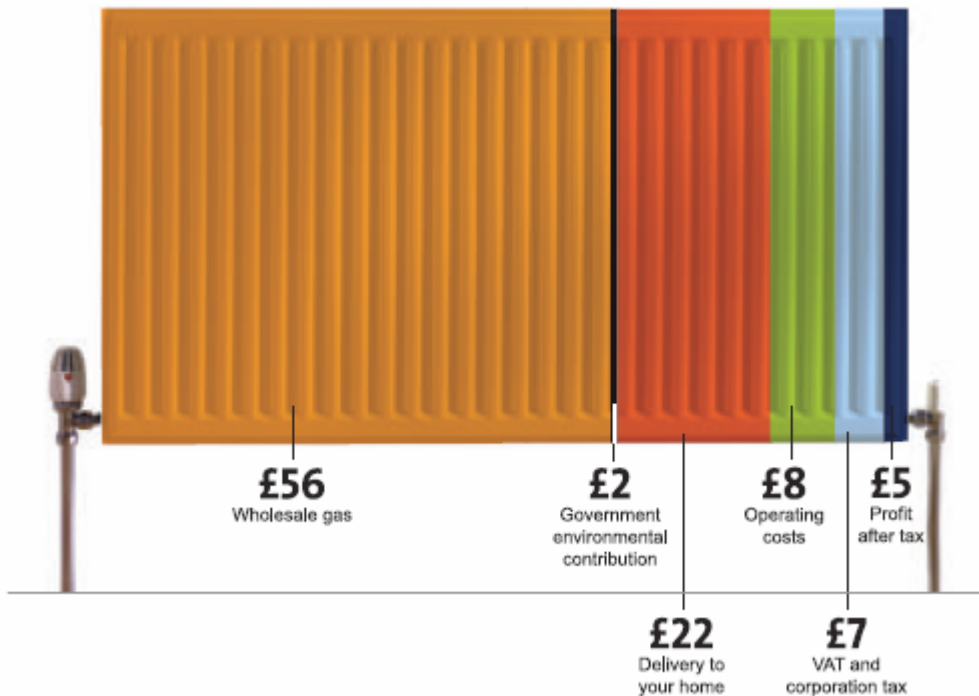
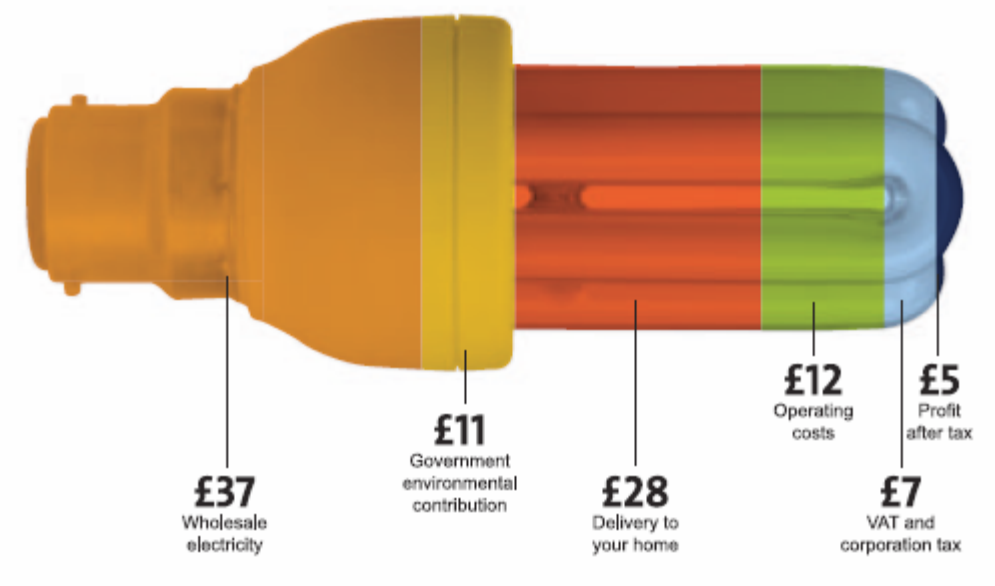


# What makes up an energy bill?

## What makes up every £100 of the average **gas** bill\*?



## What makes up every £100 of the average **electricity** bill\*?



\*All figures are rounded to the nearest £1 and are based on industry average consumption, across all pay types and regions. Correct as at 31 December 2009.

# What makes up an energy bill?

## Wholesale energy prices

This is what we pay suppliers when we buy gas and electricity for our customers. We buy this internationally – importing 40% from outside the UK in 2009.

Wholesale prices fell sharply during the second half of 2009 – though over the year they were still 19% higher than in 2007.

## Delivery to your home

For every unit of energy used, we pay a fixed fee to the owners of the pipes and wires (such as National Grid) to deliver it to customers' homes. These fees are agreed with the regulator Ofgem.

## Looking after your energy account

Our operating costs cover everything needed to help keep customer accounts running smoothly, from our call centres to our website.

## Tax and Government green schemes

As well as 5% VAT and corporation tax, we must contribute to Government initiatives to reduce carbon emissions. Environmental costs – which are essential if we are to address the issue of climate change – increased by 26% during 2009. In the electricity market, for example, energy companies are obliged to source increasing amounts of electricity from renewable sources, though this is more expensive than electricity produced conventionally. The renewable obligation will add 20% to our costs in 2009/10.

## Our profit

British Gas is a growing UK company, we employ 27,000 people and invest our profits back into Britain. The UK needs to replace a sizeable proportion of its electricity generating capacity; it needs to develop new gas storage facilities; and create new infrastructure for the import and distribution of gas and electricity. This will cost hundreds of billions of pounds. Centrica alone plans to invest £15bn by 2020 to help meet UK carbon and supply requirements – but we will not be able to do that if British Gas is not profitable.