



HOUSE OF COMMONS

LONDON SW1A 0AA

Lord Callanan
Minister for Business, Energy and Corporate Responsibility
Department for Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

27 July 2022

Dear Lord Callanan

Re: Pre-payment Meters and the Cost of Living Crisis

I have been grateful for the work that you and your Ministerial colleagues are doing in view of rising energy costs and increases in the cost of living. I appreciate that these pressures continue, and some constituents have contacted me about the high energy costs being experienced by those on pre-payment meters.

I am minded that the Government recognises that the cost of prepayment meters is higher than those who pay for their gas and electricity by direct debit, hence higher energy supply charges. Whilst I understand that the energy price cap and Government support package is applicable to prepayment customers, I understand that users still face difficulties. I note coverage in the Financial Times which appears to suggest that some low income users are forced to have a prepayment meter installed, which appears to go against the perspective that energy companies are doing what they can to support their customers in difficult circumstances. Please see this weblink for further detail:

<https://www.ft.com/content/1cbab4d8-2b64-493f-afca-c688d9d7fc00>.

To assist my work in Westminster and Bosworth, and to share with my constituents, I would be grateful for your comments about the following:

- What assessment have Policy Makers made about the increased costs faced by pre-payment users compared to other domestic energy users and whether such costs can be mitigated against going forward?
- What assessment have Policy Makers made about the impact of the cost of living crisis for pre-payment utility users?
- What is the Government's response to the FT's allegations about customers required to install pre-payment meters by energy providers when their circumstances may mean that these meters will cause higher energy bills?

I would be grateful for your remarks and I look forward to hearing from you.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'L' followed by a horizontal line extending to the right.

Dr Luke Evans
Member of Parliament for Bosworth