

To:
National Grid Gas plc
Cadent Gas Limited
Northern Gas Networks Limited
Scotland Gas Networks plc
Southern Gas Networks plc
Wales & West Utilities Limited

Direction to modify the Gas Transporter licence held by the licensees listed above to amend the deadline for submitting Last Resort Supply Payment Claims

1. Each of the companies to which this Direction is addressed holds a gas transporter licence granted, or treated as granted, pursuant to section 7 of the Gas Act 1986 (the Act).
2. In accordance with section 23 of the Act, the Gas and Electricity Markets Authority (the Authority)¹ gave notice of a proposed modification to the standard special conditions (SSCs) of all gas transporter licences granted or treated as granted under section 7 of the Act by amending SSC A48 – Last Resort Supply: Payment Claims on 23 December 2021. The deadline for representations was on or before 27 January 2022.
3. The reason for the proposed modification is to enable a last resort supply payment claim to be submitted to gas distribution networks (GDNs) at a later date in a given regulatory year allowing for more suppliers of last resort (SoLRs) to receive their last resort supply payments (LRSPs) more swiftly.
4. The effect of the proposed modification is to allow further flexibility in the timings for the process for making a claim by changing the deadline for a claim presented to GDNs from 31st October to 31st December in a given regulatory year.
5. We received eight representations prior to the close of the consultation period and have published our responses to those in a log accompanying this Direction. The responses were broadly supportive of the proposed modification, however one stakeholder raised a discrepancy between the deadline for last resort supply payment claims in SSC A48 and Standard Condition 48. To avoid any conflict of meaning between the two licence conditions, we will propose a separate modification to align the deadline in Standard Condition 48 with the new deadline of 31 December in SSC A48 in a future round of licence modifications.
6. The ENA raised several additional suggested modifications to the wider licence condition in its response to the consultation. We have not accepted these further suggested changes on the basis that our proposed modifications achieve the effect that we set out to achieve, namely changing the deadline for LRSP claims from October to December.
7. Under the powers set out in section 23(1)(a) of the Act, we hereby modify SSC A48 Last Resort Supply: Payment Claims in the manner specified in Appendix 1. This decision will take

¹ The terms “the Authority”, “we” and “us” are used interchangeably in this document.

effect from 25 March 2022.

Anna Rossington

A handwritten signature in black ink, appearing to read 'Anna Rossington'. The signature is fluid and cursive, with the first name 'Anna' written in a larger, more prominent script than the last name 'Rossington'.

Deputy Director, Retail Transition

Duly authorised on behalf of the Gas and Electricity Markets Authority

28 January 2022

Appendix 1

The text of the proposed modification to SSC A48 is set out below with text to be inserted underlined.

Standard Special Condition A48: Last Resort Supply: Payment Claims

“**relevant year**” means, in relation to any valid claim

- (i) where the claim was received by the licensee by the 31st December ~~October~~ before the beginning of a year, that year; or
- (ii) where the claim was received by the licensee by after the 31st December ~~October~~ before the beginning of a year, the next year;