# Ofgem's New Energy Price Cap in Effect, UK Households Benefit Temporarily



## UK Energy Price Updates

### Key Details:

* What: Ofgem's new energy price cap has come into effect, reducing the annual cost for a typical household by £122 to £1,568, the lowest in two years. However, this decrease is expected to be temporary with prices predicted to rise again in October.
* Where: This change impacts households in England, Wales, and Scotland.
* When: The new price cap is effective from July 1, 2024.
* Who: The change, regulated by Ofgem, affects most UK households on default variable-rate energy tariffs.

### Future Projections:

* October Increase: Energy consultancy Cornwall Insight forecasts that the typical annual bill will rise by £155 to £1,723 in October, a 10% increase from July's cap.

### Implications:

* Energy Bill Strategy: Consumer advice varies, with some recommending fixed-rate deals to avoid future price hikes. Emily Seymour from Which? suggests comparing current monthly payments to potential fixed-rate deals as a strategic move.
* Ongoing Costs: Despite the recent decrease, energy costs remain significantly higher than previous levels, prompting concerns among advocacy groups like National Energy Action.

### Additional Advice:

* Meter Readings: Households are encouraged to take meter readings to ensure accurate billing.
* Fixed-rate Deals: Consumers are advised to consider short-term fixed deals with minimal exit fees to potentially shield against future increases.

This overview provides the latest on UK energy prices, offering clarity on current and anticipated changes affecting household energy costs.