

Customer
Address

No.1 Forbury Place
43 Forbury Road
Reading
RG1 3JH
Tel: 0345 026 0304
Email: ncc@sse.com

Account number
Date

Temporary increase to your non-commodity charges

Dear Sir/Madam,

Your electricity contract with SSE Business Energy is our standard Choice contract. This means your energy costs are fixed but the non-commodity costs can change in line with third party charges – like government levies and transporting electricity through the different networks. More than half of the average electricity bill for business customers is made up of non-commodity charges.

We do everything we can to shelter our customers from non-commodity cost fluctuations, but the unprecedented circumstances of Britain's lockdown due to Covid-19 have led to significantly lower demand for electricity across the country. Unfortunately, the lower national energy demand is increasing the non-commodity charge per unit (p/kWh) of electricity used and so we need to temporarily increase the rate you pay. To minimise the impact of these unforeseen costs which are outside our control, we're only increasing the rate to reflect part of the non-commodity charges affected in 2020/21.

Your billed rate will increase by 0.201p/kWh from 1 December 2020 (or the bill that spans this date) for a nine-month period. Your rate will revert to your original contracted price from September 2021. There will be no change to the standing charge you pay.

All other terms and conditions remain unaffected. You can view a copy of our terms and conditions at ssebusinessenergy.co.uk/terms-and-conditions.

To help answer any questions you may have, we've put together an FAQ with all available information – you can find key points overleaf and full FAQs at ssebusinessenergy.co.uk/NCC-FAQ.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Louise Innes".

Louise Innes
Commercial Director
SSE Business Energy

ssebusinessenergy.co.uk

FAQs

Which non-commodity costs are increasing?

Many of the non-commodity charges that make up your bill have increased for the 2020/21 financial year, including government levies and the costs of balancing the system. The costs most impacted and included in this rate increase are Balancing Services Use of System (BSUoS), Capacity Mechanism (CM) and Feed in Tariff (FiT). Other non-commodity costs have also increased – such as Contracts for Difference (CfD) – however, we're not passing on all the additional costs.

At this point we're only passing on non-commodity costs related to the volume of electricity consumed in 2020/21. This temporary increase is a set amount per kWh and spread over a nine-month period to cover 2020/21. Our non-commodity cost forecasts have also increased for future years, which your contract may span into. Although we'll do our best to avoid any price increases, we reserve the right to pass on non-commodity costs related to the volume of electricity consumed in 2021/22 and beyond.

When will this take effect?

If you're billed quarterly, the rate increase will be applied from 1 December 2020, for a nine-month period until 31 August 2021.

If you're billed monthly, the rate increase will be applied from the whole billing month that contains the date 1 December 2020. For example, if you're billed on 15th of month to 14th of next month then the rate increase will be applied on 15 November as this billing cycle contains 1 December. Then it will revert to your original contracted rate after 31 August 2021 or the bill that spans this date.

What can I do to avoid this change? Can I terminate my contract with SSE Business Energy?

Because you chose a Choice contract, your non-commodity charges are not fixed for the contract duration. Your contract terms and conditions state that we are entitled to charge you for costs applied by your distributor and/or to reflect any variation in our costs in supply of electricity which is not within our reasonable control. This includes passing on a rise in non-commodity charges as these are costs we incur from third parties (including your distributor) in supplying your electricity and which we cannot control.

These unforeseen costs apply across Britain's energy supply and are outside our control as they're set by third parties. The exceptional circumstances of Covid-19 have had a material impact on these costs and we need to pass on these cost increases. Unfortunately, it's not possible to avoid this increase. As you're subject to a fixed term contract with no ability to terminate, your contract end date will remain as stated when you agreed your contract.

If you're a Major Business Supply and you have any queries, please contact your account manager.

What's the likely impact on my bills?

Each of our customers uses energy differently, and this charge will be applied based on consumption. As an example, a business that consumes 20,000 kWh electricity in a year would see an additional £30 on bills in total over the nine-month period.

To help make sure your bills are accurate, please submit meter readings monthly. You can do this at ssebusinessenergy.co.uk/submit-meter-reading.

How does this affect my renewal offer?

This does not affect your renewal offer. We're currently able to price out to April 2024, so if you'd like us to look and see what we can do for you we can put you through to our sales team or arrange a call back. One of our advisers will be able to talk through our products and discuss which is best suited to your needs.

You can read our full FAQs at ssebusinessenergy.co.uk/NCC-FAQ.

ssebusinessenergy.co.uk