

Pricing page

More good news for oil users

The latest price comparison figures make good reading for anyone who uses oil for heating or installs or services oil appliances. The average annual cost to heat a typical home in the UK using an oil condensing boiler fell by just over £100 in the last quarter to just £840pa. The price in the Republic of Ireland also fell sharply to just over €1,000pa, making oil heating there more than €200 cheaper than any competing rival.

Comparing the price now to the situation four years ago reveals that oil heating costs have fallen more than any other major fuel while others have actually risen. This is particularly significant because heat pumps and

biomass boilers are two of the UK government's preferred low carbon heating options and are promoted through schemes such as the Renewable Heat Incentive in England and Wales. It isn't hard to see why enthusiasm for these technologies remains muted, given that both installation and running costs are far higher than for oil. It should be noted that where possible the costs shown here are for systems using radiators – to show a fair like-for-like comparison. Better performance could be expected from a heat pump by using underfloor heating, but at the expense of higher installation costs.

The most common alternatives to oil for off-grid homes remain LPG or electric storage heaters. The annual

cost of using these options remains far higher than oil, although the price of LPG, like oil, has fallen significantly in all regions except Northern Ireland where it is now prohibitively expensive.

Looking at the global price of Brent crude oil, over the last year this has fluctuated between \$43 and \$56 a barrel. This has led some OPEC countries and Russia to join forces in a bid to push the price of oil up by cutting back production. So far, this has not been very successful and has probably helped the US fracking industry, which are their main competitors. Despite OPEC's efforts, price commentators are increasingly united in predicting that crude oil prices will remain at around the current level for some time to come.

Comparative space and water heating costs for a three bedroom house

GREAT BRITAIN

	Jul-13	Jul-17	Price change	% Difference
Anthracite Grains	1094	1114	20	1.85%
Electricity	1456	1910	454	31.20%
Gas (British Gas)	1079	967	-112	-10.40%
LPG	2382	1850	-532	-22.33%
LPG (Condensing)	1956	1524	-432	-22.08%
Oil	1582	1022	-560	-35.40%
Oil (Condensing)	1294	840	-454	-35.06%
Wood Pellets	1252	1283	31	2.49%
Air Source Heat Pump Radiators	1360	1681	321	23.57%

NORTHERN IRELAND

	Jul-13	Jul-17	Price change	% Difference
Anthracite Grains	1065	953	-112	-10.52%
Electricity	1748	1437	-311	-17.79%
Gas (Phoenix)	1128	885	-243	-21.54%
LPG	2571	2530	-41	-1.59%
LPG (Condensing)	2111	2075	-37	-1.71%
Oil	1742	1022	-720	-41.33%
Oil (Condensing)	1425	840	-585	-41.05%
Wood Pellets	1038	1098	60	5.78%
Air Source Heat Pump Radiators	1493	1384	-109	-7.30%

REPUBLIC OF IRELAND

	Jul-13	Jul-17	Price change	% Difference
Anthracite Grains	1297	1510	213	16.42%
Electricity	2086	1953	-133	-6.38%
Gas	1346	1291	-55	-4.09%
LPG	3479	2620	-859	-24.69%
LPG (Condensing)	2853	2157	-696	-24.40%
Oil	2215	1228	-987	-44.56%
Oil (Condensing)	1807	1008	-799	-44.22%
Wood Pellets	1167	1335	168	14.40%
Air Source Heat Pump Radiators	1766	1718	-48	-2.72%

The tables above show the average annual costs for a range of heating options. Prices are shown in pounds sterling (£) for Great Britain and Northern Ireland, and Euros (€) for the Republic of Ireland. Figures are for a semi-detached three bedroom house, requiring 13,500 kWh space heating & 2,500 kWh DHW heating. Great Britain (Average) is calculated using South East, South West, Wales, Midlands, Northern England and Scotland. Data from the Sutherland Tables.