

NOTICE OF REVOCATION OF A LICENCE PURSUANT TO SECTION 6 OF THE ELECTRICITY ACT 1989 WITH REASONS PURSUANT TO SECTION 49A

Date: 8 August 2019

Notice of Revocation and Reasons for Decision

Whereas

1. Cardiff Energy Supply Limited (company registration number 09054885), having its registered office at Cardiff Business Technology Centre, Senghennydd Road, Unit 209, Cardiff, Wales CF24 4AY ("**Cardiff**"), is the holder of an Electricity Supply Licence (the "**Licence**") granted or treated as granted under Section 6(1)(d) of the Electricity Act 1989 (the "**Act**").

1. Section 6(8) of the Act provides that a licence granted or treated as granted under the Act may be revoked in accordance with any term contained in it.
2. Schedule 2(1)(f)(i) to the Licence provides that the Gas and Electricity Markets Authority (the "**Authority**") may at any time revoke the Licence on giving not less than 24 hours' notice where it is unable to pay its debts (within the meaning of section 123(1) or (2) of the Insolvency Act 1986).
3. On 15 April 2019, Contract Natural Gas Limited, a creditor, served a statutory written demand under section 123(1)(a) of the Insolvency Act 1986 for the sum of £304,564.63. Schedule 2(2) to the Licence extends the limit set in s.123(1)(a) to £100,000. Cardiff was unable to pay the full amount within the three weeks allowed by s.123(1)(a). Accordingly, the Authority deems that under the terms of section 123(1)(a) of the Insolvency Act:
 - a. Cardiff is unable to pay its debts (within the meaning of section 123(1)(a) of the Insolvency Act 1986) and;
 - b. therefore the condition, as set out in Schedule 2(1)(f)(i) of the Licence is satisfied.

5. The Authority notes that sums have not been fully discharged.
6. For the following reasons, the Authority has decided that, in order to protect the interests of consumers, it is appropriate to give notice to revoke the Licence (with effect from 00:01 on 10 August 2019) in accordance with Schedule 2 (1)(f)(i) of the Licence:
- a. We note that Cardiff has not supplied electricity to any premises since the grant of the licence. Given that Cardiff is unable to pay its debts (within the meaning of section 123(1)(a) of the Insolvency Act 1986), should Cardiff seek to supply electricity to any premise pursuant to the licence, the Authority is not satisfied that the company will be able to provide or otherwise procure the services necessary for supplying electricity to its customers or to pay charges under the industry arrangements.

Therefore

4. The Authority hereby gives notice that, unless the Authority otherwise directs, with effect from 00:01 on 10 August 2019, the Licence shall be revoked.

The Official seal of the Gas and Electricity

Markets Authority here

affixed is authenticated by –



Philippa Pickford

Authorised in that

behalf by the Authority

10 August 2019