tables:
Table 4.1.1: Typical monthly retail prices of petroleum products and a crude oil index

Prices of petroleum products are also affected by duty rate changes and by changes in the general rate of VAT. Duty for road fuels from 23 March 2011 to 22 March 2022 were set at 57.95 pence per litre. From 23 March 2022 duty was reduced to 52.95 pence per litre[9]. In September 2022 duty made up **32 per cent** of the total price, this is down from **43 per cent** in September 2021.

Chart 4.3 shows the components of the retail price of petrol in September 2021 and 2022. In September 2022, the "**basic price**" (includes wholesale fuel price, delivery & distribution costs and retail margin but excludes tax and duty) of petrol was **87 pence per litre**, duty was at **53 pence per litre**, and VAT at 20 per cent of basic price plus duty was **28 pence per litre**.

The basic price made up **52 per cent** of the total price in September 2022, this is up **40 per cent** on the previous year.

Comparisons of the UK petrol and diesel prices with other countries, including the relative proportions of taxes and levies to basic price, can be found in the International Price Comparisons section below**.**

[9] Details of March 2022 duty changes can be found at https://www.gov.uk/government/publications/changes-to-fuel-duty-rates.

International Price Comparisons

This section compares prices data for the United Kingdom with the European Union and the International Energy Association (IEA).

The Department provides the IEA with UK data throughout the year and data from other countries are used in this report to make consistent comparisons to highlight relative competitiveness.

International Data all the underlying international comparisons data and related publications can be found on GOV.UK here: www.gov.uk/government/collections/international-energy-price-comparisons

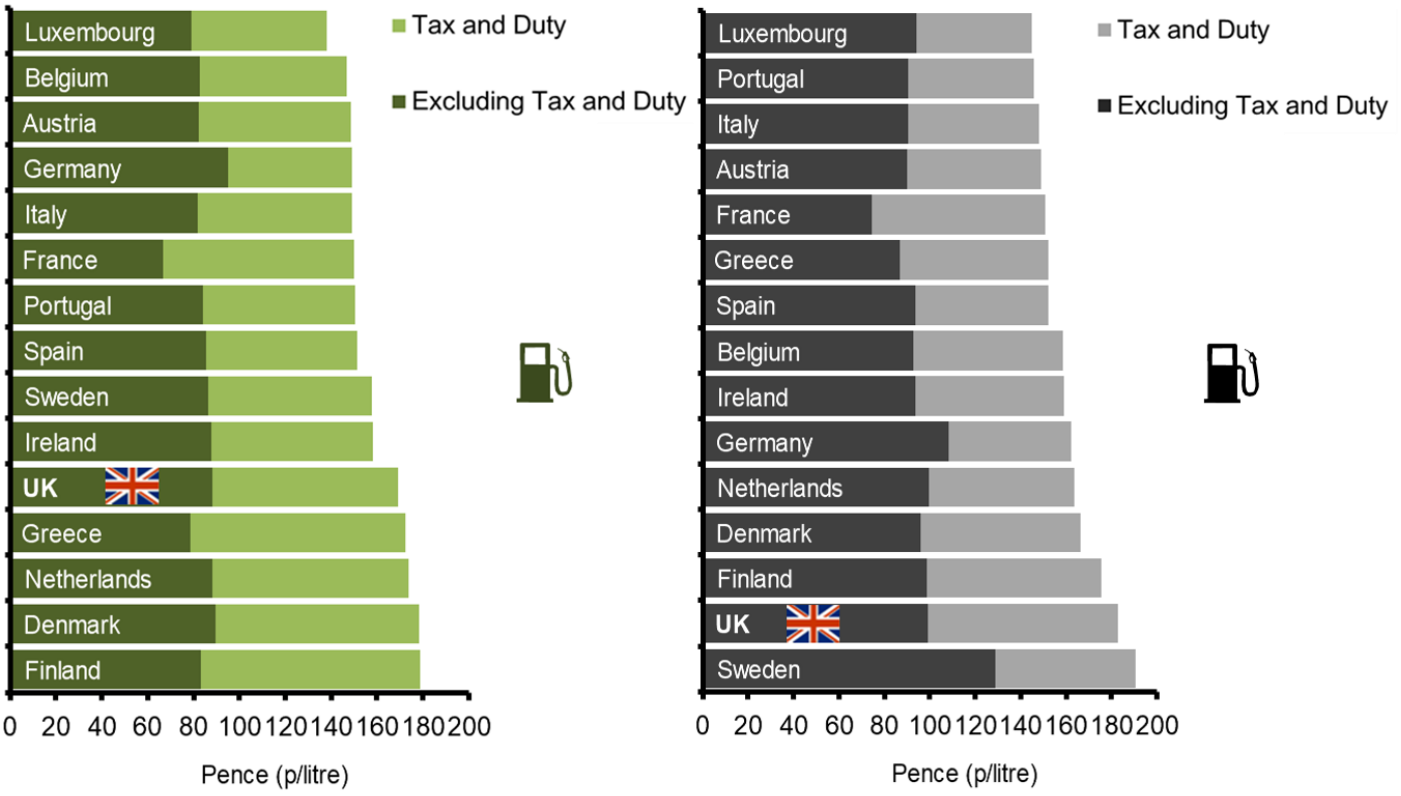
International prices vary due to many reasons including differences in indigenous resources and market structures, global issues, varying exchange rates and inflation rates.

Unleaded petrol and diesel prices

Chart 5.1 shows that in **August 2022** the **average UK unleaded petrol price**, including tax and duty, was **fifth highest** in the EU14 plus UK group at **169.3 pence per litre**. When presented in a common currency basis, the lowest price for unleaded was in Luxembourg at **138.1 pence per litre** while the highest price was in the Finland at **178.9 pence per litre**

In **August 2022** the **average UK diesel price**, including tax and duty was the **second highest** in the EU14 plus UK group at **182.7 pence per litre**. The lowest price for diesel was in Luxembourg at **144.8 pence per litre** while the highest was in Sweden at **190.4 pence per litre**.

Charts 5.1 & 5.2 Premium unleaded petrol prices and diesel prices, August 2022



Source: European Commission Oil Bulletin
Reference and link to tables:
Table 5.1.1 and 5.2.1: Premium unleaded petrol prices in the EU

Industrial electricity and gas prices

Prices for electricity and gas in this section and the related tables vary depending on the period covered (Eurostat generally provides data based on a 6-monthly basis but tables also provide annual estimates) and on the consumption level (by band size or an overall average).

Eurostat EU27 tables have more timely data on 6-monthly ('semester') basis and reflect changes on a shorter timescale. This data can be found on the Eurostat website, published under the Energy section of the Eurostat's Energy & Environment theme within the Europa database.

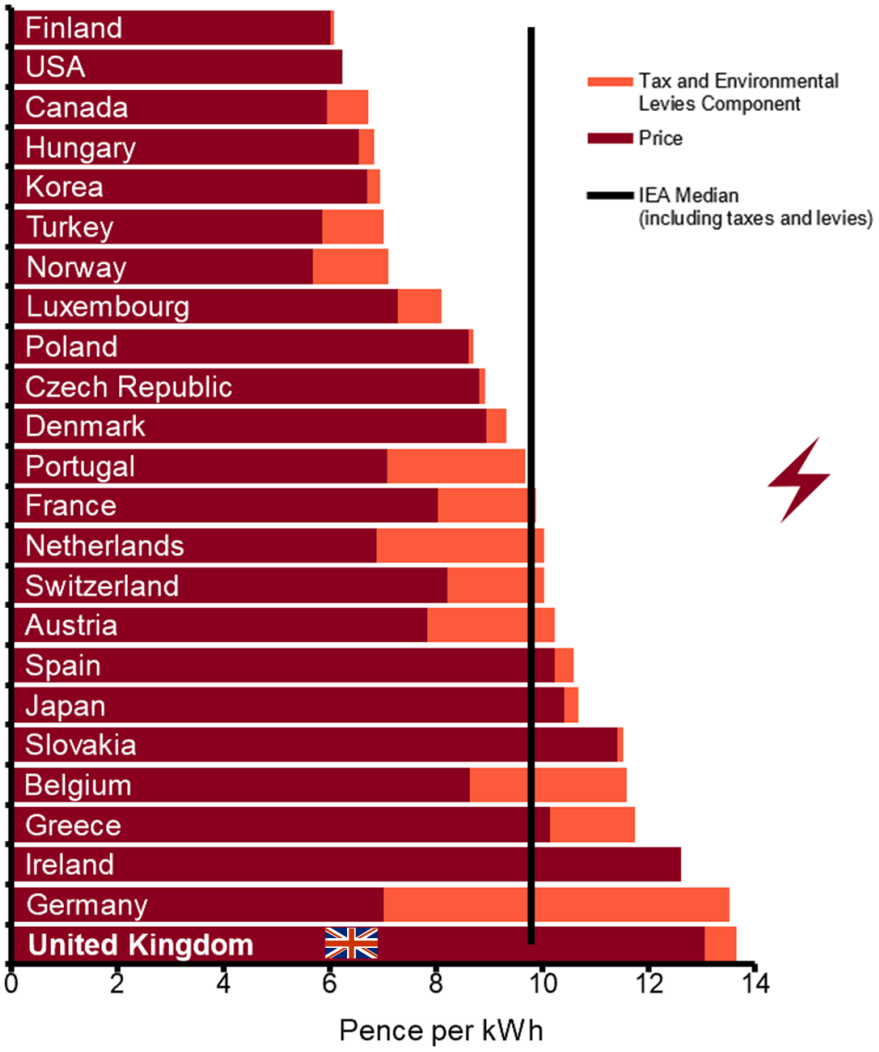
The annual IEA tables allow comparisons on a broader level including with non-EU countries.

The data in this release always refers to a 'Medium' consumer (see the Annex for definitions) of each fuel type. Rankings will differ between the IEA and Eurostat tables as the charts only include actual data available at the time of publication. A line on the charts is included to represent the median price *including* taxes and levies.

Electricity price comparisons with other IEA Countries

Of the 24 IEA countries reporting industrial electricity prices in 2021 the UK had the highest price. Finland had the lowest price.

Charts 5.3 Industrial electricity prices 2021



Source: IEA
Note: Data not provided by Greece, Italy, and Australia. No tax data was provided by the USA.
Reference and link to table:
Table 5.3.1: Industrial electricity prices in the IEA including and excluding taxes

Electricity price comparisons with EU Countries

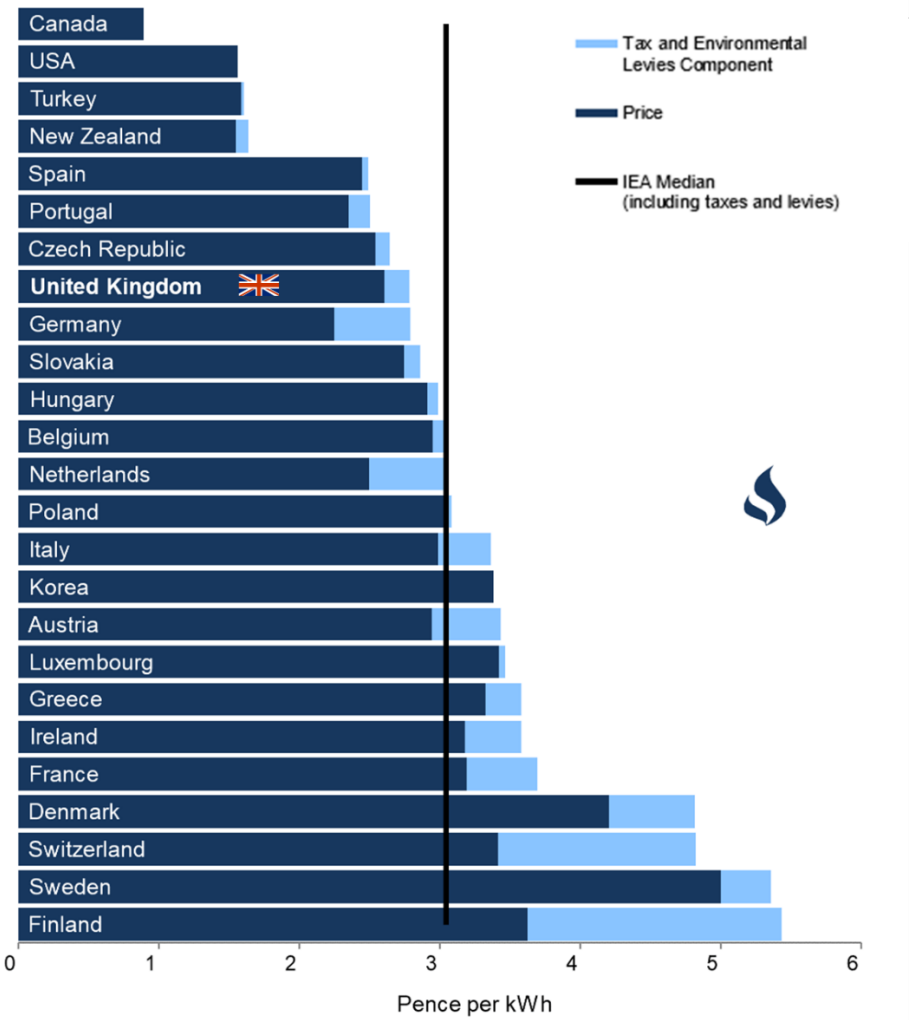
The most resent comparisons with EU countries are detailed in the June 2022 QEP publication found at https://www.gov.uk/government/statistics/quarterly-energy-prices-june-2022.

A link to table can be found here:
Industrial electricity prices in the EU for small, medium, large and extra-large consumers (QEP 5.4.1 to 5.4.4)

Gas price comparisons with other IEA Countries

Of the 25 IEA countries reporting industrial gas prices in 2021 the UK had the eighth lowest. Canada had the lowest price and Finland had the highest.

Charts 5.4 Industrial gas prices 2021



Source: IEA
Note: Data not provided by Finland, Greece, Italy, Australia, Japan, and Norway. No tax data was provided by the USA.
Reference and link to table:
Table 5.7.1: Industrial gas prices in the IEA including and excluding taxes

Gas price comparisons with EU Countries

The most resent comparisons with EU countries are detailed in the June 2022 QEP publication found at https://www.gov.uk/government/statistics/quarterly-energy-prices-june-2022.

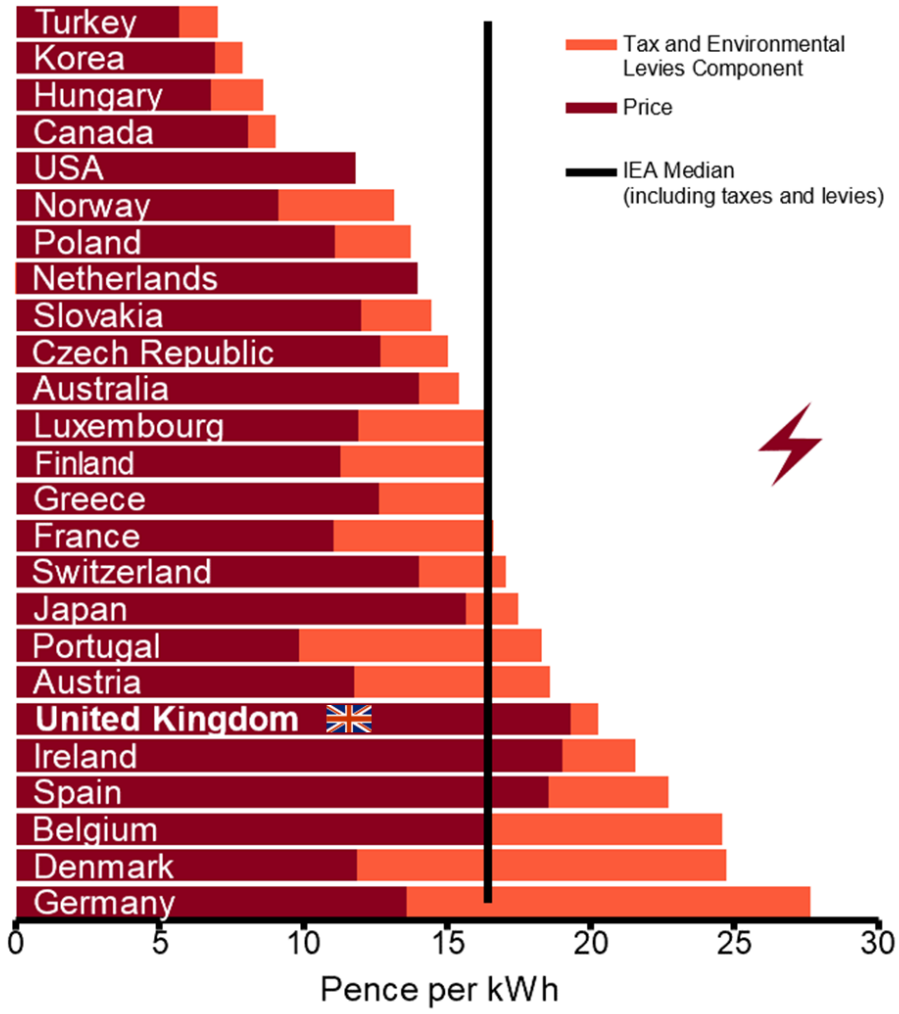
A link to tables can be found here:
Industrial gas prices in the EU for small, medium and large consumers (QEP 5.8.1, 5.8.2 and 5.8.3)

Domestic electricity and gas prices

Electricity price comparisons with other IEA Countries

Of the 25 IEA countries reporting domestic electricity prices in 2021 the UK had the sixth highest. Turkey had the lowest price and Germany had the highest.

Charts 5.5 Domestic electricity prices 2021



Source: IEA
Note: Data not provided by Greece and Italy. No tax data was provided by the USA.
Reference and link to table:
Table 5.5.1: Domestic electricity prices in the IEA including and excluding taxes.

Electricity price comparisons with EU Countries

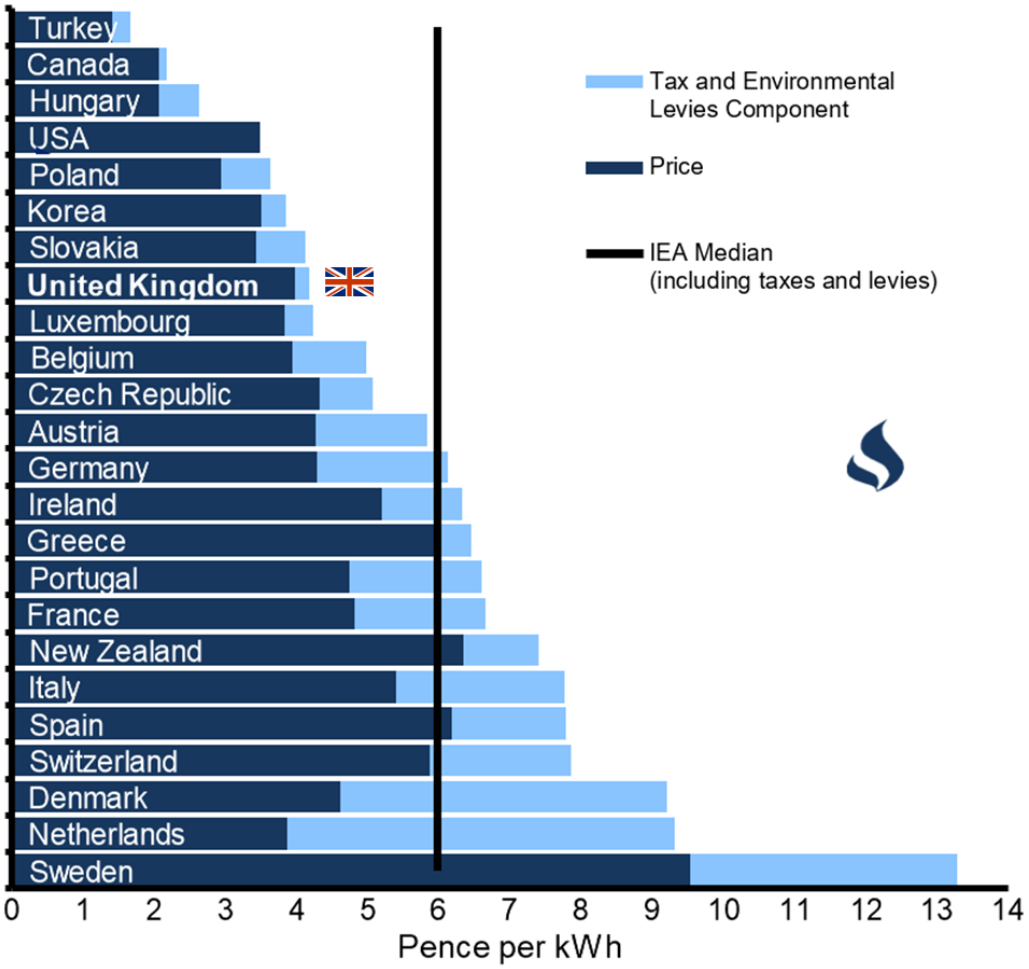
The most resent comparisons with EU countries are detailed in the June 2022 QEP publication found at https://www.gov.uk/government/statistics/quarterly-energy-prices-june-2022.

A link to tables can be found here:
Domestic electricity prices in the EU for small, medium and large consumers (QEP 5.6.1, 5.6.2 and 5.6.3)

Gas price comparisons with other IEA Countries

Of the 24 IEA countries reporting domestic gas prices in 2021 the UK had the eighth lowest. Turkey had the lowest price and Sweden had the highest.

Charts 5.6 Domestic gas prices 2021



Source: IEA
Note: Data not provided by Finland, Greece, Italy, Australia, Japan, and Norway. No tax data was provided by the USA.
Reference and link to table:
Table 5.9.1: Domestic gas prices in the EU15 and G7 countries including and excluding taxes

Gas price comparisons with EU Countries

The most resent comparisons with EU countries are detailed in the June 2022 QEP publication found at https://www.gov.uk/government/statistics/quarterly-energy-prices-june-2022.

A link to tables can be found here:
Domestic gas prices in the EU for small, medium and large consumers (QEP 5.10.1, 5.10.2 and 5.10.3)

Timetable and data tables

Update Timetable

Below are the update timetables for the four key areas covered in the Quarterly Energy Prices release. These underlying tables are published at various times of the year and sometimes outside of a quarterly National Statistics publication (which are published March, June, September and December each year).

Domestic Tables

Tables for the Domestic energy prices area:

Topic	Area	Freq.	No.	Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Domestic Energy Prices	Domestic energy price indices	Monthly	2.1.1	Consumer prices index: fuel components												
		Monthly	2.1.2	Consumer prices index: fuel components, relative to GDP deflator												
		Monthly	2.1.3	Consumer prices index: fuel components, monthly figures												
	Domestic Energy Bills Electricity	Annual	2.2.1	Average annual domestic electricity bills by home and non-home supplier			R									
		Annual	2.2.2	Average annual domestic electricity bills for UK countries			R									
		Annual	2.2.3	Average annual domestic standard electricity bills in 2017 for UK regions with average unit costs			R									
		Annual	2.2.4	Average variable unit costs and fixed costs for electricity for UK regions			R									
		Annual	2.2.5	Average annual domestic electricity bills by various consumption levels							R					
	Domestic Energy Bills Gas	Annual	2.3.1	Average annual domestic gas bills by home and non-home supplier			R									
		Annual	2.3.2	Average annual domestic gas bills for GB countries			R									
		Annual	2.3.3	Average annual domestic gas bills for GB regions with average unit costs			R									
		Annual	2.3.4	Average variable unit costs and fixed costs for gas for GB regions			R									
		Annual	2.3.5	Average annual domestic gas bills by various consumption levels							R					
	Customer numbers Electricity	Quarterly	2.4.1	Percentage of domestic electricity customers by region and supplier type												
		Quarterly	2.4.2	Regional variation of payment method for standard electricity												
		Quarterly	2.4.3	Regional variation of payment method for Economy 7 electricity												
	Customer numbers Gas	Quarterly	2.5.1	Percentage of domestic gas customers by region and supplier type												
		Quarterly	2.5.2	Regional variation of payment method for gas												
	Household Data	Annual	2.6.1	Total household expenditure on energy												
		Annual	2.6.2	Average expenditure each week on fuel per consuming household												
	Switch	Quarterly	2.7.1	Domestic energy switching statistics												

Industrial Tables

Tables for the Industrial energy prices area:

Industrial Energy Prices	Manufacturing industry	Quarterly	3.1.1	Prices of fuels purchased by manufacturing industry in Great Britain (original units)												
		Quarterly	3.1.2	Prices of fuels purchased by manufacturing industry in Great Britain (p/kWh)												
		Annual	3.1.3	***Annual*** Prices of fuels purchased by manufacturing industry in Great Britain (original units)						R						
		Annual	3.1.4	***Annual*** Prices of fuels purchased by manufacturing industry in Great Britain (p/kWh)						R						
	Power Producers	Quarterly	3.2.1	Average prices of fuels purchased by the major UK power producers												
	Industrial energy price indices	Quarterly	3.3.1	Fuel price indices for the industrial sector in current terms excluding the Climate Change Levy												
		Quarterly	3.3.2	Fuel price indices for the industrial sector in current terms including the Climate Change Levy												
	Industrial Energy Bills	Quarterly	3.4.1	Prices of fuels purchased by non-domestic consumers in the UK excluding the Climate Change Levy												
		Quarterly	3.4.2	Prices of fuels purchased by non-domestic consumers in the UK including the Climate Change Levy												

Fuel Tables

Tables for the Road fuel prices area:

Topic	Area	Freq.	No.	Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fuel Prices	Road Fuels and Petroleum Products	Monthly	4.1.1	Typical retail prices of petroleum products and a crude oil price index												
		Annual	4.1.2	Average annual retail prices of petroleum products and a crude oil price index	R											
		Annual	4.1.3	January prices of road fuels and petroleum products		R										

International Tables

Tables for the International energy price comparisons area:

International Prices	ULSP EU	Monthly	5.1.1	International road fuel prices Premium unleaded petrol prices in the EU
	ULSD EU	Monthly	5.2.1	International road fuel prices Diesel prices in the EU
	Ind. IEA Elec	Biannual	5.3.1	Industrial electricity prices in the IEA
	Industrial Prices EU Electricity	Biannual	5.4.1	Industrial electricity prices in the EU for small consumers (both excluding and including tax)
		Biannual	5.4.2	Industrial electricity prices in the EU for medium consumers (both excluding and including tax)
		Biannual	5.4.3	Industrial electricity prices in the EU for large consumers (both excluding and including tax)
		Biannual	5.4.4	Industrial electricity prices in the EU for extra-large consumers (both excluding and including tax)
	Dom. IEA Elec	Biannual	5.5.1	Domestic electricity prices in the IEA
	Domestic Prices EU Electricity	Biannual	5.6.1	Domestic electricity prices in the EU for small consumers (both excluding and including tax)
		Biannual	5.6.2	Domestic electricity prices in the EU for medium consumers (both excluding and including tax)
		Biannual	5.6.3	Domestic electricity prices in the EU for large consumers (both excluding and including tax)
	Ind. IEA Gas	Biannual	5.7.1	Industrial gas prices in the IEA
	Industrial Prices EU Gas	Biannual	5.8.1	Industrial gas prices in the EU for small consumers (both excluding and including tax)
		Biannual	5.8.2	Industrial gas prices in the EU for medium consumers (both excluding and including tax)
		Biannual	5.8.3	Industrial gas prices in the EU for large consumers (both excluding and including tax)
	Dom IEA Gas	Biannual	5.9.1	Domestic gas prices in the IEA
	Domestic Prices EU Gas	Biannual	5.10.1	Domestic gas prices in the EU for small consumers (both excluding and including tax)
		Biannual	5.10.2	Domestic gas prices in the EU for medium consumers (both excluding and including tax)
		Biannual	5.10.3	Domestic gas prices in the EU for large consumers (both excluding and including tax)

Key:

The colours on the timetable indicate the frequency and status of the data series:

Annual

Biannual

Quarterly

Monthly

R **Scheduled Revision**

Technical information

Information in this publication is sourced from various surveys of the energy industry conducted by the Energy Prices Analysis team in the Department for Business, Energy and Industrial Strategy (BEIS).

- The domestic bills information is collected as part of the Domestic Fuels Inquiry which surveys key energy suppliers to provide a representative sample of the market.
- The majority of the non-domestic data are sourced from the Quarterly Fuels Inquiry return, run by ONS on behalf of BEIS. Data is also sourced from Ofgem, the ONS and other BEIS surveys.
- International comparisons data are sourced from the International Energy Association and European Union and include UK data collected using the same definitions and standards

Data presented in the tables are in cash terms unless noted otherwise. Real terms data are those from which the effects of inflation, as measured by the Gross Domestic Product (GDP) market prices deflator, have been removed. The GDP deflator provides an index of inflation for the whole economy and is applicable to domestic and industrial prices.

Further information on the data sources, processing methods, uses of and quality assurance of the data can be found in the associated Methodology documents:
Domestic energy prices: data sources and methodology
Industrial price statistics: data sources and methodologies
International comparisons: data sources and methodologies
Road fuel price statistics: data sources and methodologies

From March 2020, bills data have been presented with fixed annual consumption levels of 13,600 kWh for gas and 3,600 kWh for standard electricity (5,100 kWh for Economy 7 electricity) to allow comparisons over time of **actual price** changes, keeping change in consumption constant.

The new consumption levels were calculated using the same methodology as previously used in 2014. This takes weather adjusted consumption data for the United Kingdom from the Digest of UK Energy Statistics (DUKES) and calculates an average from this using customer numbers from the Energy Consumption in the UK (ECUK) publication.

Revisions policy

The BEIS statistical revisions policy sets out the revisions policy for these statistics, which has been developed in accordance with the UK Statistics Authority Code of Practice for Statistics.

Related publications

Energy Trends

Energy Trends contains quarterly data on production and consumption of overall energy and of the individual fuels in the United Kingdom. Also includes data on foreign trade in fuels.
www.gov.uk/government/collections/energy-trends

Digest of UK Energy Statistics (DUKES)

Also available from The Stationery Office and can be ordered through Government Bookshops. DUKES contains annual data on production and consumption of overall energy and of the individual fuels in the United Kingdom. Also includes a commentary covering all the major aspects of energy and gives a comprehensive picture of energy production and use over the last five years with key series taken back to 1970.
www.gov.uk/government/collections/digest-of-uk-energy-statistics-dukes

UK Energy in Brief

An annual publication summarising the latest statistics on energy production, consumption and prices in the United Kingdom. The figures are taken from the 'Digest of UK Energy Statistics'. Available at: www.gov.uk/government/collections/uk-energy-in-brief

Fuel Poverty Statistics

An annual publication outlining the number of households living in fuel poverty in England, with additional analysis of the composition of the fuel poor group and future projections of the number of households in fuel poverty. Available at:
www.gov.uk/government/collections/fuel-poverty-statistics

Sub-National Energy Consumption Statistics

Sub-National data are produced by BEIS to emphasise the importance of local and regional decision making for energy policy in delivering several national energy policy objectives. Data is available here:
https://www.gov.uk/government/publications/regional-energy-data-guidance-note

National Energy Efficiency Data-framework (NEED)

BEIS has constructed a National Energy Efficiency Data-framework (NEED) to enable detailed statistical analysis of energy efficiency. The data framework matches the gas and electricity consumption data collected for BEIS sub-national energy consumption statistics and records of energy efficiency measures in the Home Energy Efficiency Database (HEED) run by the Energy Saving Trust (EST), as well as typographic data about dwellings and households.
www.gov.uk/government/collections/national-energy-efficiency-data-need-framework

Household Energy Efficiency

BEIS publishes a range of information relating to the Energy Company Obligation (ECO) and Green Deal (GD). The headline release presents monthly updates of ECO measures and quarterly updates of in-depth ECO statistics, carbon savings and the Green Deal schemes. The detailed report presents annual updates on in-depth Green Deal statistics and insulation levels. Data is available at:
www.gov.uk/government/collections/household-energy-efficiency-national-statistics

UK Greenhouse Gas Emissions Statistics

Emissions data are produced by BEIS to show progress against the UK's goals, both international and domestic, for reducing greenhouse gas emissions.
www.gov.uk/government/collections/uk-greenhouse-gas-emissions-statistics

UK Energy and CO2 emissions projections

The Updated Energy Projections (UEP) are published annually by BEIS. They provide updated projections and analysis of energy use and carbon dioxide emissions in the UK. The UEP exercise incorporates all firm environmental policy measures and is based on updated assumptions consistent with the most recent UK Budget announcements. The latest report is available at: www.gov.uk/government/collections/energy-and-emissions-projections

Policy publications

The Department for Business, Energy and Industrial Strategy is responsible for business, industrial strategy, science, research & innovation, energy and clean growth and climate change.

The policy that the department works on and the associated documentation can be found on the GOV.UK site here.

The energy statistics section is here:
www.gov.uk/government/organisations/department-for-business-energy-and-industrial-strategy/about/statistics

The Energy White Paper

On 14 December 2020, the Energy White Paper was published, setting out how the UK will clean up its energy system and reach net zero emissions by 2050. This is available at:
https://www.gov.uk/government/publications/energy-white-paper-powering-our-net-zero-future

Further information

Uses of these statistics

The data associated with this release is used in internal analysis to help form policy decisions and is also used by industry and the academic community to monitor trends in the prices market.

The department has an obligation to provide processed data to the International Energy Association (IEA). The data within and associated with this publication are also used to answer Parliamentary questions and Freedom of Information requests.

User engagement

Users are encouraged to provide comments and feedback on how these statistics are used and how well they meet their needs.

Comments on any issues relating to this statistical release are welcomed, please direct any suggestions about changes to the content or scope of this publication to the energyprices.stats@beis.gov.uk mailbox.

The BEIS statement on statistical public engagement and data standards sets out the department's commitments on public engagement and data standards as outlined by the Code of Practice for Statistics.

National Statistics designation

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.

Information in this release undergoes the level of quality checks expected of a National Statistics release. The full detail of the measure we take are in the associated methodology documents.

The continued designation of these statistics as National Statistics was confirmed in September 2018 following a compliance check by the Office for Statistics Regulation. The statistics last underwent a full assessment against the Code of Practice for Statistics in June 2014.

Pre-release access to statistics

Some ministers and officials receive access to some key figures within these statistics up to 24 hours before release.

Details of the arrangements for doing this and a list of the ministers and officials that receive pre-release access to these statistics can be found in the BEIS statement of compliance with the Pre-Release Access to Official Statistics Order 2008.

Contact

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Responsible Statistician for this release

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The Department for Business, Energy and Industrial Strategy **media enquiries desk** can be reached on 020 7215 1000

More information on BEIS energy publications is available on the BEIS website:
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