

Simon Wilde
Director, Analysis and Assurance
Ofgem
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Canary Wharf
London
E14 4PU

By email to: regfinance@ofgem.gov.uk

20 January 2022

Dear Simon

RE: Statutory Consultation on Third Party Finance (modifications regarding Last Resort Supply Payment Claims for electricity supply, gas supply, electricity distribution and gas transportation licence conditions)

We are writing to you in support of your recently issued statutory consultations on modifications regarding Last Resort Supply Payment Claims for electricity supply, gas supply, electricity distribution and gas transportation licence conditions to enable a framework to allow third-party financing of the SoLR Levies.

We agree with Ofgem that Third Party financing of the SoLR Levies has the potential to smooth the impact of current extraordinary SoLR levy payments on 2022/23 consumer bills and as a result help achieve a more realistic and manageable cost recovery for consumers. While it remains to be seen if and how the mechanism could/would be used, we would like to thank Ofgem for all its efforts in developing proposals and the speed at which it has looked to put in place a framework to make the smoothing of SOLR costs at least possible.

We have no further questions or comments on the consultation. We expect our members will respond directly with more detailed feedback. If, however, you have any questions or if we can be of any assistance, please do not hesitate to contact me on 0207 747 2921 or at madeline.costello@energy-uk.org.uk.

Yours sincerely,

Madeline Costello
Policy Executive
Energy UK