

# The heat is on

With energy prices set to go through the roof, **Cherry Maslen** tells you how to save power — and generate your own

Last week's warnings of a rise in electricity and gas prices, which could add £200 to the average bill, make this a good time to think about saving energy.

The warnings coincided with a series of government announcements about its Green Deal and the Renewable Heat Incentive (RHI), which come into effect in October 2012. To fuel public enthusiasm, from July the government will subsidise the cost of installing renewable heat generators in the home. Even if you don't qualify for this one-off "premium payment" — £15m has been set aside to cover 25,000 households, and details of how to apply will be announced tomorrow — there's plenty you can do to save energy. All the figures below are based on a three-bedroom house.

## FREE

It may sound obvious, but wrapping up warm, turning down the thermostat by a degree, not overfilling the kettle and taking fast showers can cut bills drastically, as can turning off TVs and computers. For more tips, see [energysavingtrust.org.uk](http://energysavingtrust.org.uk).

Or how about allowing a company to put electricity-generating photovoltaic panels on your roof? Firms such as Isis Solar ([isis-solar.com](http://isis-solar.com)) and Home Sun ([homesun.com](http://homesun.com)) will install them for nothing and allow you to save as much as £300 on your electricity bill. In return, they get the proceeds from selling unused energy back to the grid. Deals vary, but typically you have to sign up for 25 years.

## UP TO £150

Insulation and draught-proofing gives you instant payback. Insulation is

cheap; you can do it yourself for £50, and insulating a loft will save you about £145 a year. Grants are available

if you want someone to do the work for you (see [energysavingtrust.org.uk](http://energysavingtrust.org.uk)). E.ON and British Gas offer top-up deals for £150 or less.

## UP TO £1,000

Filling cavity walls will cost £500 (more for bigger homes), but subsidies available via energy suppliers can bring this down to £250. Typical annual savings on energy bills are £110.

## UP TO £2,500

If you replace an old G-rated boiler with a new, efficient condensing one for £2,500, you should save £225 a year in bills, says the Energy Saving Trust. You could also spend the same money on double glazing, but the likely saving will be a more modest £135.

## UP TO £5,000

It's now more worthwhile to invest in solar thermal panels, at a typical cost of £4,800 each, to generate hot water, as they will come under the Renewable Heat Incentive (RHI) scheme. Homeowners can earn 6p-9p a kWh for generating heat (a similar idea to feed-in tariffs, where you're paid for generating electricity with photovoltaic panels). Eco Warriors Solar ([e-w-solar.com](http://e-w-solar.com)), which installs such panels, says you could cut heating bills by 50%. You may also be eligible for a one-off premium payment of £300, although you'll have to apply in July.

## UP TO £10,000

Internal solid wall insulation costs £5,500-£8,500 and should save about £375 a year on fuel bills — at current prices, that is. The Green Deal may

offer extra help, although details have not yet been announced.

## MORE THAN £10,000

You can buy your own photovoltaic panels and take advantage of feed-in

tariffs that pay you up to 41p a unit for power generated — compared with the 12p your electricity supplier typically charges you. This can amount to a tax-free return of 8% guaranteed for 25 years — much more than you'll get at the bank. A typical £12,500 system could give you £990 a year, tax-free, according to the Energy Saving Trust, and a £140 saving on your bill.

If your home is not linked to the grid, consider a biomass boiler. Prices start at £11,500 — and £950 of that could be covered by the RHI subsidy. Alf Tramontin, 51, a cameraman, has put a boiler into the six-bedroom house near Rodborough, Gloucestershire, that he shares with his wife, Nadia, 33, and their children Leonardo, 4, and Lillianna, 2. It has two tanks rather than the usual one, as they use the system to heat their swimming pool.

"We don't have mains gas. We were using oil, but last year our energy bills shot up to £9,000," Tramontin says. "Our boiler cost £20,000, but when the RHI comes in, it should earn us money, as we'll be paid for the heat we produce. We could earn thousands of pounds from the boiler and the solar panels we are installing on the roof for our electricity."

Tim Minett, chief executive of CPL ([cplindustries.co.uk](http://cplindustries.co.uk)), which delivers wood pellets for biomass boilers, says he is seeing more inquiries from people who want control over soaring energy costs, but warns that you will need plenty of space for the boiler and the fuel pellets.

