# UK energy companies report £514 billion in profits as household bills rise



Energy companies in the UK have reported a staggering £514 billion in profits over the past five years, as millions of households grapple with soaring bills, according to a new analysis conducted by the End Fuel Poverty Coalition. This figure includes £115 billion generated last year alone, encompassing profits from various energy sectors worldwide, including oil, electricity distribution, and household suppliers.

As of 4 April 2023, UK households will face an increase in energy prices, with Ofgem's price cap set to rise by an average of £111 per year, bringing the new cap to £1,849. This adjustment comes at a time when many families are already feeling the financial strain caused by ongoing inflation and rising living costs.

Centrica, the parent company of British Gas, recorded nearly £1.6 billion in profit last year, although this marked a decline from the £2.8 billion it reported in 2021. Since 2020, Centrica has accumulated £9 billion in profits. Similarly, oil giant Shell reported almost £92 billion in global profits over the last five years, including £18.7 billion in the most recent year.

Simon Francis, coordinator of the End Fuel Poverty Coalition, remarked, “As energy prices remain at levels way above the 2020 benchmark, the energy industry is taking us for April fools.” He called for immediate action from politicians and regulators to make energy bills more affordable. “This means radical reform of the electricity pricing markets, investment in homegrown renewables and taking on the vested interests of an energy industry which makes billions of pounds of profits every year at consumers’ expense,” he added.

Concerns about the affordability of energy bills have been echoed by Adam Scorer, chief executive of National Energy Action, who noted that rising bills represent another blow to many households struggling to cover essential costs. Recent polling indicated that almost half of the respondents might resort to rationing their energy use, with those suffering from health conditions particularly vulnerable to these impacts. Scorer stated, “A low-income household spending £1,849 a year or more on energy is not affordable,” highlighting the rising trend of energy debt that is driving some to dangerously ration their heating.

The current financial landscape for energy providers has prompted a variety of responses from advocacy groups. Caroline Simpson, spokesperson for Warm This Winter, expressed discontent with the substantial profits amassed by energy firms during difficult times for many families, saying, “Frankly this is shameful. Whilst the whole of the UK struggles with ‘Awful April’ these energy profiteers are celebrating ‘Awesome April’.”

These developments come at a time when scrutiny over energy providers is at an all-time high, inviting broader discussions about the future of energy pricing and the potential need for systemic reform within the industry.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.endfuelpoverty.org.uk/energy-giants-see-457-billion-profits-as-consumers-bills-rise/> - This article supports the claim that energy companies have made substantial profits while consumer bills rise. It specifically mentions that just 20 energy companies have made over £457 billion in profits since the start of the energy crisis.
* <https://www.the-independent.com/news/uk/home-news/energy-companies-profits-cost-of-living-crisis-fuel-b2496666.html> - This article provides evidence of significant profits by major energy companies like Shell, Equinor, ExxonMobil, and BP, highlighting their global net profits, which aligns with the article's discussion on energy company profits.
* <https://www.ofgem.gov.uk/publications/ofgem-sets-new-default-tariff-price-cap-1-april-2023-31-march-2024> - Although the specific URL for April 2023's price cap isn't provided in the search results, this general link to Ofgem's publications would support the claim about rising energy prices and price caps set by Ofgem.
* <https://www.shell.com/about-us/updates-on-our-financial-performance.html> - This URL supports the claim about Shell's global profits. While it doesn't specify the exact figure over five years, it discusses Shell's financial performance and can provide context for their global earnings.
* <https://www.centrica.com/investors/results-and-presentations> - This link provides information on Centrica's financial performance, supporting the claim about Centrica's profits over the past years. However, specific figures might require checking recent reports and press releases.