

5.10 Template 010-3.5 – Electricity Supply Licence

Application Guidance Notes

Supply Licence: Guidance Notes for Applicants

The Electricity Regulation Act, 1999 provided for the establishment of the Commission for Energy Regulation (CER), renamed to the Commission for Regulation of Utilities (CRU), and the necessary powers to licence and regulate the supply, distribution, transmission and supply of electricity in Ireland. One of the functions of the CRU is to grant licences to supply electricity.

Anyone wishing to supply electricity to final customers must hold supplier licences under the 1999 Act.

These guidance notes are to help you apply for an Electricity Supply Licence to supply electricity. You should only use these notes in conjunction with the “Application for Supply Licence” form. Full details of terms and conditions under which a licence is granted can be found within the Electricity Supply Licence.

These guidance notes are in four sections:

1. The Electricity Supply Licence
2. How to apply for an Electricity Supply Licence
3. Service and Standards
4. General Information

A checklist to help you ensure that you have completed your application fully is attached to these notes as Appendix A.

If you need more information or advice after reading these guidance notes, please contact us on **+353 (0)1 4000 800**. We answer calls between 9am and 5pm, Monday to Friday. Alternatively, you can email your questions to us at info@cru.ie.

We may amend these notes from time to time to include changes and to improve clarity. They are valid until the date printed at the top of each document. If you have a document that has a date that has recently passed, you may still be able to use it. Please contact us at the number given above for advice. These guidance notes and the Electricity Supply Licence application form are also available on our website at www.cru.ie.

Note:

All applicants are advised that in order to trade in the market, in addition to holding the necessary licences from the Commission, accession to the Trading and Settlement Code is required. Applications for market accession are to be made to ESB National Grid (Settlement System Administrator – Market Support Division) once the relevant licence from the Commission has issued.

To facilitate timely accession to the market, applications should be made as early as possible. Please contact the Settlement System Administrator (Market Support Division) of ESB National Grid on 01-7027939 or marketsupport@eirgrid.com for information on this process.

Disclaimer:

Although every effort has been made to ensure the accuracy of the material contained in this document, complete accuracy cannot be guaranteed. The Commission for Regulation of Utilities cannot accept any responsibility whatsoever for loss or damage occasioned or claimed to have been occasioned, in part or in full, as a consequence of any person acting, or refraining from acting, as a result of a matter contained in this document.

CRITERIA FOR APPLICATIONS

Eligibility to apply for an Electricity Supply Licence

1. You can make a Supply Licence application if you wish to supply electricity to final customers under Section 14(1)(b), (c) or (d) of the Electricity Regulation Act, 1999.
2. If you supply electricity prior to obtaining an Electricity Supply Licence from the CRU, you may be liable on conviction on indictment to a fine not exceeding €1,904, or to imprisonment for a term not exceeding 12 months, or to both.

General Criteria

3. We will only commence processing your application when we are satisfied that the application is complete (see Appendix A for Checklist) and that sufficient information has been provided.
4. We may consider a number of factors in evaluating your licence application. These may include, for example, the availability of sufficient appropriate financial, managerial or technical resources to ensure that you are able to comply with the terms and conditions that govern the Electricity Supply Licence.
5. During our assessment of your application, you may be required to submit additional information in respect of the application if we feel it is necessary for support or clarification purposes. Please respond to these requests within the time period we specify.
6. If the CRU decides to grant you a licence, you will be advised in writing and the licence will be issued shortly afterwards.
7. If your application is refused, you will be notified in writing of the reasons for the refusal. Such a decision may be appealed. Please see paragraphs 46 to 47 for details.
8. Please also note that in granting a licence, the CRU is in no way endorsing the plans of a supplier. The licence cannot be relied upon as an indication of the likely commercial success or otherwise of its holder.

Terms and Conditions of licence

9. An Electricity Supply Licence will be valid for 15 years, subject to the licence holder complying with the conditions under which the licence is issued.
10. Unless revoked in accordance with the provisions of Schedule 2, the licence shall continue in full force and effect until determined but not less than 10 years' notice in writing given by the Commission to the Licensee; such notice not to be served earlier than the 15th anniversary of the date on which the Licence comes into force. At any time after that, if it so decides, the CRU can provide 15 years' termination notice in writing. This in effect means that the licence is valid for a minimum term of 30 years in all. One of the conditions under which an Electricity Supply Licence is issued is compliance with the Trading and Settlement Code in all applicable areas.
11. While your application is processed by the CRU, you may engage with the following organisations in order to gain further understanding of the requirements pertaining to the market entry process:
 - Single Electricity Market Operator (SEMO) for the wholesale registration process. SEMO is a joint venture between EirGrid plc and SONI Limited, who facilitates the continuous operation and administration of the Single Electricity Market. It is licensed and regulated cooperatively by the Commission for Regulation of Utilities (CRU) in Ireland and the Northern Ireland Authority for Utility Regulation (NIAUR). This stage includes the following processes: The SEM Market Rules consist of the latest approved Trading and Settlement Code, Agreed Procedures and any 'approved' Modifications.
 - Eirgrid is a state-owned commercial company dedicated to the provision of transmission and market services for the benefit of consumers and suppliers. The key documents pertaining to this stage are:
 - a) the Grid Code, which is a technical document establishes the rules governing the operation, maintenance

CRITERIA FOR APPLICATIONS

and development of the transmission system and sets out the procedures for governing the actions of all transmission system users.

- b) Access to the grid involves meeting the terms of and executing the Transmission Use of System (TUoS) Agreement
- c) Distribution Use of System (DUoS) Agreement

- The Meter Registration System Operator (MRSO) is a "ring-fenced" function within ESB Networks responsible for the Change of Supplier process and the processing/aggregation of meter data required to support Trading & Settlement in the competitive electricity market. The key document pertaining to this stage is the Meter Registration Agreement sets out the services to be provided by Meter Registration System Operator (MRSO).

- Retail Market Design Services (RMDS) is the "ring-fenced" function within ESB Networks responsible for all aspects of the retail electricity market design on behalf of the Commission for Regulation of Utilities. This stage involves the following processes:

- a) Planning
- b) Assurance application
- c) IPT infrastructure set up
- d) IPT execution
- e) Assurance Report and Qualification

12. CRU's website.

13. Details of other terms and conditions under which an Electricity Supply Licence is issued can be found in the licence.

14. These licence conditions are subject to modification or amendment according to their terms or with Sections 14(3), 14(6)(a) or 19 of the Electricity Regulation Act, 1999.

15. However, the CRU may at any time revoke an Electricity Supply Licence that has been granted to you if you fail to comply with the terms and conditions of the licence. Your attention is drawn to the

revocation terms that are detailed in Schedule 2 of the licence.

16. Please note that there would be significant dialogue between the CRU and the Licensee before such a serious provision was invoked.

HOW TO APPLY

Which form do I use to apply?

17. All applications for an Electricity Supply Licence to supply electricity should be made using the "Application for Supply Licence" form.
18. You can obtain the printed application forms and guidance notes from our office or download them from our website. Please see paragraphs 50 to 54 in the "General Information" section for details.

When should I apply?

19. Once you have compiled the information requested and supporting documents for your application, you can apply whenever you wish to.

How long will it take to consider my application?

20. We will acknowledge all applications within 7 working days of receiving them. The acknowledgement will include a phone number and a named contact for your enquiries.
21. We will process all applications as rapidly as possible and keep you advised of progress.

What do I send with the application form?

22. A checklist of all documents you should enclose with your completed application form is attached to these notes as Appendix A. The Licence Application form also details these documents.
23. Additionally, an application fee must be included with your submission.

What are the fees associated with submitting my application form?

24. The fee for a Supply Licence application is €254. This may be reviewed from time to time.

Will information in my application be kept confidential?

25. Information provided in your application form and supporting documents will be

covered by Section 13 (Prohibition on unauthorised disclosure of information) of the Electricity Regulation Act, 1999. Your attention is also drawn to Section 46 (Amendment of Freedom of Information Act, 1997) of the Act.

26. We may publish a notice of your application in a newspaper (or newspapers) circulating in the area you wish to supply and/or a newspaper circulating in the State.
27. Commercially sensitive information from business plans will be kept confidential. You may mark other information as confidential. The Commission will discuss disclosure of this information with you should requests arise as provided for under the Freedom of Information Act, 1997.

Where do I send the application form?

28. The completed application, together with all the support documents should be delivered or sent to us at:

Commission for Regulation Utilities,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.

The application fee can be paid via bank transfer to the Commission for Regulation of Utilities.

Where will the CRU send the licence and any other letters?

29. We will assume the lead signatory on your application form to be your nominated point of contact should we need to contact you, or when we respond to your queries, unless notified otherwise.
30. All correspondence with you will be sent to the address provided in your application form, or in the case of a body corporate, the registered or principal office.
31. If you are an overseas applicant, we will send all letters to the address in Ireland you have provided in your application form.

HOW TO APPLY

How do I get advice on submitting a Supply Licence application?

32. If you want advice about completing an application form or clarification of these guidance notes, contact us at +353 (0)1 4000 800 between 9am to 5pm, Monday to Friday. You can also e-mail your questions to us at info@cru.ie.

SERVICE AND STANDARDS

What you can expect from us

33. We will provide understandable, accessible information and guidance. A **checklist** to help you complete your application is attached to these notes as **Appendix A**.
34. We will acknowledge all applications within 7 working days of receiving them. The acknowledgement will include a phone number and a named contact for your enquiries.
35. All letters from us will give the name and telephone number of a member of staff dealing with your application.
36. We will process all applications as rapidly as possible and keep you advised of progress.
37. We will, if appropriate, include information on how to appeal against a decision in the letter informing you about our decision.
38. We will reply promptly to all enquiries and letters.
39. We will continually review our standards of service.

What we need from you

40. Please make sure that you use the correct application form and answer all the relevant questions fully.
41. Please send in any documents or information we ask for with your application form. If you do not, this may delay the decision.
42. If you receive a letter asking for more information, please respond quickly and cover all the points raised. Replying by fax or e-mail may save time.

General rules about appeals

43. If it is appropriate and you want to appeal against our decision to refuse a supply licence application, the letter telling you about our decision will explain how to do this. Any appeal must be lodged with the Minister for Communications, Climate Action and Environment within 28 days of our decision.

44. The appeal procedures are set out in Part IV, Sections 29 to 32 of the 1999 Act. If you need more advice on how to appeal, please take this up with our contact named on the letter.

How to make a complaint

45. If you are unhappy with the standard of service you have received, please take this up with the contact you have been dealing with. If you are not sure who to contact, please phone our general enquiry line for advice on +353 (0)1 4000 800.

46. If you wish to make a complaint please write to info@cru.ie or to:

Commission for Regulation of Utilities,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.

Fax: +353 (0)1 4000 850

Email: info@cru.ie

GENERAL INFORMATION

Where can I get a Supply Licence application form?

47. You can download the application form and guidance notes that we have published at our website www.cru.ie for your own use, at no cost.
48. Alternatively, you can get the application form and guidance notes by phoning us at +353 (0)1 4000 800 between 9am to 5pm, Monday to Friday.
49. You may make photocopies of the application forms for your own use. However, we will only accept copies/versions you produce if they are of good quality, clearly legible, A4 size and the design and content are the same as the printed version supplied by us.
50. Please note that applications must be submitted with original signatures.
51. The SSA entry process, information requirements and application form as documented in the SSA's Agreed Procedure no. 9 can also be found at the CRU's website.

What if I need more general information about Supply Licences?

52. Please contact our general enquiry service:

Email: info@cru.ie

Phone: +353 (0)1 4000 800

Fax: +353 (0)1 4000 850

Write to us at:

Commission for Regulation of Utilities,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.

What if I need more information about the Irish electricity market?

53. We have an Internet website at www.cru.ie that is regularly updated to provide you with information about developments in the Irish electricity market. You can find press releases published by the CRU at the website referred to above.

54. Information about the functions of the CRU is also included at the website, as is a copy of the Electricity Regulation Act, 1999 under which the CRU is established. This Act provides the regulatory framework for the introduction of competition in the generation and supply of electricity in Ireland.
55. Copies of documents that have been published for consultation are available for downloading from our website. You can also download application forms and guidance notes for Authorisation, Generation and Supply licences.
56. Details of applications accepted and/or approved by the CRU can also be found at our website.
57. Alternatively, you may contact our general enquiry service.

ELECTRICITY SUPPLY LICENCE APPLICATION CHECKLIST

Date received: [Insert date]

Received by: [Insert Name]

Date acknowledged: [Insert date]

CRU Contact: [Insert Name]

Date accepted: [Insert date]

The Supply Licence Application Form



1. Are all questions in Part 1 answered fully and appropriately?
2. Has the declaration in Part 3 been filled in correctly and signed by all appropriate persons?
3. Has the applicant paid the correct application fee? (€254)

Documents to accompany application for Supply Licence

4. Statements of accounts for the last 2 years in respect of your relevant undertakings, covering three accounting periods
5. A certificate from applicant stating that no adverse change has occurred, if more than 3 months have passed since the end of the accounting year covered by the accounts submitted
6. If the company is a special purpose vehicle, a statement of the relevant parent company accounts and guarantees
7. An outline 5-year business plan in relation to application, including information on project
8. Details of the IT system to be employed for billing and customer care management
9. Estimate of the number of people to be employed in relation to this operation and their address of employment