



## ***Power for the People!!***

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This month my phone and email was running hot with people asking about the fixed line charge increase of 2.2% from 1 April 2022. Thought my simple rather than technical explanation might help.

Many years ago, the government decided that people on low incomes should have a lower fixed rate for their power and decided that people who used under 8,000 kws per year would have a lower fixed rate and a small increase in their daily usage. So if they wanted to use less electricity, they would be financially better off. However, over the years, it has meant that most people on this rate are in the higher economic bracket with new homes that are more energy efficient with double glazing, while the lower economic people are often in rented houses with lesser power efficiencies. The mainly lower economic people were effectively subsidising to some degree the higher economic users. This cross-subsidy has now been removed.

To give context to the upcoming increase: Mr Conrad Harvey (Group CFO) Counties Energy, at the Trust's AGM in December 2021, announced that the financial year ended 31<sup>st</sup> March 2021 was the 7<sup>th</sup> year in a row the Company held it's distribution component of it's line tariffs so that charges to Consumers would be unchanged.