

**Date**  
29<sup>th</sup> July, 2022

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## Recovery of Last Resort Supply Payment claims from customers connected to GDN and IGT networks

As per Ofgem direction, included within 2022/23 Allowed Revenue are costs to recover Last Resort Supplier Payments (LRSP) for claims that were received up to the end of December 2021. On 16 June 2022 the IGTs have agreed to pass the LRSP Charges in the form of LRSP Payments to the GDNs and GDNs have agreed to accept the LRSP Payments

Ofgem recently issued their decision in support of a mid-year reprice of SoLR tariffs, with the intention to facilitate recovery evenly between gas customers connected directly to a GDN network and those connected via an IGT network. This decision will result in a fair proportion of LRSP costs being allocated to customers connected via an IGT.

As directed by Ofgem previously, 100% of these costs are to be charged to domestic load bands.

The following table shows the revised rates associated to Supplier of Last Resort costs that will come into effect from October 2022.

**Table 1:** SoLR Rate per Network

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: LRI / LRD	PENNY PER DAY			
LRSP DOMESTIC CHARGE	0.0612	0.0744	0.0733	0.0632
LRSP INDUSTRIAL CHARGE	0.0000	0.0000	0.0000	0.0000

If you have any questions or require any further information in relation to this notice, please contact a member of the Cadent Revenue and Pricing Team:

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