Simpler bills, greater engagement, more switching . . .

Hywel Lloyd, Principal Associate



The Progressive Policy
Think Tank

Institute for Public Policy Research



KOETEP THE STUMPTHE

ENERGY BILLS MADE EASY

General Observations

- The UK is the only country in Europe with a smart meter rollout that is led by suppliers
- The UK is among the most competitive retail markets in Europe
- Yet there are still clear challenges with consumer engagement in the energy billing process, which may need to be overcome as we move towards more flexible, demand-side energy management
- Though some countries studied have less competitive energy markets, they also appear to have a different political philosophy on the commoditisation of energy in the first place

Other UK utilities

Variability of price:

- Mobile phones have competitive offers between companies and within them but offer clearly different levels of service
- Mobile phone billing is often the same price per month
- Petrol is competitive between different petrol stations and is priced differently according to different fuel, rather than customer led tariffs
- Water billing provides an estimation of cost and water usage ahead of time of billing
- Energy and gas are the only utilities with variable tariffs for the same type and quality of product (i.e. you can't have "better electricity" unless you're adding a premium for renewable sources)

Time of billing:

- Water bills come twice per year
- Mobile phone bills are monthly
- Petrol billing is ad-hoc according to consumer needs

YOUR MONTHLY STATEMENT

DUE DATE: 30TH SEPTEMBER

Bill holder name Address line 1 Address line 2 Postcode

Total bill to pay this month (1st August - 31st August):

£110

£50 from gas, £60 from electricity £0 from last month's bill

Total bill paid last month (1st July - 31st July):

£105

£45 from gas, £60 from electricity £0 from last month's bill

IMPORTANT NUMBERS

Customer service: 07XXX222333

Your account number: 4375 0243

EMERGENCY NUMBERS

Gas leak: 07XXX222333

Power outage: 07XXX222333

Fire: 999

ADVICE FOR SAVING ENERGY

Visit:

www.energysavingtrust.org

Call:

07XXX222333

Consumers with similar households in your area are spending:

£100

£45 from gas £55 from electricity

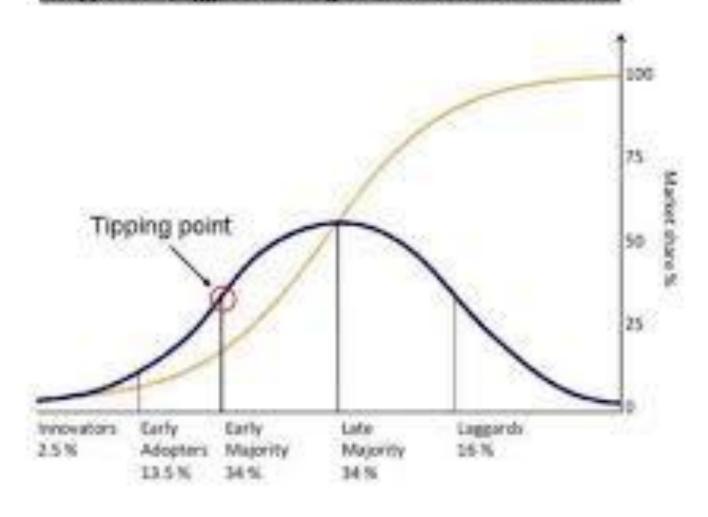
CAN YOU GET A BETTER DEAL?

Visit:

www.compare_energy_prices.com

Or call your supplier on: 07XXX222333

Rogers' Diffusion of Innovation Curve



Thank you for listening

Hywel Lloyd h.lloyd@ippr.org



The Progressive Policy
Think Tank