

Energy privatisation is bust

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It is time to give up the pretence that there is a viable neoliberal market in the supply of domestic energy in the UK.

As the [Telegraph reports](#) this morning:

Ovo Energy is preparing to slash tens of millions of pounds in costs under a radical plan to secure its survival.

In a bid to convince the regulator of its financial viability, Britain's fourth-largest [gas and electricity supplier](#) is plotting deep spending cuts to areas including advertising and brand building activities.

The cuts come as Stephen Fitzpatrick, Ovo's founder, scrambles to meet tougher financial rules imposed by Ofgem.

Under the energy regulator's new regime, introduced after dozens of suppliers collapsed during the energy crisis in 2022, Britain's biggest suppliers are required to hold a certain level of cash based on how many customers they have.

Another multi-billion-pound bailout no doubt looms, with the government still refusing to get the message that the UK's private utility supply model is fundamentally bust by design.

When will the lesson be learned, not least when the public is quite sure they would rather this service be nationalised?