

**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 Ovo (S) Gas Limited**

To: Ovo (S) Gas Limited (Company number 02716495)

**Whereas:**

A. Ovo (S) Gas Limited (the "**Licensee**") is the holder of a gas supply licence (the "**Licence**") granted or treated as granted under section 7(A)(1) of the Gas Act 1986.

B. The Gas and Electricity Markets Authority (the "**Authority**") issued the Licensee with a direction<sup>1</sup> to supply gas to the customers of Cardiff Energy Supply Limited with effect on and from 9 August 2019 under paragraph 1 of standard condition 8 of the Licence (the "**Last Resort Supply Direction**").

C. The Licensee gave notice to the Authority on 5 November 2020 of its claim for a payment to compensate for any additional costs it incurred in complying with a Last Resort Supply Direction (a "**Last Resort Supply Payment**") under standard condition 9.3 of the Licence.

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 has made a final decision on the relevant amount it will consent to the Licensee recovering as a Last Resort Supply Payment. The reasons for the Authority's decision can be found in its decision document<sup>2</sup>.

**Therefore:**

F. 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 £45,015 from the relevant gas transporters. Pursuant to standard condition 9 of the Licence, relevant gas transporters are gas transporter licensees in whose transportation areas there were premises supplied under the Last Resort Supply Direction, excluding independent gas transporters. This amount shall be reduced by 100% of any amounts the Licensee recovers from the liquidation of Cardiff Energy Supply Limited.

G. This consent shall take effect on and from 3 December 2020.

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<sup>1</sup> [Direction to appoint Southern Electric Gas Limited as Gas Supplier of Last Resort](#) - now Ovo (S) Gas Limited

<sup>2</sup> [Decision on Last Resort Supply Payment claim from Ovo \(S\) Gas Limited](#)

Dated: 3 December 2020

Signed

**Lesley Nugent**

**Deputy Director, Retail**

**Duly authorised on behalf of the Authority**