

Mr P Lisewski
Second Floor Flat D
40 Gledstanes Road
LONDON
W14 9HU

Prices are going up but we want to help manage your energy costs

Dear Mr P Lisewski

At British Gas we're committed to providing you with competitive prices. Over the last year we have kept our energy prices as low as possible and were the first major energy supplier to drop our gas prices in both 2009 and 2010. We have also been on average the cheapest major supplier for standard electricity for 75 out of the last 77 weeks*.

The cost of supplying and delivering gas and electricity to your home has been going up and has considerably increased in the last few months. This is an issue facing all energy suppliers. Unfortunately, as a result, we have to increase our prices. For a home with average usage, standard electricity prices will rise on average by 7% and standard gas on average by 7%**. Your new prices come in to effect on 10 December 2010 and are printed on the back of this letter.

Insulating your home could help significantly lower your energy costs

If you insulate your home you could save around £145 on your energy bills with our loft insulation and around £110 with our cavity wall insulation[†]. British Gas can help in a number of ways, for example by offering discounted prices, providing free cavity wall insulation for our customers who are 60 or over and free loft and cavity wall insulation if you're 70 or over or on eligible benefits^{††}. To find out more about insulation call free on 0800 980 6076 or visit britishgas.co.uk/howtosave

Get more control over your bills and only pay for the energy you use

By simply using EnergySmart™ you could save up to £150[†]. All you need to do is submit monthly meter readings online, by sms or by our iPhone app and receive accurate monthly bills - this means you only pay for what you use. Also we'll give you a free electricity monitor worth £34.99. You can add EnergySmart™ to most of our tariffs at britishgas.co.uk/howtosave

Thank you for being a British Gas customer. You are important to us.

Yours sincerely



Phil Bentley
Managing Director

P.S Your next Direct Debit review will take into account your new prices and any changes in your energy usage. We will write to you in advance if your payments need to change so you don't need to contact us.

For full terms and conditions please see overleaf

If you wish to terminate your contract for the supply of gas or electricity (or both) to avoid these changes, please contact us on 0800 980 1917 within 20 working days of receiving this notice. Lines are open 8am-6pm Monday to Friday. You must arrange alternative supply.

Information, impartial advice or details about changing your energy supply is available from Consumer Direct on 08454 04 05 06 or by visiting www.consumerdirect.gov.uk

If you have outstanding charges on your account we may prevent your supply being transferred. If this happens, your existing terms and conditions (including your existing prices) will be applied for 30 working days from the date we notified you of our intention to prevent the transfer. On clearing the outstanding balance, your new supplier can reapply to take over your supply.

Supply : Payment method :	Advance Payment		Direct Debit/Cash Cheque	
Supply area	Tier 1 (p/kWh)	Tier 2 (p/kWh)	Tier 1 (p/kWh)	Tier 2 (p/kWh)
London Electricity	7.009	3.268	7.488	3.491

Notes

All numbers are inclusive of VAT at 5%

1. Tier 1 applies to the first 670 kWh per quarter (or 223 kWh per month for monthly billing customers, 2680 kWh per annum for Pay As You Go Energy™) and all subsequent consumption is charged at Tier 2.
2. Gas customers paying by Direct Debit will receive a discount off their Tier 2 consumption charges of 0.196 p/kWh, up to a maximum of £16.25 per quarter (or £5.42 per month for monthly billing customers).
3. Gas customers paying either quarterly by Cash or Cheque, monthly by Debit or Credit Card, or by Quarterly Equal Payments whose payment is received within 14 days of the bill issue date will receive a discount off their next bill's consumption charges of 1.9% up to a maximum of £3.75 per bill.
4. Gas customers paying by Standing Order will receive a discount off their next quarter's bill of 4.78% up to a maximum of £2.50 per bill.
5. These prices apply to customers using mains gas and to customers using piped propane in Llanfyllin, Llanwrtyd Wells, Colden and Stornoway.

Standard electricity prices

Supply : Payment method :	Single Rate Direct Debit/ Cash cheque		Two Rate Direct Debit/ Cash Cheque		
Supply area	Tier 1 (p/kWh)	Tier 2 (p/kWh)	Night (p/kWh)	Tier 1 (p/kWh)	Tier 2 (p/kWh)
London Electricity	23.252	10.886	4.753	25.791	13.631

Notes

All numbers are inclusive of VAT at 5%

1. For single rate credit meters, Tier 1 rate applies to the first 180 kWh per quarter (or 60 kWh per month for monthly billing customers) and all subsequent consumption is charged at Tier 2. For prepayment meters, the No Standing Charge prices apply to standard tariff customers on single rate Actaris meters with "KBD" on the front. Tier 1 rate applies to the first 720 kWh per annum and all subsequent consumption is charged at Tier 2. For all other single rate prepayment meter types, the Standing Charge prices apply - a daily charge applies and all consumption is charged at Tier 2 rates. If you don't have an Actaris KBD meter, we can install one. For new customers it may take up to 28 days after supply start date for the No Standing Charge prices to be updated to the prepayment meter.
 2. For two rate meters, the two rate prices apply. For two rate credit meters, Tier 1 day rate applies to the first 180 kWh per quarter (or 60 kWh per month for monthly billing customers) of day consumption and all subsequent consumption is charged at Tier 2. For prepayment meter types a daily charge applies and all consumption is charged at either Tier 2 or Night rates. Night means a period, or periods, determined by us (and as may be varied from time to time), totalling 7 hours (at present between 22:00 hours and 08:00 hours) and the night rate applies accordingly.
 3. A dual fuel discount is given where British Gas supplies both gas and electricity to the same property (and the accounts are in the same names). No dual fuel discount is available to customers with token or smartcard electricity meters. Only one dual fuel discount per property. Where electricity is supplied through a credit meter, a discount of 0.704 p/kWh off quarterly electricity Tier 2 rates (and night rates where applicable) up to a maximum of £3.75 per quarter (or £1.25 per month for monthly billing customers) appears on the electricity bill. Where electricity is supplied through an electricity key meter, British Gas must be supplying both gas and electricity to the property on 31 August in each year. The dual fuel discount is up to £15 per annum. A pro-rated amount will be calculated based on the number of consecutive days in an unbroken period in the calendar year up to and including 31 August that British Gas supplied both gas and electricity to the property. This amount will be credited to the electricity meter within the three months following 31 August.
 4. Electricity customers paying by Direct Debit will receive a discount off their Tier 2 consumption charges (and night rates where applicable) of 1.873 p/kWh up to a maximum of £10 per quarter (or £3.33 per month for monthly billing customers).
 5. Electricity customers paying either quarterly by Cash or Cheque, monthly by Debit or Credit Card, or by Quarterly Equal Payments whose payment is received within 14 days of the bill issue date will receive a discount off their next bill's consumption charges of 3.4% up to a maximum of £3.75 per bill.
 6. Electricity customers paying by Standing Order will receive a discount off their next quarter's bill of 9% up to a maximum of £10 per bill.
- Tier 1 Electricity prices for credit and PAYGE customers on Single Rate or Two Rate meters now apply to the first 180kWh per quarter or 60 kWh per month for monthly billing customers.

Terms and conditions

* For single rate meter at industry average consumption of 3,300 kWh per annum between 7th May 2009 and 31st October 2010. www.britishgas.co.uk/comparison

** Based on average annual consumption of 20,500 kWh for gas and 3,300 kWh for single rate electricity, is an average across all regions and an average across the Monthly Direct Debit, Pay as You Go and Prompt Quarterly Cash or Cheque methods of payment, rounded and including VAT.

† Source: www.energysavingtrust.org.uk/Energy-saving-assumptions. Figures quoted are for illustrative purposes and are based on a gas-heated, average sized 3 bed semi-detached property with no existing cavity wall/loft insulation. Consumption based on annual average consumption assessed by BERR (17,616 kWh gas, 3,935 kWh electricity). Actual savings depend on type, age of home and individual circumstances. Not all homes are suitable for additional insulation. When updating existing insulation, savings will be reduced. Figures correct at 08/10.

†† We install in mainland Great Britain only (excluding north and west Scotland). Subject to availability and survey. Not all homes are suitable for cavity wall and/or loft insulation. Offer applies to properties up to but no larger in size than 140m² (cavity wall) and 80m² (loft), excludes scaffolding and specialist equipment and only applies where thickness of existing insulation is less than 60mm. Proof of age or receipt of benefits may be required. Cannot be used in conjunction with any other insulation offer.

††† £150 comprises: savings of £40 against our Standard tariff prices for OnlineSaver 3 customers (who receive a 4% discount on their unit rates below our Standard tariff prices); and savings of up to £110 by reducing consumption by 12% (by using the EnergySmart online consumption hub and electricity monitor). Savings are based on average annual consumption of 20,500 kWh for gas and 3,300 kWh for single rate electricity, paying by Monthly Direct Debit on our Standard tariff prices as at 10th December 2010, rounded average across all regions including VAT. Actual savings will vary depending on individual circumstances

