

Edinburgh businesses start to benefit from falling energy prices

A year ago, Russian tanks rolled across the Ukrainian border, setting off a series of events that caused the energy bills of Edinburgh's companies to soar.

In response to the West's sanctions, Russia severely restricted its usually cheap and reliable natural gas supply to Europe. The restricted gas supply raised fears of shortages and even blackouts sending the wholesale price of energy and gas through the roof.

The UK's power and gas markets are heavily influenced by the European markets as we import significant quantities of electricity and gas.

Happily, this winter has been unseasonably mild, and the natural gas shortages have been less severe than feared. The wholesale price of energy, reported by Ofgem, has now fallen to less than half of its peak in September 2022.

Now that prices are starting to fall, we explore how Edinburgh businesses can benefit from the falling energy prices.

Government support on business energy bills

The government is providing support to protect businesses from the worst of the Energy Crisis through automatic discounts on bills.

From 1 April 2023, businesses that are paying for electricity and gas on an expensive tariff agreed upon during the crisis will receive an automatic discount under the Energy Bill Discount Scheme.

All business energy suppliers will automatically calculate and apply the discount on bills between April 2023 and March 2024.

Finding a better deal by comparing the market

With energy wholesale energy prices stabilising, the market for business energy is once again coming alive.

There are over 100 business energy suppliers in the British market, all competing for customers. With the falling prices, there are now significant savings to be had by switching business energy suppliers.

Switching to a fixed-rate tariff also provides certainty over energy bills for between 1 and 3 years. Obtaining certainty for the future can be enormously useful in these difficult economic times.

We recommend getting quotes from as many different suppliers as possible to find the best deals. The easiest solution is to use a [business energy comparison](#) service to get quotes from across the market quickly.

Green energy deals

The high energy prices of recent years have caused a new impetus in renewable energy technology. The price of electricity generated from wind farms in the North Sea has fallen significantly.

It's a great opportunity to consider improving the sustainability of your business by adopting a competitive green energy tariff.

