

Fuel price commentary

The latest set of fuel price figures presented below make grim reading for all heating users. With the exception of LPG, the current annual costs are all well above the long-term average and the increases we're seeing will stretch budgets for many households and businesses this winter. Fortunately, in the UK, the cost of oil has fallen, and only increased slightly in the RoI.

The Sutherland Tables look at average annual heating costs, so there's always a lag in their figures compared to prices today. For example, the figures quoted above do not include the latest increases for gas and electricity that came in in October, so the comparative cost of oil looks

worse than it would now. But what comes through very clearly when you compare the current price to the four-year average, is that the cost for all technologies except LPG (which was already high) have risen steeply. When the figures are next published, we'll see the full impact of those October gas and electricity increases – which will be higher for oil and gas in the UK, despite the new price cap.

The support for gas and electricity reduces the actual unit cost, so these users will benefit in direct proportion to the energy they use. By comparison, the the flat £200 payment for oil users seems less generous. However, the value of the £200 payment. However, it seems the

value of the £100 payment may have been based on the energy usage of an 'average UK home', rather than an average oil heated home which tend to be bigger, older, and detached, and has a significantly higher heat demand than a gas heated equivalent. We can conclude that some oil heated homes and businesses are probably getting significantly less help than those on gas.

We've adjusted the figures this month to compare the latest data with that from the last quarter – reflecting how quickly prices are changing. However, we've kept the long-term average to provide a broader comparison.

Comparative space and water heating costs for a three-bedroomed home In Great Britain, Northern Ireland and the Republic of Ireland

GREAT BRITAIN

	Jun-22	Sep-22	Price change	% Difference	4 year average
Electric storage heater	3550	3882	332	9.35%	2403
Gas condensing boiler	1345	1414	69	5.13%	974
LPG Condensing boiler radiators and DHW cylinder	1591	1630	39	2.45%	1533
Oil condensing boiler, radiators and DHW cylinder	1885	1846	-39	-2.07%	1081
Wood pellets	1819	2249	430	23.64%	1570
Air source heat pump radiators	2850	3111	261	9.16%	2024
Air source heat pump underfloor	2390	2606	216	9.04%	1620

NORTHERN IRELAND

	Jun-22	Sep-22	Price change	% Difference	4 year average
Electric storage heater	2420	3206	786	32.48%	2050
Gas condensing boiler	1392	1970	578	41.52%	1041
LPG Condensing boiler radiators and DHW cylinder	2218	2293	75	3.38%	2038
Oil condensing boiler, radiators and DHW cylinder	1792	1783	-9	-0.50%	1035
Wood pellets	1446	1715	269	18.60%	1228
Air source heat pump radiators	2112	2679	567	26.85%	1798
Air source heat pump underfloor	1748	2215	467	26.72%	1424

REPUBLIC OF IRELAND

	Jun-22	Sep-22	Price change	% Difference	4 year average
Electric storage heater	2994	3387	393	13.13%	2371
Gas condensing boiler radiators and DHW cylinder	1955	1955	0	0.00%	1416
LPG Condensing boiler radiators and DHW cylinder	2637	2758	121	4.59%	2441
Oil condensing boiler, radiators and DHW cylinder	2371	2386	15	0.63%	1466
Wood pellets	1757	2020	263	14.97%	1425
Air source heat pump radiators	2684	2878	194	7.23%	2062
Air source heat pump underfloor	2286	2878	592	25.90%	1711

Notes. The tables above are based on quarterly data published by the Sutherland Tables. They show the annual average cost of a range of heating options for a typical pre-1980 three bedroomed semi-detached home with a heat requirement of approximately 16,000 kWh.