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Enterprise & Regulatory Reform

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Changes to web site addresses

DTI became BERR (Department for Business, Enterprise and Regulatory Reform) on 28 July 2007. Web addresses given in this edition of Quarterly Energy Prices relate to the new BERR website. The BERR home page (www.berr.gov.uk) contains details of how to locate any references listed in previous editions of Quarterly Energy Prices.

The cover illustration used for Quarterly Energy Prices and other BERR energy statistics publications is from a photograph by Peter Askew. It was a winning entry in the DTI Sports and Social Association's 2002 Photographic Competition.

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Please direct any suggestions about changes to the content or scope of this publication to Jo Marvin
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**This publication, including historical data, is available on the internet at
www.berr.gov.uk/energy/statistics/publications/prices/index.html**

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Other Useful websites

Ofgem	www.ofgem.gov.uk/
DEFRA	www.defra.gov.uk
HM Revenue and Customs	www.hmrc.gov.uk
International Energy Agency	www.iea.org
Eurostat	www.eurostat.ec.europa.eu/
UK Petroleum Industry Association	www.ukpia.com

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EXPLANATORY NOTES ARE TO BE FOUND INSIDE THE BACK COVER

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Update Timetable

All tables will be updated in the December 2008 edition with the following exceptions:

Table	Next update on the Internet	Next publication date
2.1.1	October 2008	December 2008
2.1.2	October 2008	December 2008
2.6.1	June 2009	June 2009
2.6.2	June 2009	June 2009
4.1.1	October 2008	December 2008
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Change in methodology for Section 5 Eurostat Tables

Eurostat has changed the methodology used to compile the Price Transparency data shown in tables 5.4.1 – 5.4.4, 5.6.1 - 5.6.3, 5.8.1 – 5.8.3 and 5.10.1 – 5.10.3.

As of 1st January 2008, under the new methodology data shows average prices over 6-month periods (January - June and July - December), and each sizeband will cover a range of consumption. Previously, the Price Transparency data was for a single point in time (1st January and 1st July), and each sizeband was represented by a single consumption figure. Details of the old and new sizebands are shown in Annex A.

In this edition of QEP we are publishing revised estimates for S1 (January – June) 2008. We intend to publish estimates for the second half of 2008 in the December 2008 edition.

The change of methodology will create a discontinuity within the price series. We are publishing the new methodology prices within the same tables, with a clear distinction between old and new data. Whilst prices using the old and new methodologies will not be comparable, the UK ranking and UK price relative to the EU median should be broadly comparable across the old and new data.

For UK industrial gas and electricity prices, the new collection methodology is identical to that used to compile Tables 3.4.1 and 3.4.2 of Quarterly Energy Prices, so UK price comparisons back to 2004 can be undertaken using data published in those tables.

Section 1 – Introduction

1.1 This is the thirtieth issue of the 'Quarterly Energy Prices' publication, which covers the price data formerly included in 'Energy Trends' and the 'Digest of UK Energy Statistics'. The publication, including all the tables as Excel files, is available on the Internet at www.berr.gov.uk/energy/statistics/publications/prices/index.html. Monthly updates on the prices of petroleum products are posted at the same address, as are any tables affected by changes in the GDP deflator.

1.2 There are analyses of provisional Q2 2008 quarterly prices for industrial consumers in this issue along with annual 2007 prices, and provisional gas and electricity bills for domestic consumers in 2008. There is also a comparison of prices in the EU and G7 countries with those in the UK for 2007, sourced from IEA data. The petroleum product prices are provisional September 2008 prices, whilst the international unleaded petrol and diesel prices are for August 2008.

1.3 This issue also includes analyses of electricity and gas prices in the EU 15 and accession countries compared to those in the UK, by size of consumer. These tables are based upon data published by Eurostat, the EU statistical office, in their Statistics in Focus series. Until January 2008, prices published were for 1st January and 1st July each year for selected cities in the EU. From January 2008, prices are for the 6-month periods from January – June and July – December for each year for the same cities. The tables cover the period from 1st January 2006 to 1st July 2007 and prices for July – December 2007. For selected sizes of consumers in selected countries there are also revised estimated prices for the period January - June 2008. These estimated prices are based upon data provided by Energy Advice Ltd (telephone 020 8393 4230). Details of the methodology used to estimate these prices are given in paragraphs A38 to A45 in the Technical Notes (Annex A).

1.4 The next issue, published on 23 December 2008, will present provisional Q3 2008 data for energy prices for the manufacturing sector, industrial and domestic fuel price indices and the price of fuels for major power producers. The petroleum product prices table will have provisional prices for December 2008 and there will also be an analysis of international petrol and diesel prices as at November 2008.

1.5 Data in the tables are mainly in cash prices. However, price comparisons (unless otherwise stated) refer to movements in data in real terms. These are prices 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 in the whole economy and therefore is applicable consistently to domestic and industrial prices.

1.6 For most fuels there is a difference in the prices paid by smaller consumers, typically households, and those paid by larger consumers, usually those in the industrial sector. Indeed, there are differences in prices between large and small industrial users. In a competitive energy market, larger customers can negotiate lower prices. A household's energy demands may be more variable through the day and year (and therefore higher in peak price times) than those of industrial customers who use energy for continuous processes or can load manage. For these reasons the tables show prices separately for domestic and industrial consumers. Although no prices are given for commercial consumers, prices for the domestic sector should be fairly close to those for smaller commercial consumers and industrial prices should provide a reasonable proxy for larger customers in the commercial sector. The source of all data is the Department for Business, Enterprise and Regulatory Reform unless otherwise stated.

The main points in this edition are presented below:

Domestic

- Overall the price paid for fuel and light in real terms has risen by 9.8 per cent between Q2 2007 and Q2 2008. In that period, domestic electricity prices rose by 7.5 per cent in real terms and gas by 4.9 per cent. The price of heating oils increased by 65.0 per cent in real terms, whilst the price of coal and smokeless fuels rose by 10.1 per cent in real terms.
- Provisional 2008 figures show that an average standard credit electricity bill increased by £21 compared to 2007, to £404. Average direct debit and prepayment bills increased by £25 to £374 and £18 to £419 respectively.
- Provisional 2008 figures show an average standard credit gas bill has risen by £21 over average 2007 bills, to £573. Average direct debit bills increased by £31 to £528, and prepayment bills increased by £41 to £630.
- At the end of June 2008, 13.5 million (51 per cent of) domestic electricity customers and 12.1 million (55 per cent of) domestic gas customers were no longer with their home supplier.

Industrial

- Average industrial electricity prices, including the Climate Change Levy (CCL), increased in real terms by 14.3 per cent in the year to Q2 2008. Over the same period, industrial gas prices, including CCL, increased by 72.1 per cent in real terms, while average coal prices increased by 62.0 per cent in real terms. The inclusion of CCL increases the average price of coal by 5.6 per cent and the average price of electricity and gas by 3.4 and 2.5 per cent respectively.

Oil and petroleum product prices

- The average cost of crude oil acquired by refineries in August 2008 was 66.0 per cent higher than a year ago.
- In mid September 2008, a litre of ULSP was 112.5 pence, on average, 11.6 pence per litre less than diesel. Diesel prices were 27.8 pence per litre higher than a year ago, at 124.1 pence. ULSP prices were 18.1 pence per litre higher than a year ago.

International

- In August 2008, average UK unleaded petrol prices, including taxes, were the eighth highest in the EU, at 112.1 pence per litre, when presented in a common currency basis. The highest prices were in the Netherlands at 126.0 pence per litre, whilst the lowest price was in Bulgaria at 84.3 pence per litre. Average UK diesel prices including taxes in August 2008 were the highest within the EU, at 124.0 pence per litre, and were 35.3 pence per litre higher than the lowest price of 88.7 pence per litre in Bulgaria.
- Based on estimated data, UK industrial electricity prices, including non-refundable taxes, were above the EU 15 median price for the period January - June 2008 for all consumers, except medium consumers including tax, which were around the median. UK industrial gas prices were below the median for all consumers including and excluding tax. Estimated UK domestic gas and electricity prices, including taxes, for medium consumers were the lowest and fifth lowest in the EU 15 respectively.
- The pound depreciated against the euro by around 12 per cent between the second half of 2007 and the first half of 2008. This means that countries that use the euro will show increased prices when expressed in pounds sterling.

Section 2 – Domestic Prices

Retail price of fuels for the domestic sector

2.1.1 Increases in wholesale gas prices in late 2000 began to feed through to domestic customers in mid 2001. Since 2001 there have been further rises in wholesale gas prices, partly due to upward pressure on prices in continental Europe, where gas prices are contractually linked to oil prices. There are also specific conditions relating to the UK gas market which have affected UK prices. UK Continental Shelf gas production is declining, so the UK gas market is in a transitional phase as it adjusts to increasing import dependence.

2.1.2 Gas prices in real terms fell each year from 1995 to 2000 due to the advent of competition (see paragraph 2.4.1 for more details), the reduction in VAT from 8 to 5 per cent in September 1997, and reductions in British Gas' standard tariffs. Since 2001, prices have risen as a result of wholesale price increases.

2.1.3 Wholesale electricity prices have more than doubled since the third quarter of 2007, largely because of increased cost for fossil fuels (primarily wholesale gas) and carbon allowances. Domestic electricity and gas suppliers increased prices in the first quarter of 2008 as a result of the increase in wholesale prices. Further increases were announced by all suppliers in the third quarter of 2008. The effect of these third quarter rises have been modelled into the bills presented and as such it should be noted they are provisional. The increase in annual bills continues, with provisional average bills for 2008 higher than average bills in 2007, due to the increases seen in Q1 and Q3 2008.

2.1.4 Between 1992 and 2003, domestic electricity prices in real terms fell in every year, with the exception of 1994 when VAT was introduced at 8 per cent in April. This fall is mainly attributable to downward pressures from price controls set by the regulator, Ofgem, the introduction of full competition into the domestic supply market, the reduction in VAT and the Fossil Fuel Levy, and the introduction of the New Electricity Trading Arrangements. Wholesale prices led to the increase in electricity prices seen since 2003.

2.1.5 Heating oil prices typically follow crude oil prices, e.g. rising rapidly in 1990 due to the Gulf crisis, before falling back to a post 1973 low in 1995. Since 1995 prices have fluctuated, increasing strongly in 2000, falling in 2001 and 2002, before starting to increase once more in 2003. Since 2004 prices have increased strongly following crude oil price rises.

2.1.6 From 1992 to 2000, prices of fuels used in motor vehicles increased in real terms year on year. The increases in petrol prices from 1993 through to 1999 resulted chiefly from Budget increases in the duty payable on petrol and diesel. Prices fell in real terms in 2001 and 2002, then started to rise again in 2003.

Domestic gas and electricity bills

2.2.1 Provisional 2008 bills show gas and electricity customers on direct debit paid less than customers on other payment methods. For electricity prepayment customers, provisional bills for 2008, are higher for non-home suppliers than the home supplier (the original supplier in any given area). Note: these bills relate to the total amount charged during the year, rather than a bill based on the latest prices.

2.3.1 See paragraph 2.2.1 for background on Table 2.3.1 and average domestic gas bills.

Domestic gas and electricity competition

2.4.1 Competition in domestic electricity supply began on 14 September 1998 with 750,000 consumers in four supply areas. Competition was extended during late 1998 and early 1999, and was extended to all consumers in Great Britain on 24 May 1999. The first trial in competitive gas supply started in April 1996 with 500,000 customers in the South West of England. Other areas were opened gradually over the next two years, and all customers were able to choose their gas supplier by May 1998. At present, the electricity market in Northern Ireland is largely monopolistic and subject to Ofreg price controls, although a start has been made to open the market to competition. Gas is not yet widely available in Northern Ireland.

2.4.2 The rate of transfers in the electricity industry have risen between Q1 2008 and Q2 2008, averaging 446,000 transfers per month in the second quarter of 2008, compared with 417,000 per month in the previous quarter. The rate of transfer in the gas industry has increased in recent months, averaging 357,000 customers per month in Q2 2008 compared to 312,000 in Q1 2008. (Transfer statistics shown are now based on information provided by Ofgem from the Distribution Network Operators. Information published in Quarterly Energy Prices prior to December 2007 has been based on supplier transfer information from Ofgem. This improved methodology will continue to be used in future editions of Quarterly Energy Prices).

2.4.3 The methodology used to split home and non-home electricity suppliers has changed following consultation. Previously, a household was counted as being a 'home' customer if they were listed as still receiving electricity from their historic Public Electricity Supplier (PES). However, due to different reporting systems, the customer numbers counted as being with their PES was inconsistently recorded across the 6 main energy suppliers. The new methodology counts a household as being with their home supplier if they are either with their original PES or with the relevant parent company. This change in methodology has resulted in an increase in the number of customers considered to be with their home supplier. The change applies only to data from September 2007 onwards, and hence does not affect annual 2007 bills.

2.5.1 See paragraphs 2.4.1 to 2.4.2 for background on domestic gas competition.

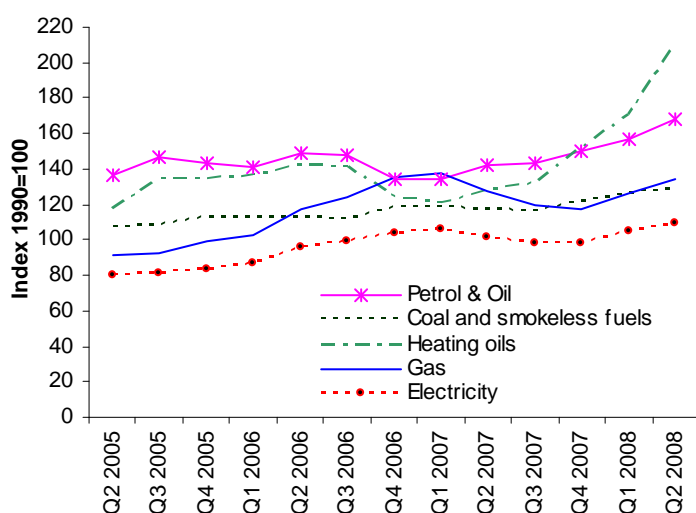
2.1 Retail price of fuels for the domestic sector

Table 2.1.1: Retail prices index: fuel components in the UK

Table 2.1.2: Retail prices index: fuel components, relative to GDP deflator

Table 2.1.3: Retail prices index: fuel components, monthly figures *

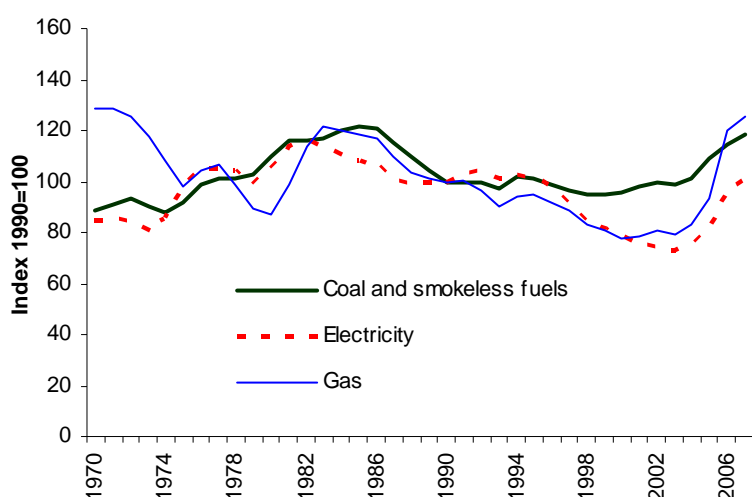
Chart 2.1.1 Fuel price indices in the domestic sector in real terms Q2 2005 to Q2 2008



Source: ONS, Retail prices index

- Provisional Q2 2008 data shows that the prices paid for all fuel and light have risen by 9.8 per cent in real terms between Q2 2007 and Q2 2008.
- Domestic electricity prices, including VAT, rose by 7.5 per cent in real terms in the year to Q2 2008. Domestic gas prices, including VAT, rose by 4.9 per cent in real terms in the year to Q2 2008.
- Prices of heating oil, including VAT, rose 65.0 per cent in real terms in the year to Q2 2008. Petrol and oil prices, including VAT, rose by 17.7 per cent in real terms between Q2 2007 and Q2 2008.

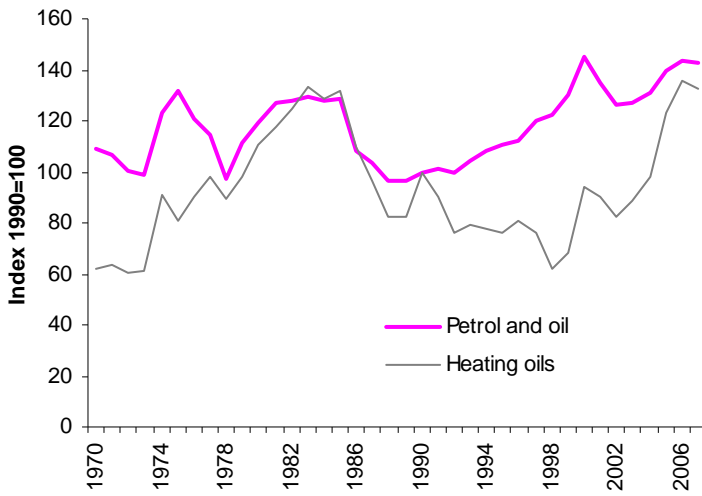
Chart 2.1.2 Fuel price indices in the domestic sector in real terms 1970 to 2007



Source: ONS, Retail prices index

- The prices paid by domestic customers for all fuel and light rose by 3.8 per cent in real terms between 2006 and 2007.
- Domestic electricity prices, including VAT, rose by 4.7 per cent in real terms between 2006 and 2007. Domestic gas prices, including VAT, rose by 4.4 per cent in real terms during the same period.
- Prices for domestic coal and smokeless fuels rose by 3.9 per cent in real terms between 2006 and 2007.

Chart 2.1.3 Fuel price indices in the domestic sector in real terms 1970 to 2007



- The price of domestic heating oil increased by 53.4 per cent between 2003 and 2006. However, there was a real terms fall of 2.2 per cent from 2006 to 2007.
- Petrol and oil prices fell by 0.4 per cent between 2006 and 2007.

Source: ONS, Retail prices index

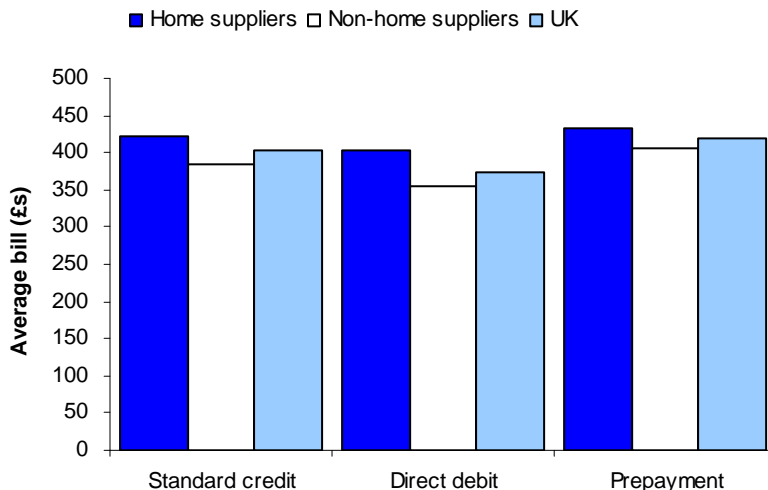
2.2 Domestic electricity bills

Table 2.2.1: Average annual domestic electricity bills, by home and non-home supplier

Table 2.2.2: Average annual domestic electricity bills for UK countries

Table 2.2.3: Average annual domestic electricity bills for selected towns and cities in the UK

Chart 2.2.1 Average UK annual domestic standard electricity bills 2008



- 2008 provisional figures show that an average standard credit bill increased by £21 compared to 2007. Average direct debit and prepayment bills increased by £25 and £18 respectively.
- 2008 provisional figures show that a standard credit customer with a non-home supplier, on average, paid £36 less than a customer who had not changed supplier. Equivalent savings for direct debit customers were £47.
- 2008 provisional figures show that prepayment customers with their home supplier, on average, paid £25 more than those with a non-home supplier.

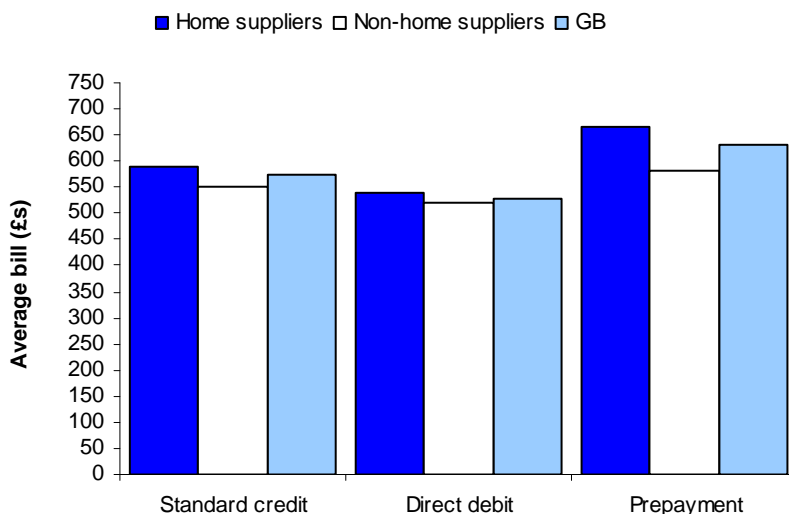
2.3 Domestic gas bills

Table 2.3.1: Average annual domestic gas bills, by home and non-home supplier

Table 2.3.2: Average annual domestic gas bills for GB countries

Table 2.3.3: Average annual domestic gas bills for selected towns and cities in Great Britain.

Chart 2.3.1 Average GB annual domestic gas bills 2008



- Provisional average standard credit bills in 2008 have risen by £21 compared to average 2008 bills. Comparable increases for average direct debit and prepayment bills are £31 and £41 respectively.
- 2008 figures show that a standard credit customer with a non-home supplier paid, on average, £40 less than a customer who had not changed supplier, with equivalent savings for prepayment meter customers of £86. Direct debit customers made £19 saving by changing to a non-home supplier.

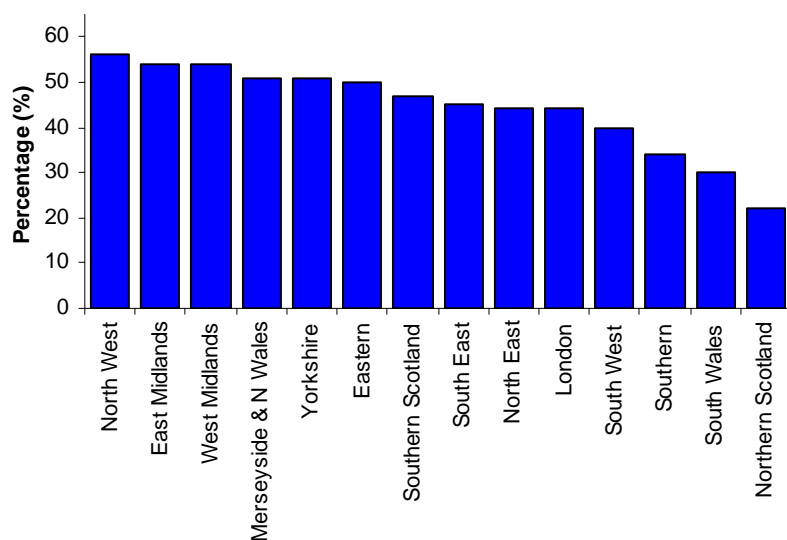
2.4 Domestic electricity competition

Table 2.4.1: Percentage of domestic electricity customers by region by supplier type

Table 2.4.2: Regional variation of payment method for standard electricity June 2008

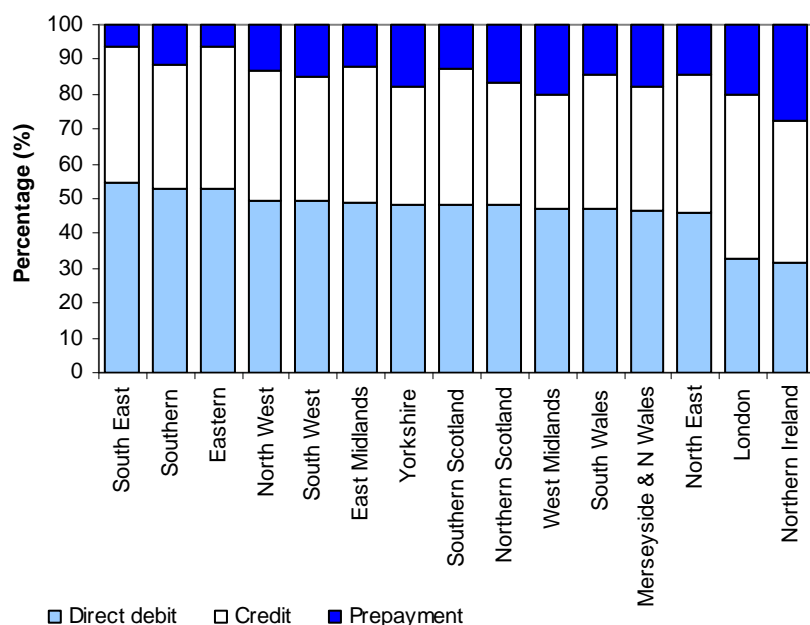
Table 2.4.3: Regional variation of payment method for Economy 7 electricity June 2008*

Chart 2.4.1 Percentage of GB domestic standard credit electricity customers not with home supplier by region, June 2008



- At the end of June 2008, 13.5 million (51 per cent of) domestic electricity customers had transferred away from their home supplier.
- Direct Debit customers are most like to have transferred, with 62 per cent of customers currently with a non home supplier.
- Standard Credit customers are less likely to have switched, with only 47 per cent of customers with a non-home provider at the end of June 2008.

Chart 2.4.2 Regional variation of payment method for standard electricity, June 2008



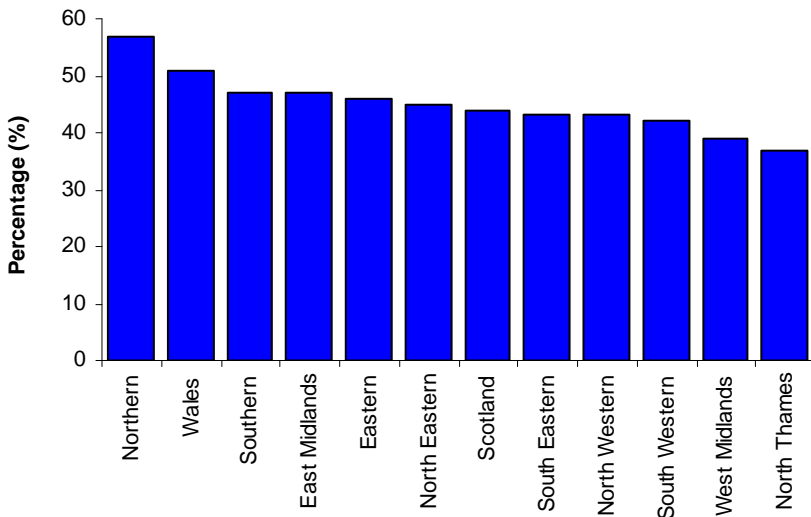
- In June 2008, 38 per cent of standard electricity customers paid by standard credit, 48 per cent paid by direct debit, and 14 per cent paid by pre-payment meter.
- The South East region had the highest proportion of standard electricity customers paying by direct debit, at 54 per cent. Direct debit is the cheapest payment method for domestic fuel. The lowest percentage of direct debit customers was in Northern Ireland, where 32 per cent of customers paid by this method; followed by London with 33 per cent.
- Northern Ireland had the highest percentage of pre-payment customers in the UK, at 28 per cent. The Eastern region of England had the lowest percentage of pre-payment customers, at 6 per cent.

2.5 Domestic gas competition

Table 2.5.1: Percentage of domestic gas customers by region by supplier type

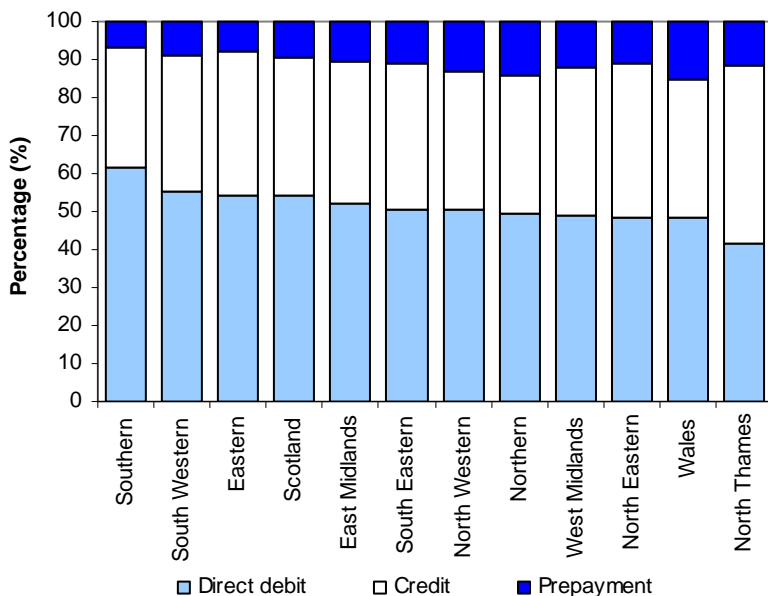
Table 2.5.2: Regional variation of payment method for gas, June 2008

Chart 2.5.1 Percentage of domestic standard credit gas customers not with home supplier by region, June 2008



- At the end of June 2008, 12.1 million (55 per cent of) domestic gas customers had transferred away from their home supplier.
- Direct debit customers are the most likely to transfer, with 64 per cent currently with a non home supplier.
- Customers paying for their gas by Standard Credit are least likely to have switched supplier, with only 44 per cent of customers with a non-home provider at the end of June 2008.

Chart 2.5.2 Regional variation of payment method for gas, June 2008



- At the end of June 2008, 38 per cent of gas customers paid by standard credit, 51 per cent paid by direct debit, and 11 per cent paid by pre-payment meter.
- The Southern region of England had the highest proportion of gas customers paying by direct debit, at 61 per cent. Direct debit is the cheapest payment method for domestic fuel.
- Wales had the highest percentage of gas pre-payment customers in the UK, at 15 per cent. The Southern region of England had the lowest percentage of gas pre-payment customers, at 7 per cent.

Table 2.1.1 Retail prices index: fuel components⁽¹⁾⁽²⁾⁽³⁾

United Kingdom

		Coal & smoke- less fuels	Gas	Electricity	Heating oils ⁽⁴⁾	Fuel and light	Petrol and oil	Fuel, light petrol and oil ⁽⁵⁾	RPI all Items
Current fuel price index numbers 1990=100									
1980		58.9	46.6	56.2	59.1	53.4	64.0	57.9	53.0
1981		69.1	58.7	67.6	70.3	64.8	75.7	69.0	59.3
1982		74.2	73.1	74.2	79.9	73.8	81.7	77.2	64.4
1983		78.9	81.9	76.9	90.3	79.3	87.4	82.6	67.4
1984		85.0	84.9	78.0	90.7	81.6	90.4	85.3	70.7
1985		90.5	88.3	80.5	98.5	85.1	96.2	89.9	75.0
1986		93.2	89.9	82.2	84.6	86.2	83.7	85.1	77.6
1987		94.0	89.1	81.8	78.3	85.6	84.4	85.0	80.8
1988		95.1	89.8	86.2	71.3	87.6	83.5	85.9	84.7
1989		96.5	93.6	92.5	76.7	92.6	89.5	91.3	91.3
1990		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1991		106.4	107.0	110.1	96.2	107.9	107.4	107.8	105.9
1992		110.5	106.8	115.8	84.7	110.3	110.5	110.5	109.8
1993		111.1	102.7	115.4	89.9	108.9	119.3	113.4	111.5
1994		118.2	108.9	119.2	90.0	113.7	124.8	118.5	114.3
1995		120.2	112.5	120.8	89.9	116.1	131.2	122.6	118.2
1996		121.4	112.7	120.3	99.1	116.4	137.8	125.6	121.1
1997		122.4	111.6	114.5	96.5	112.7	151.5	129.3	124.9
1998		123.6	107.8	109.3	80.8	107.8	159.1	129.7	129.1
1999		126.0	107.1	108.0	90.5	107.4	172.5	135.2	131.2
2000		128.2	104.5	105.7	126.9	107.0	195.2	144.9	135.0
2001		134.2	107.3	104.8	123.5	107.8	185.2	141.0	137.4
2002		141.2	114.1	105.3	116.6	111.1	179.3	140.2	139.7
2003		144.2	116.2	106.3	129.2	113.4	185.8	144.3	143.8
2004		151.7	124.7	112.7	147.0	121.4	196.2	153.2	148.0
2005		167.1	143.1	124.7	188.6	137.8	213.4	169.8	152.2
2006		179.6	188.7	151.7	213.5	171.8	225.1	193.6	157.1
2007		192.5	203.3	163.9	215.3	184.0	231.2	202.9	163.8
% Change									
2006-2007		+7.2	+7.7	+8.0	+0.8	+7.1	+2.7	+4.8	+4.3
2006	Q2	176.7	183.5	149.3	221.4	169.0	232.9	195.5	156.6
2006	Q3	176.5	195.7	156.8	222.4	177.7	234.2	200.8	158.0
2006	Q4	189.1	215.4	165.4	197.3	188.8	213.8	197.7	159.7
2007	Q1	190.4	221.0	168.9	193.0	192.5	214.5	200.0	161.0
2007	Q2	189.7	207.0	165.6	206.1	185.8	231.2	203.9	163.6
2007	Q3	189.4	193.8	160.7	215.2	178.5	233.6	200.9	164.2
2007	Q4	200.3	191.3	160.2	247.0	179.1	245.7	206.7	166.4
2008	Q1	207.6	208.6	172.2	279.5	194.1	257.3	219.6	167.4
2008	Q2p	213.3	221.5	181.6	347.1	208.3	277.8	236.5	170.7
% Change									
Q2 2007-Q2 2008		+12.5	+7.0	+9.7	+68.4	+12.1	+20.2	+16.0	+4.3

Source : Office for National Statistics

- (1) Series are annually weighted. Figures include VAT where applicable. The VAT rate for coal and coke, gas, electricity and heating oils was 8% from the 2nd quarter of 1994 and 5% from the 4th quarter of 1997 (the rate changed during the 3rd quarter, on 1st September.)
- (2) Rebased to 1990 by BERR from original ONS indices.
- (3) Monthly figures are available in Table 2.1.3 on the BERR website.
- (4) Including bottled gas and domestic heating oils, but excluding paraffin from February 1986.
- (5) Data for the aggregate series fuel, light, petrol and oil have been recalculated using a chained index calculated by ONS, constructed by weighting together the unpublished, within-year series for each of the 5 component series and chain linking the resulting aggregate to obtain a long run series. Previously this series had been derived by BERR weighting together published chain linked series.

Table 2.1.2 Retail prices index: fuel components, relative to GDP deflator⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾
United Kingdom

	Coal & smoke-less fuels		Gas	Electricity	Heating oils ⁽⁵⁾	Fuel and light	Petrol and oil	Fuel, light petrol and oil ⁽⁶⁾	RPI all Items	GDP deflator
	Fuel price index numbers 1990=100 relative to the GDP deflator									
1980	109.9	86.9	104.9	110.3	99.6	119.4	108.0	98.9	53.6	
1981	115.9	98.5	113.4	118.0	108.7	127.0	115.8	99.5	59.6	
1982	115.8	114.0	115.8	124.6	115.1	127.5	120.4	100.5	64.1	
1983	116.7	121.2	113.8	133.6	117.3	129.3	122.2	99.7	67.6	
1984	120.2	120.1	110.3	128.3	115.4	127.9	120.7	100.0	70.7	
1985	121.3	118.4	107.9	132.0	114.1	129.0	120.5	100.5	74.6	
1986	120.7	116.5	106.5	109.6	111.7	108.4	110.2	100.5	77.2	
1987	115.6	109.6	100.6	96.3	105.3	103.8	104.6r	99.4	81.3	
1988	110.1	103.9	99.8	82.5	101.4	96.6	99.4r	98.0	86.4	
1989	104.0	100.9	99.7	82.7	99.8	96.4	98.4r	98.4	92.8	
1990	100.0	100.0	100.0	100.0	100.0	100.0	100.0r	100.0	100.0	
1991	99.8	100.4	103.3	90.2	101.2	100.8	101.1r	99.3	106.6	
1992	99.6	96.3	104.4	76.4	99.5	99.6	99.6r	99.0	110.9	
1993	97.5	90.2	101.3	78.9	95.6	104.7	99.6r	97.9	113.9	
1994	102.2	94.2	103.1	77.9	98.4	108.0	102.5r	98.9	115.6	
1995	101.2	94.7	101.7	75.7	97.7	110.4	103.2r	99.5	118.8	
1996	98.8	91.7	97.9	80.6	94.7	112.1	102.2r	98.5	122.9	
1997	96.8	88.3	90.6	76.3	89.2	119.9	102.3r	98.8	126.4	
1998	95.2	83.1	84.2	62.2	83.1	122.6	99.9r	99.5	129.8	
1999	95.0	80.7	81.4	68.2	80.9	130.0	101.9r	98.9	132.7	
2000	95.3	77.7	78.6	94.3	79.6	145.1	107.7r	100.4	134.5	
2001	97.7	78.1	76.3	89.9	78.5	134.8	102.6r	100.0	137.4	
2002	99.7	80.6	74.4	82.3	78.5	126.6	99.0r	98.7	141.6	
2003	98.8	79.6	72.8	88.5	77.7	127.3	98.8r	98.5	146.0	
2004	101.3	83.2	75.2	98.1	81.0	131.0	102.3r	98.8	149.8	
2005	109.1	93.5	81.4	123.2	90.0	139.4	110.8r	99.4	153.2r	
2006	114.3	120.0	96.5	135.8	109.3	143.2	123.1r	99.9	157.3r	
2007	118.7	125.3	101.0	132.8	113.4	142.6	125.5r	101.0	161.7r	
% Change										
2006-2007	+3.8	+4.4	+4.7	-2.2	+3.8	-0.4	+1.9	+1.1	+2.8	
2006 Q2	113.1	117.4	95.6	141.8	108.2	149.1	125.2	100.3	156.1r	
2006 Q3	111.6	123.7	99.1	140.6	112.4	148.0	126.8r	99.9	158.3r	
2006 Q4	118.9	135.5	104.0	124.1	118.7	134.5	124.4r	100.4	158.9r	
2007 Q1	119.0	138.1	105.6	120.6	120.3	134.1	125.2	100.6	159.8r	
2007 Q2	117.0	127.6	102.1	127.1	114.6	142.6	126.3	100.8	161.4r	
2007 Q3	116.4	119.1	98.7	132.2	109.6	143.5	123.7r	100.9	162.4r	
2007 Q4	122.4	116.9	97.9	151.0	109.5	150.2	126.7	101.7	163.2r	
2008 Q1	126.1r	126.8	104.6r	169.8r	117.9r	156.3r	133.4r	101.7r	164.6r	
2008 Q2p	128.9	133.8	109.7r	209.7	125.8	167.8r	142.9	103.1	165.5	
% Change										
Q2 2007-Q2 2008	+10.1	+4.9	+7.5	+65.0	+9.8	+17.7	+13.1	+2.3	+2.6	

Source : Office for National Statistics

(1) Series are annually weighted. Figures include VAT where applicable. The VAT rate for coal and coke, gas, electricity and heating oils was 8% from the 2nd quarter of 1994 and 5% from the 4th quarter of 1997. The rate changed during the 3rd quarter of 1997, from 1st September.

(2) Rebased to 1990 by BERR from original ONS indices.

(3) Deflated using GDP (market prices) deflator.

(4) Monthly figures are available in Table 2.1.3 on the BERR website.

(5) Including bottled gas and domestic heating oils, but excluding paraffin from February 1986.

(6) Data for the aggregate series fuel, light, petrol and oil have been recalculated using a chained index calculated by ONS, constructed by weighting together the unpublished, within-year series for each of the 5 component series and chain linking the resulting aggregate to obtain a long run series.

Previously this series had been derived by BERR by weighting together published chain linked series.

Table 2.2.1 Average annual domestic standard electricity bills⁽¹⁾⁽²⁾ by home⁽³⁾ and non-home supplier⁽⁴⁾
United Kingdom

	Pounds								
	Standard credit			Direct debit ⁽⁵⁾			Prepayment		
	Home suppliers	Non-home suppliers	UK	Home suppliers	Non-home suppliers	UK	Home suppliers	Non-home suppliers	UK
Cash terms									
1990	..	..	245	..	..	..	..	..	264
1991	..	..	269	..	..	..	..	..	290
1992	..	..	288	..	..	..	..	..	310
1993	..	..	287	..	..	..	..	..	308
1994	..	..	288	..	..	285	..	..	308
1995	..	..	299	..	..	295	..	..	319
1996	..	..	297	..	..	291	..	..	317
1997	..	..	285	..	..	277	..	..	302
1998	..	..	268	..	..	258	..	..	285
1999	266	245	264	255	233	253	281	270	281
2000	260	241	257	249	231	245	275	273	274
2001	255	237	250	245	227	239	268	262	267
2002	256	233	249	247	223	237	270	256	265
2003	258	237	250	248	226	238	268	261	266
2004	265	243	257	257	231	244	281	264	274
2005	295	272	285	283	256	269	309	297	304
2006	343	332	338	327	302	313	355	365	359
2007	391	372	383	370	334	349	397	405	401
2008p	421	385	404	403	356	374	432	407	419
% Change									
1998-2008	..	..	+50.7	..	..	+45.0	..	..	+47.0
2007-2008	+7.7	+3.5	+5.5	+8.9	+6.6	+7.2	+8.8	+0.5	+4.5
Real terms⁽⁶⁾									
1990	..	..	329	..	..	..	..	..	355
1991	..	..	339	..	..	..	..	..	366
1992	..	..	349	..	..	..	..	..	376
1993	..	..	339	..	..	..	..	..	364
1994	..	..	335	..	..	331	..	..	358
1995	..	..	338	..	..	334	..	..	361
1996	..	..	325	..	..	318	..	..	347
1997	..	..	303	..	..	295	..	..	321
1998	..	..	278	..	..	267	..	..	295
1999	270	248	267	258	236	256	285	274	285
2000	260	241	257	249	231	245	275	273	274
2001	250	232	245	240	222	234	262	256	261
2002	243	221	236	235	212	225	256	243	252
2003	238	218	230	228	208	219	247	240	245
2004	238	219	230	230	207	219	253	237	246
2005	259	239	251	249	225	236	271	261	267
2006	293r	284	289r	279r	258r	268	303r	312r	307r
2007	325r	309r	318r	308r	278r	290r	330r	337r	333r
2008p	340	311	326	326	288	302	349	329	338
% Change									
1998-2008	..	..	+17.5	..	..	+13.0	..	..	+14.6
2007-2008	+4.6	+0.6	+2.5	+5.8	+3.3	+4.1	+5.7	-2.3	+1.5

(1) Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year. Bills up to 1998 relate to home supplier only.

(2) All bills are calculated assuming an annual consumption of 3,300 kWh. Figures are inclusive of VAT.

(3) Home supplier denotes the former public electricity suppliers within their own distribution areas.

(4) Non-home suppliers are new entrant suppliers and the former electricity suppliers outside of their distribution areas.

(5) Direct debit as a payment method not widely available for earlier years.

(6) Bills deflated to 2000 terms using the GDP (market prices) deflator.

Table 2.2.2 Average annual domestic standard electricity bills⁽¹⁾⁽²⁾ for UK countries

	Pounds								
	Standard credit			Direct debit ⁽⁴⁾			Prepayment		
	England & Wales	Scotland	Northern Ireland	England & Wales	Scotland	Northern Ireland	England & Wales	Scotland	Northern Ireland
Cash terms									
1990	246	230	261	..	..	..	265	253	275
1991	271	250	283	..	..	..	291	276	300
1992	290	266	302	..	..	..	311	292	324
1993	288	268	312	..	..	..	309	288	337
1994	288	282	325	285	278	325	308	297	351
1995	299	293	346	294	290	346	319	309	373
1996	295	297	362	289	292	362	315	313	389
1997	283	283	352	275	278	352	300	296	375
1998	266	275	326	256	270	317	283	288	345
1999	260	273	326	251	264	317	279	285	345
2000	253	269	308	243	259	299	272	280	314
2001	246	267	317	236	255	307	263	276	329
2002	244	267	325	234	256	315	261	277	321
2003	245	268	325	235	259	315	261	280	320
2004	251	286	329	239	272	319	267	298	325
2005	281	313	338	265	293	325	301	316	330
2006	335	362	360	310	334	346	356	382	351
2007	381	401	377	347	362	363	400	420	368
2008p	403	419	383	374	377	363	420	434	374
% Change									
1998-2008	+51.5	+52.4	+17.5	+46.1	+39.6	+14.5	+48.4	+50.7	+8.4
2007-2008	+5.8	+4.5	+1.6	+7.8	+4.1	+0.0	+4.9	+3.3	+1.7
Real terms⁽³⁾									
1990	331	309	351	..	..	..	356	340	370
1991	342	315	357	..	..	..	367	348	378
1992	352	322	366	..	..	..	377	354	393
1993	340	316	368	..	..	..	365	340	398
1994	335	328	378	331	323	378	358	345	408
1995	338	331	391	333	328	391	361	350	422
1996	323	325	396	316	319	396	345	342	426
1997	301	301	374	293	296	374	319	315	399
1998	276	285	338	265	280	328	293	298	358
1999	263	277	330	254	267	321	283	289	350
2000	253	269	308	243	259	299	272	280	314
2001	241	261	310	231	250	300	257	270	322
2002	232	254	309	222	243	299	248	263	305
2003	226	247	299	216	238	290	240	258	295
2004	226	257	295	215	245	286	240	267	292
2005	247	274	297	233	257	285	264	277	290
2006	286r	309r	307r	265r	286r	295r	304r	326r	300
2007	317r	333r	313r	288r	301r	302r	333r	349r	306r
2008p	326	338	309	302	305	293	339	351	302
% Change									
1998-2008	+18.1	+18.8	-8.4	+13.9	+8.8	-10.7	+15.7	+17.5	-15.5
2007-2008	+2.8	+1.5	-1.3	+4.7	+1.2	-2.8	+2.0	+0.4	-1.2

(1) Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year. Bills up to 1998 relate to home supplier only.

(2) All bills are calculated assuming an annual consumption of 3,300 kWh. Figures are inclusive of VAT.

(3) Bills deflated to 2000 terms using the GDP (market prices) deflator.

(4) Direct debit as a payment method not widely available for earlier years.

Table 2.2.3 Provisional Average annual domestic electricity bills⁽¹⁾ in 2008 for selected towns and cities in the UK and average unit costs⁽²⁾

		Pence per kWh and pounds					
Payment type		Credit		Direct debit		Prepayment	
Town/city ⁽³⁾	Bill range ⁽⁴⁾	Unit cost	Bill	Unit cost	Bill	Unit cost	Bill
Aberdeen	Largest	15.21	502	15.21	502	15.09	498
	Average	12.13	400	11.43	377	12.31	406
	Smallest	11.36	375	9.79	323	10.33	341
Belfast	Average ⁽⁵⁾	11.62	383	10.99	363	11.33	374
Birmingham	Largest	14.11	466	14.11	466	16.81	555
	Average	12.53	413	11.44	378	13.22	436
	Smallest	10.69	353	9.90	327	10.51	347
Canterbury	Largest	14.22	469	14.22	469	16.75	553
	Average	11.58	382	11.00	363	11.69	386
	Smallest	10.88	359	9.71	321	10.31	340
Cardiff	Largest	15.27	504	15.27	504	18.38	607
	Average	12.79	422	12.03	397	12.92	426
	Smallest	12.16	401	10.65	351	9.92	327
Edinburgh	Largest	14.81	489	14.81	489	16.51	545
	Average	12.86	425	11.44	377	13.39	442
	Smallest	11.50	380	10.11	334	11.06	365
Ipswich	Largest	14.03	463	14.03	463	17.84	589
	Average	11.82	390	11.05	365	11.97	395
	Smallest	10.53	347	9.49	313	10.08	333
Leeds	Largest	14.26	471	14.26	471	16.00	528
	Average	12.67	418	11.45	378	13.66	451
	Smallest	10.23	338	9.67	319	10.30	340
Liverpool	Largest	14.58	481	14.58	481	17.90	591
	Average	12.75	421	11.51	380	13.18	435
	Smallest	11.78	389	10.47	345	11.10	366
London	Largest	14.60	482	14.60	482	17.21	568
	Average	11.87	392	11.31	373	12.11	400
	Smallest	11.23	371	9.99	330	10.61	350
Manchester	Largest	14.29	472	14.29	472	14.74	487
	Average	12.30	406	11.11	367	12.73	420
	Smallest	9.84	325	9.49	313	10.09	333
Newcastle	Largest	14.48	478	14.48	478	17.13	565
	Average	13.13	433	11.49	379	13.17	434
	Smallest	10.16	335	9.78	323	10.33	341
Nottingham	Largest	13.99	462	13.99	462	16.87	557
	Average	11.98	395	11.13	367	12.34	407
	Smallest	10.16	335	9.41	311	10.40	343
Plymouth	Largest	14.87	491	14.87	491	18.31	604
	Average	12.69	419	11.93	394	12.85	424
	Smallest	12.01	396	10.45	345	11.25	371
Southampton	Largest	14.69	485	14.69	485	17.16	566
	Average	11.50	379	11.19	369	12.21	403
	Smallest	11.33	374	10.13	334	11.44	377
UK	Largest	15.27	504	15.27	504	18.38	607
	Average	12.24	404	11.33	374	12.69	419
	Smallest	9.84	325	9.41	311	9.92	327

(1) All bills are calculated assuming an annual consumption of 3,300 kWh. They are calculated as weighted (by average customer numbers) averages of individual tariff bills. Figures are inclusive of VAT. Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year.

(2) Unit costs are calculated by dividing the bills shown by the relevant consumption levels.

(3) The towns/cities specified indicate which electricity region these bills apply to (see Table A2 in Annex A).

(4) The range shows the average bill for all tariffs for all companies in the region, as well as the average bills for the companies with the largest and smallest average bills in the specified region.

(5) There is no competition in electricity in Belfast, therefore no smallest/largest tariffs available.

Table 2.3.1 Average annual domestic gas bills⁽¹⁾⁽²⁾ by home⁽³⁾ and non-home supplier⁽⁴⁾
Great Britain

	Pounds								
	Standard credit			Direct debit ⁽⁵⁾			Prepayment		
	Home suppliers	Non-home suppliers	GB	Home suppliers	Non-home suppliers	GB	Home suppliers	Non-home suppliers	GB
Cash terms									
1990	..	..	285	..	..	..	..	..	303
1991	..	..	307	..	..	..	..	..	323
1992	..	..	311	..	..	..	..	..	329
1993	..	..	297	..	..	..	..	..	315
1994	..	..	307	..	..	..	..	..	334
1995	..	..	327	..	..	311	..	..	347
1996	330	306	330	308	288	308	350	350	350
1997	329	278	328	307	266	307	349	336	349
1998	320	263	315	281	249	277	331	326	331
1999	316	263	305	274	250	268	317	327	318
2000	309	260	295	272	247	264	309	323	311
2001	308	261	293	274	247	266	308	319	309
2002	326	273	310	295	258	281	327	327	327
2003	335	289	320	302	275	292	335	343	336
2004	344	309	333	317	296	309	355	342	351
2005	402	354	386	364	338	353	406	387	401
2006	510	427	474	453	400	424	515	467	498
2007	569	531	552	499	496	497	602	570	589
2008p	591	551	573	540	521	528	667	581	630
% Change									
1998-2008	+84.7	+109.5	+81.9	+92.2	+109.2	+90.6	+101.5	+78.2	+90.3
2007-2008	+3.9	+3.8	+3.8	+8.2	+5.0	+6.2	+10.8	+1.9	+7.0
Real terms⁽⁶⁾									
1990	..	..	383	..	..	..	..	..	407
1991	..	..	387	..	..	..	..	..	407
1992	..	..	377	..	..	..	..	..	399
1993	..	..	351	..	..	..	..	..	372
1994	..	..	357	..	..	..	..	..	388
1995	..	..	370	..	..	352	..	..	393
1996	361	335	361	337	315	337	383	383	383
1997	350	296	349	327	283	327	371	357	371
1998	332	273	326	291	258	287	343	338	343
1999	320	266	309	278	253	272	321	331	322
2000	309	260	295	272	247	264	309	323	311
2001	301	255	287	268	242	260	301	312	302
2002	310	259	294	280	245	267	311	311	311
2003	308	266	295	278	253	269	308	316	309
2004	308	277	299	285	265	277	318	307	315
2005	353	311	339	319	297	309	356	340	352
2006	436r	365r	405r	387r	342r	363r	440r	399r	426r
2007	473r	441r	459r	415r	412r	413r	501r	474r	490r
2008p	477	445	463	436	421	427	539	469	509
% Change									
1998-2008	+43.7	+63.0	+42.0	+49.8	+63.2	+48.8	+57.1	+38.8	+48.4
2007-2008	+0.8	+0.9	+0.9	+5.1	+2.2	+3.4	+7.6	-1.1	+3.9

(1) Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year. Bills to 1995 for home supplier only (i.e. British Gas).

(2) All bills are calculated using an annual consumption of 18,000 kWh. Figures are inclusive of VAT.

(3) Home supplier denotes British Gas Trading.

(4) Non-home suppliers are all other suppliers.

(5) Direct debit as a payment method not widely available for earlier years.

(6) Bills deflated to 2000 terms using the GDP (market prices) deflator.

Table 2.3.2 Average annual domestic gas bills⁽¹⁾⁽²⁾ for GB countries

	Pounds					
	Standard Credit		Direct debit		Prepayment	
	England & Wales	Scotland	England & Wales	Scotland	England & Wales	Scotland
Cash terms						
1998 ⁽³⁾	315	313	277	275	331	331
1999	304	307	268	268	318	318
2000	295	297	264	262	311	310
2001	293	295	266	263	309	308
2002	310	311	281	279	327	327
2003	320	320	292	291	336	335
2004	333	332	309	305	351	351
2005	386	384	353	347	401	400
2006	475	469	425	418	498	501
2007	553	547	498	487	589	588
2008p	573	575	529	512	630	635
% Change						
2007-2008	+3.6	+5.1	+6.2	+5.1	+7.0	+8.0
Real terms⁽⁴⁾						
1998 ⁽³⁾	326	324	287	285	343	343
1999	308	311	272	272	322	322
2000	295	297	264	262	311	310
2001	287	289	260	257	302	301
2002	294	295	267	265	311	311
2003	295	295	269	268	309	308
2004	299	298	277	273	315	315
2005	339	337	310	305	352	351
2006	406r	401r	363r	357r	426r	428r
2007	460r	455r	414r	405r	490r	489r
2008p	463	465	427	414	509	513
% Change						
2007-2008	+0.7	+2.2	+3.2	+2.2	+3.9	+4.9

(1) Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year.

(2) All bills are calculated using an annual consumption of 18,000 kWh. Figures are inclusive of VAT.

(3) Prior to 1998, average bills for England & Wales and Scotland were all the same as the GB averages given in Table 2.3.1.

(4) Bills deflated to 2000 terms using the GDP (market prices) deflator.

Table 2.3.3 Provisional Average annual domestic gas bills⁽¹⁾ in 2008 for selected towns and cities in Great Britain and average unit costs⁽²⁾

		Pence per kWh and pounds					
Payment type		Credit		Direct debit		Prepayment	
Town/city ⁽³⁾	Bill range ⁽⁴⁾	Unit Cost	Bill	Unit Cost	Bill	Unit Cost	Bill
Aberdeen	Largest	3.37	607	3.19	574	3.71	668
	Average	3.19	575	2.84	512	3.53	635
	Smallest	2.75	495	2.54	457	3.07	552
Birmingham	Largest	3.58	644	3.19	574	3.71	667
	Average	3.18	573	2.92	525	3.54	638
	Smallest	2.80	504	2.58	464	3.07	552
Canterbury	Largest	3.48	627	3.17	570	3.71	667
	Average	3.19	575	2.93	527	3.44	620
	Smallest	2.84	511	2.64	475	2.98	536
Cardiff	Largest	3.38	609	3.17	571	3.71	667
	Average	3.09	557	2.88	519	3.41	613
	Smallest	2.74	494	2.53	456	3.07	552
Edinburgh	Largest	3.37	607	3.19	574	3.71	668
	Average	3.19	575	2.84	512	3.53	635
	Smallest	2.75	495	2.54	457	3.07	552
Ipswich	Largest	3.53	635	3.17	570	3.71	667
	Average	3.20	576	2.99	539	3.48	627
	Smallest	2.83	510	2.61	470	2.98	536
Leeds	Largest	3.59	646	3.24	583	3.71	667
	Average	3.14	565	2.92	525	3.40	612
	Smallest	2.79	503	2.57	463	2.98	537
Liverpool	Largest	3.62	652	3.22	579	3.71	667
	Average	3.24	584	3.01	541	3.55	639
	Smallest	2.82	507	2.60	468	2.98	536
London	Largest	3.37	607	3.16	568	3.71	667
	Average	3.19	575	2.91	524	3.48	627
	Smallest	2.83	509	2.62	472	3.00	540
Manchester	Largest	3.62	652	3.22	579	3.71	667
	Average	3.24	584	3.01	541	3.55	639
	Smallest	2.82	507	2.60	468	2.98	536
Newcastle	Largest	3.38	608	3.17	571	3.71	667
	Average	3.13	563	2.84	512	3.51	631
	Smallest	2.78	500	2.56	460	3.00	540
Nottingham	Largest	3.54	637	3.17	571	3.71	667
	Average	3.19	574	2.97	535	3.51	632
	Smallest	2.82	508	2.59	466	3.00	540
Plymouth	Largest	3.53	635	3.19	575	3.71	667
	Average	3.19	575	2.91	524	3.42	616
	Smallest	2.81	505	2.59	466	3.07	552
Southampton	Largest	3.51	631	3.18	572	3.71	667
	Average	3.17	570	2.93	528	3.47	625
	Smallest	2.79	503	2.58	464	3.07	552
Great Britain	Largest	3.62	652	3.24	583	3.71	668
	Average	3.18	573	2.93	528	3.50	630
	Smallest	2.74	494	2.53	456	2.98	536

(1) All bills are calculated assuming an annual consumption of 18,000 kWh. They are calculated as weighted (by average customer numbers) averages of individual tariff bills. Figures are inclusive of VAT. Bills relate to total bill received in the year, e.g. covering consumption from Q4 of the previous year to Q3 of the named year.

(2) Unit costs are calculated by dividing the bills shown by the relevant consumption levels.

(3) The towns/cities specified indicate which gas region these bills apply to. (See Table A2 in Annex A)

(4) The range shows the average bill for all tariffs for all companies in the region, as well as the average bills for the companies with the largest and smallest average bills in the specified region.

Table 2.4.1 Percentage of domestic electricity customers by region⁽¹⁾ by supplier type⁽²⁾⁽³⁾, June 2008

	Per cent					
	Credit		Direct debit		Prepayment	
	Home supplier ⁽²⁾	Non-home supplier ⁽³⁾	Home supplier	Non-home supplier	Home supplier	Non-home supplier
North West	44	56	29	71	33	67
West Midlands	46	54	30	70	40	60
North East	56	44	30	70	32	68
South West	60	40	32	68	60	40
South East	55	45	34	66	48	52
East Midlands	46	54	35	65	40	60
East Anglia	50	50	36	64	40	60
London	56	44	37	63	58	42
Yorkshire	49	51	38	62	45	55
Merseyside & N Wales	49	51	39	61	48	52
Southern Scotland	53	47	44	56	58	42
Southern	66	34	45	55	60	40
South Wales	70	30	61	39	88	12
Northern Scotland	78	22	67	33	80	20
Great Britain ⁽⁴⁾	53	47	38	62	51	49

(1) The regions used in this table are the distribution areas of the former public electricity suppliers.

(2) Home supplier denotes the former public electricity suppliers within their own distribution areas, or their parent company.

(3) Non-home suppliers are new entrant suppliers and the former electricity suppliers outside of their distribution areas.

(4) Competition is not yet available to domestic customers in Northern Ireland and so the region has been excluded from this table.

Table 2.4.2 Regional variation of payment method for standard electricity, June 2008

	Per cent		
	Credit	Direct debit	Prepayment
South East	39	54	7
Southern	36	53	11
East Anglia	41	53	6
North West	38	49	13
South West	36	49	15
East Midlands	39	49	12
Yorkshire	39	48	13
Southern Scotland	34	48	18
Northern Scotland	35	48	17
West Midlands	38	47	15
South Wales	36	47	18
Merseyside & N Wales	32	47	20
North East	40	46	14
London	47	33	20
Northern Ireland	41	32	28
Scotland	34	48	17
England & Wales	39	48	13
Great Britain	38	48	14
Northern Ireland	41	32	28
UK	38	48	14

Table 2.5.1 Percentage of domestic gas customers by region⁽¹⁾ by supplier type⁽²⁾⁽³⁾, June 2008

	Per cent					
	Credit		Direct debit		Prepayment	
	Home supplier ⁽²⁾	Non-home supplier ⁽³⁾	Home supplier	Non-home supplier	Home supplier	Non-home supplier
Northern	43	57	27	73	39	61
Scotland	56	44	32	68	61	39
Wales	49	51	33	67	35	65
Southern	53	47	34	66	52	48
East Midlands	53	47	35	65	58	42
South Eastern	57	43	36	64	53	47
Eastern	54	46	36	64	55	45
North Eastern	55	45	37	63	57	43
West Midlands	61	39	38	62	64	36
South Western	58	42	38	62	50	50
North Western	57	43	38	62	67	33
North Thames	63	37	43	57	61	39
Great Britain	56	44	36	64	55	45

(1) The regions used in this table are the local distribution zones of Transco.

(2) Home supplier denotes British Gas Trading.

(3) Non-home suppliers are all other suppliers.

(4) Gas is not yet widely available in Northern Ireland and so the region has been excluded from this table.

Table 2.5.2 Regional variation of payment method for gas, June 2008

	Per cent		
	Credit	Direct debit	Prepayment
Southern	32	61	7
South Western	35	56	9
Scotland	36	54	9
Eastern	37	54	8
East Midlands	38	52	11
North Western	36	50	13
Northern	36	50	14
South Eastern	39	50	11
West Midlands	39	49	12
Wales	36	48	15
North Eastern	41	48	11
North Thames	47	42	12
Scotland	36	54	9
England & Wales	38	51	11
Great Britain	38	51	11

Section 3 – Industrial Prices

Energy Prices in the manufacturing sector

3.1.1 Prices in the manufacturing sector vary by size of user for each fuel. This reflects the bargaining position of the larger users, and factors such as: the timing of the introduction of competition and previous pricing arrangements; length of contracts; and the relative (to size) impact of crude prices on fuel oil prices.

3.1.2 Average coal prices increased each year between 1999 and 2005, with the exception of a fall in 2003, then fell in 2006 but increased again in 2007. Average heavy fuel oil prices have increased in each year from 2001 onwards. Average gas oil prices have risen in each year since 1999, with the exception of a fall in 2002. Average electricity prices fell between 1999 and 2003, before starting to rise again in 2004, but have fallen once more in 2007. Average gas prices rose between 1999 and 2006, with the exception of a fall in 2002, but fell in 2007.

Average prices of fuels purchased by the major UK power producers and of gas at UK delivery points

3.2.1 Comparison of fuel input prices in common units (p/kWh) does not necessarily reflect differences in the cost of generating electricity using different fuels. As well as fuel input costs, generation costs are also affected by non-fuel costs and by the efficiency with which fuel inputs are converted into electricity. For example, combined cycle gas stations have higher efficiencies than conventional steam stations, therefore just comparing the fuel input costs per kWh does not provide a picture of full costs.

3.2.2 Gas wholesale prices were extremely volatile during winter 2005/2006. Average prices were substantially higher than the previous year: the average day-ahead spot price for October 2005-February 2006 was more than double the same period in 2004-2005. The volatility was driven by tightness of supply, an incident at the UK's largest storage facility (Rough) curtailing its production, cold weather and variable imports through the Interconnector. Prices started to fall in Q3 2006, partly due to forecasts for a mild winter, but also due to infrastructure projects coming on-line. Prices in summer 2007 fell to close to, or below, 2005's prices. However, prices over winter 2007/2008 were mostly above 2006's prices, and prices in 2008 have not shown their usual seasonal fall in spring.

3.2.3 The sharp rise in gas wholesale prices at the end of 2005 resulted in a number of electricity generators switching towards coal-fired generation. Data in Energy Trends show that coal use had increased by 10.9 per cent, whilst gas demand decreased by 7.7 per cent between 2005 and 2006. Data for 2007 indicates that this trend reversed as gas prices have fallen and coal prices have started to rise.

3.2.4 Oil purchased for generation, like all generation fuels, is more likely to be purchased on longer-term contracts. This, coupled with the mix of oils purchased, means that oil for generation is less closely related to spot prices than other industrial users' contracts. Between 1996 and 2006, the price of oil for generation more than doubled, although it fell by 6 per cent in 2007.

3.2.5 Wholesale coal prices have increased sharply since Q4 2007. Due to the large quantities of coal used for generation, increases in the wholesale price will feed through to the price paid by generators relatively quickly.

Fuel price indices for the industrial sector

3.3.1 Fuel price indices, both excluding and including the Climate Change Levy (CCL), in real and cash terms, are presented in Tables 3.3.1 and 3.3.2 based upon data supplied by energy suppliers. Prices in real terms (including CCL) for all fuels have generally stayed below 1990 levels until recently, with the largest annual increases occurring between 2005 and 2006.

Gas and electricity prices for the non-domestic sector in the UK

3.4.1 Gas and electricity prices in the non-domestic sector, both including and excluding CCL, are presented in Tables 3.4.1 and 3.4.2. The data are available for various sizes of consumer from Q1 2004 onwards. Note that the sizebands from Q1 2006 are slightly different from Q1 2004 to Q4 2005, with a new extra large electricity size band included from Q1 2007.

3.4.2 Average electricity prices, including CCL, have increased in each quarter since the second quarter of 2004. Average gas prices, including CCL, show a degree of seasonality, with prices generally rising but usually showing a slight decrease in the second and third quarter of each year. However, this decrease is not shown in the second quarter of 2008 due to high gas prices.

Proposals regarding Quarterly Energy Prices Tables 3.1.1 to 3.1.4

3.5.1 A formal consultation was held in autumn 2005 on proposals to change the way industrial energy price data is collected by BERR. We proposed to change the main source of industrial energy price data from the Quarterly Fuels Inquiry to the new Eurostat Price Transparency Survey, with data no longer being collected from non-large energy consumers through the Quarterly Fuels Inquiry from Q2 2007. Prices paid by large gas, electricity, coal, heavy fuel oil and gas oil consumers would still be available from the Quarterly Fuels Inquiry, as these are used in a number of industry contracts. A split of moderately large and extra large consumers would still be published for heavy fuel oil and electricity (see Table 3.1.1 notes page for definitions).

3.5.2 Changes are necessary to the Quarterly Fuels Inquiry survey because of the declining quality of non-gas and non-electricity data. For gas and electricity, a new survey has been introduced by Eurostat that collects much the same information as the Quarterly Fuels Inquiry. Further details are available at www.berr.gov.uk/consultations/page14043.html.

3.5.3 We have delayed discontinuing the non-large price series, as per the consultation. It should be noted that the sample size for the non-large sizebands has been significantly reduced. We will continue to evaluate the viability of the non-large prices and will give notice of our intent to discontinue any series in the future.

3.5.4 Given the very small sample size for Heavy Fuel Oil, it has become necessary, for statistical reasons, to publish the large sizeband without an extra large/moderately large split.

3.1 Energy prices in the manufacturing sector

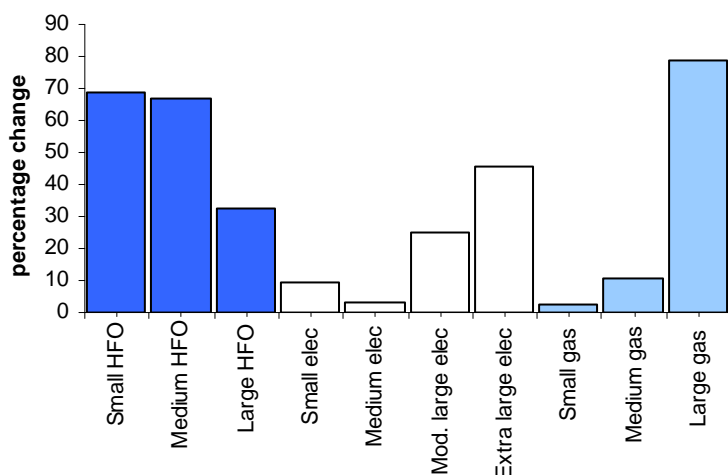
Table 3.1.1: Quarterly prices of fuels purchased by manufacturing industry (original units)

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)

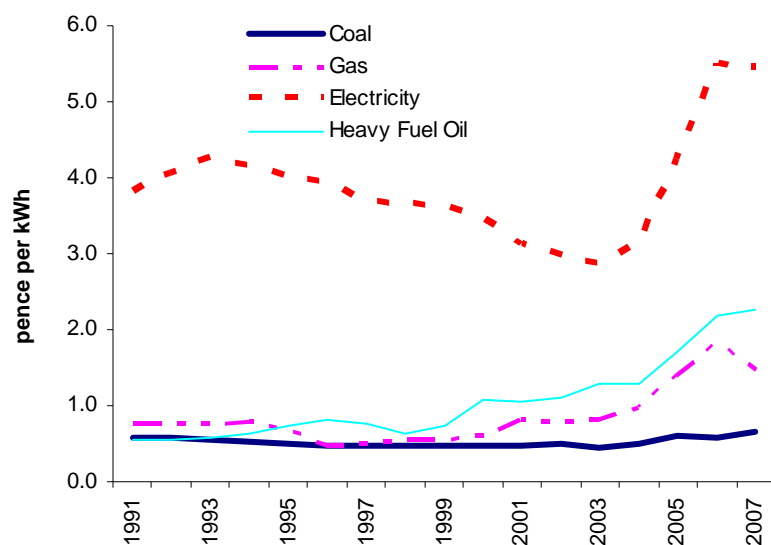
Table 3.1.4: Annual prices of fuels purchased by manufacturing industry (p/kWh) *

Chart 3.1.1 Percentage price movements between Q2 2007 and Q2 2008 for heavy fuel oil (HFO), electricity and gas, by size of consumer, for manufacturing industry



- Compared to Q2 2007, heavy fuel oil consumers have seen prices, excluding CCL, rise by an average of 50 per cent in cash terms.
- Electricity consumers saw prices, excluding CCL, rise in the year to Q2 2008 by an average of 21 per cent.
- Gas consumers saw prices, excluding CCL increase between Q2 2007 and Q2 2008 by an average of 64 per cent.

Chart 3.1.2: Fuel prices for manufacturing industry, in cash terms 1991 to 2007

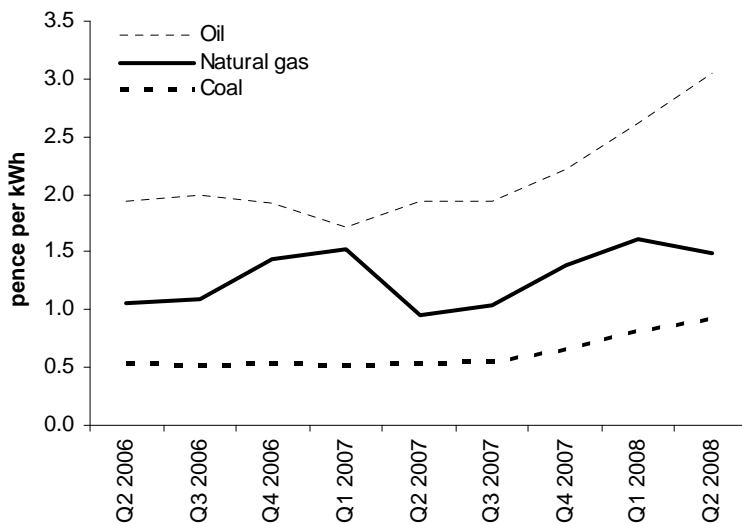


- Data for 2007 shows that average industrial electricity prices, excluding CCL, were 83 per cent (60 per cent in real terms) higher than in 2002, and have fallen by 1 per cent (4 per cent in real terms) compared to 2006.
- Average industrial gas prices, excluding CCL, in 2007 were 89 per cent (65 per cent in real terms) higher than in 2002, with a decrease of 19 per cent (21 per cent in real terms) from 2006.

3.2 Average prices of fuels purchased by the major UK power producers and of gas at UK delivery points

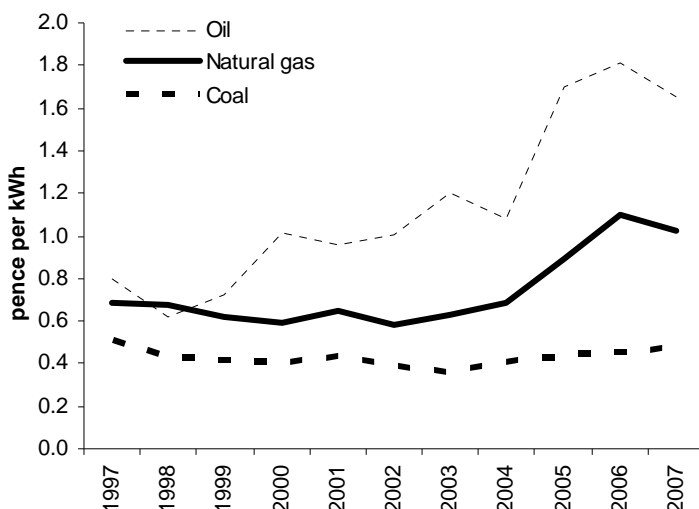
Table 3.2.1: Average price of fuels purchased by the major UK power producers and of gas at UK delivery points

Chart 3.2.1: Average price paid by UK power producers for coal, oil and natural gas Q2 2006 to Q2 2008



- Between Q2 2007 and Q2 2008 the price of coal for power stations has increased by 74.1 per cent, whilst the price of gas has increased by 56.4 per cent. Over the same period, the cost of oil has increased by 57.7 per cent.
- Compared to Q1 2008, the price of coal has increased by 13.6 per cent, and the price of oil has risen by 17.0 per cent. Over the same period the price of gas has fallen by 7.1 per cent.

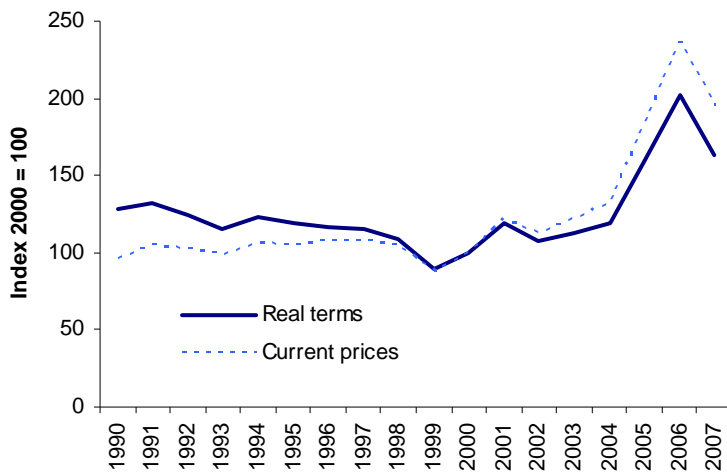
Chart 3.2.2: Average price paid in real⁽¹⁾ terms by UK power producers for coal, oil and natural gas 1996 to 2007



- Compared to 2002, the average real terms price of natural gas in 2007 has increased by 77 per cent, whilst the price of coal has increased by 21 per cent.
- The average cost of oil used by major power producers has increased by 64 per cent in real terms since 2002.
- Oil prices tend to fluctuate more than coal and gas prices, and decreased in 2007 by 9 per cent in real terms. In comparison the price of gas decreased by 7 per cent and the price of coal increased by 5 per cent.

(1) Adjusted for inflation using the GDP (market prices) deflator.

Chart 3.2.3: Average price of gas⁽¹⁾ at UK delivery points 1990 to 2007 in real⁽²⁾ and current terms



- The average price of gas at UK delivery points increased by 26 per cent in real terms between 1990 and 2007.
- Between 1997 and 2007, the price of gas has increased by 42 per cent in real terms, and it has increased by 52 per cent in real terms between 2002 and 2007.

(1) Includes the levy, the Government's tax on indigenous supplies, which was abolished on 1st April 1998.

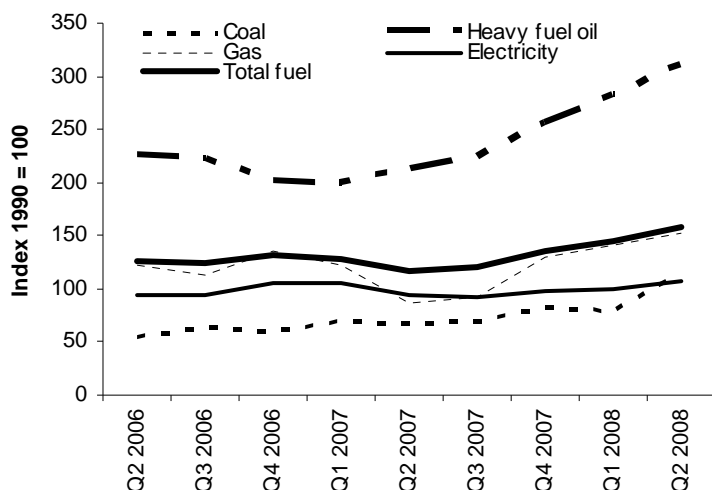
(2) Adjusted for inflation using the GDP (market prices) deflator.

3.3 Fuel price indices for the industrial sector

Table 3.3.1: Fuel price indices for the industrial sector excluding CCL

Table 3.3.2: Fuel price indices for the industrial sector including CCL

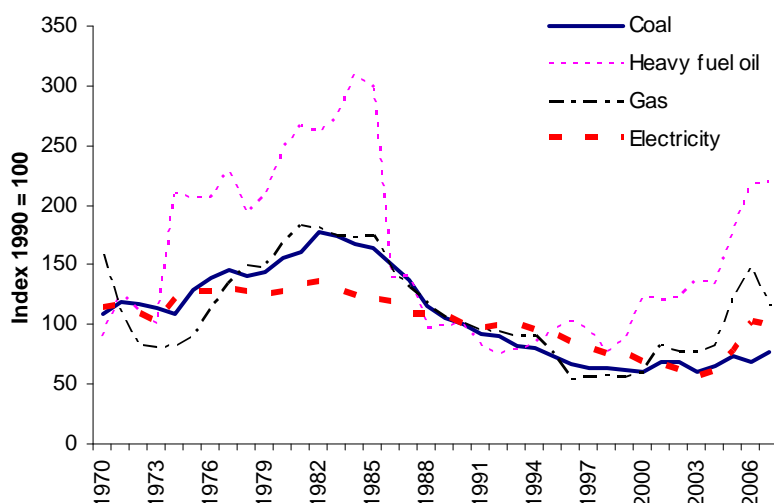
Chart 3.3.1 Fuel price indices in real terms⁽¹⁾ excluding the Climate Change Levy from Q2 2006 to Q2 2008



(1) Deflated using the GDP implied deflator at market prices

- Average industrial electricity prices excluding the Climate Change Levy (CCL), rose in real terms by 14.2 per cent in the year to Q2 2008, whilst industrial gas prices excluding CCL rose by 74.1 per cent in real terms.
- Over the same period the price of coal increased by 68.2 per cent in real terms while the price of heavy fuel oil increased by 46.2 per cent.
- The inclusion of CCL increases the average price of coal by 5.6 per cent and the average price of electricity and gas by 3.4 and 2.5 per cent respectively in Q2 2008.

Chart 3.3.2 (formerly chart 3.3.3): Industrial fuel price indices in real terms⁽¹⁾ including the Climate Change Levy 1970 to 2007



(1) Deflated using the GDP implied deflator at market prices

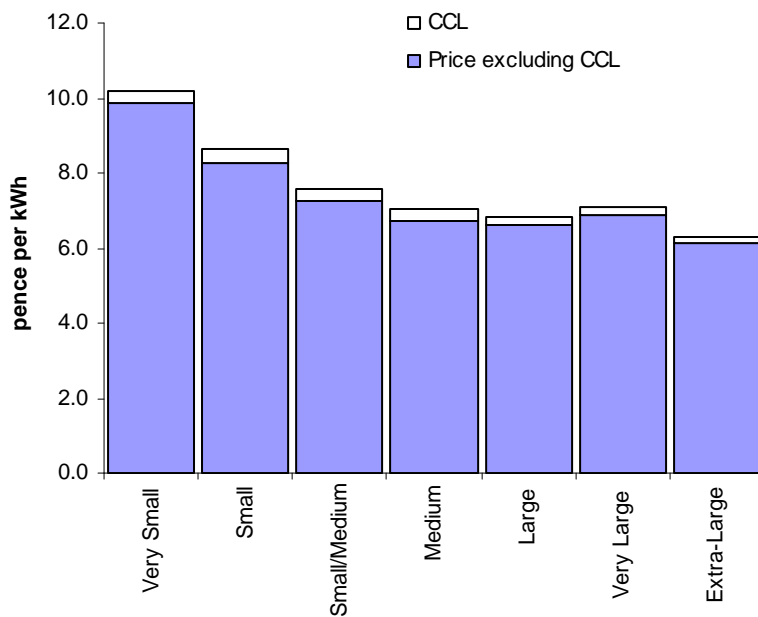
- Compared to 1997, the average price of heavy fuel oil including CCL in 2007 has increased by 130 per cent in real terms, with an increase of 79 per cent since 2002.
- In comparison, the annual average price of gas has increased by 109 per cent in real terms since 1997, and by 49 per cent since 2002.
- The average price of electricity has risen by 28 per cent in real terms since 1997, but has increased by 64 per cent since 2002.

3.4 Gas and electricity prices for the non-domestic sector in the UK

Table 3.4.1: Price of fuels purchased by non-domestic consumers in the UK (excluding the Climate Change Levy)

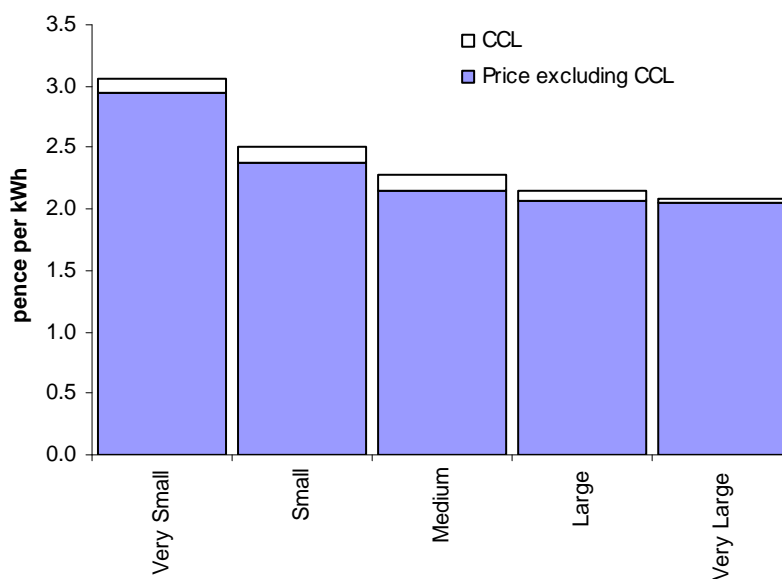
Table 3.4.2: Price of fuels purchased by non-domestic consumers in the UK (including the Climate Change Levy)

Chart 3.4.1: Average UK non-domestic electricity prices Q2 2008



- Average electricity prices excluding CCL have risen in cash terms between Q2 2007 and Q2 2008 by between 8 and 15 per cent for small, small/medium, medium and large consumers, by 22 per cent for very large consumers, and by 30 per cent for extra large consumers.
- The inclusion of CCL increases the average price of electricity by between 2 and 5 per cent.

Chart 3.4.2: Average UK non-domestic gas prices Q2 2008



- Average gas prices excluding CCL have risen in cash terms between Q2 2007 and Q2 2008 by 5 to 12 per cent for very small and small gas consumers, by 19 to 50 per cent for medium and large consumers, and by 112 per cent for very large consumers.
- The inclusion of CCL increases the average price of gas by between 2 and 6 per cent.

**Table 3.1.1 Prices of fuels purchased by manufacturing industry in Great Britain⁽¹⁾
Excluding the Climate Change Levy**

		Original units								
Fuel	Size of consumer	2006			2007				2008	
		2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter
Coal (£per GJ)	Small	3.07	2.70	2.71	2.89	2.81	3.06	3.00	3.35	3.01
	Medium	2.20	2.19	2.16	2.34	2.17	2.26	2.19	2.18	2.20
	Large	1.20	1.53	1.42	1.67	1.68	1.71	1.84	2.70r	2.20
	All consumers: Average median⁽²⁾	1.37	1.64	1.53	1.78	1.76	1.81	1.91	2.65r	3.23
Heavy fuel oil (£ per tonne) ⁽³⁾⁽⁹⁾	Small	309.1	302.5	272.2	275.9	283.4	292.6	412.2	421.6r	478.7
	Medium	264.2	257.7	229.2	235.8	265.5	291.2	336.8	391.5r	443.1
	Large	261.4	263.7	244.2	238.5	251.6	264.8	281.7	312.1	333.6
	Of which: Extra large	263.2	264.0	248.2	242.8	243.7	253.0	262.1	293.0	..
	Moderately large	258.2	263.1	237.0	230.4	266.0	286.1	317.5	346.9	..
	All consumers: Average median⁽²⁾	268.6	266.6	242.7	242.4	260.6	277.5	318.0	354.1r	390.9
Gas oil (£ per tonne) ⁽³⁾	Small	446.3	447.0	405.1	399.4	425.8	453.6	524.0	591.8r	668.0
	Medium	436.4	411.1	394.7	390.8	418.8	435.2	515.0	592.2r	691.4
	Large	403.5	395.8	378.2	372.6	387.7	406.1	473.5	536.2r	665.7
	All consumers: Average median⁽²⁾	409.5	399.3	381.3	376.0	393.4	411.6	480.9	546.0r	669.6
Electricity (Pence per kWh)	Small	6.77	7.01	7.45	7.70	7.25	7.34	7.42	7.91r	7.94
	Medium	5.87	5.91	6.66	6.77	6.43	6.49	6.51	6.61r	6.65
	Large	4.82	4.84	5.28	5.26	4.43	4.61	5.11	5.57r	5.85
	Of which: Extra large	4.17	4.35	4.67	4.37	3.45	3.86	4.31	4.72r	5.02
	Moderately large	5.32	5.20	5.74	5.94	5.17	5.19	5.72	6.23	6.48
	All consumers: Average	5.19	5.23	5.75	5.79	5.09	5.25	5.60	5.97r	6.17
	10% decile ⁽²⁾	4.53	4.56	5.13	5.34	4.70	4.74	5.08	5.21r	5.26
	median ⁽²⁾	6.52	6.66	7.24	7.45	6.96	6.99	6.96	6.98r	7.12
90% decile ⁽²⁾	8.64	9.20	9.51	9.43	8.63	8.90	9.33	9.46r	9.78	
Gas⁽⁴⁾ (Pence per kWh)	Small	2.306	2.308	2.443	2.502	2.371	2.271	2.170	2.272r	2.437
	Medium	2.021	1.983	2.096	2.148	2.011	1.910	2.036	2.199r	2.223
	Large	1.548	1.490	1.651	1.627	1.091	1.117	1.592	1.881r	1.949
	All consumers: Average	1.615	1.535	1.720	1.729	1.216	1.186	1.653	1.937r	1.990
	Firm ⁽⁵⁾	1.670	1.584	1.825	1.920	1.316	1.336	1.754	2.003r	2.135
	Interruptible	1.553	1.496	1.626	1.529	1.100	1.066	1.562	1.864r	1.851
	10% decile ⁽²⁾	1.456	1.411	1.475	1.513	1.050	1.148	1.455	1.680r	1.668
	median ⁽²⁾	2.210	2.314	2.397	2.441	2.267	2.137	2.065	2.084r	2.234
	90% decile ⁽²⁾	3.012	3.217	3.196	3.167	3.187	3.426	3.124	3.177	3.109

For notes see notes page

Table 3.1.3 Annual prices of fuels purchased by manufacturing industry in Great Britain⁽¹⁾ excluding the Climate Change Levy

		Original units							
	Size of consumer	2001	2002	2003	2004	2005	2006	2007	
Coal (£ per tonne)	Small	58.59	59.70	57.76	62.69	73.85	78.21	79.58	
	Medium	46.12	46.52	47.41	52.99	63.13	62.68	61.95	
	Large	36.40	35.02	31.49	35.09	41.17	40.03	43.43	
All consumers: Average		38.07	36.97	34.03	37.88	44.57	43.63	46.49	
Heavy fuel oil⁽³⁾ (£ per tonne)	Small	141.07	151.03	167.43	167.55	236.70	297.55	300.47	
	Medium	135.54	138.70	156.46	157.37	215.60	255.42	275.08	
	Large	116.34	129.84	146.14	147.77	188.52	254.51	258.29	
	Of which: Extra large	113.82	119.51	143.10	146.84	182.57	254.75	249.82	
	Moderately large	120.95	123.17	151.68	149.48	199.37	254.08	273.76	
All consumers: Average		126.28	132.24	152.53	153.71	204.28	260.47	269.68	
Gas oil⁽³⁾ (£ per tonne)	Small	226.41	218.66	248.17	273.06	357.51	429.82	430.00	
	Medium	218.87	205.14	236.02	260.96	346.14	414.32	427.41	
	Large	200.91	193.33	220.08	249.36	318.10	387.10	394.51	
All consumers: Average		204.23	195.74	223.17	251.69	323.28	392.24	400.30	
Electricity (Pence per kWh)	Small	4.913	4.583	4.251	4.634	5.631	6.964	7.574	
	Medium	3.677	3.493	3.253	3.574	4.663	6.138	6.600	
	Large	2.788	2.662	2.611	2.835	3.964	5.154	4.850	
	Of which: Extra large	2.460	2.415	2.474	2.666	3.742	4.687	3.982	
	Moderately large	3.041	2.853	2.717	2.966	4.137	5.514	5.521	
All consumers: Average		3.135	2.983	2.868	3.126	4.237	5.507	5.449	
Gas⁽⁴⁾ (Pence per kWh)	Small	1.140	1.193	1.230	1.357	1.650	2.307	2.438	
	Medium	0.978	1.015	1.042	1.175	1.539	2.084	2.081	
	Large	0.786	0.738	0.766	0.922	1.360	1.754	1.370	
	All consumers: Average		0.816	0.780	0.809	0.961	1.387	1.804	1.474
	Firm	0.884	0.869	0.870	1.019	1.458	1.853	1.644	
Interruptible	0.760	0.705	0.756	0.912	1.327	1.763	1.332		
Medium fuel oil⁽³⁾⁽⁸⁾ (£ per tonne)									
Average ⁽⁶⁾		148.10	150.16	140.06	145.52	..	..	..
Liquefied petroleum gases⁽⁸⁾ (£ per tonne)									
All consumers: Average⁽⁶⁾		184.66	179.66	233.39	268.47	..	..	..
Median ⁽²⁾		280.11	265.84	331.29	336.75	..	..	..
Hard coke⁽⁵⁾⁽⁸⁾ (£ per tonne)									
All consumers: Average⁽⁶⁾		109.06	109.28	118.55	176.91	..	..	..

For notes see notes page

Notes for Tables 3.1.1 to 3.1.4

- (1) Average prices paid (exclusive of VAT) by respondents to a Department for Business, Enterprise and Regulatory Reform survey of some 800 manufacturing sites. The average price for each size of consumer is obtained by dividing the total quantity of purchases, for each fuel, into their total value. Prices vary widely around the average values shown (see footnote 2). Purchases of fuels used as raw materials in manufacturing are excluded. For further details, see Annex A.
- (2) The 10% decile is the point within the complete range of prices below which the bottom 10% of those prices fall. Similarly the 90% decile is the point above which the top 10% of prices occur. The median is the midway point. Thus, these values show the spread of prices paid. The deciles and the median are calculated by giving equal 'weight' to each purchaser, whereas the average prices, for each size-band and all consumers are given 'weight' according to the quantity purchased. The 10% and 90% deciles are not published from Q1 2005 onwards, except for gas and electricity.
- (3) Oil product prices include hydrocarbon oil duty. From 1 January 2008 the effective duty rates per tonne are £93.92 for Heavy Fuel Oil and £111.92 for gas oil.
- (4) Covers all supplies of natural gas including, for example, those purchased direct from onshore/offshore gas fields. Respondents purchasing more than one type of supply (firm contract and interruptible contract) are treated as separate entities in respect of each type of supply.
- (5) From Q1 1998 tariff gas prices are not collected separately and are included in the firm contract prices. The 90% decile and average firm contract price will be affected by contributors who previously had separate contracts for tariff and firm contract gas. In Q4 1997, tariff gas represented a weight of around 1% of the sample.
- (6) It should be noted that prices for these fuels are drawn from small samples.
- (7) Excludes breeze and blast furnace supplies.
- (8) Following a consultation with users, this data is no longer published.
- Prices are shown for various sizes of consumers. These sizebands are defined in terms of the approximate annual purchases by the consumers purchasing them, as shown in the table below.
- (9) Extra-large and moderately large splits are no longer published (from Q208)

Range of annual purchases of which:

Fuel	Large	Extra large	Moderately large	Medium	Small
	Greater than	Greater than			Less than
Coal (tonnes)	7,600	n/a	n/a	760 to 7,600	760
Heavy fuel oil (tonnes)	4,900	15,000	4,900 to 15,000	490 to 4,900	490
Gas oil (tonnes)	175	n/a	n/a	35 to 175	35
Electricity (thousand kWh)	8,800	150,000	8,800 to 150,000	880 to 8,800	880
Gas* (thousand kWh)	8,800	n/a	n/a	1,500 to 8,800	1,500

*Respondents purchasing more than one type of supply (firm contract and interruptible contract) are treated as separate entities in respect of each type of supply.

The Climate Change Levy (CCL) came into effect in April 2001. Information on the operation of the CCL is available on the HM Revenue and Customs web site at <http://www.hmrc.gov.uk> Although data from the Quarterly Fuels Inquiry cannot currently be used to produce estimates of the amount of levy paid by size of consumer, it has been used to give an estimate of the average amount of levy paid for coal. Data from suppliers has been used to produce estimates of the average amount of levy paid on gas and electricity.

Table of the average amount of Climate Change Levy paid by fuel type⁽ⁱ⁾

Fuel	Full rate of Levy ⁽ⁱⁱ⁾	Average amount paid ⁽ⁱⁱⁱ⁾			
		Q3/07	Q4/07	Q1/08	Q2/08
Coal	£12.42/tonne	£6.0/tonne	£6.0/tonne	£6.0/tonne	£6.5/tonne
Electricity	0.456p/kWh	0.23p/kWh	0.23p/kWh	0.23p/kWh	0.26p/kWh
Gas	0.159p/kWh	0.07p/kWh	0.08p/kWh	0.10p/kWh	0.10p/kWh
LPG	£10.18/tonne	..	..	..	..

(i) The full levy rate for coke is £12.42 per tonne, however, in practice most use of coke by manufacturers is exempt from the levy.

(ii) The levy rates changed on 1 April 2008; those shown here are the new rates.

(iii) estimated

Table 3.2.1 Average prices of fuels purchased by the major UK power producers⁽¹⁾ and of gas at UK delivery points⁽²⁾
United Kingdom

	Major power producers ⁽¹⁾					Natural gas at UK delivery points ⁽⁷⁾⁽⁸⁾	
	Coal ⁽³⁾		Oil ⁽⁴⁾⁽⁵⁾		Natural gas ⁽⁶⁾	Including levy ⁽⁹⁾	Excluding levy ⁽⁹⁾
	£ per tonne	pence per kWh	£ per tonne	pence per kWh	pence per kWh		
1991	43.47	0.626	56.62	0.472	..	0.607	0.561
1992	45.84	0.660	57.76	0.481	..	0.595	0.549
1993	42.44	0.611	55.91	0.472	0.706	0.556	0.523
1994	36.35	0.528	67.90	0.526	0.667	0.588	0.564
1995	35.11	0.500	81.12	0.684	0.643	0.584	0.561
1996	35.22	0.507	84.15	0.709	0.628	0.592	0.571
1997	33.74	0.474	89.75	0.746	0.647	0.593	0.576
1998	30.17	0.421	71.87	0.599	0.656	0.560	0.560
1999	29.01	0.405	85.84	0.715	0.613	0.468	0.468
2000	29.35	0.406	120.96	1.010	0.595	0.534	0.534
2001	32.20	0.444	118.59	0.981	0.664	0.647	0.647
2002	29.66	0.409	127.92	1.061	0.609	0.601	0.601
2003	28.11	0.389	158.40	1.308	0.682	0.650	0.650
2004	32.61	0.450	145.60	1.205	0.761	0.706r	0.706r
2005	36.07	0.497	233.45	1.932	1.015	0.973r	0.973r
2006	38.06	0.523	254.61	2.117	1.284	1.264r	1.264r
2007	41.16	0.566	240.27r	1.997r	1.236	1.047	1.047
Per cent change ⁽¹⁰⁾	+8.1	+8.1	-5.6	-5.6	-3.7	-17.2	-17.2
2006 1st quarter	36.60	0.503	270.38	2.248	1.545	..	..
2nd quarter	38.58	0.530	232.67	1.934	1.051	..	..
3rd quarter	38.24	0.525	239.25	1.989	1.089	..	..
4th quarter	38.88	0.534	231.12	1.921	1.444	..	..
2007 1st quarter	38.11	0.524	208.60	1.722r	1.520	..	..
2nd quarter	38.48	0.529	234.42	1.935r	0.956	..	..
3rd quarter	40.66	0.559	235.68	1.946r	1.038	..	..
4th quarter	47.84	0.657	269.13	2.222r	1.394	..	..
2008 1st quarter	59.03	0.811	315.87	2.608r	1.610	..	..
2nd quarter p	67.04	0.921	369.49	3.051	1.496	..	..
Per cent change ⁽¹⁰⁾	+74.2	+74.1	+57.6	+57.7	+56.4	..	..

(1) Companies that produce electricity from nuclear sources plus all companies whose prime purpose is the generation of electricity are included under the heading "Major Power Producers". A list of these companies is given in paragraph A27 of the Technical Notes.

(2) The series represents gas supplied by UKCS licensees to the UK (i.e exports are excluded) and gas imported from the Norwegian sector of the continental shelf.

(3) Includes slurry.

(4) Includes oil for burning, for gas turbines and for internal combustion engines (other than for use in road vehicles). Excludes any natural gas liquids burnt at Peterhead power station.

(5) Includes hydrocarbon oil duty.

(6) Includes sour gas.

(7) A quarterly series consistent with the annual series is available back to quarter two 1987. An article describing this series was published in Energy Trends in November 1996.

(8) Quarterly data is not available from Quarter 2 2004 onwards.

(9) The levy is the Government's tax on indigenous supplies introduced in 1981 and abolished on 1 April 1998. The levy was reduced from 4 to 3 pence per therm for 1997/8 and this rate is reflected in the above data.

(10) Percentage change relates to the corresponding period a year earlier. The annual percentage change varies depending on the units used as the calorific values change each year. For further information see Annex B.

**Table 3.3.1 Fuel price indices for the industrial sector in current terms
excluding the Climate Change Levy**
United Kingdom

1990=100

	<i>Unadjusted</i>					<i>Seasonally adjusted</i>		
	Coal ⁽¹⁾	Heavy fuel oil ⁽¹⁾	Gas ⁽²⁾	Electricity ⁽²⁾	Total fuel ⁽³⁾	Gas ⁽²⁾	Electricity ⁽²⁾	Total fuel ⁽³⁾
1980	83.3	132.3	89.9	68.5	94.0	..	..	..
1981	96.2	158.5	109.0	79.3	112.0	..	..	..
1982	114.2	167.4	115.9	86.9	119.4	..	..	..
1983	118.2	184.4	117.9	87.2	124.0	..	..	..
1984	118.3	219.2	121.8	87.1	134.5	..	..	..
1985	123.0	222.3	130.0	90.5	137.3	..	..	..
1986	116.9	106.9	113.4	91.4	101.6	..	..	..
1987	112.1	114.4	106.8	88.7	98.1	..	..	..
1988	99.6	84.5	101.7	93.5	94.4	..	..	..
1989	97.3	92.0	98.3	100.2	98.6	..	..	..
1990	100.0	100.0	100.0	100.0	100.0	..	..	..
1991	98.5	87.8	101.0	103.3	100.5	..	..	..
1992	99.8	84.5	104.5	109.0	104.8	..	..	..
1993	93.6	90.1	102.7	114.2	107.9	..	..	..
1994	92.5	97.4	103.6	110.1	106.4	..	..	..
1995	86.8	113.8	90.4	109.1	105.7	..	..	..
1996	82.6	125.7	66.1	105.3	104.0	..	..	..
1997	80.6	120.2	69.7	99.3	97.5	..	..	..
1998	82.5	100.2	73.6	98.4	93.5	..	..	..
1999	81.3	114.7	72.9	99.0	96.1	..	..	..
2000	81.4	166.0	79.3	91.7	104.0	..	..	..
2001	83.5	165.8	106.8	84.0	106.6	..	..	..
2002	85.6	173.6	101.5	80.9	104.1	..	..	..
2003	78.4	200.4	105.5	78.3	111.9	..	..	..
2004	87.4	201.8	117.3	85.4	120.3	..	..	..
2005	102.6	268.2	177.8	114.4	162.1	..	..	..
2006	98.2	342.0	227.2	153.7	207.6	..	..	..
2007	114.1	354.1	181.3	157.7	202.5	..	..	..
Per cent change ⁽⁴⁾	+16.2	+3.5	-20.2	+2.6	-2.5	..	..	..
2006 2nd quarter	84.9	352.7	190.9	146.6	197.7	222.6r	151.0r	207.6
3rd quarter	101.8	350.1	180.1	147.7	195.6	211.6r	155.7r	208.8
4th quarter	95.8	318.6	216.6	167.5	208.4	193.0r	160.7r	199.3
2007 1st quarter	111.0	318.3	195.3	169.7	204.8r	167.8r	164.0r	196.6r
2nd quarter	109.9	342.2	140.6	152.3	189.8r	164.6r	156.5r	196.5r
3rd quarter	112.3	364.5	149.7	149.5	194.3r	176.5r	157.0r	203.6r
4th quarter	134.7r	417.6	212.5	159.2	222.6r	189.2r	153.2r	214.9r
2008 1st quarter	129.8r	465.0r	233.1	164.5r	239.3r	201.0r	160.1r	231.0r
2nd quarter p	189.7	513.2	251.2	178.4	261.6	292.7	182.1	271.1
Per cent change ⁽⁴⁾	+72.6	+50.0	+78.6	+17.1	+37.8	+77.8	+16.4	+38.0

(1) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1.

(2) Indices based on the average unit value (excluding VAT) of sales to industrial consumers.

(3) Total fuel indices are annually weighted.

(4) Percentage change relates to the corresponding period a year earlier.

**Table 3.3.1 Fuel price indices for the industrial sector in real terms⁽¹⁾
excluding the Climate Change Levy**
United Kingdom

1990=100

	<i>Unadjusted</i>				<i>Seasonally adjusted</i>			GDP deflator	
	Coal ⁽²⁾	Heavy fuel oil ⁽²⁾	Gas ⁽³⁾	Electricity ⁽³⁾	Total fuel ⁽⁴⁾	Gas ⁽³⁾	Electricity ⁽³⁾		
1980	155.3	246.8	167.8	127.7	175.4	..	..	..	53.6
1981	161.4	265.9	182.9	133.0	187.9	..	..	..	59.6
1982	178.2	261.2	180.8	135.5	186.2	..	..	..	64.1
1983	174.9	272.7	174.3	129.0	183.5	..	..	..	67.6
1984	167.4	310.1	172.2	123.1	190.3	..	..	..	70.7
1985	164.9	298.0	174.3	121.3	184.1	..	..	..	74.6
1986	151.4	138.5	146.9	118.4	131.7	..	..	..	77.2
1987	137.9	140.8	131.4	109.1	120.7	..	..	..	81.3
1988	115.2	97.8	117.7	108.3	109.2	..	..	..	86.4
1989	104.8	99.1	105.9	108.0	106.2	..	..	..	92.8
1990	100.0	100.0	100.0	100.0	100.0	..	..	..	100.0
1991	92.4	82.4	94.7	96.9	94.3	..	..	..	106.6
1992	89.9	76.2	94.2	98.3	94.5	..	..	..	110.9
1993	82.2	79.1	90.2	100.3	94.7	..	..	..	113.9
1994	80.0	84.3	89.6	95.2	92.0	..	..	..	115.6
1995	73.1	95.8	76.1	91.8	89.0	..	..	..	118.8
1996	67.2	102.2	53.8	85.7	84.6	..	..	..	122.9
1997	63.8	95.1	55.2	78.6	77.1	..	..	..	126.4
1998	63.6	77.2	56.7	75.8	72.1	..	..	..	129.8
1999	61.2	86.4	55.0	74.6	72.4	..	..	..	132.7
2000	60.5	123.4	59.0	68.2	77.3	..	..	..	134.5
2001	60.8	120.7	77.7	61.1	77.6	..	..	..	137.4
2002	60.4	122.6	71.7	57.2	73.5	..	..	..	141.6
2003	53.7	137.3	72.2	53.6	76.6	..	..	..	146.0
2004	58.3	134.7	78.3	57.0	80.3	..	..	..	149.8
2005	67.0	175.1r	116.0r	74.7	105.8r	..	..	..	153.2r
2006	62.4r	217.4r	144.4r	97.7r	132.0r	..	..	..	157.3r
2007	70.6r	219.0r	112.1r	97.5r	125.2r	..	..	..	161.7r
Per cent change ⁽⁵⁾	+13.0	+0.7	-22.4	-0.2	-5.1	..	..	..	+2.8
2006 2nd quarter	54.4	225.9r	122.3r	93.9r	126.6	142.6r	96.7r	132.7r	156.2
3rd quarter	64.3r	221.2r	113.8	93.3	123.6	133.7r	98.4r	131.9r	158.2
4th quarter	60.3	200.5r	136.3r	105.4r	131.1	121.4r	101.1r	125.4r	159.0
2007 1st quarter	69.5r	199.2r	122.2r	106.2r	128.2	105.0r	102.7r	123.1r	160.0
2nd quarter	68.1r	212.0r	87.1r	94.4r	117.6r	102.0	96.9r	121.7	162.2
3rd quarter	69.2r	224.4r	92.2r	92.0r	119.6r	108.7r	96.6r	125.3r	162.8
4th quarter	82.5r	255.9r	130.2r	97.6r	136.4	116.0r	93.9	131.7r	163.6
2008 1st quarter	78.9r	282.6r	141.6r	100.0	145.4r	122.1r	97.3r	140.4r	164.4
2nd quarter p	114.6	310.0	151.8	107.8	158.0	176.8	110.0	163.7	165.5
Per cent change ⁽⁵⁾	+68.2	+46.2	+74.1	+14.2	+34.4	+73.4	+13.5	+34.5	+2.0

(1) Deflated using the GDP implied deflator at market prices.

(2) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1.

(3) Indices based on the average unit value (excluding VAT) of sales to industrial consumers.

(4) Total fuel indices are annually weighted.

(5) Percentage change relates to the corresponding period a year earlier.

Table 3.3.2 Fuel price indices for the industrial sector in current terms including the Climate Change Levy ⁽¹⁾
United Kingdom

1990=100

	<i>Unadjusted</i>					<i>Seasonally adjusted</i>		
	Coal ⁽²⁾	Heavy fuel oil ⁽³⁾	Gas ⁽⁴⁾	Electricity ⁽⁴⁾	Total fuel ⁽⁵⁾	Gas ⁽⁴⁾	Electricity ⁽⁴⁾	Total fuel ⁽⁵⁾
1980	83.3	132.3	89.9	68.5	94.0	..	..	..
1981	96.2	158.5	109.0	79.3	112.0	..	..	..
1982	114.2	167.4	115.9	86.9	119.4	..	..	..
1983	118.2	184.4	117.9	87.2	124.0	..	..	..
1984	118.3	219.2	121.8	87.1	134.5	..	..	..
1985	123.0	222.3	130.0	90.5	137.3	..	..	..
1986	116.9	106.9	113.4	91.4	101.6	..	..	..
1987	112.1	114.4	106.8	88.7	98.1	..	..	..
1988	99.6	84.5	101.7	93.5	94.4	..	..	..
1989	97.3	92.0	98.3	100.2	98.6	..	..	..
1990	100.0	100.0	100.0	100.0	100.0	..	..	..
1991	98.5	87.8	101.0	103.3	100.5	..	..	..
1992	99.8	84.5	104.5	109.0	104.8	..	..	..
1993	93.6	90.1	102.7	114.2	107.9	..	..	..
1994	92.5	97.4	103.6	110.1	106.4	..	..	..
1995	86.8	113.8	90.4	109.1	105.7	..	..	..
1996	82.6	125.7	66.1	105.3	104.0	..	..	..
1997	80.6	120.2	69.7	99.3	97.5	..	..	..
1998	82.5	100.2	73.6	98.4	93.5	..	..	..
1999	81.3	114.7	72.9	99.0	96.1	..	..	..
2000	81.4	166.0	79.3	91.7	104.0	..	..	..
2001	94.0	165.8	111.7	88.7	110.5	..	..	..
2002	96.1	173.6	109.5	86.9	109.4	..	..	..
2003	89.0	200.4	113.0	84.1	116.9	..	..	..
2004	97.9	201.8	124.0	91.4	125.1	..	..	..
2005	113.2	268.2	184.2	119.8	166.6	..	..	..
2006	108.7	342.0	233.6	159.4	212.4	..	..	..
2007	124.7	354.1	186.6	162.8	206.6	..	..	..
Per cent change ⁽⁶⁾	+14.7	+3.5	-20.1	+2.1	-2.7	..	..	..
2006 2nd quarter	95.5	352.7	198.0	152.2	202.6	229.8r	156.7r	212.5
3rd quarter	112.3	350.1	185.1	153.2	199.9	216.6r	161.3r	213.1
4th quarter	106.4	318.6	222.1	173.6	213.2	198.4r	166.8r	203.2
2007 1st quarter	121.5	318.3	201.5	174.9	209.2r	174.1r	169.2r	200.9r
2nd quarter	120.6	342.2	145.9	157.3	193.8r	169.8r	161.5r	200.5r
3rd quarter	123.1	364.5	153.7	154.3	198.0r	180.5r	161.8r	207.3r
4th quarter	145.4r	417.6	217.3	164.5	226.7r	194.0r	158.5r	219.0r
2008 1st quarter	140.6r	465.0r	239.2	169.6r	243.6r	207.1r	165.2r	235.3r
2nd quarter p	200.4	513.2	257.5	184.4	266.4	299.0	188.0	275.9
Per cent change ⁽⁶⁾	+66.1	+50.0	+76.5	+17.2	+37.4	+76.1	+16.4	+37.6

- (1) The levy came into effect in April 2001 (Q2). The full rates of levy from 1 April 2008 are: coal 12.42£/tonne, gas 0.159p/kWh, electricity 0.456p/kWh; discounts and exemptions are available.
- (2) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1, but with the inclusion of an estimation of the amount of CCL paid.
- (3) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1.
- (4) Indices based on the average unit value (excluding VAT) of sales to industrial consumers.
- (5) Total fuel indices are annually weighted.
- (6) Percentage change relates to the corresponding period a year earlier.

**Table 3.3.2 Fuel price indices for the industrial sector in real terms⁽¹⁾
including the Climate Change Levy⁽²⁾**
United Kingdom

1990=100

	<i>Unadjusted</i>					<i>Seasonally adjusted</i>			GDP deflator
	Coal ⁽³⁾	Heavy fuel oil ⁽⁴⁾	Gas ⁽⁵⁾	Electricity ⁽⁵⁾	Total fuel ⁽⁶⁾	Gas ⁽⁵⁾	Electricity ⁽⁵⁾	Total fuel ⁽⁶⁾	
1980	155.3	246.8	167.8	127.7	175.4	..	..	..	53.6
1981	161.4	265.9	182.9	133.0	187.9	..	..	..	59.6
1982	178.2	261.2	180.8	135.5	186.2	..	..	..	64.1
1983	174.9	272.7	174.3	129.0	183.5	..	..	..	67.6
1984	167.4	310.1	172.2	123.1	190.3	..	..	..	70.7
1985	164.9	298.0	174.3	121.3	184.1	..	..	..	74.6
1986	151.4	138.5	146.9	118.4	131.7	..	..	..	77.2
1987	137.9	140.8	131.4	109.1	120.7	..	..	..	81.3
1988	115.2	97.8	117.7	108.3	109.2	..	..	..	86.4
1989	104.8	99.1	105.9	108.0	106.2	..	..	..	92.8
1990	100.0	100.0	100.0	100.0	100.0	..	..	..	100.0
1991	92.4	82.4	94.7	96.9	94.3	..	..	..	106.6
1992	89.9	76.2	94.2	98.3	94.5	..	..	..	110.9
1993	82.2	79.1	90.2	100.3	94.7	..	..	..	113.9
1994	80.0	84.3	89.6	95.2	92.0	..	..	..	115.6
1995	73.1	95.8	76.1	91.8	89.0	..	..	..	118.8
1996	67.2	102.2	53.8	85.7	84.6	..	..	..	122.9
1997	63.8	95.1	55.2	78.6	77.1	..	..	..	126.4
1998	63.6	77.2	56.7	75.8	72.1	..	..	..	129.8
1999	61.2	86.4	55.0	74.6	72.4	..	..	..	132.7
2000	60.5	123.4	59.0	68.2	77.3	..	..	..	134.5
2001	68.4	120.7	81.3	64.6	80.4	..	..	..	137.4
2002	67.9	122.6	77.3	61.4	77.3	..	..	..	141.6
2003	60.9	137.3	77.4	57.6	80.1	..	..	..	146.0
2004	65.3	134.7	82.8	61.0	83.5	..	..	..	149.8
2005	73.9	175.1r	120.3r	78.2r	108.8	..	..	..	153.2r
2006	69.1r	217.4r	148.5r	101.4	135.1	..	..	..	157.3r
2007	77.1r	219.0r	115.4r	100.7r	127.8r	..	..	..	161.7r
Per cent change ⁽⁷⁾	+11.6	+0.7	-22.3	-0.7	-5.4	..	..	..	+2.8
2006 2nd quarter	61.1	225.9r	126.8	97.5	129.8r	147.1r	100.4r	135.8r	156.1r
3rd quarter	71.0	221.2r	116.9r	96.8	126.3r	136.8r	101.9r	133.5r	158.3r
4th quarter	66.9	200.5r	139.7	109.2	134.1	124.9r	105.0r	128.4r	158.9r
2007 1st quarter	76.0r	199.2r	126.1r	109.5r	130.9	109.0r	105.9r	125.8r	159.8r
2nd quarter	74.7r	212.0r	90.4r	97.5r	120.1r	105.2r	100.1r	124.2	161.4r
3rd quarter	75.8r	224.4r	94.6r	95.0r	121.9r	111.1r	99.6r	127.6r	162.4r
4th quarter	89.1r	255.9r	133.1r	100.8r	138.9	118.9r	97.1	134.2r	163.2r
2008 1st quarter	85.4r	282.6r	145.3r	103.1	148.0r	125.8r	100.4r	143.0r	164.6r
2nd quarter p	121.0	310.0	155.6	111.4	160.9	180.6	113.6	166.7	165.5r
Per cent change ⁽⁷⁾	+62.0	+46.2	+72.1	+14.3	+34.0	+71.7	+13.5	+34.1	+2.6

(1) Deflated using the GDP implied deflator at market prices.

(2) The levy came into effect in April 2001 (Q2). The full rates of levy from 1 April 2008 are:

coal 12.42£/tonne, gas 0.159p/kWh, electricity 0.456p/kWh; discounts and exemptions are available.

(3) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1, but with the inclusion of an estimation of the amount of CCL paid.

(4) Indices based on a survey of the prices (excluding VAT) of fuels delivered to industrial consumers in Great Britain, as shown in Table 3.1.1.

(5) Indices based on the average unit value (excluding VAT) of sales to industrial consumers.

(6) Total fuel indices are annually weighted.

(7) Percentage change relates to the corresponding period a year earlier.

Table 3.4.1 Prices of fuels purchased by non-domestic consumers in the United Kingdom (excluding the Climate Change Levy)

		Pence per kWh									
		2007								2008	
Fuel	Size of consumer	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	
Electricity	Very Small	7.88	8.53	9.10	9.27r	9.57	9.67	9.67	9.75r	9.86	
	Small	6.66	7.04	7.76	7.97r	7.29	7.99	8.09	8.26r	8.28	
	Small/Medium	6.48	6.60	7.73	7.75r	6.59	7.20	7.15	7.26r	7.26	
	Medium	5.91	5.85	6.97	7.00r	6.23	6.26	6.32	6.37r	6.73	
	Large	5.65	5.68	6.56	6.61r	5.74	5.92	6.01	6.28	6.61	
	Very Large	5.01	5.03	5.49	6.69r	5.62	5.63	5.81	6.46	6.86	
	Extra Large				6.32r	4.76	4.19	5.35r	5.65	6.16	
Average	6.10	6.24	7.03	7.39r	6.49	6.63	6.87r	7.12r	7.43		
Gas	Very Small	2.173	2.442	2.641	2.843	2.621	2.580	2.651	2.927r	2.945	
	Small	2.126	2.244	2.411	2.630	2.260	1.919	2.234	2.347r	2.375	
	Medium	1.941	2.037	2.016	2.160	1.811	1.543	1.800	1.962r	2.150	
	Large	1.743	1.666	1.869	1.894	1.376	1.291	1.588	1.862r	2.059	
	Very Large	1.412	1.281	1.347	1.374	0.968	1.048	1.512	1.743r	2.053	
	Average	1.858	1.820	2.012	2.159	1.718	1.516	1.908	2.141r	2.253	

Table 3.4.2 Prices of fuels purchased by non-domestic consumers in the United Kingdom (including the Climate Change Levy)

		Pence per kWh									
		2007								2008	
Fuel	Size of consumer	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	
Electricity	Very Small	8.16	8.81	9.38	9.53r	9.85	9.92	9.93	10.02r	10.17	
	Small	7.04	7.41	8.13	8.30r	7.65	8.34	8.44	8.60r	8.65	
	Small/Medium	6.85	6.96	8.09	8.05r	6.91	7.51	7.45	7.55r	7.59	
	Medium	6.23	6.16	7.29	7.26r	6.52	6.53	6.57	6.62r	7.03	
	Large	5.88	5.90	6.78	6.77r	5.93	6.09	6.18	6.44	6.81	
	Very Large	5.33	5.35	5.82	6.82r	5.77	5.78	5.96	6.61	7.07	
	Extra Large				6.44r	4.86	4.31	5.48r	5.77	6.27	
Average	6.42	6.56	7.35	7.64r	6.75	6.88	7.12r	7.36r	7.71		
Gas	Very Small	2.281	2.543	2.752	2.965	2.728	2.689	2.766	3.045r	3.061	
	Small	2.235	2.337	2.517	2.746	2.371	2.018	2.344	2.463r	2.513	
	Medium	2.037	2.122	2.106	2.255	1.905	1.630	1.894	2.073r	2.287	
	Large	1.802	1.718	1.934	1.954	1.430	1.339	1.644	1.950r	2.150	
	Very Large	1.446	1.299	1.378	1.403	0.993	1.067	1.536	1.774r	2.086	
	Average	1.936	1.882	2.091	2.242	1.793	1.581	1.986	2.237r	2.356	

Source: BERR survey of energy suppliers.

Notes: The average price for each size of consumer is obtained by dividing the total quantity of purchases, for each fuel, into their total value. The average electricity price from Q1 2007 includes the new Extra Large sizeband, introducing a discontinuity with the averages for previous quarters.

The electricity and gas sizebands shown in table 3.4.1 and 3.4.2 are defined in terms of the approximate annual purchases by the consumers purchasing them, as shown in the table below. The sizebands from Q1 2006 onwards differ slightly from those published in previous issues. Some electricity sizebands were renamed in Q1 2008; however, the consumptions are unchanged.

Annual Consumption

Electricity	MWh	Gas	MWh
Very Small	0 -20	Very Small	<278
Small	20 - 499	Small	278 - 2,777
Small/Medium	500 - 1,999	Medium	2,778 - 27,777
Medium	2,000 - 19,999	Large	27,778 - 277,777
Large	20,000 - 69,999	Very Large	277,778 - 1,111,112
Very Large	70,000 - 150,000		
Extra Large	>150.000		

The Climate Change Levy (CCL) came into effect in April 2001. More information is available on the HM Revenue and Customs web site at <http://www.hmrc.gov.uk>. From 1 April 2008 the full rate of levy for electricity is 0.456p/kWh and for gas it is 0.159p/kWh.

Section 4 – Oil and Petroleum Product Prices

Typical retail prices of petroleum prices

4.1.1 Duty rate changes, as listed in Annex C, were one of the main reasons why motor fuel prices increased throughout the 1990s. In the March 2001 Budget the duty on diesel (ULSD) was equalised with the rate on unleaded petrol (ULSP). In October 2003, duty on ULSD and unleaded petrol increased by 1.3 pence per litre. Duty was then frozen until December 2006, when duty increased by 1.25 pence per litre for both petrol and diesel. On 1st October 2007, road fuel duty increased by 2 pence per litre. A further road fuel duty increase of 2 pence per litre, due to be implemented on 1 April 2008, was postponed to October 2008, then postponed once more due to high oil prices.

4.1.2 In the early 1990s, margins on retail motor fuel sales were around 4 to 5 pence per litre, but competition and subsequent price reductions in the mid 1990s lead to margins falling as low as 1 pence per litre before competition stabilised somewhat and margins moved back to their previous levels. Since 2000, margins have fluctuated from as high as 9 pence per litre to as low as 1 pence per litre, depending on factors such as crude oil prices.

4.1.3 Duty is one factor that influences the price of petrol and diesel. Chart 4.1.3 shows the movement in the excluding taxes price of premium unleaded and diesel from June 2003 to June 2008. The cost of crude oil is another factor in overall petrol and diesel prices.

4.1.4 A historical perspective of petrol and diesel prices is given in Table 4.1.3. There was a big increase during 1979 as a result of the second oil price shock. Prices then rose until 1985 before falling during 1986. The Gulf crisis of 1990/91 had only a temporary effect on prices (shown in the January 1991 figures), with the prices of motor fuels in recent years being driven upwards by tax changes but offset to some extent by strong competition in the retail sales market. UK petrol and diesel prices have been at record levels of over £1 per litre since November 2007, mostly due to record oil prices.

4.1.5 Standard grade burning oil and gas oil prices generally move in line with crude oil prices. This means that events such as the Gulf crisis in 1990/91 caused the price of these fuels to rise initially but then fall back, as crude oil prices rose and fell.

Crude oil prices

4.2.1 OPEC held its 149th Ordinary Meeting in Vienna on 9th and 10th September 2008. The Conference reviewed current oil market conditions and future prospects and observed that the oil market is well supplied and that inventories have built up to comfortable levels. It further noted that prices have dropped significantly in recent weeks. The Conference agreed to abide by September 2007 production allocations totalling 28.8 mb/d. The Conference reaffirmed its commitment to ensuring sound supply fundamentals and an adequate level of spare capacity for the benefit of the world at large, and agreed to reassess the market situation at its 150th (Extraordinary) Meeting in Oran, Algeria, on 17th December 2008.

4.2.2 Movements in the price of crude oil affect the prices of various domestic and industrial fuels, as well as petroleum products. The price of crude oil can change for a variety of reasons, but a common feature is that they are all global events. Examples include: oil shortages (1973); political uncertainty (1990/1); general over supply coupled with weaker Far East demand (1998); Hurricanes Katrina and Rita (2005), and a tight market in combination with geopolitical tensions and a weakening dollar (2007-8). In July 2008, average monthly crude oil prices reached a new high in real terms, 10.5% higher than that reached in the late 1970's. In September, prices fell to under \$100/barrel due to poor economic performance by the US and other OECD countries.

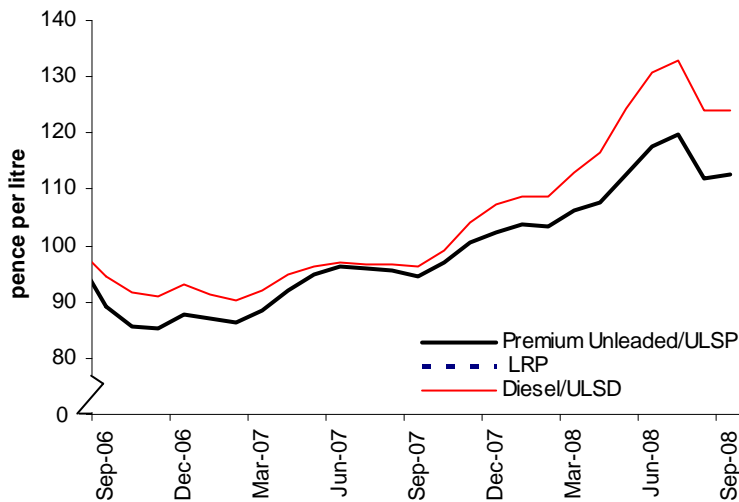
4.1 Typical retail prices of petroleum products

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

Table 4.1.2: Average annual retail prices of petroleum products and a crude oil price index

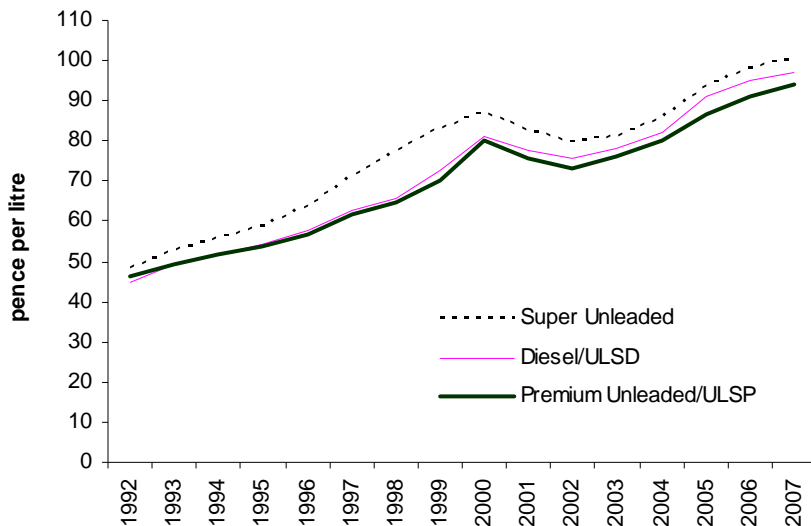
Table 4.1.3: Typical retail prices of petroleum products 1975 to 2007 *

Chart 4.1.1: Typical retail prices of motor spirits from September 2006 to September 2008



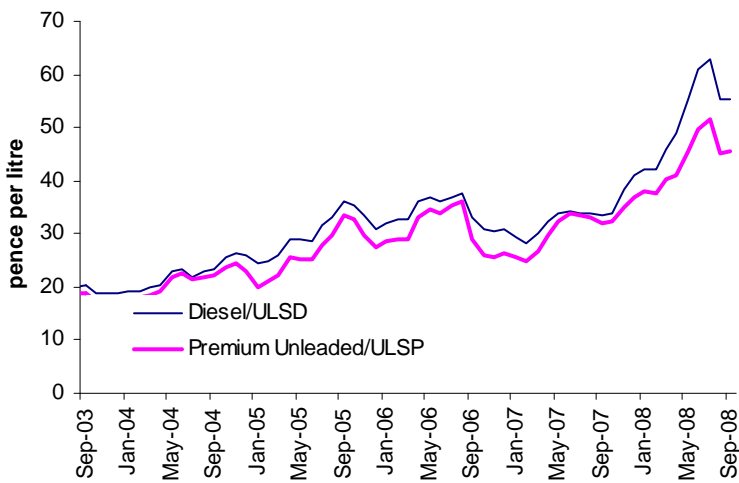
- In mid September 2008 a litre of ULSP was on average 112.5 pence, 11.6 pence per litre less than diesel.
- Diesel prices were 27.8 pence per litre higher than a year ago. ULSP prices were 18.1 pence per litre higher than a year ago.

Chart 4.1.2: Annual average retail price of motor spirit and diesel 1992 to 2007



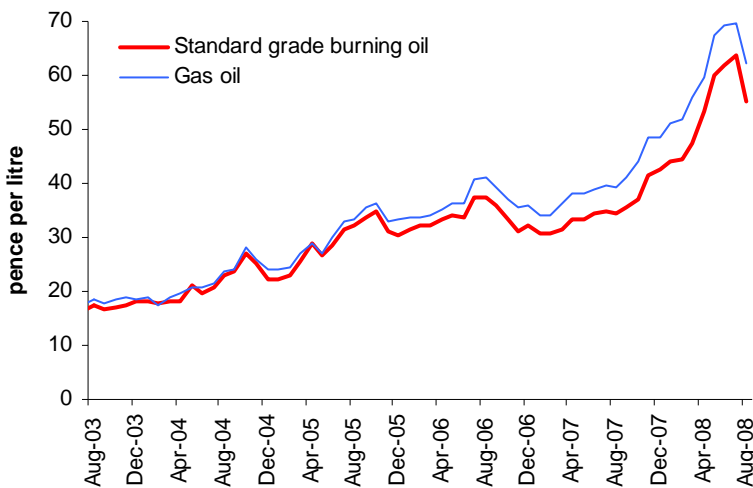
- Motor fuel prices increased at a steady rate from the Gulf crisis in 1990/91 to 2000, chiefly as a result of duty changes.
- Compared to 2006, the average price of ULSP in 2007 has increased by 3.2 per cent, whilst the price of diesel has increased by 1.7 per cent.

Chart 4.1.3: Price of unleaded petrol and diesel excluding taxes September 2003 to September 2008



- The price of unleaded petrol, excluding tax, has fallen from its peak in July 2008, by 5.9 per cent.
- The price of diesel, excluding taxes, has also fallen from its peak in July 2008, by 6.6 per cent.

Chart 4.1.4: Typical retail prices of standard grade burning oil and gas oil August 2003 to August 2008



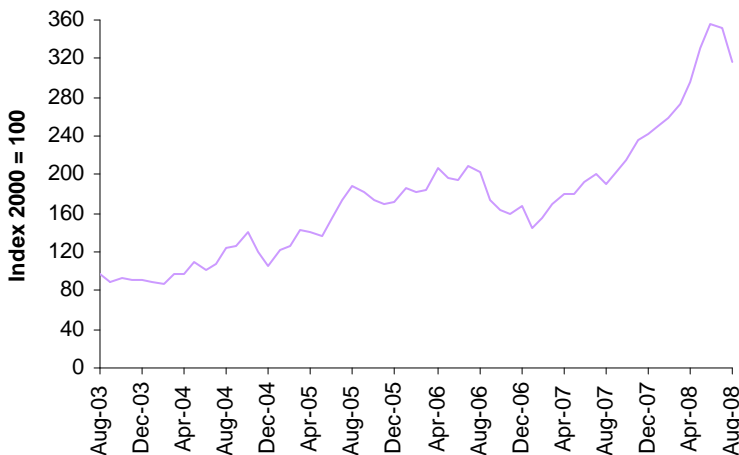
- The price of SGBO in August has fallen since July, which was the highest level since our records began in 1989. The price is 60.5 per cent higher than a year ago.
- The price of gas oil has also fallen since July, which was its highest level, and is 58.9 per cent higher than a year ago.
- There has been a general upward trend in prices since June 2003, since then prices have increased by around 270 per cent for both fuels.

4.2 Crude oil prices

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

Table 4.1.2: Average annual retail prices of petroleum products and a crude oil price index

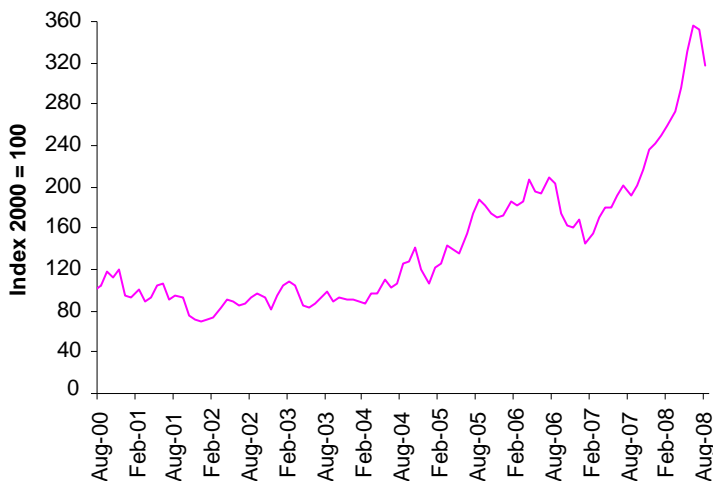
Chart 4.2.1: Index⁽¹⁾ of crude oil prices August 2003 to August 2008



- The average cost of crude oil acquired by refineries in August has fallen since June, which was its highest level since our records began in 1989.
- Compared to a year ago, the price in August 2008 is 66 per cent higher.

(1)The index represents the average price paid by refineries for the month and is calculated in sterling on a cif basis, see Annex A.

Chart 4.2.2: Index⁽¹⁾ of crude oil prices August 2000 to August 2008



- Between December 1998, when prices troughed, and August 2008, crude oil prices have increased almost tenfold.
- Over the past five years (August 2003 to August 2008) the average cost of crude oil acquired by refineries has more than doubled.

(1)The index represents the average price paid by refineries for the month and is calculated in sterling on a cif basis, see Annex A.

Table 4.1.1 Typical retail prices of petroleum products and a crude oil price index⁽¹⁾
United Kingdom

		Motor spirit ⁽¹⁾			Standard grade burning oil ⁽¹⁾⁽⁵⁾	Gas oil ⁽¹⁾⁽⁶⁾	Crude oil acquired by refineries ⁽⁷⁾
		Super unleaded	Premium unleaded ⁽³⁾	Diesel ⁽¹⁾⁽⁴⁾			<i>2000 = 100</i>
2006	December	95.68	87.63	93.23	32.05	35.99	168.2
2007	January	94.80	86.91	91.44	30.88	34.03	145.3
	February	94.01	86.17	90.18	30.63	34.10	154.9
	March	96.01	88.39	92.16	31.65	36.14	169.8
	April	98.42	91.92	94.73	33.43	38.25	179.1
	May	100.63	95.05	96.41	33.47	37.98	179.9
	June	101.98	96.44	97.02	34.46	38.85	192.1
	July	101.80	96.05	96.65	34.82	39.57	201.7
	August	101.49	95.70	96.54	34.45	39.21	191.0
	September	100.75	94.45	96.30	35.46	41.22	202.0
	October	102.83	97.03	99.15	37.13	43.93	215.9
	November	104.67	100.46	104.19	41.60	48.65	235.6
	December	107.37	102.36	107.41	42.42	48.37	242.0
2008	January	110.59	103.71	108.70	43.90	51.01	249.8
	February	110.28	103.50	108.85	44.33	51.75	258.4
	March	113.05	106.36	113.15	47.54	55.82	273.5
	April	113.61	107.56	116.55	53.39	59.49	295.2
	May	117.87	112.69	124.20	60.10	67.34	331.3
	June	123.41	117.49	130.59	61.78	69.21	356.3
	July	126.04	119.62	132.98	63.83	69.79	352.4
	August	118.18	112.06r	123.95r	55.30	62.31	317.0
	September p	..	112.51	124.14	..	..	..

- (1) These estimates are generally representative of prices paid on or about the 15th of the month. Estimates are based on information provided by oil marketing companies until December 1994. From January 1995, data from super/hypermarket chains have been included. The very latest data for motor spirit and diesel are provisional, based on a smaller sample than used for preceding months.
- (2) Prior to October 1999, Lead Replacement Petrol (LRP) prices were actually the price of Four Star. Pump prices for both petrols are broadly the same.
- (3) From April 2001, Premium unleaded prices represent Ultra Low Sulphur Petrol (ULSP), which now accounts for virtually all Premium unleaded sold. The pump prices for both fuels were broadly the same.
- (4) From July 1999, diesel prices represent average prices for Ultra Low Sulphur Diesel which now accounts for virtually all diesel sold. Prices for the period March - June 1999 represent a mixture of both types of diesel as companies switched to only selling ULSD. Pump prices for both diesels are broadly the same.
- (5) These estimates are for deliveries of up to 1,000 litres; such deliveries attract 8 per cent VAT from 1 April 1994. With effect from 1 September 1997 the rate of VAT has been reduced to 5 per cent.
- (6) These estimates are for deliveries of 2,000 to 5,000 litres; such deliveries attract 8 per cent VAT from 1 April 1994. With effect from 1 September 1997 the rate of VAT has been reduced to 5 per cent.
- (7) Price index for supplies received by refineries in the UK from both indigenous and imported sources. It represents the average for the month calculated in sterling on a cif basis.

Table 4.1.2 Average annual retail prices of petroleum products and a crude oil price index
United Kingdom

	Motor spirit ⁽¹⁾			Diesel ⁽¹⁾⁽⁴⁾	Standard grade burning oil ⁽¹⁾⁽⁵⁾	Gas oil ⁽¹⁾⁽⁶⁾	Crude oil acquired by refineries ⁽⁷⁾
	4 star/ LRP ⁽²⁾⁽⁸⁾	Super unleaded	Premium unleaded ⁽³⁾				
	<i>Pence per litre</i>						
	<i>2000 = 100</i>						
1977	17.64	..	..	18.21	8.40	8.37	..
1978	16.77	..	..	18.46	8.39	8.42	..
1979	22.66	..	..	23.65	10.89	10.90	..
1980	28.32	..	..	29.67	14.78	14.77	..
1981	34.29	..	..	34.01	18.01	17.51	..
1982	36.62	..	..	35.86	20.75	20.11	..
1983	39.28	..	..	37.30	21.19	20.71	..
1984	40.62	..	..	38.33	19.67	20.44	..
1985	43.14	..	..	41.94	21.12	21.58	..
1986	37.35	..	..	35.60	13.95	13.77	..
1987	37.90	..	..	34.58	12.55	13.16	..
1988	37.38	..	..	34.00	10.65	10.88	..
1989	40.39	..	38.29	36.18	12.04	11.64	..
1990	44.87	..	42.03	40.48	15.56	14.64	..
1991	48.48	47.31	45.07	43.82	14.11	13.65	61.0
1992	50.28	48.38	46.07	45.01	13.06	12.49	57.6
1993	54.12	52.91	49.44	49.20	13.64	13.42	60.0
1994	56.87	55.98	51.58	51.53	13.37	13.27	55.1
1995	59.70	58.55	53.77	54.24	13.80	13.87	57.9
1996	61.63	63.67	56.52	57.71	15.93	16.53	71.0
1997	67.22	71.31	61.82	62.47	14.36	15.45	62.4
1998	71.11	77.80	64.80	65.50	11.25	12.47	40.7
1999	77.20	82.92	70.16	72.49	12.73	13.89	58.4
2000	84.89	87.32	79.93	81.34	20.57	21.51	100.0
2001	79.71	82.74	75.72	77.84	18.13	19.12	89.9
2002	77.03	79.79	73.24	75.46	15.66	15.93	86.8
2003	79.94	81.36	76.04	77.92	17.57	18.58	94.0
2004	84.42	85.75	80.22	81.91	21.26	21.96	109.1
2005	..	93.40	86.75	90.86	29.03	30.53	156.8
2006	..	98.05	91.32	95.21	33.66	36.58	185.8
2007	..	100.40	94.24	96.85	35.03	40.03	192.4

(1) Estimates are based on information provided by oil marketing companies until December 1994. From January 1995, data from super/hypermarket chains have been included.

(2) From October 1999, Four Star prices represent 'Lead Replacement Petrol' (LRP). Pump prices for both petrols are broadly the same.

(3) From April 2001, Premium unleaded prices represent Ultra Low Sulphur Petrol (ULSP), which now accounts for virtually all Premium unleaded sold. The pump prices for both fuels were broadly the same.

(4) From July 1999, diesel prices represent average prices for Ultra Low Sulphur Diesel which now accounts for virtually all diesel sold. Prices for the period March - June 1999 represent a mixture of both types of diesel as companies switched to only selling ULSD. Pump prices for both diesels are broadly the same.

(5) These estimates are for deliveries of up to 1,000 litres; such deliveries attract 8 per cent VAT from 1 April 1994. With effect from 1 September 1997 the rate of VAT has been reduced to 5 per cent.

(6) These estimates are for deliveries of 2,000 to 5,000 litres; such deliveries attract 8 per cent VAT from 1 April 1994. With effect from 1 September 1997 the rate of VAT has been reduced to 5 per cent.

(7) Price index for supplies received by refineries in the UK from both indigenous and imported sources. It represents the average for the month calculated in sterling on a cif basis.

(8) The LRP series has been discontinued from September 2005 due to the low volume of sales.

Section 5 – International Comparisons

Prices vary between countries for many reasons including differences in indigenous resources and market structures. Varying exchange rates and inflation rates can have an impact when comparing international prices - for example, the pound depreciated against the euro by around 12 per cent between the second half of 2007 and the first half of 2008. This means that for a Eurozone country showing a 15 per cent price increase between the second half of 2007 and the first half of 2008, approximately 12 per cent of that increase would be due to currency movements and only 3 per cent to price increases, whereas for the UK any changes would be due to price movement alone.

Premium unleaded petrol prices and diesel prices in the EU

5.1.1 Petrol prices in the UK have generally been amongst the highest in Europe including tax, but amongst the lowest excluding tax. However, in recent months, UK petrol prices have increased at a slower rate than some other EU countries, resulting in the UK's rank in the EU 15 falling to around the 8th highest petrol price including tax. The tax component of UK petrol prices is currently around 54 per cent, and is generally the highest rate in Europe.

5.2.1 Diesel prices in the UK are the highest in Europe including tax but amongst the lowest excluding tax. The tax component is around 56 per cent, generally the highest rate in Europe.

Average industrial and domestic electricity prices, EU and G7

5.3.1 The UK has historically had amongst the cheapest industrial electricity prices in the EU, both including and excluding tax. However, annual 2007 prices sourced from the IEA show that, including tax, UK prices were just above the EU/G7 median level.

5.4.1 Estimated data for January to June 2008 based on Eurostat and Energy Advice information shows that UK industrial electricity prices are above the EU median including and excluding tax for all consumers except medium consumers including tax, which were around the median.

5.5.1 The UK has historically been below the EU median for domestic electricity including tax, although above the median excluding tax. Annual 2007 prices sourced from the IEA show that, including tax, the UK is now above the EU/G7 median.

5.6.1 Estimated data for January to June 2008 based on Eurostat and Energy Advice information shows that UK prices for medium consumers are below the EU median including tax but above the median excluding tax.

Average industrial and domestic gas prices, EU and G7

5.7.1 The UK has historically had amongst the cheapest industrial gas prices in the EU, both including and excluding tax. Annual IEA 2007 prices show that the UK is still below the EU/G7 median.

5.8.1 Estimated data for January to June 2008 based on Eurostat and Energy Advice information shows that UK industrial gas prices, including tax, are below the median for all consumers.

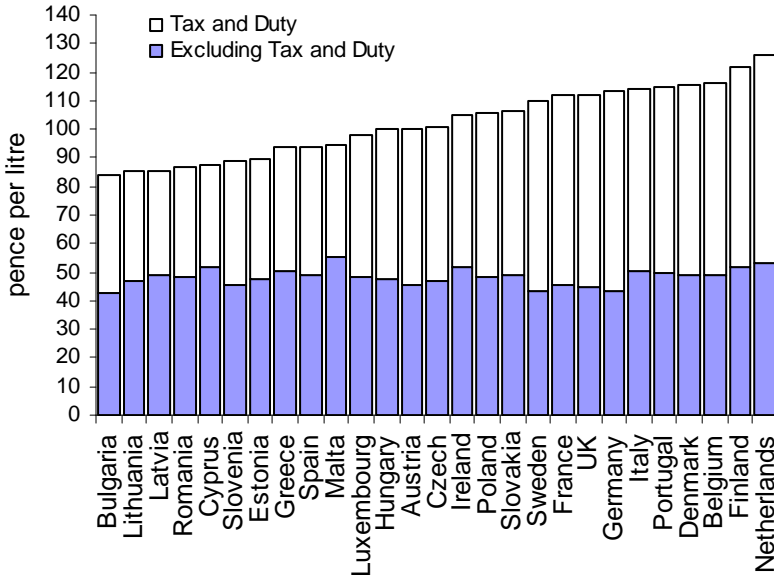
5.9.1 The UK has historically been below the EU median for domestic gas, both including and excluding tax, and annual IEA 2007 prices show that, including tax, the UK is still below the EU/G7 median. Prices excluding tax are slightly above the median.

5.10.1 Estimated data for January to June 2008 based on Eurostat and Energy Advice information shows that UK domestic prices for medium consumers are the lowest in the EU15.

5.1 Premium unleaded petrol prices in the EU

Table 5.1.1: Premium unleaded petrol prices in the EU

Chart 5.1.1 Average EU premium unleaded petrol prices in pence per litre as at August 2008



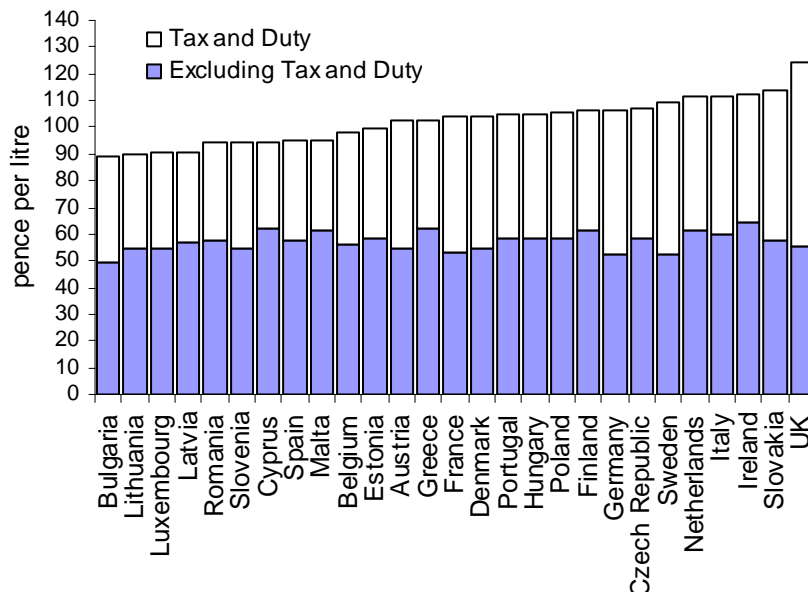
- In August 2008, average UK unleaded petrol prices, including taxes, were the eighth highest in the EU at 112.1 pence per litre when presented in a common currency basis.
- The highest price was in the Netherlands at 126.0 pence per litre, whilst the lowest price was in Bulgaria at 84.3 pence per litre.

Source: European Commission Oil Bulletin

5.2 Diesel prices in the EU

Table 5.2.1: Diesel prices in the EU

Chart 5.2.1 Average EU diesel prices in pence per litre as at August 2008



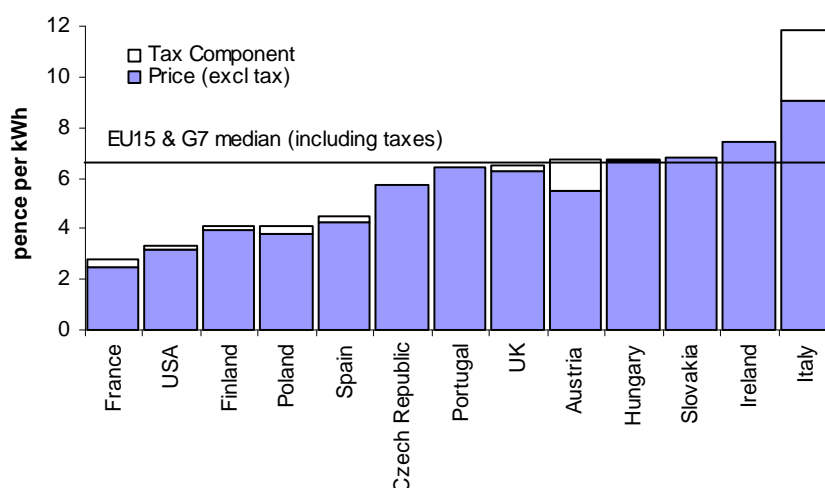
- Average UK diesel prices including taxes in August 2008 were the highest within the EU at 124.0 pence per litre, and were 35.3 pence per litre higher than the lowest price of 88.7 pence per litre in Bulgaria.
- The high UK price is mainly due to the taxes levied, which formed 56 per cent of the total price for diesel in August 2008, compared to a range of 34 to 52 per cent in the rest of the EU.

Source: European Commission Oil Bulletin

5.3 Average annual industrial electricity prices, EU and G7

Table 5.3.1: Industrial electricity prices in the EU and G7 countries including and excluding taxes

Chart 5.3.1 Average industrial electricity prices in 2007, EU and G7



- In 2007, average UK industrial electricity prices including taxes were the eighth lowest in the EU 15, second highest in the G7, and were 0.9 per cent above the EU 15 and G7 median price.
- Average industrial electricity prices excluding taxes in the UK were the seventh lowest in the EU 15, third highest in the G7 and were 6.9 per cent above the EU 15 and G7 median price.
- Data for 2007 are not available for all countries.

Notes: Data are not available for Belgium, Canada, Cyprus, Denmark, Estonia, Germany, Greece, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Slovenia, and Sweden.

For excluding taxes prices, we have estimated that the missing price information for Canada, Greece, and Sweden are below the EU15/ G7 median and UK price, that the missing price for Germany is around the EU15/ G7 median price, and that missing prices for Belgium, Denmark, Japan and the Netherlands are above the EU15/ G7 median and UK price.

For including taxes, we have estimated that the missing price information for Canada, Germany, Greece, and Sweden are below the EU15/ G7 median and UK price, and that the missing price for Belgium, Denmark, Japan and the Netherlands are above the EU15/ G7 median price and UK price.

The including tax price for the USA has been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

Source: Derived from IEA Energy Prices and Taxes

5.4 Average industrial electricity prices in the EU by size of consumer

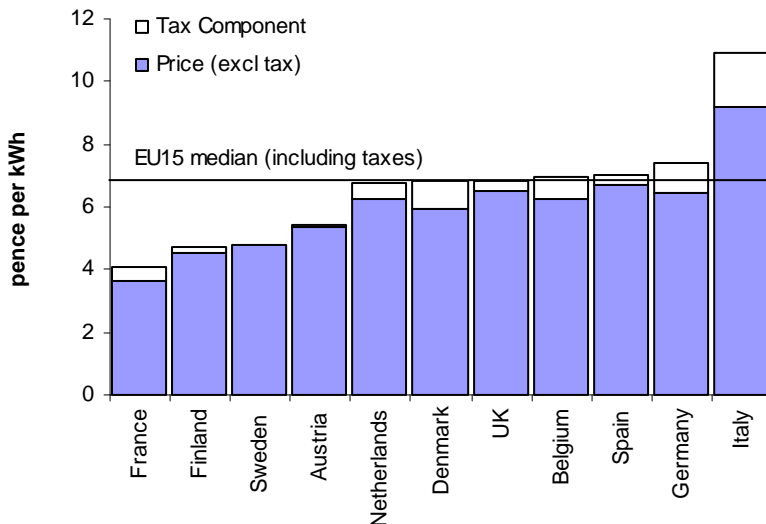
Table 5.4.1: Average industrial electricity prices for small consumers in the EU *

Table 5.4.2: Average industrial electricity prices for medium consumers in the EU

Table 5.4.3: Average industrial electricity prices for large consumers in the EU *

Table 5.4.4: Average industrial electricity prices for extra large consumers in the EU 15 *

Chart 5.4.1 Estimated average industrial electricity prices for medium consumers in the EU 15 for January - June 2008



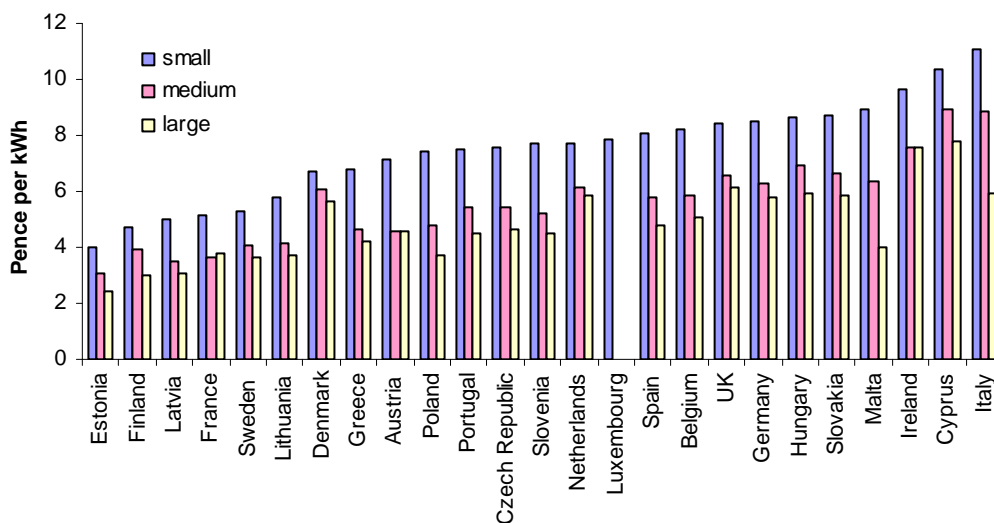
- For the period January to June 2008, prices including taxes in the UK for medium consumers were 0.5 per cent above the estimated EU median.
- Estimated prices excluding taxes for medium consumers in the UK were the fourth highest in the EU 15 and were 10.6 per cent above the median price.
- Estimates for January – June 2008 are not available for all countries.

Notes: Estimated data for January - June 2008 are not available for Greece, Ireland, Luxembourg and Portugal. Medium consumers are defined as having an annual consumption of 2,000 – 19,999 MWh per annum.

We have estimated that prices in Greece, Luxemburg and Portugal are below the EU15 median and UK price, and that prices in Ireland are above the EU15 median and UK price.

Source: Derived from Eurostat Statistics in Focus Electricity prices for EU households for July – December 2007 and Energy Advice Ltd Electricity and Gas Price Comparisons: June 2008.

Chart 5.4.2 Average industrial electricity prices⁽¹⁾ in the EU for small, medium and large consumers July – December 2007



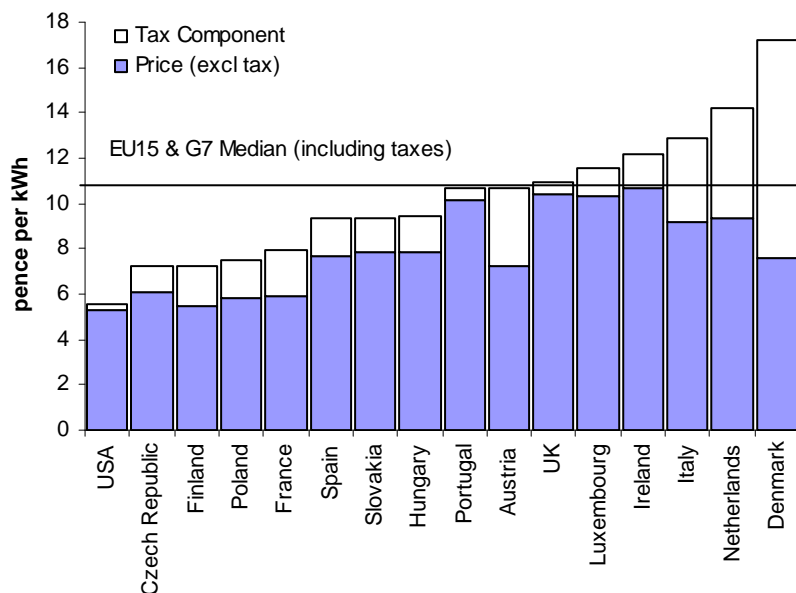
(1) Including taxes where not refunded

Source: Derived from Eurostat Statistics in Focus Electricity Prices for EU Industry July - December 2007

5.5 Average annual domestic electricity prices, EU and G7

Table 5.5.1: Domestic electricity prices in the EU and G7 countries including and excluding taxes.

Chart 5.5.1 Average domestic electricity prices (including taxes) in 2007, EU and G7



- In 2007, average UK domestic electricity prices, including taxes, were eighth lowest in the EU 15, second highest in the G7, and were 2.5 per cent above the EU 15 and G7 median.
- The UK's average domestic electricity prices excluding taxes were the third highest in the EU 15, second highest in the G7, and were 23.7 per cent above the EU 15 and G7 median.
- Data for 2007 are not available for all countries.

Notes: Data are not available for Belgium, Canada, Cyprus, Estonia, Germany, Greece, Japan, Latvia, Lithuania, Malta, Slovenia, and Sweden.

For excluding taxes prices, we have estimated that missing price information for Canada, Greece, and Sweden are below the EU15/G7 median and UK price, and that missing price information for Belgium, Germany and Japan are above the EU15/G7 median and UK price.

For including taxes prices, we have estimated that the missing price information for Belgium, and Germany are above the EU15/G7 median and UK price, and that missing prices for Canada, Greece, Japan, and Sweden are below the EU15/G7 median price and the UK price.

The including tax price for the USA has been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

Source: Derived from IEA Energy Prices and Taxes

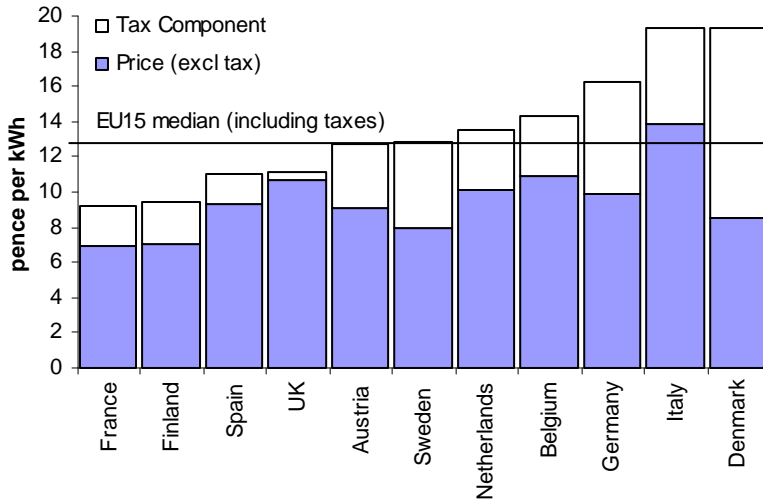
5.6 Average domestic electricity prices in the EU by size of consumer

Table 5.6.1: Average domestic electricity prices for small consumers in the EU *

Table 5.6.2: Average domestic electricity prices for medium consumers in the EU

Table 5.6.3: Average domestic electricity prices for large consumers in the EU *

Chart 5.6.1 Estimated average domestic electricity prices for medium consumers in the EU for January – June 2008

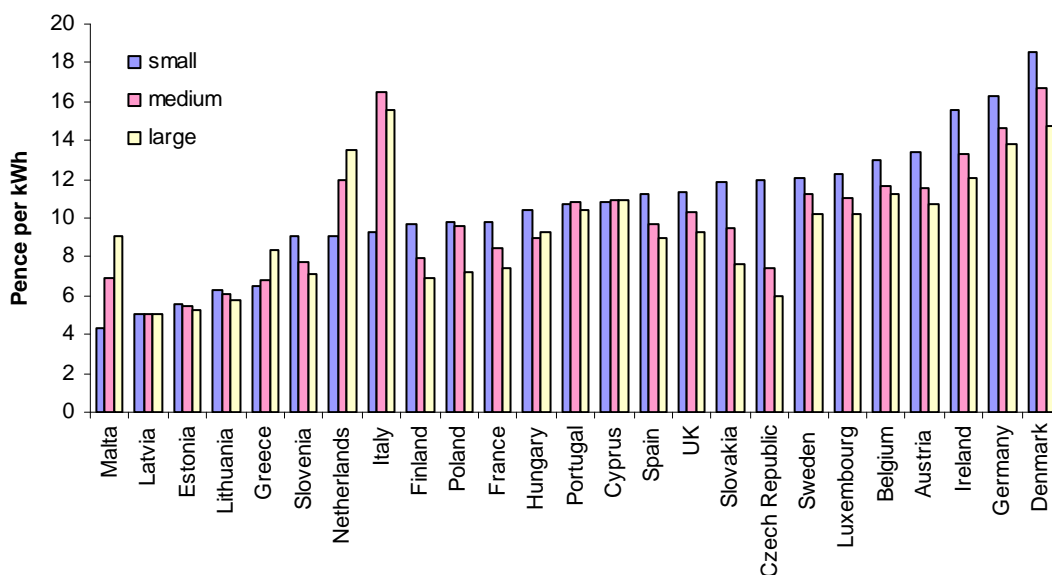


- The estimated average domestic electricity price including taxes in the UK for medium consumers for January to June 2008 was the fifth lowest in the EU 15 and was 12.5 per cent below the median price.
- The UK price excluding taxes was the fifth highest in the EU 15 and was 7.3 per cent above the median price.
- Estimates for January – June 2008 are not available for all countries.

Notes: Estimated data for January - June 2008 are not available for Greece, Ireland, Luxembourg and Portugal. Medium consumers are defined as having an annual consumption of 2,500 -4,999 kWh per annum . We have estimated that prices in Portugal and Luxembourg are below the UK price including tax and above the EU median and UK price excluding tax, that prices in Greece are below the median and UK price, and that prices in Ireland are above the median and UK price.

Source: Derived from Eurostat Statistics in Focus Electricity prices for EU households for July – December 2007 and Energy Advice Ltd Electricity and Gas Price Comparisons: June 2008.

Chart 5.6.2 Average domestic electricity prices⁽¹⁾ in the EU by size of consumer July - December 2007



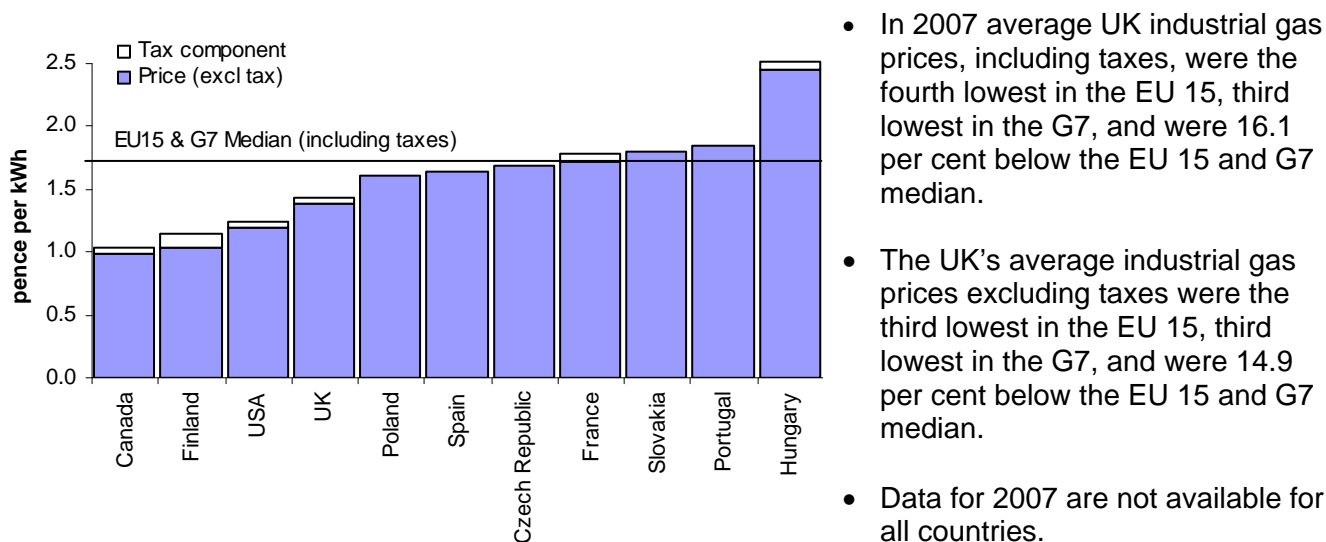
(1) Including taxes where not refunded

Source: Derived from Eurostat Statistics in Focus Electricity Prices for EU Industry July – December 2007

5.7 Average annual industrial gas prices, EU and G7

Table 5.7.1: Industrial gas prices in the EU and G7 countries including and excluding taxes

Chart 5.7.1 Average industrial gas prices in 2007, EU and G7



Notes: Data are not available for Austria, Belgium, Cyprus, Denmark, Estonia, Germany, Greece, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Slovenia, and Sweden.

For excluding taxes prices, we have estimated that missing price information for Austria, Ireland, Italy and Japan are above the EU15/G7 median and UK price, that prices in Germany and Greece are around the EU15/G7 median but above the UK price, and that prices in Belgium, and the Netherlands are below the EU15/G7 median and the UK price.

For including taxes prices, we have estimated that missing price information for Austria, Germany, Ireland, Italy and Japan are above the EU15/G7 median and UK price, that prices in Belgium, and Greece are below the EU15/G7 median, and that prices in the Netherlands are around the median price.

The excluding tax price for the USA has been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

Source: Derived from IEA Energy Prices and Taxes

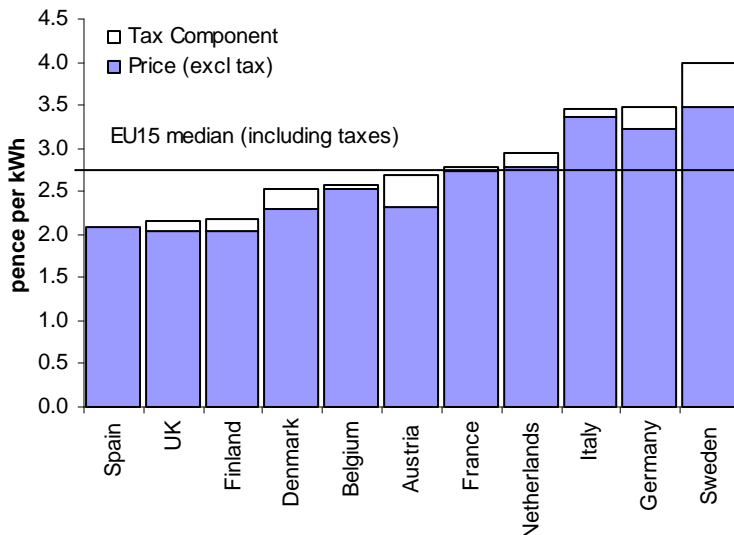
5.8 Average industrial gas prices in the EU by size of consumer

Table 5.8.1: Average industrial gas prices for small consumers in the EU *

Table 5.8.2: Average industrial gas prices for medium consumers in the EU

Table 5.8.3: Average industrial gas prices for large consumers in the EU *

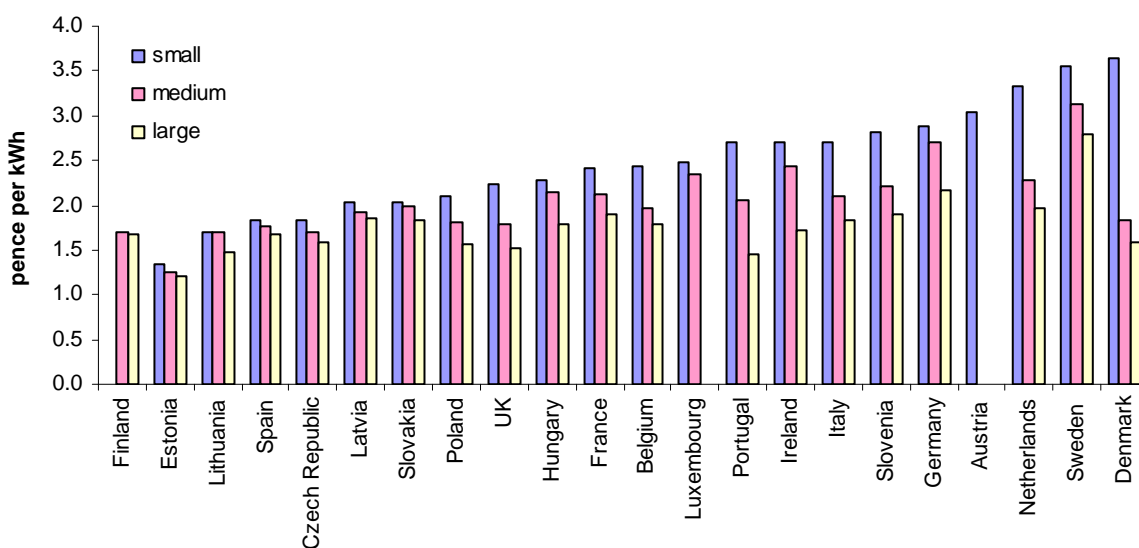
Chart 5.8.1 Estimated average industrial gas prices for medium consumers in the EU 15 for January - June 2008



- For the period January to June 2008, average industrial gas prices including taxes in the UK for medium consumers were the second lowest in the EU 15 and were 21.2 per cent below the estimated EU median.
- Prices excluding taxes for medium consumers in the UK were joint lowest in the EU 15 (with Finland) and were 22.4 per cent below than the EU median.
- Estimates for January – June 2008 are not available for all countries.

Notes: Estimated data for January - June 2008 are not available for Ireland, Luxembourg, and Portugal. Medium consumers are defined as having an annual consumption of 2,778 – 27,777 MWh. We have estimated that, including and excluding taxes, prices in Ireland and Luxembourg are above the EU median, and prices in Portugal are below the EU median but above the UK price.
 Source: Derived from Eurostat Statistics in Focus Electricity prices for EU households for July – December 2007 and Energy Advice Ltd Electricity and Gas Price Comparisons: June 2008.

Chart 5.8.2 Average industrial gas prices⁽¹⁾ in the EU by size of consumer July - December 2007



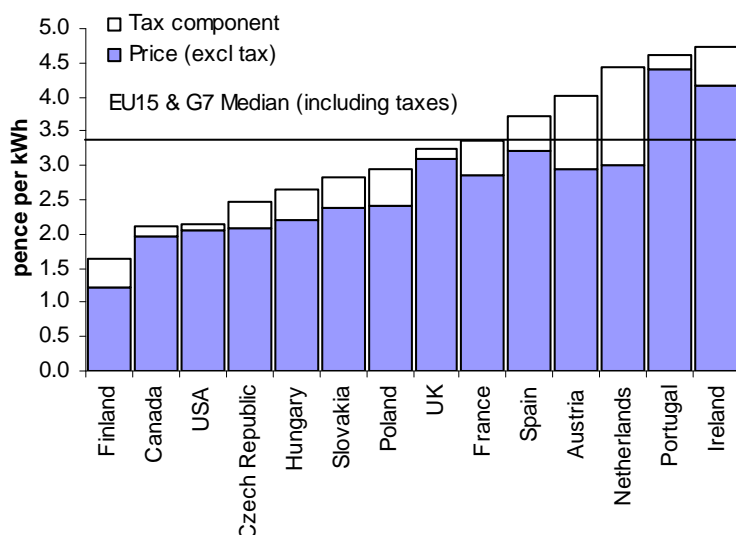
(1) Including taxes where not refunded

Source: Derived from Eurostat Statistics in Focus Electricity Prices for EU Industry July - December 2007

5.9 Average annual domestic gas prices, EU and G7

Table 5.9.1: Domestic gas prices in the EU 15 and G7 countries including and excluding taxes

Chart 5.9.1 Average domestic gas prices (including taxes) in 2007, EU and G7



- In 2007, average UK domestic gas prices, including taxes where not refunded, were the fourth lowest in the EU 15 and third lowest in the G7, and were 13.1 per cent lower than the EU 15 and G7 median.
- Prices in the UK, excluding taxes, were the sixth lowest in the EU 15, in the middle of the G7, and were 1.5 per cent higher than the EU 15 and G7 median price.
- Data for 2007 are not available for all countries.

Notes: Data are not available for Belgium, Cyprus, Denmark, Estonia, Germany, Greece, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Slovenia, and Sweden.

Prices for Finland are for district heating, not central heating, as is the case in other countries.

For excluding taxes price, we have estimated that the missing price information for Denmark, Greece and Japan are above the EU15/G7 median and UK price, that prices in Belgium, Germany and Italy are around the EU15/G7 median and UK price, and that prices in Luxembourg are below the EU15/G7 median and UK price.

For including taxes prices, we have estimated that the missing price information for Denmark, Italy and Japan are above the EU15/G7 median and UK price, that prices in Belgium and Germany are around the EU15/G7 median and above the UK price, that prices in Greece are below the EU/G7 median but above the UK price, and that prices in Luxembourg are below the EU/G7 median and UK price.

The excluding tax price for the USA has been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

Source: Derived from IEA Energy Prices and Taxes

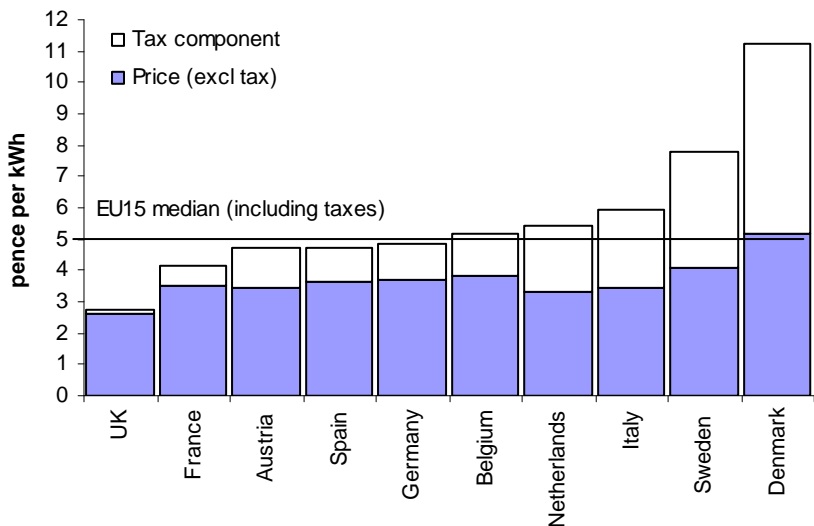
5.10 Average domestic gas prices in the EU by size of consumer

Table 5.10.1: Average domestic gas prices for small consumers in the EU *

Table 5.10.2: Average domestic gas prices for medium consumers in the EU

Table 5.10.3: Average domestic gas prices for large consumers in the EU *

Chart 5.10.1 Estimated average domestic gas prices for medium consumers in the EU for January – June 2008

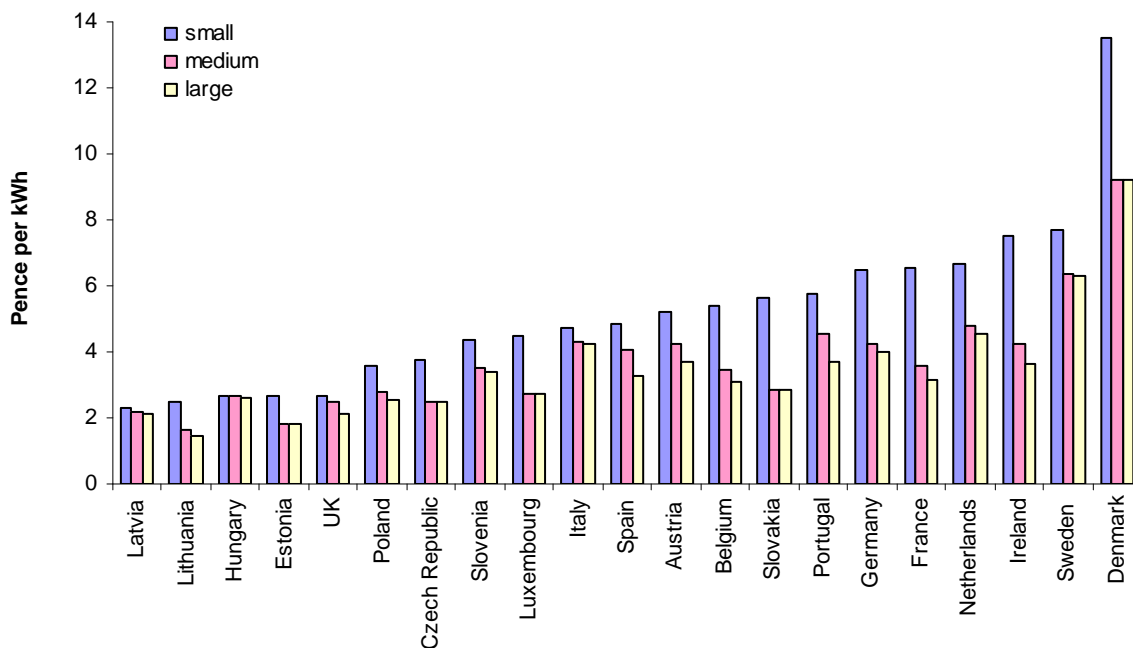


- Estimated average domestic gas prices, including taxes, in the UK for medium consumers from January to June 2008 were the lowest in the EU 15 and were 45.1 per cent lower than the median.
- The UK price, excluding taxes, was also the lowest in the EU 15 and was 28.0 per cent lower than the median price.
- Estimates for January - June 2008 are not available for all countries.

Notes: Estimated data for January – June 2008 are not available for Luxembourg, Ireland and Portugal. Medium consumers are defined as having an annual consumption of 5,557 – 55,556 kWh per annum. We have estimated that prices in Portugal are above the median, that prices in Luxembourg are below the median but above the UK price, and that prices in Ireland are above the median including tax and around the median excluding tax.

Source: Derived from Eurostat Statistics in Focus Electricity prices for EU households for July - December 2007 and Energy Advice Ltd Electricity and Gas Price Comparisons: June 2008.

Chart 5.10.2 Average domestic gas prices⁽¹⁾ in the EU by size of consumers July - December 2007



(1) Including all taxes

Source: Derived from Eurostat Statistics in Focus Electricity Prices for EU Industry July – December 2007

**Table 5.1.1 Premium unleaded petrol prices in the EU
(June, July and August 2008)**

Pence per litre ⁽¹⁾									
European unleaded petrol ⁽²⁾ prices on, or about, the fifteenth of the month									
	Price excluding tax and duty			Pump price			Tax component (%)		
2008	Jun	July	Aug	Jun	July	Aug	Jun	July	Aug
Austria	50.0	48.6	45.2	105.9	104.7	100.2	53	52	52
Belgium	53.2	55.3	49.0	121.3	124.5	116.2	56	57	52
Denmark	53.2	53.7	48.8	120.7	122.0	115.2	56	56	53
Finland	51.1	51.8	51.7	121.1	122.7	121.9	58	58	58
France	50.6	50.8	45.6	117.6	118.5	111.7	57	57	55
Germany	48.7	51.0	43.5	119.3	122.8	113.1	59	60	55
Greece	54.6	56.3	50.5	98.9	101.4	93.9	45	46	40
Ireland	45.6	50.3	51.7	97.4	103.5	104.7	53	56	52
Italy	55.6	56.9	50.7	120.0	122.2	114.2	54	54	50
Luxembourg	54.1	54.8	48.6	104.1	105.4	97.7	48	49	44
Netherlands	58.9	60.0	53.5	132.4	134.5	126.0	56	56	52
Portugal	51.4	54.8	49.6	117.8	121.6	114.6	56	58	52
Spain	52.9	55.3	48.9	98.5	101.8	94.0	46	48	41
Sweden	48.0	48.7	43.4	115.8	116.6	109.9	59	59	56
UK	49.8	51.3	45.0	117.7	119.6	112.1	58	58	54
UK Rank in EU 15	4	6	3	8	8	8	12	13	11
Bulgaria	48.4	48.9	42.7	91.2	92.2	84.3	47	47	42
Cyprus	54.4	56.0	51.5	90.5	92.8	87.2	40	41	36
Czech Republic	51.4	53.6	46.7	107.0	112.0	100.9	52	54	47
Estonia	49.1	51.1	47.8	91.3	94.2	89.8	46	48	43
Hungary	48.5	54.2	47.9	99.0	109.3	100.0	51	56	46
Latvia	50.8	53.1	49.1	87.5	90.7	85.6	42	44	38
Lithuania	51.6	52.6	46.8	91.0	92.5	85.3	43	44	38
Malta	48.3	56.2	55.5	85.8	95.5	94.3	44	49	40
Poland	49.2	54.1	48.1	106.7	115.3	106.1	54	57	49
Romania	48.8	53.1	48.0	87.1	92.9	87.0	44	47	39
Slovakia	48.8	51.0	48.9	106.0	109.3	106.2	54	55	52
Slovenia	49.6	52.3	45.9	93.5	97.1	89.0	47	49	41
UK Rank in EU 27	12	9	4	20	20	20	24	25	23

Source: European Commission Oil Bulletin

(1) Prices converted to pounds sterling using mid month exchange rates.

(2) Premium unleaded petrol, 95RON

**Table 5.2.1 Diesel prices in the EU
(June, July and August 2008)**

Pence per litre ⁽¹⁾									
European diesel prices on, or about, the fifteenth of the month									
	Price excluding tax and duty			Pump price			Tax component (%)		
2008	June	July	Aug	June	July	Aug	June	July	Aug
Austria	61.7	63.8	54.8	110.5	113.5	102.3	44	44	46
Belgium	64.8	66.4	56.2	108.6	111.0	98.3	40	40	43
Denmark	63.5	64.8	54.6	115.5	117.5	104.4	45	45	48
Finland	62.0	62.8	61.3	107.3	108.7	106.5	42	42	42
France	61.9	61.9	53.4	114.4	114.8	104.2	46	46	49
Germany	61.4	62.9	52.5	117.1	119.5	106.6	48	47	51
Greece	67.3	68.4	61.9	108.9	110.5	102.3	38	38	39
Ireland	56.1	62.9	64.1	102.9	111.6	112.6	46	44	43
Italy	66.4	67.8	59.8	119.7	121.9	111.8	44	44	46
Luxembourg	63.9	64.3	54.9	100.8	101.6	90.6	37	37	39
Netherlands	66.3	69.9	61.2	114.6	119.2	111.4	42	41	45
Portugal	63.0	65.9	58.5	110.9	113.9	104.6	43	42	44
Spain	63.5	66.5	57.3	102.1	106.0	94.9	38	37	40
Sweden	60.9	62.3	52.2	120.0	121.6	109.1	49	49	52
UK	60.9	62.7	55.1	130.7	133.0	124.0	53	53	56
UK Rank in EU 15	2	3	7	15	15	15	15	15	15
Bulgaria	58.4	59.5	49.8	99.1	100.8	88.7	41	41	44
Cyprus	64.3	67.7	62.0	97.1	101.3	94.4	34	33	34
Czech Republic	64.1	66.8	58.1	114.7	120.0	107.2	44	44	46
Estonia	59.7	61.8	58.5	101.1	104.0	99.7	41	41	41
Hungary	59.8	66.5	58.1	105.4	116.4	104.9	43	43	45
Latvia	61.4	64.3	57.0	95.8	99.7	90.8	36	36	37
Lithuania	62.5	63.1	54.7	99.2	100.2	90.0	37	37	39
Malta	54.3	61.9	61.2	86.8	96.2	95.0	38	36	36
Poland	61.2	65.3	58.4	108.4	115.3	105.6	44	43	45
Romania	58.9	63.4	57.8	94.4	100.5	94.2	38	37	39
Slovakia	57.9	60.6	57.9	113.8	117.5	113.8	49	48	49
Slovenia	61.4	62.0	54.8	102.2	103.3	94.3	40	40	42
UK Rank in EU 27	8	8	10	27	27	27	27	27	27

Source: European Commission Oil Bulletin

(1) Prices converted to pounds sterling using mid month exchange rates.

Table 5.3.1 Industrial electricity prices in the EU and the G7 countries

	Pence per kWh ⁽¹⁾									
	Electricity									
	Excluding taxes					Including taxes ⁽²⁾				
	1995	2000	2005	2006	2007	1995	2000	2005	2006	2007
EU 15										
Austria	5.14	+	4.24	4.56	5.47	5.14	+	5.60	5.93	6.70
Belgium ⁽³⁾	4.86	+	+/-	+	+	4.86	+	+/-	+	+
Denmark	3.82	3.17	+	+	+	4.39	3.81	+	+	+
Finland	3.82	2.29	3.56	-	3.91	3.82	2.55	3.87	-	4.07
France	3.82	2.36	2.43	2.45	2.48	4.01	2.48	2.74	2.75	2.78
Germany ⁽⁴⁾	5.83	2.68	4.62	5.12	+/-	6.33	2.68	4.62	5.12	-
Greece ⁽³⁾	3.93	2.79	3.68	-	-	3.93	2.79	3.68	-	-
Ireland ⁽³⁾	4.15	3.23	5.47	6.61	7.44	4.15	3.23	5.47	6.61	7.44
Italy	4.83	4.98	7.52	8.86	9.03	5.88	5.88	9.57	11.38	11.83
Luxembourg	..	..	..	..	..	..	..	..	..	..
Netherlands	4.73	+	+	+	+	4.73	+	+	+	+
Portugal ⁽³⁾	7.46	4.43	5.39	6.00	6.42	7.46	4.43	5.39	6.00	6.42
Spain	5.14	2.68	4.36	4.72	4.26	5.14	2.81	4.58	4.96	4.47
Sweden	2.50	-	-	-	-	2.50	-	-	-	-
UK	4.34	3.66	4.56	6.12	6.28	4.34	3.66	4.77	6.35	6.48
Rest of G7:										
Canada	2.42	2.37	2.72	-	-	2.66	2.65	3.04	-	-
Japan	11.09	8.76	6.23	5.87	+	11.74	9.47	6.43	6.05	+
USA ⁽⁵⁾	2.95	2.64	3.15	3.34	3.18	3.10	2.78	3.31	3.51	3.33
EU 15 & G7 Median	4.34	2.79	4.46	5.12	5.88	4.39	2.81	4.70	5.93	6.42
UK relative to:										
EU 15 & G7 Median(%)	0.0	+31.0	+2.2	+19.5	+6.9	-1.1	+30.0	+1.6	+7.1	+0.9
EU 15 rank	7	12	7	9	7	6	10	7	9	8
G7 rank	4	5	4	6	4	4	5	5	6	5
Cyprus			..	..	..			..	..	..
Czech Republic ⁽³⁾			4.13	4.81	5.75			4.13	4.81	5.75
Estonia			..	..	..			..	..	..
Hungary			5.13	5.94	6.66			5.18	5.99	6.71
Latvia			..	..	..			..	..	..
Lithuania			..	..	..			..	..	..
Malta			..	..	..			..	..	..
Poland			3.11	3.49	3.76			3.41	3.83	4.12
Slovakia ⁽³⁾			4.57	5.09	6.84			4.57	5.09	6.84
Slovenia			..	..	..			..	..	..
EU 25 Median			4.56	5.10	6.28			4.70	5.52	6.45
UK relative to:										
EU 25 Median(%)			0.0	+20.0	0.0			+1.5	+15.0	+0.5
EU 25 rank			9	13	9			11	13	10

Source: Derived from the International Energy Agency publication, Energy Prices and Taxes

(1) Prices converted to pounds sterling using annual average exchange rates.

(2) Prices include all taxes where not refundable on purchase.

(3) There is no tax.

(4) There is no tax added to prices in Germany from 1999 onwards.

(5) Prices including taxes have been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

- BERR estimates that the price is likely to be below the EU15 & G7 median.

+/- BERR estimates that the price is likely to be around the EU15 & G7 median.

+ BERR estimates that the price is likely to exceed the EU15 & G7 median.

**Table 5.4.2 Industrial electricity prices in the EU for medium consumers⁽¹⁾
(Excluding taxes)**

	Pence per kWh ⁽²⁾							
	Excluding Taxes							
	Old Methodology				New Methodology			
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Estimate Jan 08 - June 08	
Austria	3.50	3.79	4.44	4.22	..	4.55	5.37	
Belgium	4.92	5.54	4.80	4.75	..	5.19	6.23	
Denmark	..	..	..	..	..	5.28	5.91	
Finland	3.33	3.51	3.34	-	3.60	3.74	4.53	
France	3.12	3.15	3.07	3.12	..	3.25	3.61	
Germany	5.31	5.43	5.68	+	5.00	5.39	6.45	
Greece	3.84	3.88	3.88	4.11	..	4.67	-	
Ireland	6.20	6.26	7.16	7.29	..	7.54	+	
Italy	6.39	6.56	6.12	6.73	..	7.33	9.19	
Luxembourg	-	-	-	-	..	-	-	
Netherlands	4.03	4.36	4.38	-	5.37	5.49	6.25	
Portugal	5.01	4.97	5.09	5.18	..	4.85	-	
Spain	4.17	4.46	4.54	3.85	..	5.51	6.70	
Sweden	3.51	4.32	3.68	-	3.50	4.01	4.76	
UK	4.78	4.59	5.00	+	6.61	6.29	6.54	
EU 15 Median ⁽⁴⁾	4.10	4.41	4.49	4.16	..	5.19	5.91	
UK relative to:								
EU 15 Median(%)	+16.6	+4.1	+11.4	..	..	+21.1	+10.6	
EU 15 Rank	9	9	10	..	..	13	12	
Cyprus	7.21	7.38	6.54	6.95	..	8.76	..	
Czech Republic	3.87	3.96	4.48	4.49	..	5.40	..	
Estonia	2.59	2.68	2.67	2.54	..	3.02	..	
Hungary	3.92	3.58	4.39	5.64	..	5.99	..	
Latvia	2.25	2.47	2.37	2.97	..	3.47	..	
Lithuania	3.31	3.34	3.55	3.61	..	4.13	..	
Malta	3.91	4.06	3.89	3.96	..	6.37	..	
Poland	3.26	3.20	3.19	3.44	..	4.35	..	
Slovakia	4.89	4.91	5.65	5.99	..	6.61	..	
Slovenia	3.84	3.78	4.51	4.53	..	4.92	..	
EU 25 Median ⁽⁴⁾	3.89	4.01	4.42	4.16	..	5.19	..	
UK relative to:								
EU 25 Median(%)	+22.8	+14.4	+13.2	..	..	+21.1	..	
EU 25 Rank	17	17	18	..	..	20	..	

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

(1) Old Methodology: Medium consumers: consuming 24,000 MWh per annum, maximum demand 4MW, as of 1 January and 1 July each year.

New Methodology: Medium consumers: consuming 2,000 - 19,999 MWh per annum for periods January - June and July - December each year

(2) Prices converted to sterling using exchange rates in the appropriate period.

(3) See paragraphs A38 to A45 in the Technical notes for an explanation of the estimating methodology.

(4) Median price is based upon the available data, including those cases where BERR have estimated the position of prices relative to the EU median.

(5) Prices include all taxes where not refundable on purchase.

(6) There is no tax.

**Table 5.4.2 Industrial electricity prices in the EU for medium consumers⁽¹⁾
(Including taxes)⁽⁵⁾**

	Pence per kWh ⁽²⁾						
	Including Taxes						
	Old Methodology				New Methodology		
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Jan 08 - June 08 Estimate
Austria	4.94	5.26	5.48	5.27	..	4.60	5.43
Belgium	5.30	5.92	5.21	5.23	..	5.84	6.95
Denmark	..	..	..	..	..	6.09	6.81
Finland	3.64	3.82	3.50	-	3.75	3.90	4.71
France	3.43	3.46	3.37	3.43	..	3.67	4.07
Germany	6.15	6.28	6.49	+	5.65	6.26	7.42
Greece ⁽⁶⁾	3.84	3.88	3.88	4.11	..	4.67	-
Ireland	6.27	6.33	7.16	7.29	..	7.54	+
Italy	7.48	7.83	7.73	7.87	..	8.86	10.90
Luxembourg	-	-	-	-	..	-	-
Netherlands	4.33	4.65	4.69	-	6.05	6.11	6.79
Portugal ⁽⁶⁾	5.01	4.97	5.09	5.18	..	5.41	-
Spain	4.38	4.69	4.77	4.05	..	5.78	6.99
Sweden	3.55	4.36	3.72	-	3.53	4.04	4.80
UK	4.90	4.71	5.12	+	6.88	6.56	6.82
EU 15 Median ⁽⁴⁾	4.64	4.70	4.93	4.65	..	5.78	6.79
UK relative to:							
EU 15 Median(%)	+5.6	+0.3	+3.8	..	..	+13.5	+0.5
EU 15 Rank	8	8	9	..	..	13	10
Cyprus	7.37	7.53	6.69	7.10	..	8.91	..
Czech Republic ⁽⁶⁾	3.87	3.96	4.48	4.49	..	5.40	..
Estonia ⁽⁶⁾	2.59	2.68	2.67	2.54	..	3.10	..
Hungary	3.97	3.62	4.44	5.69	..	6.90	..
Latvia ⁽⁶⁾	2.25	2.47	2.37	2.97	..	3.47	..
Lithuania ⁽⁶⁾	3.31	3.34	3.55	3.61	..	4.13	..
Malta ⁽⁶⁾	3.91	4.06	3.89	3.96	..	6.37	..
Poland	3.61	3.54	3.57	3.80	..	4.81	..
Slovakia ⁽⁶⁾	4.89	4.87	5.65	5.99	..	6.61	..
Slovenia ⁽⁶⁾	3.84	3.78	4.51	4.57	..	5.19	..
EU 25 Median ⁽⁴⁾	3.94	4.21	4.49	4.30	..	5.41	..
UK relative to:							
EU 25 Median(%)	+24.3	+11.8	+13.9	..	..	+21.3	..
EU 25 Rank	17	16	17	..	..	20	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

Where national prices are not available, data for the following cities have been used instead:

Austria: Vienna, France: Paris, Germany: Dusseldorf, Greece: Athens, Ireland: Dublin,

Netherlands: Rotterdam, Portugal: Lisbon, Spain: Madrid

Missing data estimation

+ BERR estimates that the price is likely to exceed the relevant median.

+/- BERR estimates that the price is likely to be around the relevant median

- BERR estimates that the price is likely to be below the relevant median

The relevant median is the EU15 median for EU15 data and the EU25 median for accession countries

Table 5.5.1 Domestic electricity prices in the EU and the G7 countries

	Pence per kWh ⁽¹⁾									
	Electricity									
	Excluding taxes					Including taxes ⁽²⁾				
	1995	2000	2005	2006	2007	1995	2000	2005	2006	2007
EU 15										
Austria	10.12	5.78	6.55	6.40	7.25	12.14	8.02	9.58	9.47	10.67
Belgium	10.47	7.14	+	+	+	12.78	8.74	+	+	+
Denmark	5.72	5.23	6.85	7.90	7.63	13.23	13.05	16.20	17.49	17.20
Finland	5.66	3.79	4.94	5.19	5.44	6.90	5.14	6.65	6.95	7.26
France	8.29	5.30	5.84	5.87	5.95	10.56	6.72	7.79	7.81	7.91
Germany	10.31	6.88	10.07	10.38	+	12.87	7.97	11.68	12.04	+
Greece	6.11	4.33	5.67	-	-	7.21	4.68	6.17	-	-
Ireland	7.43	5.96	9.57	9.54	10.71	8.36	6.70	10.93	10.83	12.16
Italy	8.16	6.91	8.20	8.86	9.17	10.74	8.96	10.86	12.26	12.86
Luxembourg	8.73	6.19	8.96	8.56	10.32	9.26	6.56	10.26	9.95	11.52
Netherlands	7.28	5.71	7.52	8.27	9.36	8.56	8.66	12.98	14.01	14.23
Portugal	10.91	7.52	9.40	9.54	10.14	11.45	7.90	9.87	10.02	10.65
Spain	10.67	6.35	6.93	7.34	7.66	12.38	7.74	8.45	8.95	9.34
Sweden	3.99	-	-	-	-	5.99	-	-	-	-
UK	7.46	6.72	7.81	9.64	10.41	8.06	7.06	8.20	10.12	10.93
Rest of G7:										
Canada	3.30	3.15	3.75	-	-	3.63	3.503	4.16	-	-
Japan	16.28	13.22	9.69	9.03	+	17.08	14.17	10.39	9.67	-
USA ⁽³⁾	5.33	5.42	5.20	5.64	5.30	..	..	5.92	5.92	5.57
EU 15 & G7 Median	7.81	5.87	7.22	8.09	8.41	10.56	7.74	9.73	9.81	10.66
UK relative to:										
EU 15 & G7 Median(%)	-4.5	+14.5	+8.2	+19.2	+23.7	-23.7	-8.8	-15.7	+3.2	+2.5
EU 15 rank	7	10	9	13	12	4	8	5	9	8
G7 rank	3	4	4	6	5	2	3	4	5	5
Cyprus			..	..	..			..	..	..
Czech Republic			4.56	5.26	6.13			5.42	6.26	7.22
Estonia			..	..	..			..	..	..
Hungary			6.39	6.88	7.84			7.91	8.25	9.41
Latvia			..	..	..			..	..	..
Lithuania			..	..	..			..	..	..
Malta			..	..	..			..	..	..
Poland			4.53	5.31	5.82			5.89	6.89	7.54
Slovakia			6.26	6.79	7.88			7.46	8.06	9.38
Slovenia			..	..	..			..	..	..
EU 25 Median			6.65	7.34	7.84			8.27	9.47	10.65
UK relative to:										
EU 25 Median(%)			+17.4	+31.3	+32.8			-0.8	+6.9	+2.6
EU 25 rank			13	17	16			8	13	12

Source: Derived from the International Energy Agency publication, Energy Prices and Taxes

(1) Prices converted to pounds sterling using annual average exchange rates.

(2) Prices include all taxes where not refundable on purchase.

(3) Prices including taxes have been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

+ BERR estimates that the price is likely to exceed the EU & G7 median.

+/- BERR estimates that the price is likely to be around the EU & G7 median.

- BERR estimates that the price is likely to be below the EU & G7 median.

**Table 5.6.2 Domestic electricity prices in the EU for medium consumers⁽¹⁾
(Excluding taxes)**

	Pence per kWh ⁽²⁾						
	Excluding Taxes						
	Old Methodology				New Methodology		
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Estimate Jan 08 - June 08
Austria	6.13	6.78	6.96	7.17	..	8.18	9.13
Belgium	7.70	7.86	8.15	8.27	..	8.93	10.93
Denmark	6.84	7.42	7.87	7.17	..	7.13	8.51
Finland	5.55	5.72	5.82	5.75	..	6.03	7.04
France	6.21	6.26	6.11	6.21	..	6.35	6.95
Germany	9.42	9.76	9.50	+	8.28	8.88	9.90
Greece	4.41	4.45	4.38	4.52	..	6.25	-
Ireland	8.81	8.89	9.72	9.88	..	11.74	+
Italy	10.62	10.71	11.00	12.77	..	11.63	13.92
Luxembourg	9.53	9.62	10.01	+	10.18	9.87	+
Netherlands	8.28	8.58	9.28	+	8.91	8.96	10.11
Portugal	9.19	9.27	9.42	9.58	..	10.32	+
Spain	6.45	6.57	6.66	6.77	..	8.08	9.27
Sweden	6.01	6.73	7.32	-	6.53	7.03	7.98
UK	6.66	7.59	8.32	8.18	..	9.80	10.63
EU 15 Median ⁽⁴⁾	6.84	7.59	8.15	8.18	..	8.88	9.90
UK relative to:							
EU 15 Median(%)	-2.6	0.0	+2.1	0.0	..	+10.3	+7.3
EU 15 Rank	7	8	9	8	..	11	10
Cyprus	8.41	8.45	7.81	7.72	..	9.36	..
Czech Republic	5.62	5.78	5.96	5.95	..	6.22	..
Estonia	4.25	4.40	4.21	4.27	..	4.53	..
Hungary	6.10	5.49	6.76	7.45	..	6.65	..
Latvia	4.82	4.05	3.87	4.70	..	4.82	..
Lithuania	4.18	4.21	4.37	4.44	..	5.12	..
Malta	6.20	6.82	6.24	6.00	..	6.56	..
Poland	6.25	6.02	6.09	6.57	..	7.42	..
Slovakia	8.26	8.27	8.57	9.09	..	8.00	..
Slovenia	5.99	6.05	5.88	6.27	..	5.98	..
EU 25 Median ⁽⁴⁾	6.25	6.78	6.96	7.17	..	7.42	..
UK relative to:							
EU 25 Median(%)	+6.5	+11.9	+19.5	+14.1	..	+32.0	..
EU 25 Rank	15	16	18	17	..	21	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

- (1) Old Methodology: Medium consumers: consuming 3,500 kWh per annum, of which 1,300kWh at night. as of 1 January and 1 July each year.
New Methodology: Medium consumers: consuming 2,500 - 4,999 kWh per annum, for periods January - June and July - December each year.
- (2) Prices converted to sterling using exchange rates in the appropriate period.
- (3) Source: BERR. See paragraphs A38 to A45 in the Technical notes for an explanation of the estimating methodology.
- (4) Median price is based upon the available data, including those cases where BERR have estimated the position of prices relative to the EU median.
- (5) Prices include all taxes where not refundable on purchase.

**Table 5.6.2 Domestic electricity prices in the EU for medium consumers⁽¹⁾
(Including Taxes)⁽⁵⁾**

	Pence per kWh ⁽²⁾						
	Including Taxes						
	Old Methodology				New Methodology		
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Estimate Jan 08 - June 08
Austria	9.19	9.96	10.25	10.53	..	11.54	12.74
Belgium	9.89	10.16	10.49	10.62	..	11.69	14.27
Denmark	16.20	17.00	17.35	16.51	..	16.67	19.33
Finland	7.39	7.61	7.69	7.62	..	7.98	9.40
France	8.26	8.24	8.03	8.13	..	8.42	9.22
Germany	12.56	12.96	12.93	+	13.66	14.62	16.28
Greece	4.81	4.85	4.78	4.93	..	6.83	-
Ireland	10.22	10.31	11.02	11.21	..	13.32	+
Italy	14.46	14.59	15.45	15.78	..	16.51	19.29
Luxembourg	10.99	11.09	11.17	+	11.36	11.05	-
Netherlands	14.31	14.74	14.46	+	12.00	11.94	13.54
Portugal	9.67	9.76	9.95	10.12	..	10.83	-
Spain	7.87	8.01	8.12	8.27	..	9.72	11.07
Sweden	9.85	10.78	11.52	+	10.51	11.20	12.85
UK	7.00	7.97	8.73	8.59	..	10.28	11.15
EU 15 Median ⁽⁴⁾	9.85	10.16	10.49	10.62	..	11.20	12.74
UK relative to:							
EU 15 Median(%)	-28.9	-21.6	-16.7	-19.1	..	-8.2	-12.5
EU 15 Rank	2	3	5	5	..	5	5
Cyprus	9.82	9.87	9.13	9.03	..	10.92	..
Czech Republic	6.69	6.87	7.08	7.06	..	7.38	..
Estonia	5.01	5.19	4.97	5.04	..	5.46	..
Hungary	7.31	6.58	8.11	8.93	..	9.00	..
Latvia	5.68	4.77	4.57	4.94	..	5.06	..
Lithuania	4.93	4.97	5.15	5.24	..	6.04	..
Malta	6.50	7.16	6.55	6.30	..	6.90	..
Poland	8.06	7.76	7.85	8.45	..	9.58	..
Slovakia	9.83	9.84	10.19	10.81	..	9.51	..
Slovenia	7.19	7.26	7.06	7.61	..	7.75	..
EU 25 Median ⁽⁴⁾	8.26	8.24	8.73	8.93	..	9.72	..
UK relative to:							
EU 25 Median(%)	-15.3	-3.3	0.0	-3.9	..	+5.8	..
EU 25 Rank	7	11	13	12	..	14	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

Where national prices are not available, data for the following cities have been used instead:
Austria:Vienna, France: Paris, Germany: Dusseldorf, Greece: Athens, Ireland: Dublin, Netherlands:
Rotterdam, Portugal: Lisbon, Spain: Madrid

Missing data estimation

- + BERR estimates that the price is likely to exceed the relevant median.
- +/- BERR estimates that the price is likely to be around the relevant median.
- BERR estimates that the price is likely to be below the relevant median.

The relevant median is the EU15 median for EU15 data and the EU25 median for accession countries

Table 5.7.1 Industrial gas prices in the EU and the G7 countries

	Pence per kWh ⁽¹⁾									
	Gas									
	Excluding taxes					Including taxes ⁽²⁾				
	1995	2000	2005	2006	2007	1995	2000	2005	2006	2007
EU 15										
Austria ⁽³⁾	0.94	+	+	+	+	0.94	+	+	+	+
Belgium ⁽³⁾	0.77	-	-	-	-	0.77	-	-	-	-
Denmark	..	..	..	..	..	..	..	..	..	..
Finland	0.72	0.64	0.78	1.04	1.03	0.80	0.74	0.90	1.16	1.15
France ⁽³⁾	0.88	0.95	1.50	1.86	1.71	0.88	0.95	1.56	1.92	1.78
Germany	0.97	0.94	+/-	+/-	+/-	1.13	1.07	+	+	+
Greece ⁽³⁾	..	1.12	1.48	+/-	+/-	..	1.12	1.48	-	-
Ireland ⁽³⁾	1.73	0.65	1.77	2.18	+	1.73	0.82	1.77	2.18	+
Italy	0.86	+	1.43	1.84	+	0.95	+	1.66	2.12	+
Luxembourg	..	..	..	..	..	..	..	..	..	..
Netherlands	0.80	0.89	-	-	-	0.87	0.95	+/-	+/-	+/-
Portugal ⁽³⁾	1.61	1.86	1.84	..	..	1.61	1.86	1.84
Spain ⁽³⁾	0.87	1.00	1.20	1.66	1.63	0.87	1.00	1.20	1.66	1.63
Sweden	..	..	..	..	..	..	..	..	..	..
UK	0.69	0.61	1.36	1.74	1.39	0.69	0.61	1.41	1.79	1.43
Rest of G7:										
Canada ⁽⁴⁾	-	-	1.31	1.12	0.98	0.38	0.51	1.39	1.19	1.04
Japan	2.60	2.45	1.81	1.94	+	2.67	2.57	1.90	1.94	+
USA ⁽⁴⁾	-	+/-	1.47	1.34	1.19	0.55	0.97	1.54	1.41	1.25
EU 15 & G7 Median	0.86	0.94	1.45	1.74	1.63	0.87	0.96	1.55	1.83	1.71
UK relative to:										
EU 15 & G7 Median(%)	-19.0	-35.0	-5.9	0.0	-14.9	-20.1	-36.7	-8.9	-2.0	-16.1
EU 15 rank	1	2	4	5	4	1	2	2	5	4
G7 rank	3	2	2	3	3	3	2	2	3	3
Cyprus			..	..	..			..	..	..
Czech Republic ⁽³⁾			1.29	1.77	1.68			1.29	1.77	1.68
Estonia			..	..	..			..	..	..
Hungary			1.55	2.17	2.46			1.61	2.22	2.51
Latvia			..	..	..			..	..	..
Lithuania			..	..	..			..	..	..
Malta			..	..	..			..	..	..
Poland ⁽³⁾			0.94	1.32	1.61			0.94	1.32	1.61
Slovakia ⁽³⁾			1.31	1.69	1.80			1.31	1.69	1.80
Slovenia			..	..	..			..	..	..
EU 25 Median			1.36	1.76	1.70			1.18	1.79	1.78
UK relative to:										
EU 25 Median(%)			0.0	-0.9	-18.2			+19.8	0.0	-19.7
EU 25 rank			3	8	4			3	8	4

Source: Derived from the International Energy Agency publication, Energy Prices and Taxes

(1) Prices converted to pounds sterling using annual average exchange rates.

(2) Prices include all taxes where not refundable on purchase.

(3) There is no tax.

(4) Prices excluding taxes have been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

+ BERR estimates that the price is likely to exceed the EU & G7 median.

+/- BERR estimates that the price is likely to be around the EU & G7 median.

- BERR estimates that the price is likely to be below the EU & G7 median.

**Table 5.8.2 Industrial gas prices in the EU for medium consumers⁽¹⁾
(Excluding taxes)**

	Pence per kWh ⁽²⁾						
	Excluding taxes						
	Old Methodology				New Methodology		
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Estimate Jan 08 - June 08
Austria	2.06	1.92	2.13	2.00	..	+	2.31
Belgium	1.74	1.84	1.64	1.53	..	1.92	2.53
Denmark	1.52	1.76	1.40	1.44	..	1.62	2.29
Finland	1.81	1.87	1.82	-	1.42	1.57	2.04
France	1.99	2.06	1.82	1.79	..	2.08	2.73
Germany	2.58	2.75	2.90	2.48	..	2.46	3.22
Greece	..	..	..	..	..	..	..
Ireland	+/-	+/-	+/-	+/-	..	2.43	+
Italy	1.74	2.00	2.02	+/-	2.00	1.96	3.36
Luxembourg	2.22	2.35	2.35	2.16	..	2.31	+
Netherlands	2.01	2.12	2.01	+/-	1.98	2.13	2.78
Portugal	1.88	1.88	1.85	1.75	..	2.05	-
Spain	1.79	1.73	1.69	1.67	..	1.77	2.10
Sweden	2.75	2.91	2.68	+	2.54	2.67	3.47
UK	2.20	2.48	2.52	+	2.02	1.70	2.04
EU 15 Median ⁽⁴⁾	1.99	2.00	2.01	1.79	..	2.07	2.63
UK relative to:							
EU 15 Median(%)	+10.7	+24.1	+25.7	..	..	-17.7	-22.6
EU 15 Rank	11	12	12	..	..	3	1
Cyprus	..	..	..	..	..	..	..
Czech Republic	1.79	1.91	1.57	1.54	..	1.70	..
Estonia	0.70	0.79	0.88	1.16	..	1.26	..
Hungary	1.95	1.92	2.26	2.37	..	2.09	..
Latvia	1.00	1.13	1.26	1.29	..	1.93	..
Lithuania	1.10	1.26	1.44	1.46	..	1.69	..
Malta	..	..	..	..	..	..	..
Poland	1.65	1.70	1.80	1.86	..	1.80	..
Slovakia	1.87	1.82	1.91	1.91	..	1.99	..
Slovenia	1.77	1.82	1.75	1.70	..	2.01	..
EU 25 Median ⁽⁴⁾	1.81	1.88	1.82	1.75	..	1.97	..
UK relative to:							
EU 25 Median(%)	+19.6	+31.2	+10.1	..	..	-13.8	..
EU 25 Rank	19	20	20	..	..	5	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

- (1) Old Methodology: Medium Consumers: consuming 11,630 MWh per annum, as of 1 January and 1 July each year.
New Methodology: Medium Consumers: consuming 2,778 - 17,777 MWh per annum, for periods January - June and July - December each year.
- (2) Prices converted to sterling using exchange rates in the appropriate period.
- (3) See paragraphs A38 to A45 in the Technical notes for an explanation of the estimating methodology.
- (4) Median price is based upon the available data, including those cases where BERR have estimated the position of prices relative to the EU median.
- (5) Prices include all taxes where not refundable on purchase.
- (6) There is no tax.

**Table 5.8.2 Industrial gas prices in the EU for medium consumers⁽¹⁾
(Including taxes)⁽⁵⁾**

	Pence per kWh ⁽²⁾						
	Including Taxes						
	Old Methodology				New Methodology		Estimate
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Jan 08 - June 08
Austria	2.67	2.46	2.64	2.50	..	+	2.70
Belgium ⁽⁶⁾	1.76	1.86	1.68	1.55	..	1.96	2.58
Denmark	1.72	1.99	1.58	1.62	..	1.84	2.53
Finland	1.92	1.99	1.93	-	1.53	1.70	2.18
France	2.04	2.11	1.87	1.84	..	2.13	2.78
Germany	2.86	3.02	3.17	2.75	..	2.70	3.48
Greece ⁽⁶⁾
Ireland ⁽⁶⁾	-	-	-	-	..	2.43	+
Italy	1.89	2.16	2.14	+	2.12	2.09	3.46
Luxembourg ⁽⁶⁾	2.22	2.35	2.35	2.16	..	2.35	+
Netherlands	2.31	2.42	2.33	+	2.33	2.27	2.95
Portugal ⁽⁶⁾	1.88	1.88	1.85	1.75	..	2.05	-
Spain ⁽⁶⁾	1.79	1.73	1.69	1.67	..	1.77	2.10
Sweden	3.03	3.19	2.96	+	2.98	3.12	3.98
UK	2.28	2.55	2.59	+	2.11	1.79	2.16
EU 15 Median ⁽⁴⁾	1.98	2.14	2.04	2.00	..	2.11	2.74
<u>UK relative to:</u>							
EU 15 Median(%)	+14.8	+19.3	+27.2	..	..	-15.0	-21.2
EU 15 Rank	10	12	11	..	..	3	2
Cyprus	..	..	..	..	..	..	..
Czech Republic ⁽⁶⁾	1.79	1.91	1.57	1.54	..	1.70	..
Estonia ⁽⁶⁾	0.70	0.79	0.88	1.16	..	1.26	..
Hungary	2.00	1.96	2.32	2.42	..	2.14	..
Latvia ⁽⁶⁾	1.00	1.13	1.26	1.29	..	1.93	..
Lithuania ⁽⁶⁾	1.10	1.26	1.44	1.46	..	1.69	..
Malta ⁽⁶⁾
Poland	1.65	1.70	1.80	1.86	..	1.80	..
Slovakia ⁽⁶⁾	1.87	1.82	1.91	1.91	..	1.99	..
Slovenia ⁽⁶⁾	1.97	2.02	1.94	1.89	..	2.21	..
EU 25 Median ⁽⁴⁾	1.88	1.98	1.89	1.85	..	2.02	..
<u>UK relative to:</u>							
EU 25 Median(%)	+21.9	+28.8	+37.0	..	..	-11.2	..
EU 25 Rank	19	20	19	..	..	6	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

Where national prices are not available, data for the following cities have been used instead:

Austria: Vienna, France: Paris, Germany: Dusseldorf, Ireland: Dublin, Italy: Milan, Luxembourg: Luxembourg City, Netherlands: Rotterdam, Portugal: Lisbon, Spain: Madrid

Estimating missing data

- + BERR estimates that the price is likely to exceed the relevant median.
- +/- BERR estimates that the price is likely to be around the relevant median.
- BERR estimates that the price is likely to be below the relevant median.

The relevant median is the EU15 median for EU15 data, and the EU25 median for accession countries.

Table 5.9.1 Domestic gas prices in the EU and the G7 countries

	Pence per kWh ⁽¹⁾									
	Gas									
	Excluding taxes					Including taxes ⁽²⁾				
	1995	2000	2005	2006	2007	1995	2000	2005	2006	2007
EU 15										
Austria	2.09	1.84	2.47	2.65	2.94	2.51	2.32	3.45	3.67	4.02
Belgium	2.10	+/-	+/-	+/-	+/-	2.66	+/-	+/-	+/-	+/-
Denmark	3.02	2.06	2.97	+	+	3.77	4.18	5.92	+	+
Finland ⁽³⁾	0.72	0.64	1.04	1.23	1.23	0.97	0.91	1.41	1.64	1.65
France	2.28	1.68	2.38	2.80	2.87	2.73	2.01	2.79	3.30	3.37
Germany	2.10	1.62	+/-	+/-	+/-	2.60	2.12	+/-	+/-	+/-
Greece	..	1.36	2.61	+	+	..	1.47	2.84	-	-
Ireland	2.29	1.75	2.74	3.77	4.16	2.58	1.97	3.11	4.28	4.72
Italy	2.02	+	2.42	2.81	+/-	3.64	+	3.89	4.37	+
Luxembourg	1.53	1.48	2.13	2.46	-	1.63	1.57	2.26	2.61	-
Netherlands	1.80	1.32	2.47	2.82	2.99	2.07	2.04	3.79	4.20	4.43
Portugal	..	..	4.34	4.53	4.40	..	..	4.56	4.75	4.62
Spain	2.87	2.41	2.79	3.05	3.21	3.32	2.79	3.24	3.53	3.73
Sweden	..	..	..	..	..	..	..	..	..	..
UK	1.66	1.58	2.17	2.86	3.08	1.79	1.66	2.28	3.01	3.24
Rest of G7:										
Canada ⁽⁴⁾	0.83	-	1.91	2.11	1.97	0.88	1.13	2.03	2.25	2.10
Japan	7.47	7.00	5.61	5.51	+	7.69	7.35	5.89	5.78	+
USA ⁽⁴⁾	-	+/-	2.22	2.35	2.05	1.33	1.71	2.33	2.47	2.15
EU 15 & G7 Median	2.09	1.65	2.47	2.82	3.04	2.58	2.01	3.11	3.53	3.73
UK relative to:										
EU 15 & G7 Median(%)	-20.5	-4.2	-12.0	+1.6	+1.5	-30.6	-17.2	-26.7	-14.9	-13.1
EU 15 rank	3	6	4	9	6	3	4	3	4	3
G7 rank	3	2	2	5	4	3	2	2	3	3
Cyprus			..	..	..			..	..	..
Czech Republic			1.59	2.01	2.09			1.89	2.39	2.48
Estonia			..	..	..			..	..	..
Hungary			0.99	1.26	2.20			1.14	1.47	2.64
Latvia			..	..	..			..	..	..
Lithuania			..	..	..			..	..	..
Malta			..	..	..			..	..	..
Poland			1.52	2.04	2.42			1.86	2.48	2.96
Slovakia			1.60	2.07	2.37			1.91	2.43	2.82
Slovenia			..	..	..			..	..	..
EU 25 Median			2.03	2.81	2.97			2.56	3.15	3.31
UK relative to:										
EU 25 Median(%)			+6.7	+1.9	+3.8			-22.2	-4.6	-2.2
EU 25 rank			8	13	13			7	8	8

Source: Derived from the International Energy Agency publication, Energy Prices and Taxes

(1) Prices converted to pounds sterling using annual average exchange rates.

(2) Prices include all taxes where not refundable on purchase.

(3) Prices for Finland are for district heating not central heating as is the case in other countries.

(4) Prices excluding taxes have been estimated using a weighted average of general sales taxes and fuel taxes levied by individual states.

+ BERR estimates that the price is likely to exceed the median.

+/- BERR estimates that the price is likely to be around the median.

- BERR estimates that the price is likely to be below the median.

**Table 5.10.2 Domestic gas prices in the EU 15 for medium consumers⁽¹⁾
(Excluding taxes)**

	Pence per kWh ⁽²⁾						
	Excluding taxes				New Methodology		
	Old methodology				Jan 07 -	July 07 -	Jan 08 -
	Jan-06	Jul-06	Jan-07	Jul-07	June 07	Dec 07	June 08
Austria	2.65	2.67	2.62	2.67	..	3.09	3.43
Belgium	2.65	2.80	2.47	2.28	..	2.78	3.80
Denmark ⁽⁴⁾	3.26	4.03	3.30	3.50	..	4.08	5.16
Finland	..	..	..	..	..	..	..
France	2.67	2.85	2.73	2.77	..	3.04	3.50
Germany	3.02	3.32	3.34	3.20	..	3.17	3.69
Greece	..	..	..	..	..	..	..
Ireland	2.72	2.75	3.52	3.22	..	3.71	+
Italy	2.57	2.74	2.81	-	2.81	2.78	3.42
Luxembourg	2.40	2.53	2.60	2.41	..	2.44	-
Netherlands	2.74	2.80	2.94	+/-	3.07	2.93	3.32
Portugal	3.41	3.34	3.16	3.23	..	4.32	+
Spain	2.90	2.92	2.93	2.90	..	3.48	3.61
Sweden	3.66	3.87	3.65	+	3.54	3.59	4.10
UK	1.94	2.34	2.67	2.36	..	2.36	2.60
EU 15 Median ⁽⁵⁾	2.72	2.80	2.93	2.84	..	3.09	3.61
UK relative to:							
EU 15 Median(%)	-28.8	-16.6	-8.7	-16.7	..	-23.8	-28.0
EU 15 Rank	1	1	4	2	..	1	1
Cyprus	..	..	..	..	..	..	..
Czech Republic	2.06	2.15	1.90	1.99	..	2.11	..
Estonia	0.97	1.03	1.19	1.53	..	1.54	..
Hungary	1.58	1.01	1.42	2.19	..	2.21	..
Latvia	1.12	1.34	1.52	1.50	..	1.83	..
Lithuania	1.30	1.49	1.43	1.46	..	1.38	..
Malta	..	..	..	..	..	..	..
Poland	1.89	1.97	2.09	2.18	..	2.28	..
Slovakia	2.23	2.03	2.30	2.39	..	2.42	..
Slovenia	2.47	2.67	2.57	2.61	..	2.75	..
EU 25 Median ⁽⁵⁾	2.57	2.67	2.62	2.40	..	2.78	..
UK relative to:							
EU 25 Median(%)	-24.6	-12.5	+2.0	-1.6	..	-15.2	..
EU 25 Rank	6	8	12	8	..	7	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

- (1) Old Methodology: Medium consumers consuming 23,260kWh per annum, as of 1 January and 1 July each year.
New Methodology: Medium consumers consuming 5,557 - 55,556 kWh per annum, for periods January - June and July - December each year.
- (2) Prices converted to sterling using exchange rates in the appropriate month and year.
- (3) See paragraphs A37 to A45 in the Technical notes for an explanation of the estimating methodology.
- (4) From July 2001 the price is for natural gas rather than gas works gas.
- (5) Median price is based upon the available data, including those cases where BERR have estimated the position of prices relative to the EU median.
- (6) Prices include all taxes where not refundable on purchase.

**Table 5.10.2 Domestic gas prices in the EU 15 for medium consumers⁽¹⁾
(Including taxes)⁽⁶⁾**

	Pence per kWh ⁽²⁾						
	Including taxes						
	Old Methodology				New Methodology		
	Jan-06	Jul-06	Jan-07	Jul-07	Jan 07 - June 07	July 07 - Dec 07	Estimated Jan 08 - June 08
Austria	3.86	3.90	3.82	3.88	..	4.24	4.72
Belgium	3.33	3.52	3.08	2.86	..	3.47	5.20
Denmark ⁽⁴⁾	7.36	9.12	7.47	7.91	..	9.22	11.21
Finland	..	..	..	..	..	..	..
France	3.14	3.35	3.21	3.27	..	3.57	4.13
Germany	3.94	4.30	4.40	4.25	..	4.26	4.87
Greece	..	..	..	..	..	..	..
Ireland	3.09	3.12	3.99	3.66	..	4.21	+/-
Italy	3.95	4.38	4.38	+	4.42	4.29	5.93
Luxembourg	2.55	2.69	2.75	2.55	..	2.74	-
Netherlands	4.18	4.26	4.40	+	4.87	4.78	5.40
Portugal	3.58	3.51	3.31	3.39	..	4.53	+
Spain	3.36	3.39	3.40	3.36	..	4.04	4.74
Sweden	6.41	6.71	6.43	+	6.27	6.39	7.76
UK	2.03	2.46	2.81	2.48	..	2.48	2.76
EU 15 Median ⁽⁵⁾	3.58	3.52	3.82	3.66	..	4.24	5.03
UK relative to:							
EU 15 Median(%)	-43.3	-30.2	-26.4	-32.2	..	-41.6	-45.1
EU 15 Rank	1	1	2	1	..	1	1
Cyprus	..	..	..	..	..	..	..
Czech Republic	2.45	2.55	2.26	2.32	..	2.51	..
Estonia	1.14	1.21	1.41	1.79	..	1.83	..
Hungary	1.81	1.16	1.71	2.60	..	2.65	..
Latvia	1.32	1.59	1.79	1.78	..	2.16	..
Lithuania	1.54	1.75	1.68	1.71	..	1.63	..
Malta	..	..	..	..	..	..	..
Poland	2.31	2.40	2.55	2.67	..	2.79	..
Slovakia	2.66	2.42	2.74	2.85	..	2.88	..
Slovenia	3.21	3.44	3.31	3.33	..	3.53	..
EU 25 Median ⁽⁵⁾	3.14	3.35	3.21	3.27	..	3.53	..
UK relative to:							
EU 25 Median(%)	-35.2	-26.8	-12.6	-24.1	..	-29.9	..
EU 25 Rank	5	7	9	5	..	4	..

Source: EC Statistics in Focus and Energy Advice Ltd: Electricity and Gas Price Comparisons

Where national prices are not available, data for the following cities have been used instead:

Austria: Vienna, France: Paris, Germany: Dusseldorf, Greece: Athens, Ireland: Dublin, Netherlands: Rotterdam, Portugal: Lisbon, Spain: Madrid

Missing data estimation

+ BERR estimates that the price is likely to exceed the relevant median.

+/- BERR estimates that the price is likely to be around the relevant median.

- BERR estimates that the price is likely to be below the relevant median.

The relevant median is the EU15 median for EU15 data and the EU25 median for accession countries

Annex A – Technical Notes

A1. The source of the prices in this table is the Retail Prices Index (RPI), published by the Office for National Statistics. The fuel components within the RPI are published, together with the all items RPI. Table A1 below gives the weights within the total index, in parts per 1,000, of the fuel components. RPI is calculated using prices collected on a day near the middle of the month.

A2. Quarterly data is published three months in arrears. Any revised data is marked with an “r”. Provisional annual data is published in the March edition of QEP, with final data being published in June.

Table A1: Retail price index, fuel component weights

	All items	Fuel and light	Coal and solid fuels	Gas	Electricity	Oil and other fuels	Petrol and lubricating oil
1975	1,000	53	11	12	25	5	47
1980	1,000	59	9	16	29	4	43
1985	1,000	65	8	24	29	4	50
1990	1,000	50	4	19	24	3	33
1995	1,000	45	2	18	23	2	37
1996	1,000	43	2	18	22	1	37
1997	1,000	41	1	17	21	2	39
1998	1,000	36	1	16	18	1	39
1999	1,000	34	1	15	17	1	38
2000	1,000	32	1	13	16	2	43
2001	1,000	29	1	12	15	1	41
2002	1,000	31	1	13	15	2	36
2003	1,000	29	1	12	14	2	38
2004	1,000	28	1	12	13	2	36
2005	1,000	31	1	13	15	2	35
2006	1,000	33	1	14	15	3	40
2007	1,000	39	1	18	18	2	36
2008	1,000	33	1	13	16	3	43

The following notes apply to Table 2.1.1:

A3. **Coal and smokeless fuel (coal and solid fuels)** - Retail prices of one standard grade of household coal and of the boiler/room heater grade of smokeless fuel sold by the retailer, obtained from local retailers in up to 146 areas throughout the United Kingdom.

A4. **Gas and electricity** - The indices are calculated using published tariff information from British Gas (and since April 1996 other suppliers), the Public Electricity Supply Companies and Northern Ireland Electricity (NIE). When prices change in an area (including discounts and lump sum rebates), an index is re-calculated for a selection of the tariffs in use in that area at typical levels of consumption at each tariff. Electricity area indices are weighted together using the total receipts of each Public Electricity Supply Company and NIE from their sales to domestic consumers under each tariff. Gas companies are weighted by customer numbers, which currently gives most weight to British Gas. Both indices are calculated using mainly credit tariffs only.

A5. **Heating oils** - This comprises bottled gas and paraffin until January 1986, and domestic heating oils. Prices of heating oil are provided by the main suppliers.

A6. **Petrol and oil** - Retail prices of the different grades of motor spirit and engine oil are obtained from garages in more than 180 areas throughout the United Kingdom.

Tables 2.2.1 to 2.5.2

A7. Tables 2.2.1 and 2.3.1 show representative gas and electricity bills by payment type in each of the 15 Public Electricity Supply (PES) areas in the UK and 12 gas Local Distribution Zones (LDZ) in Great Britain. The unit cost represents the total cost to the consumer per unit consumed and is calculated by dividing the bill shown by the number of units consumed (18,000 kWh for gas, 3,300 kWh for electricity). The electricity PES areas and gas LDZ associated with each of the towns and cities are shown in Table A2:

Table A2: Towns and cities by LDZ and PES area		
	Gas LDZ	Electricity PES area
Aberdeen	Scotland	Northern Scotland
Belfast	n/a	Northern Ireland
Birmingham	West Midlands	West Midlands
Canterbury	South East	South East
Cardiff	Wales	South Wales
Edinburgh	Scotland	Southern Scotland
Ipswich	Eastern	Eastern
Leeds	Northern	Yorkshire
Liverpool	North West	Merseyside & North Wales
London	London	London
Manchester	North West	North West
Newcastle	North East	North East
Nottingham	East Midlands	East Midlands
Plymouth	South West	South West
Southampton	Southern	Southern

A8. Provisional quarterly data is published three months in arrears. Any revised data is marked with an “r”. Provisional annual data is published in the September and December editions of QEP, with final data being published in March.

A9. Bills and unit costs are based on published prices and include standing charges. No allowances are made for introductory offers or non-cash benefits that may be available from new suppliers. Both electricity and gas bills and costs reflect the prices of all suppliers. This basis is used for all the domestic bills and cost data used in Tables 2.2.1 to 2.3.3. The bills shown relate to the total bill including VAT in cash terms received during the calendar year, for the tariff type shown, including all tariff changes and rebates. Averages are weighted by the number of domestic customers. For electricity an annual consumption of 3,300 kWh is used whilst the equivalent figure for gas is 18,000 kWh.

A10. The weighted average all supplier gas bills are based on equivalent tariffs of British Gas and other supply companies. As the estimate (like all the bills in the table) is based on bills received during the calendar year, that is consumption in Q4 of year X-1 and Q1 – Q3 of year X, customers of new gas suppliers will have received some of their gas in a year from British Gas prior to switching. This, coupled with the fact that British Gas in 2000 still supplied around 70 per cent of the domestic market, means that, especially in the early years of competition, the all supplier average is not substantially lower than the British Gas figure, despite the large savings available, as shown by the average non British Gas bill.

A11. Internet tables 2.4.2, 2.4.3 and 2.5.2 show data for ‘Economy 7’ tariffs, where a lower unit cost is applied to off-peak (night) consumption. For the total consumption of 6,600 kWh, off-peak consumption has been taken as 3,600 kWh.

Table 2.6.1

A12. Household final consumption expenditure comprises household expenditure in the United Kingdom on the fuels specified and fuel purchases by foreign tourists. It excludes expenditure on fuels by businesses. VAT was levied on domestic fuels at 8 per cent in April 1994, reduced to 5 per cent in September 1997, and is included in the table from 1994 onwards. For coal, coke and petroleum products it was assumed that all consumers paid VAT from the date of its introduction. For electricity and gas an estimate was made that 5 per cent of electricity sales and 4 per cent of gas sales were covered by customers pre-paying their bills to avoid VAT in 1994 and 1995. Figures for total consumers' expenditure are also shown for comparison.

Due to the reclassification of Household Expenditure to conform to the European Systems of Accounts 1995 (ESA 95), COICOP (Classification of Individual Consumption by Purpose) headings have been rearranged.

The following notes apply to Table 2.6.1:

A13. **Solid Fuels** – Household final consumption expenditure on these fuels is based on estimates of inland sales of solid fuels to domestic consumers. Expenditure in Northern Ireland is estimated based on values of colliery despatches of house coal to Northern Ireland.

A14. **Gas** - Personal consumption in the United Kingdom is taken as sales to domestic premises. Estimates of the quantity and value of liquid gases purchased by domestic consumers are provided by the petroleum industry. The average price used is the average revenue per kWh for public supply sales of gas to domestic consumers.

A15. **Electricity** - Sales from the public electricity supply system to domestic consumers in the United Kingdom plus estimates of the domestic element included in sales to dual use premises. Sales are valued at the average revenue per unit for electricity sold to domestic consumers, which takes into account discounts and lump sum rebates.

A16. **Liquid fuels** (domestic heating and lighting oil) - For fuel oils and heating oils, information is available from the petroleum industry on quantities delivered to domestic consumers. The figures for domestic consumption for these are then valued using monthly prices collected by the department from oil companies.

A17. **Vehicle fuels and lubricants** (petrol, diesel, LPG, oil and lubricants, brake and other fluids, coolants) – Estimates of the quantity and value of lubricating oil purchased by domestic customers are provided by the petroleum industry. For motor spirit and diesel, estimates of business purchases of the fuels are made and deducted from total deliveries to arrive at purchases by domestic consumers. The figures for domestic consumption for these are then valued using monthly prices collected by the department from oil companies.

Table 2.6.2

A18. Figures for Internet Table 2.6.2 are taken from the Expenditure and Food Survey (EFS) conducted by the ONS. The figures are estimates based upon a representative sample of households. The averages in the table have been calculated on the basis of consuming households, i.e. only those households who consumed the particular fuel in question are included in the calculation of the average expenditure. These estimates therefore differ from those published by the ONS in the report, "Family Spending", where the total of all households is used to calculate average fuel expenditure. After the publication of data for 1993 the survey moved to a financial year basis until 2005/06, then returned to a calendar year basis in 2006, the latest year for which information is available. The data presented on expenditure on fuel as a proportion of total expenditure in table 2.6.2 are based on all households, not just those consuming the fuel or other commodity, for ease of comparison.

Tables 3.1.1 to 3.1.4

A19. Prices are derived from information collected via the Quarterly Fuels Inquiry on fuel purchases from a panel of about 800 establishments within manufacturing industry (which excludes electricity generation). The panel consists of companies purchasing fuels in small and large quantities. To maximise the coverage of each fuel type and minimise the burden on business, larger users are surveyed proportionally more than smaller users.

A20. Provisional quarterly data is published three months in arrears, with final data being published six months in arrears. Any revised data is marked with an "r". Provisional annual data is published in the March edition of QEP, with final data being published in June. The entire year's quarterly data is reviewed in June to ensure that each of the contributors who supply data have been placed in the correct size band based upon their annual consumption. This means that there can be revisions made to data from Q1 to Q4. Any data which has been revised since the previous edition will be marked with an "r".

A21. For each size of consumer the average price for a fuel (exclusive of VAT) is calculated by dividing the total quantity of purchases into their total value. The "all consumers-average" price uses base weighting and weights the prices for each size band according to purchases by businesses in the size band recorded in the 1984 Purchases Inquiry. (This is a large scale survey conducted every 5 years until 1989, and conducted annually for a rotating selection of industries from 1994 to 1999. From 1999 the inquiry has once again covered all industries, providing information on the purchases of materials and fuels by the whole of UK industry.) The weights will be reviewed when comprehensive up-to-date purchases data are available. The size bands are defined, for each fuel individually, according to the approximate range of annual purchases covered. (See Table A3 below).

A22. As described above the prices given are representative market prices. This means trades that, because of their size or dominance of total consumption would produce an unrepresentative price, are excluded. For example, coal purchased by the iron and steel sector is excluded, as is gas purchased for electricity generation.

A23. For some fuels, the relative size in volume terms of the largest users can have the effect of moving the weighted average more towards the large user price. This is true for gas where, because of the growth in consumption, the weights provided by the 1984 purchases survey may be out of date. Therefore, for some fuels (e.g. gas and gas oil), the median price (the price at which 50 per cent of the prices paid are higher and 50 per cent lower) may be another useful guide to average prices.

A24. Data for medium fuel oil, liquefied petroleum gases and hard coke were discontinued from Q1 2005. There was no sub-division into size bands of the prices for medium fuel oil, liquefied petroleum gases and hard coke owing to the small number of sites purchasing each of these fuels. The small sample sizes reflect the small overall consumption, relative to the major fuels covered, which means that although the prices are still representative, they can be subject to more sample effects than the other fuels (e.g. if a relatively large purchaser switches fuel).

A25. To enable coal prices to be calculated in common units, companies record the calorific value of the coal they purchase. Conversion factors for fuel oil (both heavy and medium), gas oil, liquefied petroleum gas and hard coke are given in Annex B.

A26. The 10 per cent and 90 per cent deciles and the median price for each fuel are presented in addition to the prices for each size band. The 10 per cent decile is the point within the complete range of prices below which the lowest 10 per cent of those prices fall. Similarly, the 90 per cent decile is the point above which the highest 10 per cent of the prices occur. These values give some indication of the spread of prices paid by purchasers. The deciles and the median are calculated by giving equal "weight" to each purchaser, but are scaled to represent the mix of fuel users by size in the industrial population that the panel represents. From Q1 2007, decile information is only published for gas and electricity.

Table A3: Range of annual purchases for the Quarterly Fuels Inquiry

Fuel	Large Greater than	Of which:		Medium	Small Less than
		Extra large Greater than	Moderately large		
Coal (tonnes)	7,600	..	..	760 to 7,600	760
Heavy fuel oil (tonnes)	4,900	15,000	4,900 to 15,000	490 to 4,900	490
Gas oil (tonnes)	175	..	..	35 to 175	35
Electricity (thousand kWh)	8,800	150,000	8,800 to 150,000	880 to 8,800	880
Gas ⁽¹⁾ (thousand kWh)	8,800	..	..	1,500 to 8,800	1,500

(1) Respondents purchasing more than one type of supply (tariff, firm contract and interruptible contract) are treated as separate entities in respect of each type of supply.

Table 3.2.1

A27. The prices for fuels used in electricity generation are collected via a quarterly inquiry of electricity generators in the United Kingdom. This covers companies that produce electricity from nuclear sources plus all companies whose prime purpose is the generation of electricity. The companies are: AES Electric Ltd., Barking Power Ltd., Centrica plc., Coryton Energy Company Ltd., Derwent Cogeneration Ltd., E.On UK plc., Fellside Heat and Power Ltd., Fibrogen Ltd., Fibropower Ltd., Fibrothetford Ltd., Premier Power Ltd., Rocksavage Power Company Ltd., RWE Innogy plc., Scottish Power plc., Scottish and Southern Energy plc., SELCHP Ltd., Spalding Energy Company Ltd., Teesside Power Ltd.

A28. The data reported are the value and volume of fuel purchased during the quarter and may not always reflect the fuel actually used (i.e. there can be stocking and destocking especially of coal). The prices reported are typically for long-term contracts, with price escalator factors, some of which may have been entered into some time ago. As such, the prices can be higher than those paid by large industrial users who typically negotiate contracts each year.

A29. Provisional quarterly data is published three months in arrears, with final data being published six months in arrears. Any revised data is marked with an "r". Provisional annual data is published in the March edition of QEP, with final data being published in June.

A30. The gas beach price series is derived from gas sales by licensees in the UKCS to delivery points in the UK. It excludes exported gas and is adjusted to include imported gas. It is calculated as follows:

$$\frac{\text{Value of (UKCS gas sales + gas imports - gas exports)}}{\text{Volume of (UKCS gas sales + gas imports - gas exports)}}$$

where the UKCS sales value and volume data are derived from the DTI's statistical inquiry into oil and gas extraction (PQ1100). Returns from the inquiry give the value and volume of gas sold by each licensee from a particular field (or group of fields). Data from the inquiry on sales and expenditure by licensees are covered and further explained in Annex G of the internet version of the Digest of UK Energy Statistics. Trade data are supplied by Revenue and Customs and published in the internet version of the Digest in Annex G, Chart G1.0.

A31. The gas levy applied to gas purchased under certain contracts originally entered into before July 1975. The cost of gas under these pre-July 1975 contracts had historically been substantially less than the prevailing market price. Gas sold under these contracts was not subject to Petroleum Revenue Tax (PRT) because the contracts were classified as "tax-exempt" when PRT was introduced in 1975. Instead, under the Gas Levy Act 1981, the purchaser of gas subject to the relevant contracts had to pay a levy on every therm of such gas that they purchased. The purpose of the gas levy was to capture for the Exchequer the bulk of the economic rent which would

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otherwise accrue to the purchaser from purchasing this gas at below market prices. However, current and expected future gas market prices are now below the average cost of this gas (even before adding the cost of the levy). The gas levy was abolished from 1 April 1998.

Tables 3.3.1 to 3.3.2

A32. Provisional quarterly data is published three months in arrears, with final data being published six months in arrears. Any revised data is marked with an “r”. Provisional annual data is published in the March edition of QEP, with final data being published in June. The entire year’s quarterly data for coal and HFO is reviewed in June to ensure that each of the contributors who supply data to the Quarterly Fuels Inquiry have been placed in the correct size band based upon their annual consumption. This means that there can be revisions made to data from Q1 to Q4. Any data which has been revised since the previous edition will be marked with an “r”.

A33. The Climate Change Levy (CCL) came into effect in April 2001. The rates were increased in April 2007 and again in April 2008. The original and current rates are shown in the table below.

	April 2001	April 2007	April 2008
Coal	£11.7/tonne	£12.01/tonne	£12.42/tonne
Electricity	0.43p/kWh	0.441p/kWh	0.456 p/kWh
Gas	0.15p/kWh	0.154p/kWh	0.159 p/kWh
LPG	£9.60/tonne	£9.85/tonne	£10.18/tonne

Tables 3.4.1 and 3.4.2

A34. The prices for gas and electricity consumed by non-domestic users in the United Kingdom are collected via a quarterly inquiry of gas and electricity suppliers. The data reported are the value and volume of energy sold during the quarter, for each of the sizebands below:

Table A4: Range of annual purchases for the Price Transparency survey

		Annual consumption			Annual consumption
		MWh			MWh
Electricity	Very Small	0 - 20	Gas	Very Small	<278
	Small	20 - 499		Small	278 – 2,777
	Small/Medium	500 - 1,999		Medium	2,778 – 27,777
	Medium	2,000 - 19,999		Large	27,778 – 277,777
	Large	20,000 - 69,999		Very Large	277,778 – 1,111,112
	Very Large	70,000 – 150,000			
	Extra Large	>150,000			

Tables 4.1.1 to 4.1.3

A35. The data published are national average prices calculated from prices supplied by all major motor fuel marketing companies. Prior to 1977 price data were collated from a variety of sources mainly the published scheduled wholesale prices of the oil companies to which retailers margins were added. The results of various consumers’ surveys were also taken into consideration in arriving at a typical price. Users of the table should bear in mind that, because of the multiplicity of petroleum marketing companies operating in the United Kingdom and the diversity of their pricing policies, prices differ from dealer to dealer and from area to area. From January 1995 sales by super/hyper markets, which now make up around 33 per cent of the retail petrol market, are included in the price estimates.

A36. Crude oil prices are shown in Table 4.1.1 as an index based on a “basket” of both indigenous and imported crude oil prices that are used as an input, along with other fuel prices, for the Producer Prices Index (produced by ONS). The index represents the average price paid by refineries for the month and is calculated in sterling on a cif basis.

A37. Provisional monthly prices are usually revised in the month following their original publication, with revisions being marked with an “r”. Provisional annual prices are published in December with revisions being made during the following two months as more data becomes available.

Tables 5.1.1 to 5.10.3

A38. International comparisons are based on data published by international organisations and by Energy Advice Ltd, a private sector consultant (telephone: 020 8393 4230). Motor fuel prices are taken from the European Commission’s ‘Oil Bulletin’.

A39. For the analysis of annual electricity and gas prices (Tables 5.3.1, 5.5.1, 5.7.1 and 5.9.1), the data used are collated and published by the International Energy Agency in ‘Energy Prices and Taxes’. Individual countries supply data to the IEA, so methodology can vary between countries.

A40. The data presented in Sections 5.4, 5.6, 5.8 and 5.10 are derived from Eurostat’s Statistics in Focus series and updated with estimates from Energy Advice Ltd.

A41. Eurostat has changed the methodology used to compile the Price Transparency data shown in Sections 5.4, 5.6, 5.8 and 5.10. From 1st January 2008, data will show average prices over 6-month periods (January - June and July - December), and each sizeband will cover a range of consumption. Previously, the Price Transparency data was for a single point in time (1st January and 1st July), and each sizeband was represented by a single consumption figure.

A42. The change to methodology will create a discontinuity within the price series. We will publish the new methodology prices within the same tables, with a clear distinction between old and new data. Whilst prices using the old and new methodologies will not be comparable, the UK ranking and UK price relative to the EU median should be broadly comparable across the old and new data.

The sizebands for consumers from January 2008 onwards are defined as follows:

Industrial Electricity	Eurostat size band	Annual consumption (MWh)
Small	Band IB	20 - 499
Medium	Band ID	2,000 - 19,999
Large	Band IE	20,000 - 69,999
Very Large	Band IF	70,000 – 150,000
Industrial Gas	Eurostat size band	Annual consumption (MWh)
Small	Band I2	278 – 2,777
Medium	Band I3	2,778 – 27,777
Large	Band I4	27,778 – 277,777
Domestic Electricity	Eurostat size band	Annual consumption (kWh)
Small	Band DB	1,000 – 2,499
Medium	Band DC	2,500 – 4,999
Large	Band DD	5,000 – 15,000
Domestic Gas	Eurostat size band	Annual consumption (kWh)
Small	Band D1	< 5,556
Medium	Band D2	5,557 – 55,556
Large	Band D3	>55,557

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The sizeband for consumers prior to January 2008 are defined as follows:

Industrial Electricity	Eurostat size band	Annual consumption (MWh)	Maximum demand
Small	ld	1,250	500
Medium	lg	24,000	4,000
Large	lh	50,000	10,000
Extra large	N/A – Energy Advice data used	420,000	80,000

Industrial Gas	Eurostat size band	Annual consumption (MWh)	Modulation
Small	l2	1,163	200 days
Medium	l3-1	11,630	200 days 1600 hours
Large	l4-1	116,300	250 days 4000 hours

Domestic Electricity	Eurostat size band	Annual consumption (kWh)	
		Total	of which at night
Small	Db	1,200	-
Medium	Dc	3,500	1,300
Large	Dd	7,500	2,500

Domestic Gas	Eurostat size band	Annual consumption (kWh)
Small	D2	4,652
Medium	D3	23,260
Large	D3b	34,890

A43. Eurostat publishes data on gas and electricity prices six months after the end of the reference period. The Eurostat data is mainly for selected cities in the EU, although some national prices are given as well. Where national data are not available, data for cities have been used instead. These cities are listed in the notes to the tables. The Energy Advice data are for countries rather than for cities.

A44. It is important when comparing international prices to keep in mind the impact of exchange rates (as the data are presented in a common pound sterling basis, the changing level of the pound will cause some changes in relative prices) and inflation rates in individual countries. The relative strength of the pound in 1997, 1998 and 1999 (e.g. sterling appreciated by 21 per cent against the German Mark between 1996 and 1999) to some extent will have had an adverse effect on comparisons of UK data. The pound depreciated against the euro by around 12 per cent between the second half of 2007 and the first half of 2008. This means that countries that use the euro will show increased prices when expressed in pounds sterling

A45. For tables 5.3.1 to 5.10.3, where data is not available, we have estimated the price in relation to the EU 15 median. A '+' indicates that the price is likely to exceed the median and is given a high price, '+/-' indicates that the price is likely to be around the median, '-' indicates that the price is likely to be below the median price and is given a low price. This methodology is intended to give a better indication of the UK position, when compared with those countries where up-to-date data is not available.

Annex B – Calorific values and conversion factors

B1: Estimated average gross calorific values of fuels 2007

	GJ per tonne		GJ per tonne
Coal:		Renewable sources:	
All consumers (weighted average) ⁽¹⁾	26.9	Domestic wood ⁽²⁾	13.9
Power stations ⁽¹⁾	26.2	Industrial wood ⁽³⁾	13.7
Coke ovens ⁽¹⁾	30.5	Straw	15.0
Low temperature carbonisation plants and manufactured fuel plants	29.4	Poultry litter	8.8
Collieries	29.8	Meat and bone	18.6
Agriculture	28.0	General industrial waste	16.0
Iron and steel	30.4	Hospital waste	14.0
Other industries (weighted average)	27.2	Municipal solid waste ⁽⁴⁾	9.5
Non-ferrous metals	25.4	Refuse derived waste ⁽⁴⁾	18.5
Food, beverages and tobacco	30.4	Short rotation coppice ⁽⁵⁾	11.1
Chemicals	26.7	Tyres	32.0
Textiles, clothing, leather etc.	29.5	Petroleum:	
Pulp, paper, printing etc.	29.4	Crude oil (weighted average)	45.7
Mineral products	27.6	Petroleum products (weighted average)	45.8
Engineering (mechanical and electrical engineering and vehicles)	29.5	Ethane	50.7
Other industries	28.4	Butane and propane (LPG)	49.5
Domestic		Light distillate feedstock for gasworks	47.5
House coal	30.5	Aviation spirit and wide cut gasoline	47.4
Anthracite and dry steam coal	33.8	Aviation turbine fuel	46.2
Other consumers	29.3	Motor spirit	47.1
Imported coal (weighted average)	27.1	Burning oil	46.2
Exports (weighted average)	32.5	Gas/diesel oil (DERV)	45.5
		Fuel oil	43.6
		Power station oil	43.6
		Non-fuel products (notional value)	43.2
			MJ per m ³
Coke (including low temperature carbonisation cokes)	29.8	Natural gas produced ⁽⁶⁾	39.7
		Natural gas consumed ⁽⁷⁾	39.4
		Coke oven gas	18.0
Coke breeze	24.8	Blast furnace gas	3.0
Other manufactured solid fuel	32.5	Landfill gas ⁽⁸⁾	21 – 25
		Sewage gas ⁽⁸⁾	21 – 25

(1) Applicable to UK consumption - based on calorific value for home produced coal plus imports and, for "All consumers" net of exports.

(2) On an 'as received' basis; seasoned logs at 25% moisture content. On a 'dry' basis 18.6 GJ per tonne.

(3) Average figure covering a range of possible feedstock; at 24% moisture content. On a 'dry' basis 18.6 GJ per tonne.

(4) Average figure based on survey returns.

(5) On an "as received" basis; at 40% moisture content. On a "dry" basis 18.6 GJ per tonne.

(6) The gross calorific value of natural gas can also be expressed as 11.026 kWh per cubic metre. This value represents the average calorific value seen for gas when extracted. At this point it contains not just methane, but also some other hydrocarbon gases (ethane, butane, propane). These gases are removed before the gas enters the National Transmission System for sale to final consumers. As such, this calorific value will differ from that readers will see quoted on their gas bills.

(7) Home produced and imported gas. This weighted average of calorific values will approximate the average for the year that readers will see quoted on their gas bills. It can also be expressed as 10.948 kWh per cubic metre.

(8) Calorific value varies depending on the methane content of the gas.

Note: The above estimated average gross calorific values apply only to the year 2007. For calorific values of fuels in earlier years see Table B2. The calorific values for coal other than imported coal are based on estimates provided by the main coal producers. The calorific values for petroleum products have been calculated using the method described in Chapter 1, paragraph 1.29 of the Digest of UK Energy Statistics. The calorific values for coke oven gas and blast furnace gas are currently being reviewed jointly by BERR and the Iron and Steel Statistics Bureau (ISSB).

B2: Estimated average gross calorific values of fuels 1980, 1990, 2000 and 2004 to 2007

	GJ per tonne (gross)						
	1980	1990	2000	2004	2005	2006	2007
Coal							
All consumers ⁽¹⁾⁽²⁾	25.6	25.5	26.2	26.1	25.8	25.7	25.7
All consumers - home produced plus imports minus exports ⁽¹⁾	27.0	26.7	26.9	26.8	26.9
Power stations ⁽²⁾	23.8	24.8	25.6	25.4	25.0	25.0	25.4
Power stations - home produced plus imports ⁽¹⁾	26.0	26.1	26.1	26.2	26.2
Coke ovens ⁽²⁾	30.5	30.2	31.2	31.6	32.5	32.3	32.8
Coke ovens - home produced plus imports ⁽¹⁾	30.4	30.5	30.5	30.5	30.5
Low temperature carbonisation plants and manufactured fuel plants	19.1	29.2	30.3	30.5	29.6	29.5	29.4
Collieries	27.0	28.6	29.6	29.9	29.8	30.0	29.8
Agriculture	30.1	28.9	29.2	28.0	28.0	28.0	28.0
Iron and steel industry ⁽³⁾	29.1	28.9	30.7	30.4	30.4	30.4	30.4
Other industries ⁽¹⁾	27.1	27.8	26.8	26.6	26.6	26.6	27.2
Non-ferrous metals	..	23.1	25.1	24.8	24.5	25.0	25.4
Food, beverages and tobacco	28.6	28.1	29.5	29.4	29.8	29.0	30.4
Chemicals	25.8	27.3	28.7	26.6	26.6	26.7	26.7
Textiles, clothing, leather & footwear	27.5	27.7	30.4	29.5	29.5	29.6	29.5
Pulp, paper, printing, etc.	26.5	27.9	28.7	28.7	28.9	29.4	29.4
Mineral products ⁽⁴⁾	..	28.2	28.5	27.9	27.6	27.6	27.6
Engineering ⁽⁵⁾	27.7	28.3	29.3	30.6	30.7	30.4	29.5
Other industry ⁽⁶⁾	28.4	28.5	30.2	27.8	25.9	25.5	28.4
Unclassified	..	27.1	..	..	..	..	..
Domestic							
House coal	30.1	30.2	30.9	30.9	30.7	30.5	30.5
Anthracite and dry steam coal	33.3	33.6	33.6	33.8	33.8	33.9	33.8
Other consumers	27.5	27.5	29.2	29.8	29.1	29.6	29.3
Imported coal ⁽¹⁾	..	28.3	28.0	27.1	27.3	27.2	27.1
of which							
Steam coal	..	..	26.6	26.5	26.6	26.5	26.5
Coking coal	..	..	30.4	30.4	30.4	30.4	30.4
Anthracite	..	..	31.2	30.4	30.4	31.8	32.6
Exports ⁽¹⁾	..	29.0	32.0	32.3	32.7	32.5	32.5
of which							
Steam coal	..	..	31.0	29.9	32.9	32.2	32.2
Anthracite	..	..	32.6	32.5	32.6	32.5	32.6
Coke ⁽⁷⁾	28.1	28.1	29.8	29.8	29.8	29.8	29.8
Coke breeze	24.4	24.8	24.8	24.8	24.8	24.8	24.8
Other manufactured solid fuels ⁽¹⁾	27.6	27.6	30.8	31.8	32.5	32.5	32.5
Petroleum							
Crude oil ⁽¹⁾	45.2	45.6	45.7	45.7	45.7	45.7	45.7
Liquefied petroleum gas	49.6	49.4	49.4	49.4	49.5	49.5	49.5
Ethane	52.3	50.6	50.7	50.7	50.7	50.7	50.7
LDF for gasworks/Naphtha	47.8	47.9	47.7	47.5	47.6	47.5	47.7
Aviation spirit and wide-cut gasoline (AVGAS & AVTAG)	47.2	47.3	47.3	47.5	47.4	47.4	47.4
Aviation turbine fuel (AVTUR)	46.4	46.2	46.2	46.2	46.2	46.2	46.2
Motor spirit	47.0	47.0	47.0	47.1	47.0	47.1	47.1
Burning oil	46.5	46.2	46.2	46.2	46.2	46.2	46.2
Vaporising oil	45.9	45.9	..	..	..	..	..
Gas/diesel oil (including DERV)	45.5	45.4	45.6	45.6	45.7	45.6	45.5
Fuel oil	42.8	43.2	43.1	43.5	43.5	43.3	43.6
Power station oil	42.8	43.2	43.1	43.5	43.5	43.3	43.6
Non-fuel products (notional value)	42.2	43.2	43.8	43.4	42.9	43.1	43.2
Petroleum coke	..	39.5	35.8	35.8	35.8	35.8	35.7
Natural Gas ⁽⁸⁾	..	38.4	39.4	39.6	39.6	39.8	39.7

(1) Weighted averages.

(2) Home produced coal only.

(3) From 2001 onwards almost entirely sourced from imports.

(4) Based on information provided by the British Cement Industry Association; almost all coal used by this sector in the latest 4 years was imported.

(5) Mechanical engineering and metal products, electrical and instrument engineering and vehicle manufacture.

(6) Includes construction.

(7) Since 1995 the source of these figures has been the ISSB.

(8) Natural gas figures are shown in MJ per cubic metre.

B3: Standard conversion factors

1 tonne of oil equivalent (toe) = 10^7 kilocalories
 = 396.83 therms
 = 41.868 GJ
 = 11,630 kWh

1 therm = 100,000 British thermal units (Btu)

The following prefixes are used for multiples of joules, watts and watt hours:

kilo (k)	= 1,000	or 10^3
mega (M)	= 1,000,000	or 10^6
giga (G)	= 1,000,000,000	or 10^9
tera (T)	= 1,000,000,000,000	or 10^{12}
peta (P)	= 1,000,000,000,000,000	or 10^{15}

WEIGHT

1 kilogramme (kg) = 2.2046 pounds (lb)

1 pound (lb) = 0.4536 kg

1 tonne (t) = 1,000 kg
 = 0.9842 long ton
 = 1.102 short ton

1 Statute or long ton = 2,240 lb
 = 1.016 t
 = 1.120 sh tn

1 barrel = 159.0 litres
 = 34.97 UK gal
 = 42 US gal

VOLUME

1 cubic metre (cu m) = 35.31 cu ft

1 cubic foot (cu ft) = 0.02832 cu m
 1 litre = 0.22 Imperial gallons

1 UK gallon = 8 UK pints
 = 1.201 U.S. gallons
 = 4.54609 litres

LENGTH

1 mile = 1.6093 kilometres
 1 kilometre (km) = 0.62137 miles

TEMPERATURE

1 scale degree Celsius (C) = 1.8 scale degrees Fahrenheit (F)
 For conversion of temperatures: $^{\circ}\text{C} = 5/9 (^{\circ}\text{F} - 32)$; $^{\circ}\text{F} = 9/5 ^{\circ}\text{C} + 32$

Calorific values and conversion factors

B4: Average conversion factors for petroleum

	Imperial gallons per tonne	Litres per tonne		Imperial gallons per tonne	Litres per tonne
Crude oil:			Gas/diesel oil:		
Indigenous	264	1,199	Gas oil	254	1,155
Imported	260	1,181	Marine diesel oil	254	1,155
Average of refining throughput	262	1,192			
			Fuel oil:		
Ethane	601	2,730	All grades	223	1,014
Propane	426	1,937	Light fuel oil:		
Butane	381	1,731	1% or less sulphur	233	1,059
Naphtha (l.d.f.)	319	1,450			
			Medium fuel oil:		
Aviation gasoline	309	1,405	1% or less sulphur	230	1,047
			Heavy fuel oil:		
Motor spirit:			1% or less sulphur	222	1,011
All grades	299	1,361			
Unleaded Super	297	1,351			
Ultra low sulphur petrol	299	1,361			
Lead replacement petrol	299	1,360	Lubricating oils:		
			White	244	1,111
Middle distillate feedstock	230	1,043	Greases	240	1,090
			Other	248	1,127
Kerosene:					
Aviation turbine fuel	274	1,246	Bitumen	215	975
Burning oil	274	1,244	Petroleum coke	186	843
			Petroleum waxes	258	1,173
DERV fuel:			Industrial spirit	274	1,247
0.005% or less sulphur	264	1,199	White spirit	280	1,273

Note: The above conversion factors, which for refined products have been compiled by the UK Petroleum Industry Association, apply to the year 2007, and are only approximate for other years.

Annex C - Effective rates of duty on principal hydrocarbon oils, 1964 to 2007⁽¹⁾

Pence per litre

Date from which duty effective		Motor spirit ⁽²⁾⁽³⁾				Diesel ⁽²⁾		
		Leaded	Lead replacement	Unleaded	Super unleaded	Ultra low sulphur	Regular	Ultra low sulphur
3 July	1972		..	..	..	..		..
10 April	1976	6.599	..	..	..	..	6.599	..
30 March	1977	7.699	..	..	..	..	7.699	..
8 August	1977	6.599	..	..	..	..		..
13 June	1979	8.100	..	..	..	..	9.200	..
26 March	1980	10.000	..	..	..	..	10.000	..
10 March	1981	13.820	..	..	..	..	13.820	..
2 July	1981		..	..	..	..	11.910	..
9 March	1982	15.540	..	..	..	..	13.250	..
15 March	1983	16.300	..	..	..	..	13.820	..
13 March	1984	17.160	..	..	..	..	14.480	..
19 March	1985	17.940	..	..	..	..	15.150	..
19 March	1986	19.380	..	..	..	..	16.390	..
17 March	1987		..	18.420	..	..		..
15 March	1988	20.440	..	..	..	..	17.290	..
14 March	1989		..	17.720	..	..		..
20 March	1990	22.480	..	19.490	..	..	19.020	..
19 March	1991	25.850	..	22.410	..	..	21.870	..
10 March	1992	27.790	..	23.420	..	..	22.850	..
16 March	1993	30.580	..	25.760	..	..	25.140	..
30 November	1993	33.140	..	28.320	..	..	27.700	..
29 November	1994	35.260	..	30.440	..	..	30.440	..
1 January	1995	36.140	..	31.320	..	..	31.320	..
28 November	1995	39.120	..	34.300	..	..	34.300	..
15 May	1996		..		37.620	..		..
26 November	1996	41.680	..	36.860	40.180	..	36.860	..
2 July	1997	45.100	..	40.280	43.600	..	40.280	..
17 March	1998	49.260	..	43.990	48.760	..	44.990	42.990
9 March	1999	52.880	..	47.210	52.330	..	50.210	47.210
1 October	1999		49.210		49.210	..		
21 March	2000	54.680	50.890	48.820	50.890	..	51.820	48.820
1 October	2000					47.820		
7 March	2001		(4)	46.820	(4)	45.820		45.820
15 June	2001			48.820				
1 October	2003	56.200		50.190		47.100	53.270	47.100
	2004		(5)		(5)			
7 December	2006	57.680		51.520		48.350	54.680	48.350
1 October	2007	60.070		53.650		50.350	56.940	50.350

(1) Duty rates remain the same unless otherwise stated.

(2) These fuels became liable to Value Added Tax as follows:-

- (i) 10% with effect from 1 April 1974
- (ii) 8% with effect from 29 July 1974
- (iii) For motor spirit 25% with effect from 18 November 1974
- (iv) For motor spirit 12.5% with effect from 12 April 1976
- (v) 15% with effect from 18 June 1979
- (vi) 17.5% with effect from 1 April 1991

(Notes continued on following page)

Effective rates of duty

Annex C - Effective rates of duty on principal hydrocarbon oils, 1964 to 2007⁽¹⁾ (continued)

Pence per litre

Date from which duty effective		Aviation gasoline ⁽²⁾	Gas for use as road fuel ⁽²⁾⁽⁸⁾	Fuel oil ⁽⁶⁾	Gas oil ⁽⁶⁾⁽⁷⁾	Kerosene ⁽⁶⁾
3 July	1972		2.475			
10 April	1976	6.599	3.300			
30 March	1977	7.699	3.849	0.550	0.550	
8 August	1977	6.599	3.300			
13 June	1979	8.100	4.050	0.660	0.660	
26 March	1980	10.000	5.000	0.770	0.770	
10 March	1981	13.820	6.910			
2 July	1981					
9 March	1982	7.770	7.770			
15 March	1983	8.150	8.150			
13 March	1984	8.580	8.580			zero
19 March	1985	8.970	8.970			
19 March	1986	9.690	9.690		1.100	
17 March	1987					
15 March	1988	10.220	10.220			
14 March	1989					
20 March	1990	11.240	11.240	0.830	1.180	
19 March	1991	12.930	12.930	0.910	1.290	
10 March	1992	13.900	13.900	0.950	1.350	
16 March	1993	15.290	15.290	1.050	1.490	
30 November	1993	16.570	16.570	1.160	1.640	
29 November	1994	17.630	33.140	1.660	2.140	
1 January	1995	18.070				
28 November	1995	19.560	28.170	1.810	2.330	
15 May	1996					
26 November	1996	20.840	21.130	1.940	2.500	
2 July	1997	22.550		2.000	2.580	
17 March	1998	24.630		2.180	2.820	
9 March	1999	26.440	15.000	2.650	3.030	
1 October	1999					
21 March	2000	27.340		2.740	3.130	
7 March	2001		9.000			
15 June	2001					
9 April	2003			3.820	4.220	
1 October	2003	28.100				
3 December	2004			4.820	5.220	
6 December	2005			6.040	6.440	
7 December	2006	28.840	10.810	7.290	7.690	
1 October	2007	30.030	13.700	9.290	9.690	

(3) With effect from 14 March 1989 until 20 March 1990, the rate of duty for 2-star and 3-star leaded motor spirit was 21.220 pence per litre.

(4) With the separate duty rate abolished, duty on these fuels is now charged at the rate appropriate to unleaded petrol or ultra low sulphur petrol, dependent upon the sulphur and aromatic content of the fuel.

(5) Duty now charged at the rate appropriate to ultra low sulphur petrol.

(6) For industrial and commercial consumers these fuels became liable to the standard rate of Value Added Tax on 1 July 1990 (at 15% to 31 March 1991 and at 17.5% from 1 April 1991), recoverable by the majority of such consumers. These fuels attracted Value Added Tax for domestic consumers from 1 April 1994 at an initial rate of 8%. This was reduced to 5% from 1 September 1997.

(7) AVTUR (aviation turbine fuel) attracted the gas oil rate until 18 March 1986 after which it was zero-rated.

(8) From 29 November 1994 this duty is priced in pence per kilogram as the relative calorific values of the different types of road fuel gases are very similar when related to mass (kilogram).

Explanatory notes

Notes to tables

- Figures for the latest periods and the corresponding averages (or totals) are provisional and are liable to subsequent revision.
- The figures have not been adjusted for temperature or seasonal factors except where noted.
- Due to rounding the sum of the constituent items may not equal the totals.
- Percentage changes relate to the corresponding period a year ago. They are calculated from unrounded figures but are shown only as (+) or (-) when the percentage change is very large.
- All figures relate to the United Kingdom unless otherwise indicated.

Abbreviations

GDP	Gross domestic product
UKCS	United Kingdom Continental Shelf
VAT	Value added tax

Symbols used in the tables

- .. not available.
- nil or less than half the final digit shown.
- p provisional.
- r revised; where a column or row shows 'r' at the beginning, most, but not necessarily all, of the data have been revised.
- e estimated; totals of which the figures form a constituent part are therefore partly estimated.

Conversion factors

1 tonne of UK crude oil =	7.55 barrels	All conversion of fuels from original units to units of energy is carried out on the basis of the gross calorific value of the fuel.
1 tonne =	1,000 kilograms	
1 gallon (UK) =	4.54609 litres	
1 kilowatt (kW) =	1,000 watts	
1 megawatt (MW) =	1,000 kilowatts	
1 gigawatt (GW) =	1,000 megawatts	
1 terawatt (TW) =	1,000 gigawatts	

Conversion matrices

To convert from the units on the left hand side to the units across the top multiply by the values in the table.

To:	Thousand toe	Terajoules	GWh	Million therms
From	Multiply by			
Thousand toe	1	41.868	11.630	0.39683
Terajoules (TJ)	0.023885	1	0.27778	0.0094778
Gigawatt hours (GWh)	0.085985	3.6000	1	0.034121
Million therms	2.5200	105.51	29.307	1

To:	Tonnes of oil equivalent	Gigajoules	kWh	Therms
From	Multiply by			
Tonnes of oil equivalent	1	41.868	11,630	396.83
Gigajoules (GJ)	0.023885	1	277.78	9.4778
Kilowatt hours (kWh)	0.000085985	0.003600	1	0.034121
Therms	0.0025200	0.105510	29.307	1

Note that all factors are quoted to 5 significant figures

Climate Change Levy

The Climate Change Levy came into effect on 1 April 2001. This levy is designed to encourage businesses to reduce their energy consumption so as to reduce global warming. For information about the Climate Change Levy please contact the HM Revenue & Customs National Advice Service on 0845 010 9000.

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