



Office of Utility Regulation

Application for a Licence to Generate Electricity in Guernsey

Information Notice and Application Form

Document No: OUR 02/16

May 2002

Office of Utility Regulation

Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey, GY1 2NH
Tel: [0]1481 711120, Fax: [0]1481 711140, Web: www.regutil.gg

Application for a Licence to Generate Electricity in Guernsey

Information Notice and Application Form

1. Introduction

This document sets out the procedures for applying for a licence to generate electricity on the Island of Guernsey. It should be noted that separate arrangements apply to the electricity sectors elsewhere in the Bailiwick of Guernsey.

The document briefly describes those services that require a licence and provides references to a number of other more detailed information documents which may assist interested parties in considering whether or not they require a licence. It then provides information on the timetable for receipt of applications and grant of licences, sets out the information required from applicants and the procedure to be followed in making an application and the fee payable on application. The application form at the end of this document comprises four parts which will need to be completed by an applicant:

- Part A: Applicant's Contact Details;
- Part B: Supporting Information;
- Part C: Declaration on behalf of applicant; and
- Part D: Check list to support completion of the application.

Applications will be accepted by the Office of Utility Regulation from the date of issue of this document.

2. Requirement to Hold a Licence

Under the Electricity (Guernsey) Law, 2001 ("the Electricity Law") a person needs a generation licence from the Director General of Utility Regulation ("Director General") if intending to generate electricity as defined by the Electricity Law. Certain exemptions to this requirement can be specified as per Section 1(2) of the Electricity Law. At present these exemptions apply to any small generators as previously set out in document OUR 02/06. Applicants are advised to consult the Electricity Law and document OUR 02/06 directly for more detail on the activities that are exempted from the requirement to hold a licence.

The Director General will consider each application on its merits on a case by case basis to determine if a licence is required and, if so, to decide whether to grant or refuse to issue a licence, in accordance with her functions under the Electricity Law.

Applicants should note that this document does not constitute legal, technical or commercial advice; if potential applicants are unclear as to whether or not their proposed activity requires a licence, OUR will provide assistance wherever possible. However, responsibility lies with parties in the market to ensure that they hold all appropriate permissions to operate in the market and parties are advised to obtain independent advice if they consider it necessary.

3. Generation Licence Terms and Conditions

The Director General held a public consultation on licence terms and conditions for generation, conveyance and supply licences in August, 2001 and published a final report in document OUR 02/03. The generation licence terms and conditions were published in document OUR 02/04 and will apply to all licensees in the market.

4. Timetable for Applications

In accordance with States Directions issued to the Director General in accordance with section 3 of the Regulation Law¹, the Director General has granted a licence to Guernsey Electricity Limited to generate, convey and supply electricity in Guernsey as follows:

- Guernsey Electricity's generation licence is non-exclusive as the Island's electricity generation market is opened up to competition;
- Guernsey Electricity's conveyance licence is exclusive initially for a period of ten years from 1st Feb 2002; and
- Guernsey Electricity's supply licence is exclusive initially for a period of one year from 1st Feb 2002 pending a review of the options for supply competition within the Island.

Accordingly, the Director General will now accept the submission of applications for a generation licence. In general the OUR will process applications within eight weeks of receipt of the fully completed application and all information required by the Director General to assess the application.

Applicants are advised to read carefully the information in this document before submitting an application for a generation licence. Please also ensure that all necessary supporting documentation is enclosed with your application. Failure to provide all relevant information may delay the processing of your application or lead to its rejection.

¹ Billet d'Etat No XVIII, 2001: The States Board of Industry – Regulatory Framework for Utility Services in Guernsey: p.1263 States (www.gov.gg/billets/2001/Billet_XVIII_2001.pdf)

5. Submission of Applications

Applicants should fill out the application form provided with this document and use the checklist at the end to ensure that they have completed all relevant sections and are providing all relevant supporting information. Please use additional sheets if necessary to answer any of the questions. Electronic copies of the application form are available from the OUR's website (www.regutil.gg).

Applications should be submitted to:

Office of Utility Regulation,
Suite B1 & B2,
Hirzel Court,
St. Peter Port,
Guernsey, GY1 2NH

Applications should be clearly marked '**Application for Generation Licence**' and include three hard copies of the completed application form.

While the OUR is pleased to accept application information by e-mail to info@regutil.gg you should provide full hard copies of your application along with all signed declarations and supporting information. The date of receipt of the application shall be deemed to be the date of receipt of the hard copy of the application form and the accompanying application fee.

6. Application Fee

All applications must be accompanied by the appropriate application fee of £10,000. Applications submitted without an application fee will not be processed. Application fees should be paid by cheque, made out to the 'Director General of Utility Regulation'.

The Director General will be issuing further information on the annual licence fees which are payable throughout the term of a licence. This will include proposals for the method of setting these licence fees and the mechanisms that will be used to ensure that fees are fair and equitable across all licensees.

/ENDS

Application for a licence under Part I, Section 1 of the Electricity (Guernsey) Law, 2001.

PART A

1. APPLICANT'S DETAILS

Full name of Applicant	
Trading Name of Applicant (if different to above)	
Registered Office	
Principal Business Address	
Telephone Number	
Web Site and E-mail address	
Fax Number	
Contact name and contact details (to include telephone, fax and e-mail where available)	

Application for a licence under Part I, Section 1 of the Electricity (Guernsey) Law, 2001.

PART A Continued

2. Business Details

2.1 If the applicant is a company, partnership, co-operative or other body please give the name(s) and private address(es) of each of the current directors or any other officers, company secretary, partners or members of the committee of management. Identify, as applicable, the chairman, chief executive, managing director, finance director, and any other director with specific duties:

Name	Address
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2.2 In the case of a company or other body corporate please supply the company's registered number, its jurisdiction of incorporation and the date on which the applicant was incorporated.

2.3 In the case of a partnership or similar entity please supply the date on which the applicant was formed.

2.4 In the case of company which is part of a large group of companies please provide details of the ultimate parent company and any intermediate subsidiaries.

2.5 Please list any trading and company names (state which and when used) used by the applicant within the last five years. Please list any trading name which the applicant uses or proposed to use if different from the make given under "full name of applicant".

2.6 Address in Guernsey for service of process and other notices.

Application for a licence under Part I, Section 1 of the Electricity (Guernsey) Law, 2001.

PART B

3. Supporting Information

3.1 Please provide a high level business plan. The plan should outline any major assumptions used and should cover a period of at least five years. The information provided should include:

- Sources of funding, debt levels, equity and independent confirmation as appropriate;
- Market forecasts and market share including expected purchaser(s) of the electricity generated;
- Risk assessment and contingency plans including provisions made for decommissioning costs; and
- Brief résumés of key managerial staff indicating relevant prior experience, qualifications, and other sources of expertise as appropriate, and also explain what technical resources exist to help complete the business plan and licence application.

3.2 Please provide a summary of the generating plant the applicant is planning to construct / operate within the next five years covering the following:

- Number of generating stations;
- Address of each generating station including the generating station name, its post code and Perry's reference;
- A detailed site map for each generating station (scale 1:10,000 or bigger);
- Aggregate maximum power (kW) from each generating station;
- Aggregate maximum demand (kW) from each generating station if not operating;
- For each generating station, the electricity connection to the conveyance network;
- Amount of fuel stocks to be held in reserve on site at each generating station (expressed as a maximum number of days that full output could be continued by each generating station without a further fuel delivery);
- Expected emission levels from each generating station;
- Number of units within each generating station;
- Maximum power (kW) available from each unit;
- Fuel source for each unit;
- Expected fuel efficiency for each unit; and
- Expected commissioning and decommissioning date for each unit.

3.3 Please indicate the steps the applicant is taking to ensure the safe operation of all plant under its control (this information may be provided as a separate annex).

3.4 Please provide details of the expected service levels supported by the applicant as per Licence Condition 22 of the standard electricity licence.

3.5 Confirmation that the applicant will be able to comply with the relevant technical and operational codes as per Licence Condition 23 of the standard electricity licence.

3.6 Confirmation that the relevant approvals to construct / operate each generating station has been obtained or are being sought from the relevant States of Guernsey committee (copies may be enclosed if preferred).

Application for a licence under Part I, Section 1 of the Electricity (Guernsey) Law, 2001.

PART C

4. Declaration

On behalf of the applicant, I hereby declare that:

- (a) the applicant shall at all times comply in every respect with the conditions attached to any licence that may be awarded to the applicant as the same may be modified from time to time;
- (b) the applicant shall at all times comply with lawful directions of the Director General; and
- (c) the information provided by me on behalf of the applicant is accurate and complete in all respects.

Signed:

Full name(s) of Signator(y/ies):

<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

Position held (where applicant is a company, co-operative or other body corporate):

Date: _____

Application for a licence under Part I, Section 1 of the Electricity (Guernsey) Law, 2001.

PART D

5. Electricity Licence Application Checklist

	YES
1. Is the licence fee included?	
2. <i>PART A</i> - Are Sections 1 & 2 completed as appropriate?	
3. <i>PART B</i> – Has the high level business plan been included?	
4. <i>PART B</i> – Has the summary of the applicant’s generating plant been included?	
5. <i>PART B</i> – Has the summary of the applicants approach to ensuring the safe operation of generating equipment been included?	
6. <i>PART B</i> – Has the summary of the applicants expected service levels been included?	
7. <i>PART B</i> – Has the summary of the applicants approach to ensuring compliance with the relevant technical and operational codes been included?	
8. <i>PART B</i> – Has confirmation of relevant States of Guernsey approval been included?	
9. <i>PART C</i> – Has the declaration been filled in correctly and by all appropriate persons?	
10. Have 3 copies of the entire application been included?	

Please tick the “Yes” box where enclosures have been made; if the question is not relevant to your application, put “N/A” (not applicable) in the box.