

The Company Secretary

Good Energy Limited
Monkton Park Offices
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Chippenham
SN15 1GH

Email: renewablederogations@ofgem.gov.uk

Date: 9 January 2024

Dear Sir/Madam,

Decision to amend an enduring derogation from the default tariff cap to add a new renewable SVT pursuant to SLC 28AD.25 and 28AD.24 under section 3 (2) (b) of the Domestic Gas and Electricity (Tariff Cap) Act 2018¹ to Good Energy Limited

This letter sets out our decision to amend Good Energy Limited's (the "Licensee") current enduring derogation for 'Good Energy Electricity SVT (Single and Multi-Rate)' by adding the following new tariff:

- Good Energy Standard (Smart EV)

A description of the background information on derogations from the default tariff cap, along with our methodology used to support issuing the Licensee's existing enduring derogation, are set out in our Decision to grant enduring derogations to Good Energy and Good Energy Gas tariffs.²

Prior to making this decision, we consulted the Licensee. We have assessed whether to amend the Licensee's enduring derogation to add the new tariff by considering information we hold about Good Energy's current derogated Electricity SVT (Single and Multi-Rate) and further evidence provided by the Licensee. We obtained further evidence from the Licensee to show evidence of achieving Outcome 1; the Licensee provided documentation that

¹ Domestic Gas and Electricity (Tariff Cap) Act 2018. <https://www.legislation.gov.uk/ukpga/2018/21/contents>

² Ofgem (2019), Decision to issue Good Energy Limited and Good Energy Gas Limited an enduring derogation for renewable Standard Variable Tariffs from the Default Tariff Cap. <https://www.ofgem.gov.uk/publications/decision-issue-good-energy-limited-and-good-energy-gas-limited-enduring-derogation-renewable-standard-variable-tariffs-default-tariff-cap>

demonstrated that customers on the tariff had specifically chosen it, for example by signing up as part of the tariff launch or actively signing up online. We also noted that this tariff is similar to the existing derogated electricity SVT in terms of the product, hedging strategy, and the way in which it supports renewable generation. This tariff also uses the same cost stack as the currently derogated SVT. Due to these parallels with the Licensee's existing derogated tariffs, we are satisfied that 'Good Energy Standard (Smart EV)' also meets Outcomes 2 and 3 to be eligible for a derogation. We will continue to assess that the Licensee has satisfied the requirements of the three outcomes to be eligible for a derogation for this tariff and other tariffs through the annual cap derogations monitoring process, which received initial submissions in November 2023.³

We consider that this decision to amend the derogation relates to this particular tariff 'Good Energy Standard (Smart EV)' and that any future tariffs would be considered on a case by case basis to determine whether they meet the conditions required to be eligible for a derogation. In addition, we emphasise that any change of circumstances relevant to the derogation must be reported to the Gas and Electricity Markets Authority as soon as possible.

Yours faithfully,

Dan Norton

Deputy Director, Price Cap

³ Ofgem (2023), Introduction of annual monitoring requirements for derogated renewable standard variable tariffs, from the default tariff cap. <https://www.ofgem.gov.uk/publications/introduction-annual-monitoring-requirements-derogated-renewable-standard-variable-tariffs-default-tariff-cap>