

Domestic energy market snapshot 30 April 2016

This update considers developments in the household electricity and gas markets in the three months from 31 January 2016 to 30 April 2016.

Headlines

- The period saw three new suppliers join the dual fuel market—Octopus Energy, Bristol Energy and IRESA. A further two suppliers also joined the market supplying gas only—National Gas and Cardiff Energy.
- The number of suppliers offering both electricity and gas (dual fuel) reached 34, up from 31 at 31 January 2016. In addition, six suppliers offer single fuel options, five in gas and one in electricity.
- There are now 35 electricity suppliers and 39 gas suppliers, up from 32 and 34 respectively at 31 January 2016.
- The Independent Supplier share of domestic energy accounts was 14.8% overall at 30 April 2016. Aggregate Major Supplier¹ share is now 85.5% or lower in electricity, gas and dual fuel supply.
- The number of households buying their energy on dual fuel accounts rose by 175,000 to 19.74mn. This accounts for 78% of the market compared to 77.6% at 31 January 2016.
- Measures of competitiveness such as HHIs² continued to fall, with the sharpest quarterly drop in gas. In all cases, a lower score means increased competition. The score for dual fuel decreased from 1,526 at 31 January 2016 to 1,466 at 30 April 2016. Electricity HHIs dropped from 1,398 to 1,351, while gas fell to 1,899 from 1,983 in the first quarter.
- Total domestic energy³ accounts in Britain at 30 April 2016 stood at 50.61mn. There were 27.67mn electricity accounts, up from 27.57mn at 31 January 2016, while gas accounts rose to 22.94mn from 22.85mn.

Domestic energy market competition indicators at 30 April 2016

	Electricity	Gas	Dual Fuel
Customers (k)	27,670 (105)	22,940 (95)	19,735 (175)
HHI	1,351 (-47)	1,899(-84)	1,466 (-60)
Number of suppliers	35 (32)	39 (34)	34 (31)
Aggregate major supplier share	85.5% (-1.4pp)	85.5% (-1.6pp)	82.6% (-1.ppp)

Source: Cornwall Energy. Data in brackets indicates change on 31 January 2016.

¹ British Gas, EDF Energy, E.ON UK, RWE npower, SSE and Scottish Power.

² HHI = Herfindahl–Hirschman Index. A measure of [market concentration](#).

³ Energy = electricity plus gas