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Date: 27 January 2022

**“Statutory consultation on modifications regarding Last Resort  
Supply Payment Claims for electricity supply, gas supply,  
electricity distribution and gas transportation licence conditions” –  
So Energy Response**

Dear Colleague,

So Energy is a leading energy supplier providing great value 100% renewable electricity to homes across England, Wales and Scotland. We have consistently been recognised by our customers and the wider industry for our outstanding customer service since we were founded in 2015, including being a Which? Recommended Provider in 2020. In August 2021, So Energy merged with ESB Energy and our combined business now supplies over 300,000 domestic customers. As one of the last challenger suppliers left in the market, and one that is backed by ESB's resources and expertise, So Energy is able to provide a unique view on the energy market and future reform.

We welcome the opportunity to respond to this statutory consultation. So Energy is very supportive of this initiative. Given the exceptional size of the SoLR costs to be recovered, it makes sense to put arrangements in place to allow this recovery over a longer period of time than is typically the case. Although it will increase costs overall, it will make consumer bills more affordable at any given time.

The approach taken here is quite complicated. However, we acknowledge that this complexity may be driven by the legal constraints Ofgem must operate under. We would be keen to engage with you in order to better understand this proposal so that we are better placed to provide informed feedback on the detail.

Addressing the issue of SoLR costs is just one part of a wider affordability crisis facing consumers and the energy industry. If we are to safely navigate our way through this crisis, it is vital that the price cap reflects the true cost to serve and then reliefs are put in place to ensure bills remain affordable. More needs to be done in both respects. We are keen to work with Ofgem and the Government develop solutions that will achieve a satisfactory outcome.

We hope you find this input helpful. Please don't hesitate to contact us should you require any additional information or clarity on our views.

Yours Sincerely,

Paul Fuller  
Regulation Manager

