

NOTICE OF REVOCATION OF A LICENCE PURSUANT TO SECTION 7A OF THE GAS ACT 1986 WITH REASONS PURSUANT TO SECTION 38A

Date: 17 Oct 2019

Notice of Revocation and Reasons for Decision

Whereas

1. Uttily PLC (company registration number 07471188), having its registered office at Aldwych House Aldwych, 71-91 Aldwych, London, England, WC2B 4HN ("**Uttily**"), is the holder of a Gas Supply Licence (the "**Licence**") granted or treated as granted under Section 7A(1)(a) of the Gas Act 1986 (the "**Act**").
2. Section 7B(3) 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.
3. 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).
4. On 14 August 2019, Corona Energy Retail 4 Limited, a creditor, served a statutory written demand under section 123(1)(a) of the Insolvency Act 1986 for the sum of £123,988.87. Schedule 2(2) to the Licence extends the limit set in s.123(1)(a) to £100,000. Uttily 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. Uttily is unable to pay its debts (within the meaning of section 123(1)(a) of the Insolvency Act 1986);
 - b. the statutory written demand relates to a sum exceeding £100,000; and
 - c. 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 05:01 on 19 October 2019) in accordance with Schedule 2(1)(f)(i) of the Licence:
- a. The Authority notes that Uttily is operationally inter-dependent with Rutherford Energy Supply Limited ("**Rutherford**"), another gas supply licensee and a subsidiary of Uttily. On 17 October 2019, the court issued a declaration to the effect that Rutherford was unable to pay its debts as they fell due.
 - b. The Authority has been provided with copies of applications by Uttily and Rutherford for administration orders.
 - c. Given that neither Uttily nor Rutherford is able to pay its debts (within the meaning of section 123 of the Insolvency Act 1986), should Uttily seek to supply gas 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 gas to its customers or to pay charges under the industry arrangements.

Therefore

The Authority hereby gives notice that, unless the Authority otherwise directs, with effect from 05:01 on 19 October 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****17 Oct 2019**