

A note from Martin about Cheap Energy Club and the energy crisis

The energy market is in extreme crisis. Wholesale gas prices – which firms pay – have risen fivefold in the last year. Much of the UK's electricity is generated by gas too. This means both gas and electricity prices for consumers have rocketed to previously unimaginable levels.

For energy switching the situation is catastrophic. Nine energy firms, with nearly two million customers between them, have gone bust, and more are almost certain to follow (so I'd urge everyone to [download your bill, and screengrab your credit](#) so you've got a record). There are no decent tariffs left to switch to – in fact, there are very few tariffs for new customers at all.

On the back of this, I've spoken with the team and asked them to temporarily change the way that we operate Cheap Energy Club, and I wanted to let you know what we're doing.

I've asked the team to pause sending you energy alerts for now.

You chose for us to let you know via email when there are cheap tariffs you can switch to. These don't exist at the moment. So we simply won't be sending you any alerts, though if you're on a fixed deal right now, **we will let you know when your tariff is about to end**, and that you're being moved to a standard price-capped tariff.

Here are the key need-to-knows to explain why:

There are no switchable deals meaningfully cheaper than the price cap. We are in the perverse situation where there is nothing meaningfully cheaper than the default price you go to when a deal ends (or if you've never switched). Even though the regulator's price cap jumped by 12% on Friday 1 October, it is still set substantially below the current cost price of energy – the main reason so many firms are going bust.

If / when you come off a fix, you will pay a lot more.

There's no getting away from this I'm afraid. Many coming off cheap fixes will find themselves paying up to 50% more than they were – when they move to the price cap – but there is currently no solution. If you do want to fix you'll pay

even more as the current [cheapest fix](#) is 30% higher than the price cap, so for most the premium isn't worth it.

Consider the price cap a 'six-month fix'. The new price cap is locked in until 1 April 2022, and it will almost certainly rise again then (see why in [price cap FAQs](#)). So for the moment consider a six-month fix, at the market's cheapest available rate, which you can leave penalty-free at any time.

Then let's hope in the meantime that wholesale prices drop and switchers' tariffs become available. **If and when that happens, of course restart the alerts.**

Meanwhile, if you want to see what's out there (for example, to get a fixed rate for surety even though it is at a heavy premium), you can always come to the site to [do a comparison](#).

Martin