

Consent given by the Gas and Electricity Markets Authority pursuant to Standard Condition 9 (Claims for Last Resort Supply Payment) of the Gas Supply Licence granted or treated as granted under section 7A of the Gas Act 1986 to British Gas Trading Limited.

To: British Gas Trading Limited (Company Number: 03078711)

Whereas:

A. **British Gas Trading Limited** (the “**Licensee**”) is the holder of a gas supply licence (the “**Licence**”) granted or treated as granted under section 7A of the Gas Act 1986.

B. On 29 January 2021 The Gas and Electricity Markets Authority (the “**Authority**”) issued the Licensee with a direction(s) to supply gas to the customers of:

(a) Simplicity Energy Limited (Company Number: 10611082)

with effect on and from **31 January 2021** under paragraph 1 of standard condition 8 of the Licence (the “**Last Resort Supply Direction**”).¹

C. On **7 October 2022**, the Licensee gave notice to the Authority under standard condition 9.3 of the Licence of its claim for a payment to compensate for additional costs it incurred in complying with a Last Resort Supply Direction.

D. Standard conditions 9.5 and 9.6 of the Licence state that the Authority will give its consent for the Licensee to make the claim notified to it if it considers it appropriate in all the circumstances of the case or the Authority may determine that an amount other than the one calculated by the Licensee is a more accurate calculation of the relevant amount for the Last Resort Supply Payment.

E. The Authority consulted on its determination of the amount it considered appropriate for the Licensee to recover.

F. The Authority has made a final decision on the relevant amount it will consent for the Licensee to recover as a Last Resort Supply Payment, taking into account the evidence provided by the Licensee in support of the claim and representations made by interested parties. The reasons for the Authority’s decision can be found in its decision document.

Therefore:

G. Pursuant to standard condition 9.6 of the Licence, the Authority hereby consents for the Licensee to claim for a Last Resort Supply Payment of up to **£1,360,879.52** from the relevant gas transporters, as set out in Schedule 1.

¹ <https://www.ofgem.gov.uk/publications/direction-appoint-british-gas-trading-limited-gas-supplier-last-resort-0>

H. This amount shall be reduced by 45% of any amounts the Licensee recovers from the liquidation of Simplicity Energy Limited.

I. Pursuant to standard condition 9 of the Licence, relevant gas transporters are gas transporter licensees in whose transportation area there were premises supplied under the Last Resort Supply Direction(s), excluding independent gas transporters.

J. This consent shall take effect on and from 20 December 2022.

Dated: 19 December 2022

Signed

A handwritten signature in black ink, appearing to read 'Neil L', is written below the 'Signed' text.

Neil Lawrence,

Director of Retail

Duly authorised on behalf of the Authority

Schedule 1 – Allocation to Networks

GDN	Customers	
	#	Proportion
Cadent - East	4,044,806	18.3%
Cadent - London	2,277,646	10.3%
Cadent - North West	2,702,687	12.2%
Cadent - West Midlands	1,973,339	8.9%
NGN	2,557,855	11.6%
SGN - Scotland	1,845,721	8.3%
SGN - Southern	4,143,437	18.7%
WWU	2,563,934	11.6%
Total	22,109,425	100%