

# Fuel price commentary

The era of volatile and high average heating costs continues to play havoc with household and business budgets, causing stress and misery for many.

Interpreting the latest data is made more difficult by the UK government's Energy Price Guarantee, that effectively provide a discount for electricity and gas users in Great Britain. Users of oil have been promised a one-off payment of £200 but late delivery of this support means it has not been included in the Sutherland Tables data.

In the Republic of Ireland, the government announced that

electricity credits for all households totaling €600 would be made, paid in three parts, but the first payment was likely made after the latest Sutherland Tables data was calculated. This helps explain why the figures for the RoI are so high compared to GB and NI.

Users of heating oil in the UK have seen some falls in running costs. Users of storage heaters in Great Britain also appear to have benefitted from price falls although, strangely, owners of heat pumps have not seen similar decrease, indeed their costs have gone up. This is hard to explain, although the timing of government support, and differences

in tariffs may be factors. OFTEC has queried the data.

The prospects going forward are somewhat uncertain. The government has indicated that it plans to scale back the level of support from April, but there is growing evidence that wholesale energy prices are beginning to fall. For example, both the crude oil price and the wholesale cost of gas has gone down. Some economists are predicting that the inflation rate will also fall later this year, so we may see an improved situation by the next heating season – something that everyone would certainly welcome.

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

### GREAT BRITAIN

	Jan-19	Dec-22	Price change	% Difference	4 year average
Electric storage heater	2004	<b>3135</b>	1131	56.44	2466
Gas condensing boiler	1025	<b>1930</b>	905	88.29	1027
LPG Condensing boiler radiators and DHW cylinder	1625	<b>1749</b>	124	7.63	1539
Oil condensing boiler, radiators and DHW cylinder	1143	<b>1752</b>	609	53.28	1115
Wood pellets	1538	<b>2902</b>	1364	88.69	1650
Air source heat pump radiators	1771	<b>3320</b>	1549	87.46	2113
Air source heat pump underfloor	1355	<b>2957</b>	1602	118.23	1717

### NORTHERN IRELAND

	Jan-19	Dec-22	Price change	% Difference	4 year average
Electric storage heater	1871	<b>2480</b>	609	32.55	2099
Gas condensing boiler	1050	<b>1869</b>	819	78.00	1094
LPG Condensing boiler radiators and DHW cylinder	2219	<b>2293</b>	74	3.33	2046
Oil condensing boiler, radiators and DHW cylinder	1191	<b>1781</b>	590	49.54	1071
Wood pellets	1131	<b>2082</b>	951	84.08	1284
Air source heat pump radiators	1654	<b>2498</b>	844	51.03	1855
Air source heat pump underfloor	1246	<b>2066</b>	820	65.81	1478

### REPUBLIC OF IRELAND

	Jan-19	Dec-22	Price change	% Difference	4 year average
Electric storage heater	2114	<b>4613</b>	2499	118.21	2516
Gas condensing boiler radiators and DHW cylinder	1399	<b>2781</b>	1382	98.78	1498
LPG Condensing boiler radiators and DHW cylinder	2574	<b>2776</b>	202	7.85	2470
Oil condensing boiler, radiators and DHW cylinder	1606	<b>2236</b>	630	39.23	1504
Wood pellets	1398	<b>2484</b>	1086	77.68	1489
Air source heat pump radiators	1852	<b>3896</b>	2044	110.37	2180
Air source heat pump underfloor	1458	<b>3284</b>	1826	125.24	1816

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. Prices are shown in pounds sterling (£) for Great Britain and Northern Ireland, and euros (€) for the Republic of Ireland.