

## You can interfere too much

Time was when Conservatives opposed price controls. They offer only temporary relief from higher prices. They put business off investing more in increasing supply which is the best way to get prices down or to level them off. Price controls usually end in higher prices and the need to scrap them to rebuild capacity and investment.

Mrs May's imposition of price controls has already led to the bankruptcy of many energy companies and to the effective nationalisation of a large casualty. It is now proving incapable of preventing a huge increase in energy prices.

As I have been explaining to government for a long time the U.K. is now short of energy and cruelly dependent on imports from a Europe which is even more short of home energy than we are. The EU is our supplier of last resort and the EU's supplier of first resort is Russia.

In this week's debate Labour revealed it thinks it wrong to get more of our gas out of the North Sea. They do not seem to understand that such gas would land by pipe on our shores and be available for our grid. Much of it would be sold under long term contract to U.K. users, reducing our dependence on volatile spot market gas from the EU at times of need.

We also require more reliable electricity capacity. The failure of the wind to blow has forced the U.K. to burn coal and buy in more gas from abroad to keep the lights on at the same time as business and homes needed to burn more gas to keep warm. The government seems to want nuclear to be the answer, but this will not start to kick in until the next decade. In the meantime we need answers on where we get the extra electricity capacity. I would keep all existing fossil fuel stations so they are available for when the wind does not blow. I would also like to see more pump storage and hydro to increase back up and flexibility in the system. If the government wants more wind energy it needs breakthroughs in battery or hydrogen technology and capacity to store the surplus energy from windy nights to use on windless days.

The loans to energy companies to delay part of the price rise leaves customers facing an even bigger bill in future. There is the danger that some companies will not be able to repay the loans leading to taxpayer losses. What we need is an energy supply answer to rising prices, and a tax cut to ease the squeeze.