



# HEDGING PROCEDURE

## Actively managing your gas price – how to issue instructions to Fix or Refloat

1. You can fix the commodity price of your gas by issuing Instructions to Fix or Refloat for quantities of gas for delivery in any supply month covered by your contract with us.
2. If the Offer indicates that your contract is Evergreen you can also fix the commodity price of gas for delivery in supply months beyond the end date of your contract with us provided that your financial circumstances remain acceptable to us.
3. We will accept Instructions to Fix or Refloat, from the people or company listed in the Offer, or anyone that you subsequently notify us of in writing (the Customer Representative).
4. When you wish to issue an Instruction to Fix or Refloat you will need to provide us with the following:
  - (a) your name and the name of the company for whom you wish to buy or sell gas;
  - (b) the supply month(s) or periods for which you wish to buy or sell gas;
  - (c) the quantity of gas that you wish to buy or sell;
  - (d) the pricing option you want to use chosen from the pricing options shown in your contract.
5. Any Instruction to Fix or Refloat must comply with thresholds and increments shown in Schedule 3 of your contract.
6. Hedging via our sales department (email)
  - (a) For smaller quantities of gas, send a email, using the template we provide, to:  
[DES-gasfixrequest@dongenergy.co.uk](mailto:DES-gasfixrequest@dongenergy.co.uk)
  - (b) We will send you a Confirmation email, at which point the Instruction to Fix or Refloat is binding.
  - (c) If you do not believe that the Confirmation correctly reflects the agreed terms, call 0800 0568 123 to check. If our Confirmation is wrong, we will correct it.
7. Hedging via our trading desk (phone)
  - (a) For larger quantities of gas, if you have pricing options shown in your contract that are available via the trading desk, call 0800 051 0808. Your call may be monitored and recorded. The Instruction to Fix or Refloat is binding when you agree to the terms offered during the call.
  - (b) The trading desk will send you a Confirmation email.
  - (c) If you do not believe that the Confirmation correctly reflects the agreed terms, call 0800 051 0808 or reply to the Confirmation email by 18:00 hours on the day of the Confirmation.
  - (d) The trading desk will correct the Confirmation if it is wrong and send you a new Confirmation email, which you should acknowledge promptly by return email.
  - (e) If you do not acknowledge any Confirmation email from the trading desk within ten (10) days of it being sent, we may terminate the agreed Instruction to Fix or Refloat. You will have to compensate us for any losses that we or the trading desk incur through having to sell any gas that we have purchased on your behalf.
8. You cannot cancel an Instruction to Fix or Refloat once we have sent you an undisputed Confirmation. You can however refloat Gas that was the subject of an Instruction to Fix. You must use the same contact method as you used when you issued the original Instruction to Fix.
9. When you issue an Instruction to Fix or Refloat we will provide you with the best price that we believe is available at the time the instruction is received. If, however we believe no price is available for any reason, we reserve the right not to accept the Instruction to Fix or Refloat.
10. Instructions to Fix and Instructions to Refloat are charged at the fix fee and refloat fee set out in Schedule 3.
11. When you fix or refloat volumes of gas the price we quote will be in pence per Therm. For the purposes of invoicing, we will convert the price into a pence per kWh price.