# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Ofgem Call for Input on Standing Charges – Welsh Government response** |
| **DATE** | **19 February 2024** |
| **BY** | **Julie James, Minister for Climate Change and Jane Hutt, Minister for Social Justice and Chief Whip** |

Ofgem recently published a call for input on standing charges, which are the fixed components of customers’ energy bills. We have regularly and repeatedly called on the UK Government and Ofgem to reform standing charges. The charges are fundamentally unfair to low income and low usage customers, and the postcode lottery of charges means customers in North Wales pay the highest standing charges in Great Britain.

You can read the Welsh Government’s consultation response at: [Ofgem call for input on standing charges: response from the Welsh Government](https://www.gov.wales/ofgem-call-input-standing-charges-response-welsh-government).

In our response, we have emphasised the urgent need for a more holistic review of retail charges to include the abolition of standing charges, the introduction of a social tariff and/or medical tariff and the rebalancing of gas and electricity costs. We believe that by taking a more rounded approach, there is a real opportunity to set a path towards a just transition and an environment which is more supportive of consumer investment in low carbon technologies. Given the complexity and potential timescales involved in implementing widescale reform, a good first step would be to equalise standing charges across the regions of Great Britan.

We will continue to champion this issue at every level, working towards a fairer, stronger, greener Wales.