

Business energy market snapshot 30 April 2016

This update considers developments in the business electricity and gas markets in the six months from 31 October 2015 to 30 April 2016¹.

Headlines

- There are now 37 electricity suppliers and 38 gas suppliers (up one with Opal Gas from March 2016) at 30 April 2016.
- Business electricity meters consumed 183TWh of electricity on an annualised basis (down 1.1%) through 2.5mn meters (up 0.7%) on 1.6mn contracts (down 1.2%). Business gas meters consumed 235TWh on an annualised basis (down 1.4%) through 0.9mn meters (down 1.4%) on 0.6mn contracts (down 0.03%).
- The small and medium supplier share of the energy market was 28% in electricity and 83% in gas. Aggregate major supplier² share is now 72% by volume (down 1%) in electricity and 17% in gas (down 1%).
- Measures of competitiveness such as HHIs³ continued to fall in the electricity market and in the <25k th sector of the gas market. However, HHI for the mid and large gas markets (25k-1mn th and >1mn th sectors) are evidencing consolidation. A lower HHI score means increased competition. The score for overall electricity by volume was 1,139 (down from 1,155) and overall electricity meters was 1,258 (down from 1,292). HHI for overall gas volumes was 1,006 (up from 986) and HHI for overall gas meters was 1,360, down from 1,460 at 30 April 2016 compared to 31 October 2015.

Business energy market competition indicators at 30 April 2016

	Electricity	Gas
Meters (mn)	2.55 (0.02)	0.86 (-0.01)
Contracts (mn)	1.58 (-0.02)	0.61 (-0.0002)
Volume (TWh)	183.2 (-2.0)	235.3 (-3.2)
HHI by total volume	1,139 (-16)	1,006 (20)
Number of suppliers	37 (-)	38 (1)
Aggregate major supplier share by volume	72.0% (-0.8pp)	17.4% (-1.0pp)
Aggregate major supplier share by meters	81.3% (-1.4pp)	53.7% (-2.1pp)

Source: Cornwall Energy. Data in brackets indicates change on 31 October 2015.

Notes to editors

¹ This snapshot updates "Competition in British business energy supply markets" March 2016, published by Energy UK and commissioned from Cornwall Energy. The next update of "Competition in British business energy supply markets" will cover developments to 31 October 2016 and will issue in January 2017. Further information is available [here](#).

² British Gas, EDF Energy, E.ON UK, RWE npower, SSE and Scottish Power.

³ HHI = Herfindahl–Hirschman Index. A measure of [market concentration](#).