

Update from Full Power .

We wrote to you in March 2022 about the energy crisis and the impact on your budgets. We have recently met again with Full Power and can now provide you with an update.

Jennings and Barrett use Energy Broker Full Power to ensure that the market is tested annually. Brokering Electricity (and some gas as required) across the portfolio also means that we can secure lower prices than are available to individual developments, which are generally low energy users.

This week we met again with Commercial Director of Full Power, Jason Miller. He answered the questions Directors have been raising with us.

We have been asked if you have qualified for Business Energy relief.

Jason explained that, compared to most managing agents, Jennings and Barrett had secured energy prices to miss the extremes of the market. This means that our client RMC's/RTM Co's never paid more than the Business energy price cap and did not qualify for the relief. The market reached over £1/unit. Across the Jennings and Barrett management portfolio prices were typically 40-45p/unit at their peak.

Jason also explained that all suppliers are finding it hard to deliver good service as the volume of customer enquiries has grown exponentially. The energy crisis means that residential customers, who have protections against disconnection, are finding it hard to pay their energy bills. The suppliers are therefore looking to commercial customers, who do not have that same protection, to keep their cash flow. We are seeing wildly inflated invoices based upon estimated readings and suppliers who are swift to move to disconnection even whilst an account may be in dispute, as their systems internally are struggling to process the updated meter readings. It is worth pointing out that, where we have disputed inaccurate estimated readings, we have secured a swift refund of any overpayments.

In order to protect service charge accounts from having money tied up due to disproportionate payments needed to prevent disconnection whilst readings are being reconciled, we will be working with Full Power across the portfolio to install smart metering where requested. The 2nd generation of smart meters are transferable across suppliers. Your block manager will raise this with you as appropriate but do let us know if you would like to be in the first phase of installs.

The energy market began softening in December and we have been able to secure your electricity for the coming year at between 30p and 33p/unit.

Please let me know if you have any further questions around the energy use at your development.

