

Members are requested to NOTE this report and CONSIDER the recommendation

**Background**

The Council receive its gas supply for the Jubilee Club House from Corona Energy. The contract is due to expire on 1<sup>st</sup> October 2022.

The current contracted rate is:

Standing Charge: £1.06 per day

Unit Rate: 4.5676 p/kwh

The Council is paying around £550 per year.

**New Contract Offer**

As utility costs are expected to surge as from April 1 2022, and business gas rates are not capped. Quotes were obtained on our behalf by TUS Ltd Commercial Utilities. Corona Energy was given the opportunity to quote against the other quotes received, and have offered a lower quote than elsewhere.

This is the new offer:

Start 02/10/2022

Standing Charge: £1.10 per day

Unit Rate: 11.6141p p/kwh

Fixed to 01/12/2027 to protect against any increases for the next 5 years

Members are requested to:

- NOTE this report
- CONSIDER the new contract duration and offer for the gas supply to JCH.

Tina Jones

April 2022

**From the newspaper on Thursday 31 March**

Small and medium-sized businesses (SMEs) have faced an average gas bill hike of more than 250 per cent in the last year, new research has revealed.

The study, by energy analysts Cornwall Insight, found that gas prices paid by SMEs in the first three months of 2022 had soared by this amount when compared with the same period in 2021.

Wholesale market volatility, among other factors, has seen gas prices jump significantly for all consumers. However, unlike domestic customers, firms have yet to see any dedicated Government support to help them manage the record high energy bills they are facing.

The unstable energy market is also seeing suppliers withdraw tariff propositions at short notice.

This is making it harder for business customers to secure the contracts they need, and may lead to them facing higher costs given the nature of this volatility, according to data from energy analysts

High prices and volatility do not appear to be going away any time soon, there have been new calls for an energy price cap for businesses, much like domestic customers have. However, experts say while this may help in the short-term by protecting business consumers from upfront high costs, as with the domestic cap, it may end up doing little more than deferring problems for a later date