

Electricity Switching - December 2018

Another record year for switching

Energy UK's electricity switching figures, published today at the start of <u>Big Energy Saving Week</u>, reveal that 2018 was a record year for switching with over 5.8 million - or one in five - customers making a change. This is a 6 percent increase on 2017's record figures when 5.5 million customers switched electricity supplier.

The switching data shows that, on average, nearly half a million customers switched supplier every month in 2018. This continues the trend of year-on-year increases in energy switching and high levels of engagement, particularly when compared to other sectors.

In December alone, nearly half a million customers (464,378) switched supplier, up 10 percent on December 2017. The figures show that nearly 100,000 customers (98,962) switched to small and mid-tier supplier last month, which is 21 percent of all switches in December.

The figures also reveal that a net 1.7 million customers moved to a small or mid-tier supplier during 2018 - which is around 30 percent of all switches.

Consumers continue to have confidence in switching according to the latest research from the Energy Switch Guarantee – an industry initiative that makes switching simple, speedy and safe.

Lawrence Slade, chief executive of Energy UK, said:

"It is positive to see such high levels of energy switching - particularly when compared to other sectors - with one in five customers switching supplier in 2018. My hope remains that, with the recent introduction of the price cap, we don't see this element of competition undermined and switching levels fall, as is predicted in Ofgem's impact assessment.

"With winter in full swing, I urge everyone to get in touch with their supplier or have a look online to make sure they are on the best energy tariff for them, whether that be on price, service or green considerations. More importantly, as the temperatures fall, consumers should ensure their house is energy efficient - for example checking that it is well insulated - which is the best way to keep energy bills down in the long run."

Notes for editors

- ► To see the latest monthly switching stats, please visit Energy UK's website.
- ► The rise in switching figures over last few years has been as follows:

• **2014:** 3,196,243

• **2015:** 3,835,736

• **2016**: 4,822,885

• **2017:** 5,543,472

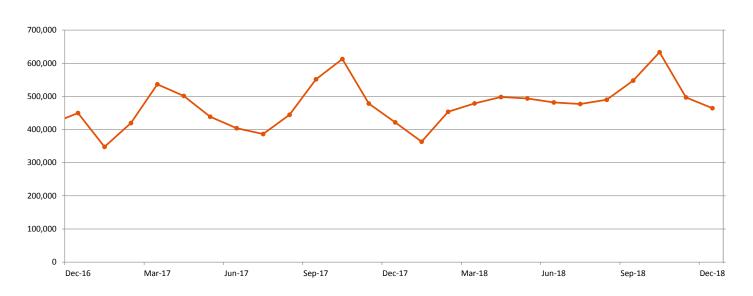
• **2018:** 5,878,914

- According to a Go Compare survey, energy was amongst the top 3 switching sectors in 2017 with a 19% switching rate, ahead of broadband, mobile (both 11%) and banking (8%) but behind car and home insurance (27% and 23% respectively).
- The switching data is now supplied by Gemserv (starting from September 2018). Gemserv Limited is the service company contracted by the MRA Service Company (MRASCo) to provide services in support of the MRA including the management of its governance and providing specialised expertise to MRASCo in support of the growing electricity retail market. Historical data up to August 2018 was provided by Electralink.
- ► The data referenced in these reports is for electricity only. These figures include both domestic & non-domestic customers.
- Almost 90 per cent of suppliers (by market share) are signatories of the Guarantee. For more information about the Guarantee: www.energyswitchguarantee.com
- These figures do not include internal electricity switching. Such statistics can be found on the Ofgem website.

Change of Supply Event

A 'Change of Supply Event' is the industry term for describing when a domestic or non-domestic customer switches from one supplier to another. The total number of electricity switches in December was 464,378.



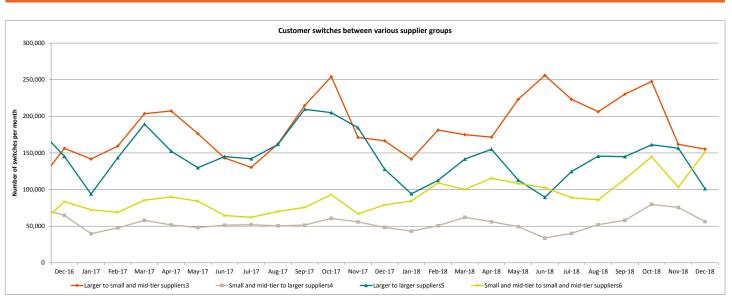


Movement between supplier groups

In December 2018, of all switches:

- > 33% were from larger to small and mid-tier suppliers
- ▶ 12% were from small and mid-tier to larger suppliers
- ▶ 22% were between larger suppliers
- > 33% were between small and mid-tier suppliers

Movement between small and mid-tier and larger suppliers



Gains by small and mid-tier suppliers

In December the net gain by small and mid-tier suppliers was 98,962 this is 21% of all switches.

*Net gain is the number of switches from larger to small and mid-tier suppliers minus the number of switches from small and mid-tier to larger suppliers.

A breakdown of all switches

Month Year	Larger to small and mid-tier suppliers	Small and mid- tier to larger suppliers	Larger to larger suppliers	Small and mid- tier to small and mid-tier suppliers	Total switches
Dec-18	155,282	56,320	101,229	151,547	464,378
Nov-18	161,754	75,512	156,529	103,255	497,050
Oct- 18	247,611	79,794	161,161	144,672	633,238
Sept-18	230,317	58,124	144,886	114,333	547,660
Aug-18	205,109	52,761	151,858	85,111	494,839
Jul-18	223,173	40,359	124,643	88,931	477,106
Jun-18	255,888	33,825	89,478	102,486	481,677
May-18	223,182	49,413	112,933	108,384	493,912
Apr-18	171,616	56,099	154,959	115,523	498,197
Mar-18	174,946	62,054	141,663	100,068	478,731
Feb-18	181,211	50,655	112,588	109,106	453,560
Jan-18	141,521	43,219	94,212	84,465	363,417
Dec-17	166,591	48,277	127,791	79,043	421,702
Nov-17	171,158	55,931	184,459	66,846	478,394
Oct-17	254,090	60,666	204,976	92,972	612,704
Sep-17	214,735	51,461	209,610	75,637	551,443
Aug-17	162,382	50,450	161,705	70,116	444,653
Jul-17	130,332	51,962	142,038	62,175	386,507
Jun-17	143,155	51,410	145,028	64,580	404,173
May-17	176,350	48,170	129,774	84,247	438,541
Apr-17	207,252	51,694	152,448	89,918	501,312
Mar-17	203,631	58,006	189,467	85,554	536,658
Feb-17	159,355	47,689	143,561	68,994	419,599
Jan-17	141,692	39,854	93,912	72,328	347,786
Dec-16	156,318	64,765	145,275	83,563	449,921