



# **LICENSING APPLICATION FOR SERVICE PROVIDERS IN THE BAHAMAS ELECTRICITY SUPPLY REGIME**

**ES 04/2018**

**May 2018**



**LICENCE APPLICATION FOR SERVICE PROVIDERS IN THE BAHAMAS  
ELECTRICITY SUPPLY REGIME**

*(Individual, Companies/partnerships should complete Sections A-H)*

**SECTION A: Licence details (To be completed by all applicants)**

1. Type of licence the applicant is applying for      ( ) PESL      ( ) APESL      ( ) IPPL
  
2. Location where and/or customers to which the applicant wishes to provide service  
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3. Specify if the application is for a new licence, a licence renewal, or a modification of the licence  
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4. Date the new licence, licence renewal, or licence extension is desired to take effect  
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5. Details of previous applications and licences held (if applicant held a licence under the previous electricity sector regime, if the applicant has applied for other licences, or has had licences revoked or applications refused)  
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6. Modifications to standard conditions requested (if the applicant wishes to request for modifications, what are the modifications requested, and justification for modification)

**SECTION B: Information about the applicant**

1. Name of Applicant: .....

( ) Individual      ( ) Company      ( ) Partnership

2. Postal Address: .....

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.....

3. Telephone Nos. ....

4. Facsimile No. ....

5. Email Address: .....

6. Name and address of any person or organization acting on behalf of the Applicant  
(Contact in Bahamas):

Name: .....

Address: .....

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Telephone Nos: .....

Facsimile No: .....

E-mail address: .....

7. Name of Company: .....

(a) Date of Incorporation and Registration: .....

(b) Registration Number: .....

(c) Address of Registered Office:.....

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(d)	Share Capital			
		par value (B\$)	authorized (number)	issued (number)
	Preference shares.....			
	Ordinary shares.....			

**Required Attachments or Documentation;**

- Set out in an attachment the names, business addresses and dates of appointment of directors, chief executive officer and company secretary
- Set out in an attachment the names, addresses and country of domicile and shareholdings of all shareholders holding more than 10% of any class of the shares of the applicant
- Attach certified copies of the Memorandum and Articles of Association and Certificate of Incorporation
- If applicant is a partnership or joint venture, include copy of partnership or joint venture agreement
- If applicant is a trust, include copy of trust deed
- Set out in attachment Contracts with related parties<sup>1</sup>

8. Applicant's bank (*if more than one bank provide additional information on a separate sheet*)

Name: .....

Address: .....

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Telephone No: ..... Facsimile No: .....

E-mail address: .....

9. Applicant's auditor:

Name: .....

Address: .....

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<sup>1</sup> A related party is a person or an entity that is related to the reporting entity: A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel.

Telephone No: ..... Facsimile No: .....

E-mail address: .....

**SECTION C:**

*HISTORY OF APPLICANT*

Tick the appropriate box. If "YES" give particulars.

1. Has the Applicant ever applied for a licence or registration under any Act in The Bahamas of and been refused?  YES  NO

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2. Has the Applicant ever been licensed under any Act in The Bahamas?  YES  NO

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3. If the answer to question 2 is YES, has any such licence been revoked?  YES  NO

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4. Has any connected person<sup>2</sup> previously been granted a licence under any Act which was revoked?

YES  NO

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5. Is the Applicant the holder of a licence or is engaged in a related business in any other country?

YES  NO

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6. Has the Applicant or any connected person been refused a licence mentioned in question 5 above, or had a licence revoked?  YES  NO

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7. Has the Applicant operated under or carried on business under any name other than the name in this application?  YES  NO

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8. Has the Applicant ever -

(a) been the defendant or respondent in any proceedings in any court in any jurisdiction in any part of the world involving fraud?  YES  NO

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<sup>2</sup> a person is connected with a director if they are a member of the director's family (that is, the director's spouse, civil partner, any person with whom the director lives as a partner in an enduring family relationship,

(b) At any time declared bankruptcy or made a voluntary assignment in bankruptcy?  
 YES  NO

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If YES, in addition to giving particulars, attach a certified copy of Discharge.

**SECTION D: Information on the corporate structure**

- 1. If applicant is a non-public company, trust or other non-public entity, provide details of shareholders with more than 20 percent of any class of shares (name of shareholder, address, effective date of shareholding, number and class of shares, percentage aggregate of the class of shares)

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- Provide diagram of corporate structure, including details of any parent and related companies if applicable



**SECTION E:**

*FINANCIAL INFORMATION*

Attach the most recent audited Financial Statements for the last three years which should be for a period ending not later than one year prior to the date of this application.

- If the applicant does not have audited financial statements, then the applicant must submit financial statements certified by an accountant in possession of a practicing certificate issued by The Bahamas Institute of Chartered Accountants
- For subsidiary companies, include the audited financial statements of the parent company
- For new entities, the most recent statements showing the balances of any bank accounts held by the applicant and a certified letter from a bank or any other entity confirming that the applicant is able to access the financing necessary to carry out the undertaking
- For applicants for APESL and IPPL, letter from licensed Public Electricity Supplier (PES) confirming any discussions and/or negotiations concerning any credit support arrangements

**TICK the appropriate box. If "YES" give particulars.**

Is there any person or company whose name is not disclosed in Section A who has any major financial interest in the Applicant, either beneficially or otherwise?

YES

NO

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**SECTION F:**

*OFFENCES*

Tick the appropriate box. If "YES" give particulars.

1. Has the Applicant, or any director or executive officer of the Applicant, ever pleaded guilty or been found guilty under any law of The Bahamas or any other country of any offence involving dishonesty, fraud or theft?

YES

NO

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2. Has the Applicant, or any director or executive officer of the Applicant, ever been convicted of any criminal offence not mentioned in paragraph 1?

YES

NO

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3. Is the Applicant, or any director or executive officer of the applicant, currently the subject of a charge or indictment under any law of The Bahamas or any other country for contravention of any law or for any conduct of the type described in questions 1 and 2 above?

YES

NO

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.....

**SECTION G:**

*CIVIL PROCEEDINGS*

**Tick the appropriate box. If "YES" give particulars.**

1. Has any claim been made successfully in any civil matter before a court or other tribunal in The Bahamas or any other country which was based in whole or in part on fraud, theft, deceit or misrepresentation or similar conduct against?

(a) the Applicant

YES

NO

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(b) any director of the Applicant?

YES

NO

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(c) any executive officer of the Applicant?

YES

NO

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2. Is there any claim pending in any civil matter before a court or other tribunal in The Bahamas or any other country against the Applicant, or any director or executive officer of the Applicant, which is based in whole or in part on fraud, theft, deceit or misrepresentation or similar conduct?

YES

NO

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**SECTION H: TECHNICAL INFORMATION AND DESCRIPTION OF SYSTEM (to be completed by all applicants)**

1. For any undertakings carried out by the applicant that are similar to that for which the applicant is applying for a licence, provide the following information:

- Location
- Beginning year and end year (if applicable)
- Contracting party
- Body that authorized or approved the undertaking
- References

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**Required Attachment or Documentation**

- Organizational chart of key personnel
- *Curriculum Vitae* of key personnel with details of experience and knowledge of the industry. Include at least two references
- Any contracts with external service providers related to the business for which the applicant is seeking a licence
- For applicants for PESL, describe how the applicant will comply with the applicable requirements of the following standard conditions:
  - Standard Condition 14.5 (Regarding to how the applicant plans to resolve unplanned interruptions)
  - Standard Condition 35.1 (Regarding how the applicant will comply with the transmission

- and distribution standards)
  - Standard Condition 42.1 (Regarding how the applicant intends to inform customers on dangers, matter requiring urgent attention, of supply issues)
  - Standard Condition 47.1 and 47.2 (Regarding what grid code the applicant intends to file with URCA and how the applicant intends to comply with the grid code)
- For applicants for APESL, describe how the applicant will comply with the applicable requirements of the following standard conditions:
  - Standard Condition 14.5 (Regarding to how the applicant plans to resolve unplanned interruptions)
  - Standard Condition 24.1 (Regarding how the applicant will ensure its employees are appropriate trained and qualified).
  - Standard Condition 35.1 (Regarding how the applicant will comply with the transmission and distribution standards)
  - Standard Condition 41.1 (Regarding how the applicant intends to inform customers on dangers, matter requiring urgent attention, of supply issues)
  - Standard Condition 46.1 (Regarding what grid code the applicant intends to file with URCA and how the applicant intends to comply with the grid code)
- For applicants for an IPPL, describe how the applicant will comply with the applicable requirements of the following standard conditions:
  - Standard Conditions 15.1 and 17.1 (Regarding how the applicant will act under an event of Force Majeure or Catastrophic Failure)
  - Standard Condition 22.1 (Regarding engaging in other business activities)
- A description of the principal components of the facility including boilers, prime movers and electric generators, and explain their operation, MW, MVA, MVAR (KW, KVA, KVAR) voltage, other relevant electrical and energy parameters;
- Indicate transmission lines, transformers and switchyard equipment, if included as part of the facility; the maximum gross and maximum net electric power production capacity of the facility at the point(s) of delivery; the actual or expected installation and operation dates of the facility;
- Describe the primary energy input (e.g. coal, oil, waste, bio-mass, or other).
- Indicate the proposed annual energy sale to the electric grid in Megawatt hours or Kilowatt hours (MWh / kWh) and or the Capacity in Kilowatt or Megawatt (MW/kW).
- Discuss any particular characteristic of the facility, which the electricity supplier believes might bear on its qualifying status. (*Use continuation sheet if necessary*).

**SECTION I:**

**DECLARATION OF APPLICANT**

**(to be completed by all applicants)**

I/We ..... declare that:

*(Name of Applicant)*  
*Individual/Company/Partnership*

- (i) I am/(We are) not disqualified from being granted a licence by reason of any legal impediment. I/(We are) possess the technical qualifications to fully perform the obligations imposed by the licence. I/(We are) satisfy the financial requirements for the construction and operation of the facility or provision of service to which this application relates.
- (ii) I am/(We are) a fit and proper person to be granted a licence,
- (iii) All information submitted as part of this application is true and correct. I/(We) understand that the granting of a licence from the Utilities Regulation & Competition Authority (URCA) in respect of this application would be based on information as declared herein. I/(We) understand that, if I/(We) knowingly make any false statement in this application, any licence granted pursuant to this application may be revoked and any remedies under the laws of The Bahamas applied.

(1) If individual sign below:

.....  
**Signature of Applicant**

.....  
**Date**

(2) If company/partnership sign below (include company seal):

.....  
**Authorizing Officer**

.....  
**Position/Title**

.....  
**Date**

## **UTILITIES REGULATION & COMPETITION AUTHORITY**

### **APPLICATION PROCEDURES FOR LICENSING SERVICE PROVIDERS IN THE BAHAMAS ELECTRICITY SUPPLY REGIME**

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One of the Utilities Regulation & Competition Authority (URCA) statutory functions is to administer the licensing of electricity generation, transmission, distribution, and supply activities. A person or organisation is prohibited from engaging in the sale, supply, generation or transmission of electricity unless that person holds a licence to undertake the activity or has received an exemption from URCA. In undertaking this role, URCA is guided by the provisions of the Electricity Act, 2015 ('the EA') and URCA's objectives under the Utilities Regulation and Competition Authority (Amendment) Act, 2015 ('the Act').

#### ***INITIATING THE LICENSING PROCESS***

An application for a licence shall be made in writing addressed to the Chief Executive Officer of URCA and should be submitted together with all relevant information stipulated.

#### ***APPLICATION FORMS***

Application forms and supporting documentation may be collected from:-

Utilities Regulation & Competition Authority  
Frederick House, Frederick Street  
P.O. Box N-4860  
Nassau, Bahamas

or downloaded from the Office's website at [www.urbahamas.bs](http://www.urbahamas.bs), or by arrangement the Office will courier at applicant's cost.

#### ***COMPLETION AND SUBMISSION OF APPLICATIONS***

- All applications should be submitted with the prescribed fees to URCA. A receipt evidencing delivery of application will be given for each application submitted to URCA.
- Receipts will be mailed by ordinary post to applicants who submit applications by registered post.
- All applications and supporting material should be submitted in English. Each application must state that it is being submitted pursuant to THE EA and the Licensing Guidelines determined by URCA.

- Applicants must submit no fewer than **three (3)** copies including soft copies of each application and **one (1)** each of the supporting documentation. URCA reserves the right to request additional copies of applications and supporting documentation.
- Additional information may be requested by URCA or submitted by the applicant in respect of any application at any time before the grant of a licence.
- Each application must be accompanied by a non-refundable application fee as prescribed by URCA. A separate fee is payable in respect of each application. This payment shall be made by Credit Card, certified cheque or bank draft made payable to URCA
- Applicants should note the disclosure requirements of the URCA Act 2015 as amended, and any Rules and Regulations made pursuant to this Act. URCA strongly recommends that applicants rely on independent legal advice in preparing applications.
- Applicants are required to notify URCA of any change to the information submitted with the application. Notification should be done within fifteen (15) working days after the deadline for submission of applications.
- Applicants are required to meet all costs arising from (a) the preparation and submission of applications, (b) providing any additional information requested, and (c) the processing of each application including responding to public comments and attending at, and making submissions to URCA concerning these applications. URCA will not accept responsibility or liability for such costs, regardless of whether or not a licence is granted.

## ***PROCESSING OF APPLICATIONS***

- Applications for licences will be published in a National Newspaper and interested parties are allowed 30 days for submitting comments to URCA.
- All applications and supporting documentation become the property of URCA upon submission. URCA reserves the right to make public the names of corporate entities which have submitted applications as well as such information about the contents of the applications as it deems appropriate. Members of the public and other interested parties will have the right to inspect all applications and non-confidential supporting documentation and to submit comments to URCA.
- All supporting material submitted with individual applications which may contain sensitive/confidential information concerning business or commercial or financial affairs should be submitted along with the application in a sealed envelope marked "**Confidential Information**". Where URCA proposes to disclose any such information, it will give the Applicant reasonable notice and an opportunity to make representations to URCA before the URCA makes a final decision on disclosure of such information.



- An evaluation of the Application is conducted by URCA to determine eligibility for the issuance of a licence. URCA reserves the right to conduct discussions with Applicants if necessary.
- Applicants should be prepared to send a representative(s) to the offices of URCA to discuss their applications and supporting documentation, if requested by URCA.

## ***ISSUANCE OF LICENCES***

- URCA is guided by the provisions of the EA and URCA's primary objective under the URCA Amendment Act, 2015. URCA's role is to perform its functions and exercise its powers to protect the long-term interests of the Bahamian consumers with regard to the safety, price, quality and reliability of electricity services.
- Sections 37 and 38 of the EA outline the role and functions of URCA. These sections establish URCA as the approving agency for licences, monitoring entity of licensees, and administrator of the public register of licensees, among others.
- Section 38(2) states that URCA may do anything that it considers necessary to fulfil its functions, including issuing regulations and other measures without limitation. The EA gives URCA the remit to issue, suspend, vary or revoke licences, permits and exemptions, whenever it deems necessary. Section 51(3) of the EA also states that URCA may issue licences or exemptions "*notwithstanding any law, agreement, contract, licence, or other provision in existence on the date the Act comes into operation.*"
- Together, these sections give URCA broad powers to set licensing categories as well as the criteria for granting licences in categories that it creates.
- URCA may issue or grant a licence if satisfied that:
  - (a) The applicant meets the requirements in section 45 of the EA; and
  - (b) Specified requirements are met for each licence type in accordance with section 46 of the EA.