



MONARCH PARTNERSHIP

Utilities simplified

GUIDE TO ENERGY MARKETS

Tenant Information Pack



What has affected energy prices and supply in 2022?

The energy market has been volatile over the past few years, to say the least. With fluctuating prices reaching all time highs, countries, businesses and tenants have been left wondering why this is happening, and what to do next.

To put it in context, wholesale gas prices have increased by 250% since January 2021. The situation has worsened further in 2022, as a result of significant geopolitical developments.

Here are some of the reasons why energy is more expensive:

- There was a colder winter across Europe in 2020. This put pressure on global supplies and gas levels – making storage considerably lower than normal.
- As gas prices increased, coal became more profitable for power generators in Europe. As a result, these emitters have increased their demand for emission allowances, pushing up the price of carbon.
- Energy prices also reached record highs due to a rise in oil prices following Russia's invasion of Ukraine in February 2022.

What has prompted these high peaks?

High demand for gas and electricity, along with a reduced supply, has caused the soaring wholesale prices. Recent peaks have even exceeded 2008 levels, when the recession was in full swing.

With the war between Russia and Ukraine continuing, countries around the world have been forced to prepare for change.

There has been significant turbulence in the global energy markets as a result of the invasion.

These events have added further pressure to an already tight natural gas and energy market. And have forced individuals around the UK into fuel poverty.

Are commercial and domestic energy handled the same way?

Households in the UK are billed by energy suppliers operating in the domestic market, and they send invoices in the individual bill payer's name. Housing associations are normally required to procure energy through the commercial market, and then bills are sent in the organisation's name.

The commercial market includes many additional charges, not seen in the domestic market. Constant changes in the gas and electricity market also immediately feed through to prices available on the commercial market - whereas it takes much longer for increases and decreases in the wholesale market to filter through to domestic market prices.

Is there any kind of support to help people in vulnerable situations?

The Priority Services Register is a free support service offered by energy suppliers and network operators, to help people in vulnerable situations.

For more information, visit:

<https://www.ofgem.gov.uk/information-consumers/energy-advice-households/getting-extra-help-priority-services-register>

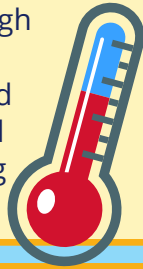
SAVING ENERGY *Saves Money*

Save money on your heating bills with our *Top Heat-Saving Tips!*

1 Set your heating and hot-water timer If you're out at work for most of the day, set the timer to come on for a few hours in the morning and evening, while you're at home.



2 Set the boiler thermostat to 60°C (140°F). This is warm enough to provide hot water and heating for your home, and means that you don't need to waste money by heating more than this.



3 Move furniture away from radiators Valuable heat is absorbed by furniture in front of radiators, making rooms feel colder.

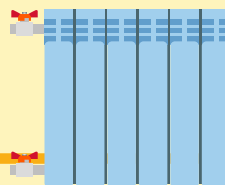
6 Use thermostatic radiator valves Control the heating in your house by using a thermostatic radiator valve. This adjusts the flow of water into your radiator, depending on the setting.



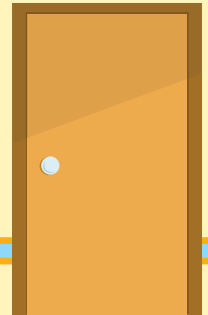
7 Turn the central heating thermostat down Zoning the heat in your house or flat means you can keep certain rooms warm while not wasting heat elsewhere.



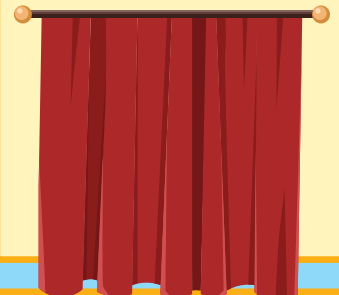
8 Turn the radiator temperature down or completely off in rooms you rarely use to reduce the total amount of energy you use.



4 Closing the doors and using draught blockers can help to keep heating inside.



5 Use your curtains Draw your curtains when it starts to go dark and hang a curtain across your front and back doors to keep the draughts out. Lined or thick curtains are best.



9 Tint your windows Window films are designed to allow in visible light, while blocking infrared light. And in turn, keeps more heat in.

10 Top up extra money If you are on a prepayment meter, add more money where you can in the summer to build up credit for the colder winter months.

HOW CAN YOU REDUCE YOUR USAGE?

Choose low-energy appliances

When it's time to replace your kitchen appliances, look for those which are energy efficient and labelled as 'Energy Star Certified'. This will go a long way towards saving energy and reducing your electricity bills. Always consider the efficiency rating (the AG colour scale), when you buy new electrical items. The ratings are designed to help you identify appliances that will cost you the least.

Check your boiler efficiency

Modern central-heating boilers provide hot water more efficiently than older ones. They save energy and money by using less coal, oil, or gas to power them. Homeowners and private tenants in the UK can apply for a grant to replace their old, inefficient gas boiler with a new boiler (rated A for energy efficiency), under the Energy Company Obligation (ECO) scheme.

Insulation

Draught proof around your front door and loft hatch. This not only prevents cold air from entering your home in the winter months, it also stops heated air from escaping. You'll need less power to heat your home which will reduce your carbon footprint, and you'll save money at the same time.

LED lighting

Lighting accounts for 7% of a typical household's energy bill, so cutting down on your use of electric lighting is one of the easiest ways to save money on your energy bills. Save by switching to LED light bulbs or fitted spotlights. LEDs use 90% less energy than traditional incandescent bulbs, they last a long time, and they give out light instantly.

Use less energy with your appliances

Turn appliances off when you're not using them. Appliances left on standby still use energy. Or, use a standby saver mode, if your appliance has this. Avoid charging electrical goods such as your mobile phone unnecessarily - and when you need a hot drink, only boil the kettle with the water you need.

Make energy smart choices

Always fill up your washing machine, tumble dryer and dishwasher. One full load uses less energy than two half loads. Are you washing clothes at 60°C? Turn the dial down to 30°C - this reduces energy use by up to 40%.



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