

Thursday, January 19, 2006

## **ENERGYWATCH AND SURCHARGES**

Utilita totally rejects energywatch's claims that its surcharges are unlawful. No surcharges will be "removed directly from customer bank accounts" and no customer has been "conned".

Utilita wrote to all customers on 27<sup>th</sup> September 2005 explaining that it would need to charge surcharges where "as a result of disruption to energy markets" the company would not supply customers at below cost. Utilita then wrote to all customers on 28<sup>th</sup> November 2005 to explain that a £15 for electricity and £25 for gas surcharge would be applied to their account.

Utilita is now writing to all customers to provide them with their final bills which will show the surcharge and also inform them of the energywatch issue.

Utilita's contract states that Utilita can increase prices where we have to "comply with any event of factor which has the effect of materially changing our business costs in a manner that is beyond our reasonable control." The change in energy markets that occurred in November 2005 are beyond our reasonable control as it represents the failure of regulators in the UK to maintain a competitive energy market.

Utilita has acted in a professional and responsible manner in arranging to transfer all customers to EDF Energy. The transfer process is proceeding well and customers are being kept fully informed.

Utilita would like to point out that several energy suppliers have already gone out of business and that in taking the actions it has Utilita has been acting in the best interest of customers.

[www.utilita.co.uk](http://www.utilita.co.uk).

Notes to Editors:

1. Utilita is the first company to offer an energy services contract under Ofgem's trial suspension of the 28 day rule, and the only company to exclusively supply their product in conjunction with energy saving measures. In fact before transferring the energy efficiency contract to EDF Energy, Utilita had supplied over 95% of all energy efficiency contracts in the UK market under this trial.

2. The concept of Utilita came from the Energy White Paper, "Our Energy Future - Creating a Low Carbon Economy", 24th February 2003, which set out a broad agenda for tackling the issues of climate change, security of supply and fuel poverty. Using less energy has a key role to play in all of these problems, and Utilita has been designed to maximize fuel savings, thereby reducing their customers' energy bills.

3. The PriceTracker Promise is a guarantee that Utilita will price each of its services to track a Reference Price as follows: Standard British Gas tariff; Standard or Economy 7 tariff from your regional electricity company; and BT Together Option 1. With Utilita, customers save energy and their bills come down.