



16 January 2024

Dear Ofgem Stakeholder Team (by email),

As you may have seen in [media reports](#) over the new year period, we are deeply concerned about the negative impact of the January price cap change.

Struggling households are facing an assault from all sides. Energy bills are going up just as winter bites hard, Christmas debts have to be paid off and the ongoing wider cost of living crisis continues into another year.

Ofgem needs to abolish this January price hike going forwards. The cruel impact of a change in bills at this time of year can't be underestimated.

We [criticised the policy strongly](#) when it was introduced as we feared this would be the result of it – bills going up at the worst time of year.

Given the way the price cap is structured, we can't see a scenario where we'll ever see a decrease at this time of year.

Unaffordable energy prices are here to stay and even in winter 2024/25, energy bills are expected to be [60% higher](#) than winter 2020/21.

Changing the price cap to two or three times a year would be enough to pass on any reductions in wholesale prices to consumers and ensure we would not have a change of bills in the middle of winter.

We'd appreciate a response to set out the formal process for reviewing Ofgem's decision on the quarterly price cap and timescales for this review.

Best wishes,

Simon Francis
End Fuel Poverty Coalition coordinator, on behalf of the Warm This Winter campaign