
FINAL REPAYMENT DIRECTION

THIS FINAL REPAYMENT DIRECTION is made in accordance with the terms of clause 7 of the Deed of Undertaking made on 8 February 2022 between the GAS AND ELECTRICITY MARKETS AUTHORITY (the Authority) acting by THE OFFICE OF GAS AND ELECTRICITY MARKETS (Ofgem) and Octopus Energy Operations 2 Limited (previously known as Shell Energy Retail Limited) (the SoLR) (the True-up Agreement).

1. In accordance with its obligations under clause 2.2 of the True-up Agreement, the Authority decided on 14 December 2023 that the True-up Agreement will cease to have effect on the date that the SoLR has repaid the total Excess determined by that decision. That decision was conditional on the SoLR repaying any amounts it received in respect of Customer Credit Balances, which would have resulted in an Excess for the purposes of clause 5 of the True-up Agreement, and any future repayments will be considered in accordance with the terms of the True-up Agreement.
2. On that basis, and in accordance with its obligations under clause 5 of the True-up Agreement, Octopus Energy Operations 2 Limited (Company Number: **05070887**) has submitted to the Authority a True-up in relation to Shell Energy Retail Limited acting as Supplier of Last Resort to customers of the former **Pure Planet Limited** (Company Number: **09735688**).
3. The Authority has reviewed the True-up in accordance with clause 5 of the True-up Agreement and has determined that the Valid True-up Amount is an Excess.
4. The Authority provided a draft of this Repayment Direction to Octopus Energy Operations 2 Limited in accordance with clause 7.1 of the True-up Agreement and has considered representations and responses in accordance with clause 7.2.
5. In accordance with clause 7 of the True-up Agreement the Authority directs that the Excess, plus Interest accrued, shall be repaid as follows:
 - a. Amount: Excess of **£4,304,241.44** is to be paid at the time and by the method below.
 - b. Interest: Interest of **£541,739.89** accrued in respect of the Excess and is to be paid at the same time and by the same method as the Excess.
 - c. Method: 12 monthly payments of combined Excess and Interest is to be made to each relevant network operator as set out in clause 7 of this Direction.
 - d. Time: Payments to commence from April 2025.
6. The total amount of Excess and Interest to be paid by Octopus Energy Operations 2 Limited is **£4,845,981.33**.
7. Repayment is to be made to the relevant gas transporter licensees, as set out in Schedule 1, and the relevant electricity distribution licensees, as set out in Schedule 2, in the following amounts:
 - a. **45%** of the total amount be repaid by Octopus Energy Operations 2 Limited **£2,180,691.60** is to be paid to each relevant gas transporter licensee in the proportions set out in Schedule 1;

- b. **55%** of the total amount be repaid by Octopus Energy Operations 2 Limited **£2,665,289.73** is to be paid to each relevant electricity distribution licensee in the proportions set out in Schedule 2.

Dated: 13/12/2024

A handwritten signature in black ink, appearing to be "KC" followed by a stylized flourish.

Rohan Churm
Director, Financial Resilience and Control
Duly authorised on behalf of the Authority

Schedule 1 – Allocation to Gas Networks

GDN	Number of customers	Proportion
Cadent - East	4,047,550	18.29%
Cadent - London	2,275,880	10.28%
Cadent - North West	2,703,077	12.21%
Cadent - West Midlands	1,974,448	8.92%
NGN	2,559,861	11.56%
SGN - Scotland	1,851,977	8.37%
SGN - Southern	4,150,169	18.75%
WWU	2,572,262	11.62%
Total	22,135,222	100%

Schedule 2 – Allocation to Electricity Networks

Distribution Licensee	Total Number of Premises	Proportion of Total Number of Premises
Electricity North West Limited	2,430,849	8.00%
Northern Powergrid (Northeast) plc	1,617,207	5.32%
Northern Powergrid (Yorkshire) plc	2,312,506	7.61%
Scottish Hyrdro Electric Power Distribution plc	795,437	2.62%
Southern Electric Power Distribution plc	3,148,028	10.36%
SP Distribution plc	2,020,040	6.65%
SP Manweb plc	1,533,364	5.05%
Eastern Power Networks plc	3,707,444	12.21%
London Power Networks plc	2,415,875	7.95%
South Eastern Power Networks plc	2,351,552	7.74%
Western Power Distribution (East Midlands) plc	2,699,235	8.89%
Western Power Distribution (South Wales) plc	1,159,228	3.82%
Western Power Distribution (South West) plc	1,657,791	5.46%
Western Power Distribution (West Midlands) plc	2,523,467	8.31%
Total	30,372,023	100%