

2025 Q1

Quarterly Energy Barometer

Executive Briefing

Welcome to the sixth POWWR Quarterly Energy Barometer Report, providing valuable insight into just how much energy UK businesses are consuming, and what they are paying for it. The report is based upon over 480,000 separate data points covering a variety of businesses, from boutique start-ups to large industrial and commercial organisations.

The report highlights a paradigm shift for the UK energy market, with it now more often than not being cheaper to stay with an existing energy supplier than switching. The difference may be slight – 1.4% – but it is something we haven't seen often. In a market that is highly competitive and homogenous, fostering customer loyalty has never been more important for any supplier targeting growth.

“The report highlights a paradigm shift for the UK energy market, with it now being cheaper to stay with an existing energy supplier than switching.”

Overall, UK businesses are paying 5% less for their electricity than they were last quarter (down from £5117 to £4863). There continues to be large disparities depending on where the business resides, however. Businesses in North Wales continue to pay the most (£6120) for their energy. This is almost £2000 more than those in London. The second highest bills are paid by those in South Scotland, who have seen their bills rise by 6% from £5087 to £5360.

Part of this overall reduction is being driven by energy usage decreasing quarter on quarter. The average UK business now consumes around 22 MWh of energy a year. This is over 8% less than last quarter and 12% less than the same period in 2024. Whilst the majority of businesses have seen their energy

usage decrease, very small businesses that use less than 10 MWh of energy per year have actually increased their average usage this quarter by 2%.

As market confidence continues to improve, longer term energy deals are increasingly being offered by suppliers. This has led to the average contract length to increase by two months to 29 months. This is back to pre “energy crisis” levels pre-2021. In North Wales, West Midlands, and North East England the average contract length is even more.

“As market confidence continues to improve, longer term energy deals are increasingly being offered by suppliers.”

Overall, the latest POWWR Energy Barometer Report shows that the outlook for UK businesses is positive. Average bills have decreased by £250; average energy usage has reduced by 8%; and confidence has returned, with the average contract length being almost two and a half years.

Whilst in the past, product innovation was used by suppliers to give them the edge, now that the market has caught up, it is increasingly coming down to price. This is good news for businesses as it should lead to average bills continuing to decrease this year. Especially with suppliers looking to acquire meters during the well-publicised switch to Market-wide Half Hourly Settlement (MHHS) over the next two years.



Matt Tormollen
CEO, POWWR

Key Findings



Average Usage

Average energy usage has decreased by 8% quarter on quarter and 12% year on year



Contract Length

Average contract length has increased by two months to 29 months



Average Spend

Average bills have reduced by around £250 per annum



Energy Costs

Businesses in North Wales pay £2000 more for their energy than those in London



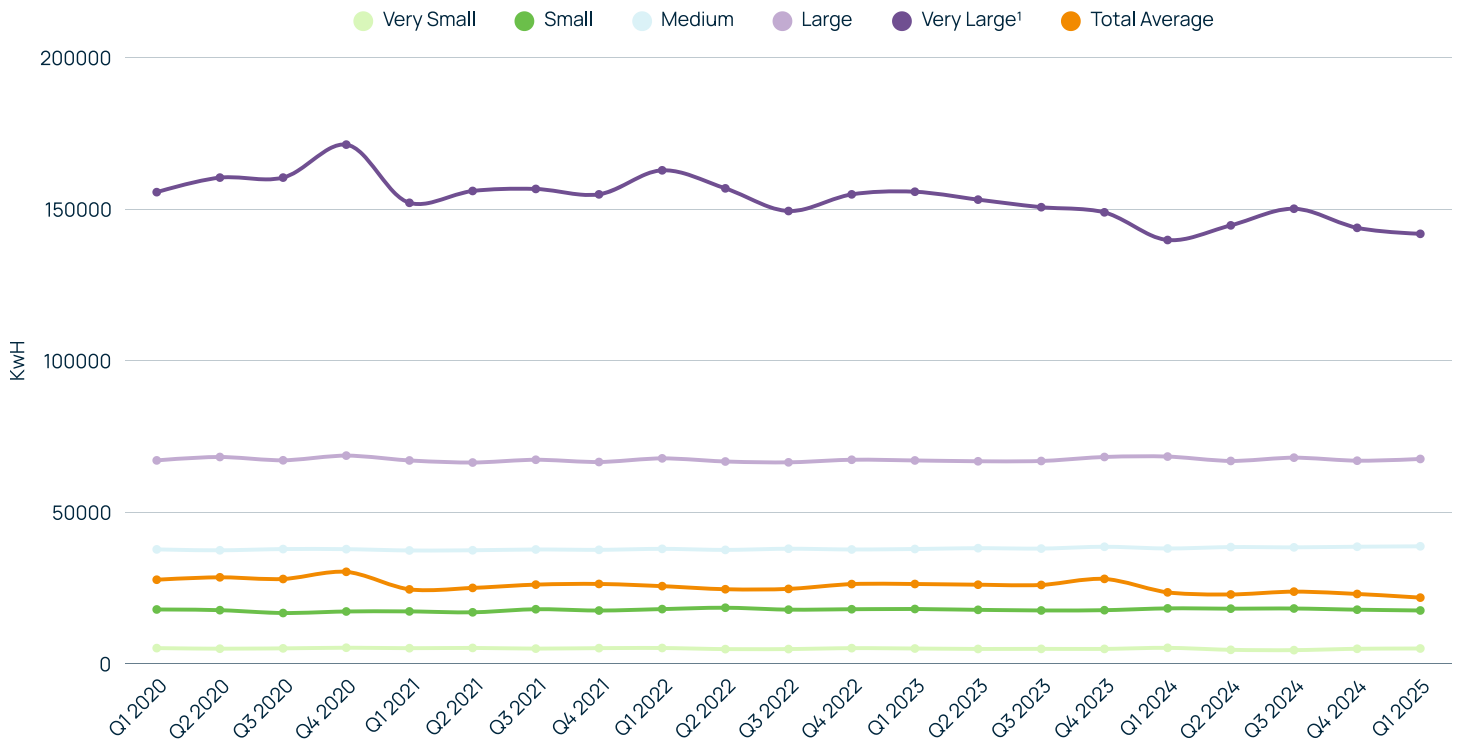
Better to Remain

It is 1.4% cheaper to remain with a current supplier than to switch

Let's Talk About What This Data Means for Your Business.

EMAIL
hello@powwr.com

Average Use of Energy By Businesses Size



Company Size

● VERY SMALL
● SMALL

● MEDIUM
● LARGE

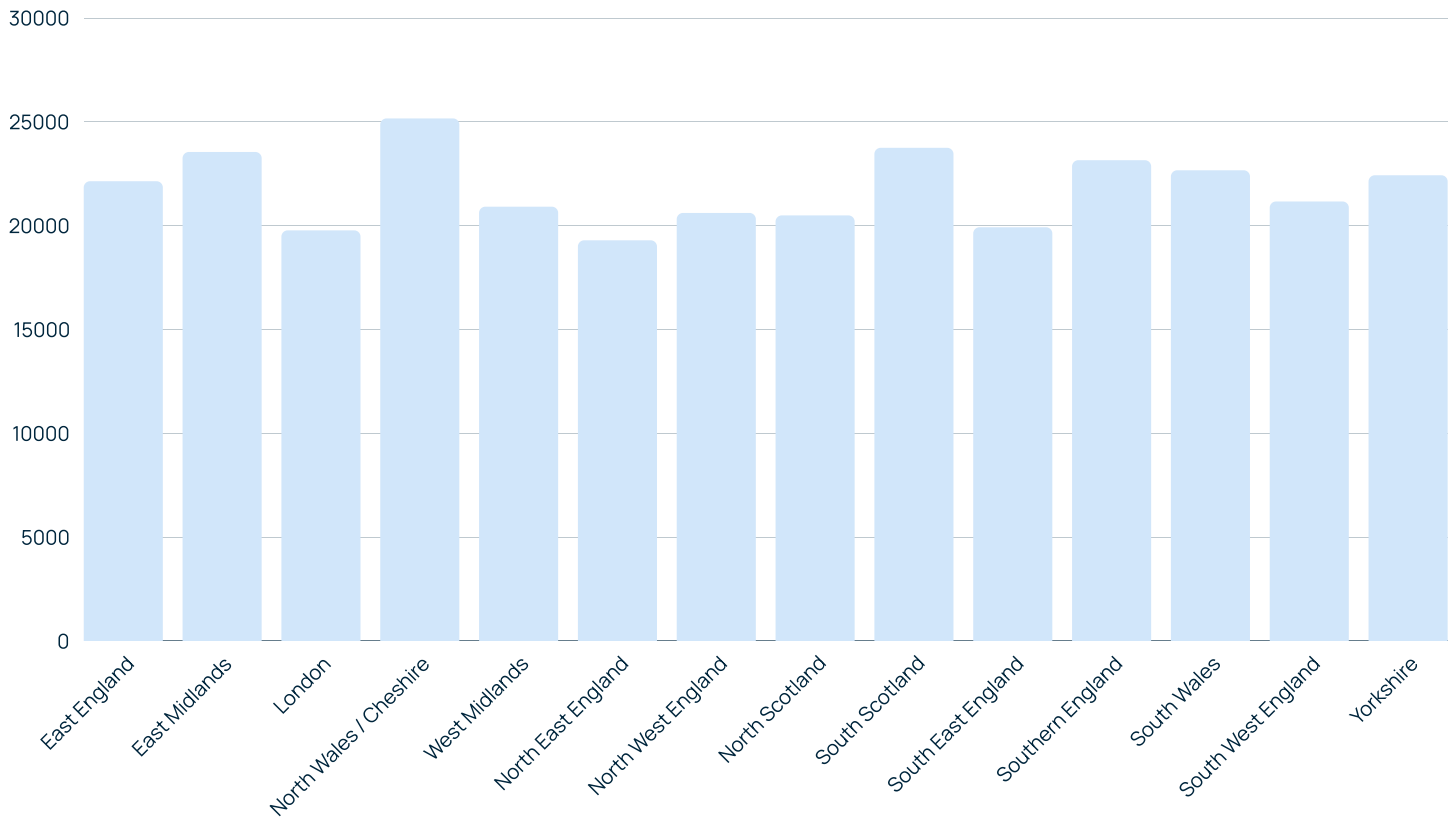
● VERY LARGE¹
● AVERAGE

Average energy usage continues to drop, with the average UK business now consuming a little under 22 MWh of energy a year. This is 8% less than last quarter and 12% less than the same period in 2024. Whilst the majority of businesses have

seen their energy usage decrease, very small businesses that use less than 10 MWh of energy per year have actually increased their average usage by 2%.

¹ Very small businesses are classified as those that use less than 10 MWh of energy per year, small as 10-30 MWh, medium as 30-50 MWh, large as 50-100 MWh, and very large as over 100 MWh.

Average Use of Energy By PES Area (in Kwh)

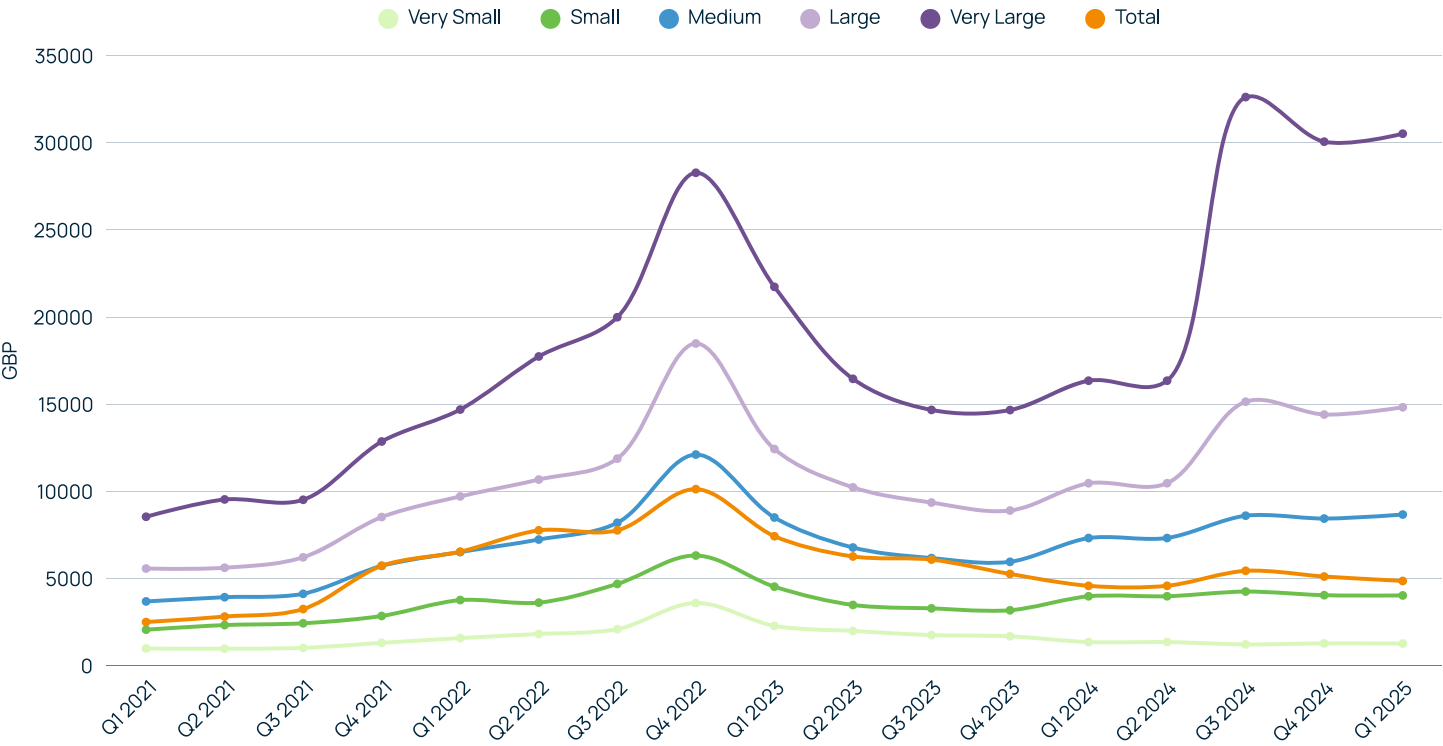


During the past quarter, businesses in North Wales (25155 Kwh), South Scotland (23741 Kwh), and East Midlands (23540 Kwh) have used the most energy, and North East England (19288 Kwh), London (19766 Kwh), and South East England (19916 Kwh) the least.



Average Spend by Businesses Size

IN GBP



Company Size

VERY SMALL
SMALL

MEDIUM
LARGE

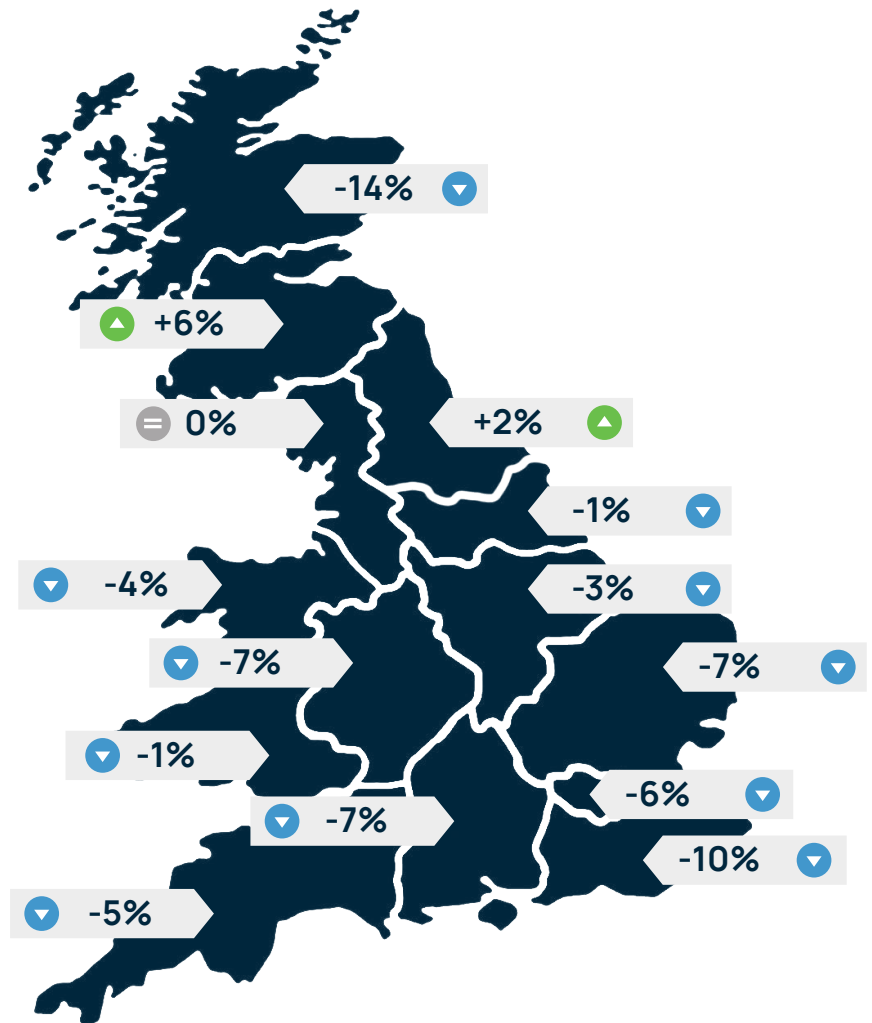
VERY LARGE
AVERAGE

UK business' average spend on electricity this quarter continues to decrease and is 5% less than the previous quarter (from £5117 to £4863). This is around half what the average UK business was spending in Q4 2022 when the cost

of electricity peaked. It was small and very small businesses that led the change, however. The average electricity bill for large businesses (defined as those that use more than 50 MWh a year) has actually risen by almost 3% quarter on quarter.

Average Price of Energy by PES Area

Area	Price (in GBP)
East England	4824
East Midlands	5126
London	4260
North Wales / Cheshire	6120
West Midlands	4615
North East England	4330
North West England	4638
North Scotland	4938
South Scotland	5390
South East England	4401
Southern England	5126
South Wales	5168
South West England	4825
Yorkshire	4965



The average cost of energy varies significantly across the UK. Businesses in North Wales continue to pay the most (£6120) for their energy. This is almost £2000 more than businesses in London, who pay on average (£4260). The second highest bills are paid by those in South Scotland, who have seen their bills rise by 6% from £5087 to £5360. Businesses there now pay more than those in the North of the country who have seen their bills drop by 14% from £5761 to £4938.

Schedule Your POWWR Demo Today

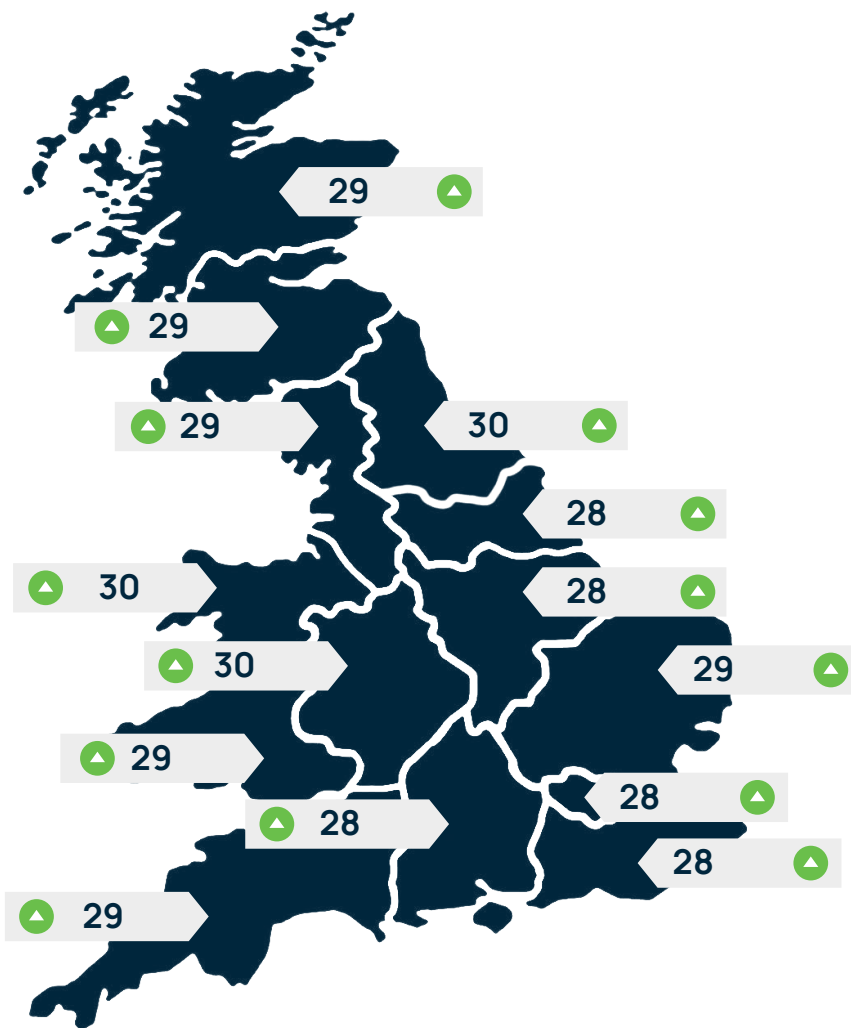
Outdated tools and manual processes are giving your competition the edge by allowing them to win more profitable deals faster than you can. Learn how POWWR data and tools can transform your business.

powwr.com/demo

Average Contract Length By PES Area

Size	Contract Length (Months)
Very Small	29
Small	29
Medium	28
Large	28
Very Large	27
Average	29

The average energy contract length UK businesses are committing to has increased by 7% quarter on quarter to 29 months. Locking in longer contracts continues to be most popular among smaller businesses with less than 20 MWh average usage.



Area	Contract Length (Months)
East England	29
East Midlands	28
London	28
North Wales/Cheshire	30
West Midlands	30
North East England	30
North West England	29
North Scotland	29
South Scotland	29
South East England	28
Southern England	28
South Wales	29
South West England	29
Yorkshire	28

The average contract term increased once again across every region in the UK during this quarter. In fact, businesses in North Wales, West Midlands, and North East England all broke

30 months average contract length for the first time. It is a trend seen across businesses of all sizes, but in particular small businesses who are typically more risk averse.

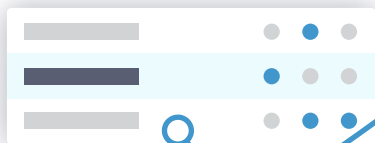
Type of Contract

This quarter we have once again analysed the differences businesses are paying for their energy when they renew as opposed to if they switch supplier. For the first time, businesses are paying less when they renew their energy with

their existing supplier than through switching suppliers. This is especially true of medium sized business that use between 30 and 50 MWh per annum, and very large businesses that use of over 100 MWh per annum.

Q4 New Business to Renewal Comparison

Business Type	New Business Spend	Renewal Spend	Swing %
Very Small	£1,238	£1,243	0.4%
Small	£4,035	£3,947	2.2%
Medium	£8,734	£8,289	5.4%
Large	£14,567	£15,147	3.8%
Very Large	£30,088	£29,016	3.7%
Average			1.4%





CONTACT OUR TEAM

What Does This Data Mean for Your Business?

To learn more about the in-depth data that POWWR can provide for your business, contact the team today.

EMAIL
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