

Annette Lovell  
Head of Customer Contact and Compliance  
Ofgem  
9 Millbank  
London  
SW1P 3GE

13th May 2003

Dear Annette,

**RE: Notice of intention to impose financial penalty**

Thank you for the opportunity to make written representations on the proposed penalty following the Notices issued by Ofgem on the 16<sup>th</sup> April 2003 regarding its investigation into compliance by British Gas Trading Ltd (BGT) with standard licence condition 30 of its gas supply licence and standard licence condition 20 of its electricity supply licence.

At the meeting of the Authority on the 15<sup>th</sup> April 2003, BGT accepted that it had breached the requirements of the above licence conditions in the period 1<sup>st</sup> January to 31<sup>st</sup> July 2003 affecting an estimated 4,900 of its Direct Debit customers attempting to transfer supplier away from BGT.

BGT accept the proposed penalty of £50,000 in gas and £150,000 in electricity.

*(Confidential sections of text deleted)*

Yours sincerely

David Thorne  
Regulatory Energy Manager