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Dear Danny,

### **Price cap – consultation on the Unidentified Gas allowance in the default tariff cap**

EDF is the UK's largest producer of low carbon electricity. EDF operates low carbon nuclear power stations and is building the first of a new generation of nuclear plants. EDF also has a large and growing portfolio of renewables, including onshore and offshore wind and solar generation, as well as energy storage. With over five and a half million electricity and gas customer accounts, including residential and business users, EDF aims to help Britain achieve net zero by building a smarter energy future that will support delivery of net zero carbon emissions, including through digital innovations and new customer offerings that encourage the transition to low carbon electric transport and heating.

EDF welcomes the opportunity to respond to Ofgem's consultation on how it proposes to amend the Unidentified Gas (UIG) cost allowance in the default tariff. We have for some time been calling on Ofgem to review the way in which UIG is calculated under the price cap to ensure that it better reflects supplier costs. We were, therefore, pleased to see UIG form part of Ofgem's recently published price cap programme of work for 2025-26.

In terms of Ofgem proposals to amend its approach, EDF is fully supportive of the positive amendments presented in the consultation. Furthermore, we welcome Ofgem moving promptly to address stakeholder concerns through seeking to amend its UIG approach in time for the cap period commencing in October 2025. We note that Ofgem's proposed amendments are temporary measures and we look forward to further working with Ofgem in developing an enduring approach to setting the UIG allowance.

Should you wish to discuss any of the issues raised in our response, please contact Steven Eyre, or myself. I confirm that this letter may be published on Ofgem's website.

Yours sincerely



**John Mason**  
**Senior Manager - Senior Manager (Price Regulation and Market Dynamics)**