

## **The Gas Act 1986**

### **Notice of decision not to make Final Order**

#### **RE: UK National Gas Ltd**

## **Decision of the Gas and Electricity Markets Authority (“the Authority”) not to make a Final Order pursuant to section 28(1) of the Gas Act 1986 (“the GA86”).**

**3 March 2020**

- 1.1. UK National Gas Ltd (“UK National Gas”) (company number 07314065) whose registered office is situated at Cotswold House, 219 Marsh Wall, London E14 9FJ is the holder of a gas supply licence issued by the Authority on 19 February 2015 under section 7A(1) of the GA86.
- 1.2. On 10 January 2020 the Authority issued a Notice of Proposal to issue a Final Order (“the Notice of Proposal”) to UK National Gas pursuant to section 29(1) and (2) of the GA86 to UK National Gas. A copy of the Notice of Proposal can be found on the Authority [website](#).
- 1.3. All domestic suppliers are required, pursuant to standard licence condition (“SLC”) 42.8 of the gas supply licence (referred to hereinafter as “the Relevant Condition”), to be a DCC User (as defined in SLC 42.11 of the gas supply licence) by 25 November 2017 or by the date that the supplier exits Controlled Market Entry (“CME”), whichever is later.<sup>1</sup>
- 1.4. The Notice of Proposal was issued to UK National Gas because the Authority was satisfied that UK National Gas was contravening the Relevant Condition, namely the obligation to be a DCC User by 25 November 2017. This is an obligation enforceable by the Authority as a relevant condition under section 28 of the GA89.

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<sup>1</sup> In an [open letter](#) dated 1 December 2017, Ofgem stated that it would not take enforcement action against suppliers in CME.

- 1.5. Section 28 (1) of the Gas Act 1986 provides that the Authority shall issue a Final Order if it “is satisfied that a regulated person is contravening, or is likely to contravene, any relevant condition or requirement”.
- 1.6. On 28 January 2020, UK National Gas became a DCC User. UK National Gas has now complied with its obligation to be a DCC User as required under the Relevant Condition.
- 1.7. The Authority is satisfied that UK National Gas is no longer in contravention of the Relevant Condition and has decided not to proceed to issue a Final Order to UK National Gas.

Dated: 3 March 2020

Signed

Megan Forbes (Chair)  
Elizabeth France  
Peter Hinchliffe

**Enforcement Decision Panel**  
**Duly authorised on behalf of the Gas and Electricity Markets Authority**