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Press Release

Energy Bill Betrays Consumers

Commenting on the government's Energy Bill, published today, and its proposed Electricity Market Reform (EMR), the Renewable Energy Foundation[1] expressed concerns that domestic and commercial consumer interest had been given a low priority in government reforms, and that ministerial claims that the Energy Bill offered the lowest cost route to a low carbon future were simply not credible.

REF's remarks were made in the context of analysis published yesterday by its consultancy arm, Renewable Energy Forum, indicating that DECC's *Annual Energy Statement* (2011) had made misleading claims to the effect that policies would save the average household money in 2020. In fact, the department's own data showed that DECC expected 65% of households to see higher bills because of policies in 2020.[2]

Dr John Constable, REF's director, said: "Electricity Market Reform will invisibly load bills with extremely expensive subsidies to force low carbon investment ahead of the learning curve in order to meet arbitrary targets. This is technically reckless but will ultimately fail because of consumer resistance to costs."

Dr Constable continued: "Government says that its policies will deliver stable electricity prices, but what they really mean is that subsidy costs will send UK bills sky high and keep them there, regardless of what happens in the world energy markets. That's not the sort of stability the UK economy needs."

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Notes for Editors

1. Renewable Energy Foundation (registered charity 1107360) promotes sustainable development for the benefit of the public by means of energy conservation and the use of renewable energy. See www.ref.org.uk.
2. Renewable Energy Forum's study, *Shortfall, Rebound, Backfire: Can we rely on energy efficiency to offset climate policy costs?* was commissioned by Calor Gas. Electronic copies are freely available from the REF website: www.ref.org.uk. Hard copies are available on request.