



REGULATORY
AUTHORITY

Bermuda

Consultation:

**Application Process for
Electricity Licences**

Consultation Document

Matter: 17-0616

Date: 16 June 2017

Responses Due: 30 June 2017

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1 INTRODUCTION

1. The Regulatory Authority of Bermuda (“Authority”) is the sole body responsible for regulation of the electricity sector and its overarching responsibilities are to:

- regulate tariffs and the quality of service provision to end users;
- ensure that access to electricity infrastructure by current and prospective generators is transparent, fair, reasonable, and non-discriminatory; and
- investigate and respond to any complaints from end users relating to the provision of electricity.

2. Section 17 of the Electricity Act 2016 (“EA”) provides that no person shall engage in the following regulated activities unless authorised by a licence granted by the Authority:

- (a) the transmission and distribution of electricity;
- (b) generation of electricity (unless generation is below the specified licence threshold), large scale self-supply of electricity;
- (c) retail of electricity;
- (d) sale of electricity; and
- (e) wholesale purchase of electricity.

3. Pursuant to Sections 20 and 24 of the EA, the Authority intends, by Administrative Determination, to grant three types of electricity licenses:

- (a) one¹ TD&R Licence that authorises the holder to transmit², distribute³ and retail⁴ electricity and to purchase electricity from Bulk Generation Licensees⁵ and distributed generators⁶;
- (b) a Bulk Generation Licence that authorises the holder to engage in bulk generation of electricity; and
- (c) a Large Scale Self-Supply⁷ Licence that authorises the holder to engage in large scale self-supply of electricity.

4. Pursuant to Section 23(4) of the EA, the Authority intends to grant two classes of the Bulk Generation Licence: a Bulk Generation (Non-Renewable) Licence and a Bulk Generation (Renewable) Licence.

5. Section 21 of the EA provides that a person who wishes to obtain or renew a licence shall submit to the Authority the application, information and documents required by general determination, together with the application fee set by the Authority.

6. The purpose of this Consultation Document is to consult on the application process for the following licences: the TD&R Licence, Bulk Generation Licence and Large Scale Self-Supply Licence. At the conclusion of the consultation process, the Authority will enact a General Determination setting forth the application processes for the three licences.

7. In accordance with subsection 66(3) of the EA, the Authority may also issue written instructions setting forth the extent and manner of information and documents relating to this application process and format required from existing sectoral providers in relation to grant of license, as described in subsections 66(1) and 66(2) of the EA.

¹ See Section 20 (2) of EA.

² Convey electricity at or above 22 kilovolts.

³ Convey electricity below 22 kilovolts

⁴ Sell power to commercial, residential and industrial customers (i.e. end-users).

⁵ Persons who are generating electricity using a system with an installed capacity at or above a specified threshold/licence threshold (as prescribed in Regulations made by the Minister).

⁶ Means end-users who generate electricity using a system with an installed capacity below the licence threshold.

⁷ Means generation using a system that is not interconnected to any part of the transmission or distribution network.

2 CONSULTATION PROCEDURE

8. This consultation is being undertaken in accordance with Sections 69 to 73 of the Regulatory Authority Act 2011 ("RAA"). The procedure and accompanying timelines (as set out in Section 70 of the RAA), under which this consultation is taking place has been set out in Part 1 below.

9. Written comments should be submitted before 5:00 PM (Bermuda time) on 30 June 2017.

10. The Authority invites comments from members of the public, electricity sectoral participants and sectoral providers, and other interested parties. The Authority requests that commenting parties, in their responses, reference the numbers of the relevant questions, as set forth in this Consultation Document, to which they are responding. A complete list of questions presented by this Consultation Document appears in Section 6.

11. Responses to this Consultation Document should be filed electronically in MS Word or Adobe Acrobat format. Parties filing comments should go to the Authority's website, www.rab.bm, follow the link to the Consultations and Response page, and click the "Click here to submit a response" icon which appears at the top of the page. All comments should be clearly marked "Response to Consultation Document: Comments on Application Process for Electricity Licences" and should otherwise comply with Rules 18 and 30 of the Authority's Interim Administrative Rules, which are posted on the Authority's website.

12. The Authority intends to make responses to this Consultation Document available on its website. If a commenting party's response contains any information that is confidential in nature, a clearly marked "Non-Confidential Version," redacted to delete the confidential information, should be provided together with a complete version that is clearly marked as the "Confidential Version." Redactions should be strictly limited to "confidential information," meaning a trade secret, information whose commercial value would be diminished or destroyed by public disclosure, information whose disclosure would have an adverse effect on the commercial interests of the commenting party, or information that is legally subject to confidential treatment. The "Confidential Version" should highlight the information that has been redacted. Any person claiming confidentiality in respect of the information submitted must provide a full justification for the claim. Requests for confidentiality will be treated in the manner provided for in Rule 30 of the Authority's Interim Administrative Rules.

13. The principal point of contact at the Authority for interested persons for this Consultation Document is Nigel Burgess. He may be contacted by email, referencing "Comments on Application Process for Electricity Licences" at electricity@RAB.bm or by mail at:

Nigel Burgess
Regulatory Authority
1st Floor, Craig Appin House
8 Wesley Street
Hamilton, Bermuda

14. In this Consultation Document, except insofar as the context otherwise requires, words or expressions shall have the meaning assigned to them by the EA, the RAA and the Interpretation Act 1951.

15. This Consultation Document is not a binding legal document and does not contain legal, commercial, financial, technical or other advice. The Authority is not bound by this Consultation Document, nor does it necessarily set out the Authority's final or definitive position on particular matters. To the extent that there might be any inconsistency between the contents of this Consultation Document and the due exercise by the Authority of its functions and powers, and the carrying out of its duties and the achievement of relevant objectives under law, such contents are without prejudice to the legal position of the Authority.

3 LEGISLATIVE CONTEXT

16. The Regulatory Authority Act 2011 ("RAA") established a cross-sectoral independent and accountable regulatory authority "to protect the rights of consumers, encourage the deployment of innovative and affordable services, promote sustainable competition, foster investment, promote Bermudian ownership and employment and enhance Bermuda's position in the global market".

17. The Electricity Act 2016 ("EA") received Royal Assent on 27th February 2016 and came into operation on 28th October 2016 pursuant to the Electricity Act 2016 Commencement Day Notice 2016 (BR 101/2016). The EA repealed the Energy Act 2009.

18. Section 17 of the EA provides that no person shall engage in the following regulated activities unless authorised by a licence granted by the Authority: the transmission and distribution of electricity; generation of electricity (unless generation is below the specified licence threshold), large scale self-supply of electricity; retail of electricity; sale of electricity; and wholesale purchase of electricity.

19. Pursuant to Sections 20 and 24 of the EA, the Authority intends, by Administrative Determination, to grant three types of electricity licenses: one TD&R Licence that authorises the holder to transmit, distribute and retail electricity and to purchase electricity from Bulk Generation Licensees and distributed generators; a Bulk Generation Licence (Renewable and Non-Renewable classes) that authorises the holder to engage in bulk generation of electricity; and a Large Scale Self-Supply Licence that authorises the holder to engage in large scale self-supply of electricity.

20. Section 21 of the EA provides that a person who wishes to obtain or renew a licence shall submit to the Authority the application, information and documents required by general determination, together with the application fee set by the Authority.

21. This Consultation Document seeks public consultation on the application process for the TD&R, Bulk Generation and Large Scale Self-Supply Licences, consisting of such application, information and documents.

4 APPLICATION PROCESS

22. Section 21 of the EA requires the Authority to proscribe the application, information and documents to obtain or renew a licence by general determination. This Consultation Document sets forth the proposed application process for TD&R, Bulk Generation and Large Scale Self-Supply Licences.

5 PROPOSED DECISION

23. The Authority proposes to adopt the draft general determination set forth in Appendix A enacting the licence application process.

6 CONSULTATION QUESTIONS

24. Interested parties are invited to comment on the structure of the proposed application process, in particular in relation to the following questions:

1. Do you have any comments on the information the Authority requires as part of the application process?
2. Do you have any comments on the time allowed for processing applications?
3. Do you have any comments on the application process that, subject to related and subsequent assessment by the Authority of an application, may lead to the grant of a licence?

APPENDIX A



REGULATORY
AUTHORITY

**Application for Electricity Licences, Renewal
of Electricity Licences and Procedures
followed by the Authority for the
determination of applications for Electricity
Licences and renewal of Electricity Licences**

General Determination
Matter: 17-050802

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This General Determination is made by the Regulatory Authority of Bermuda pursuant to Section 62(1) of the Regulatory Authority Act 2011 (“**RAA**”) and in accordance with Sections 21 and 22 of the Electricity Act 2016 (“**EA**”) and establishes the process for applying for and/or issuing an Electricity Licence (including the application, information and documents required), renewal of Electricity Licences and the procedures followed by the Authority when determining applications for and/or issuance of Electricity Licences and renewal of Electricity Licences.

1. **Definitions**

1.1 In this General Determination, unless the context otherwise requires:

Assessment Period means the period in which the Authority will assess a Proper Application, as described in 4.3 below.

Authority means the Regulatory Authority of Bermuda;

Bulk Generation Licence means a licence granted or to be granted under Section 20(1)(b) of the EA (and for the avoidance of doubt includes any Bulk Generation Licence for Renewable Energy in Bermuda);

Bulk Generation Licensee means a holder of the Bulk Generation Licence;

EA means the Electricity Act 2016;

General Determination means this General Determination;

Electricity Licence means either a Bulk Generation Licence or a TD&R Licence (as the context requires);

Official Website means the website established by the Authority pursuant to Section 18 of the RAA;

“Proper Application” means an application which is acknowledged by the Authority as duly made subject to notification by the Authority at any time during the assessment of the application;

Public Consultation has the meaning given to such term in paragraph 3.5 of this General Determination;

RAA means the Regulatory Authority Act 2011;

TD&R Licence means a licence granted or to be granted under Section 20(1)(a) of the EA; and

TD&R Licensee means a holder of the TD&R Licence.

2. **Interpretation**

2.1 For the purpose of interpreting this General Determination:

- (a) unless the context otherwise requires, words or expressions shall have the meaning assigned to them herein, the EA, the RAA and the Interpretation Act 1951;
- (b) where there is any conflict between the provisions of this General Determination and the EA or the RAA, the provisions of the EA or RAA, as the case may be, shall prevail;
- (c) terms defined herein and in the EA and RAA have been capitalised;
- (d) headings and titles used herein are for reference only and shall not affect the interpretation or construction of this General Determination;
- (e) references to any law or statutory instrument include any modification, re-enactment or legislative provisions substitute for the same;
- (f) a document referred to herein shall be incorporated into and form part of this General Determination and a reference to a document is to a document as modified from time to time;
- (g) expressions cognate with those used herein shall be construed accordingly;
- (h) use of the word “include” or “including” is to be construed as being without limitation; and
- (i) words importing the singular shall include the plural and vice versa, and words importing the whole shall be treated as including a reference to any part unless explicitly limited.

3. Legislative Background and Purpose

- 3.1 Section 62(1) of the RAA authorises the Authority to make General Determinations in order to carry out the provisions and purposes of the RAA and the EA.
- 3.2 Section 20(1) of the EA authorises the Authority, by way of administrative determination, to establish an electricity licencing regime and grant three types of electricity licence:
 - (a) a TD&R Licence that authorises the licence holder to transmit, distribute and retail electricity and to purchase electricity from the Bulk Generation Licensee and distributed generators;
 - (b) a Bulk Generation Licence that authorises the licence holder to engage in the bulk generation of electricity; and

- (c) a Large Scale Self-Supply Licence that authorises the licence holder to engage in large scale self-supply of electricity.
- 3.3 In accordance with Section 21 of the EA, a person that wishes to obtain or renew an Electricity Licence shall submit to the Authority the application, information and documents required by general determination, together the application fee set by the Authority.
- 3.4 Existing sectoral providers, as described in Sections 66(1) and 66(2) of the EA, shall be granted licences in accordance with Section 66(3) of the EA, provided that such existing sectoral providers meet the requirements of Section 66(3). In accordance with Section 66(3)(b) of the EC, the Authority may also issue written instructions specifying the extent and manner of the information and documents that such existing sectoral providers will be required to submit.
- 3.5 This General Determination sets out the procedures for determining applications for Licenses.
- 4. **Manner of Application for Electricity Licences**
- 4.1 An application for an Electricity Licence shall be:
 - (a) made in writing in the form prescribed in 5 below, addressed to the Authority and delivered or sent by prepaid post to the Authority at its principal office or sent by electronic mail to an address specified by the Authority; and
 - (b) signed and dated by or on behalf of the applicant, stating, where signed on behalf of the application, the capacity of the signatory.
- 4.2 Within [] days of it receiving an application for an Electricity Licence, the Authority shall write to the applicant to:
 - (a) confirm receipt of a Proper Application; or
 - (b) inform the applicant that its application is incomplete and set out what information and/or documentation the Authority requires in order to be able to start to process the application.
- 4.3 The Authority will assess a Proper Application within 90 Business Days of its receipt of such application.

5. Form of application

- 5.1 An application in respect of a Bulk Generation Licence shall be made in the form specified in Part 1 of Schedule 1 and shall contain the information specified therein.
- 5.2 An application in respect of a TD&R Licence shall be made in the form specified in Part 2 of Schedule 1 and shall contain the information specified therein.
- 5.3 An application in respect of a Large Scale Self-Supply Licence shall be made in the form specified in Part 3 of Schedule 1 and shall contain the information specified therein.

6. Application Fees

- 6.1 Subject to paragraph 6.2, the prescribed fee in relation to an application of the description specified in the first column of the table in Schedule 2 shall be the corresponding fee specified in the second column of that table.
- 6.2 Where more than one fee would, but for this paragraph, be payable in respect of a particular application, the prescribed fee shall be the higher or highest such fee.

7. Publication of notice of application

- 7.1 In accordance with Section 21(3) of the EA, and subject to paragraph 7.2, upon receipt of a Proper Application for an Electricity Licence with the corresponding application fee as set out in Schedule 3, the Authority shall publish a notice on its Official Website and in the Gazette in respect of such application.
- 7.2 In accordance with Section 21(3) of the EA, the notice published under paragraph 7.1 shall state:
 - (a) the name of the applicant;
 - (b) the objects of the application;
 - (c) that the application will be available for viewing by any member of the public at the Authority's office;
 - (d) an invitation to the public to make comments;
 - (e) the period within which any comments in relation to the issue of the Electricity Licence may be lodged with the Authority;
 - (f) the address where any comments may be submitted (and that such comments may be made electronically); and

(g) such other particulars as may be determined by the Authority.

8. Application for Renewal of Electricity Licences

- 8.1 Applications for the renewal of Electricity Licences should be submitted with the information and documents required under section 4 above to the Authority at least six (6) months before the expiry of their existing licence.

9. Procedures for determination by the Authority of applications for Electricity Licences and applications for renewal of Electricity Licences

- 9.1 During the Assessment Period, the Authority may determine that the application contains an omission or any discrepancies which render it incomplete. In this event, pursuant to Section 22(2) of the EA, the Authority shall write to the applicant as soon as possible setting out what further information or documents need to be provided by the applicant to the Authority within the prescribed period. The Authority has a responsibility to ensure that licenses are awarded to entities and parties that can participate on a sustainable and viable basis in the Bermuda electricity sector. Therefore, the Authority may decide to request supplemental information in support of an application pursuant to Section 22(2) of the EA, including any information the Authority may deem necessary for an assessment of the technical and financial aspects of an applicant and application, as well as the operational and business competence of an applicant.
- 9.2 During the Assessment Period, the Authority shall be entitled to consider comments from members of the public, pursuant to the Authority's rules of practice and procedure regarding public consultations under Section 70 of the RAA.
- 9.3 Upon completion of its assessment, the Authority will decide whether it will:
- (a) grant an Electricity Licence with conditions; OR
 - (b) grant an Electricity Licence without conditions; OR
 - (c) propose to refuse the applicant's application for an Electricity Licence in which case 9.5 below applies.
- 9.4 The Authority may grant an Electricity Licence provided:
- (a) the applicant has paid the relevant application fee;
 - (b) the applicant has paid the required Government authorisation fees;

- (c) the Authority decides such grant is consistent with the purposes of the EA and any Ministerial directions made regarding the structure of the electricity sector pursuant to the EA;
- (d) the applicant has provided a Proper Application;
- (e) the applicant has provided any further information required by the Authority pursuant to 9.1 above.

9.5 The Authority may propose to refuse to grant an Electricity Licence if:

- (a) the applicant has failed to pay the relevant application fee;
- (b) the applicant has failed to pay the required Government authorisation fees;
- (c) the grant of such licence is not consistent with the purposes of the EA and any Ministerial directions made regarding the structure of the electricity sector pursuant to the EA;
- (d) any person(s) named in the application are disqualified to any extent from acting in connection with the affairs of any company;
- (e) any person(s) or entity named in the application are undischarged bankrupts, have been declared insolvent or are subject to a voluntary arrangement with creditors;
- (f) any person(s) or entity named in the application has an unspent criminal conviction;
- (g) any person(s) or entity named in the application has unsatisfied court judgment(s);
- (h) the applicant, or any person or entity named in the application has previously had a licence application refused or a licence revoked;
- (i) the applicant is insolvent;
- (j) the Authority considers information supplied to be false or misleading; and,
- (k) the applicant has failed to provide, when requested, additional information within the required time.

- 9.6 If the Authority proposes to refuse an application, the Authority will provide a written notice to the applicant. Such notice will state that the Authority proposes to refuse the application, the reasons why the Authority proposes to refuse the application and the time within which representations may be made by the applicant. The applicant will have 21 days from the date of the notice to make representations about why it disagrees with the Authority's proposal to refuse the application and to provide any further information required. The Authority shall consider any representations duly made. If the applicant does not make any representations within 21 days of the notice, or if after considering any representations, the Authority is still of the view that the application should be refused, the applicant will be notified in writing of the decision to refuse the licence. Such notification will, where no representations have been made, restate the reasons for the refusal of the application; and where representations were made, state the reasons for the refusal of the application, referring to the representations made where appropriate.
- 9.7 On granting an Electricity Licence, the Authority will send to the successful applicant a signed and sealed licence to its registered address.

10. **Effective Date**

This General Determination will become effective on the date on which it is published in the Gazette.

SCHEDULE 1
Part 1: Form of Application in respect of a Bulk Generation Licence

1 Purpose of the Application

- 1.1 Pursuant to Section 21(1) of the Electricity Act 2016 (the “EA ”), a person that wishes to obtain or renew a Bulk Generation Licence shall submit to the Authority an application in respect of such licence.
- 1.2 This is an Application to the Regulatory Authority (the “Authority”) for a Bulk Generation Licence. Under Section 20(1)(b) of the Electricity Act 2016 (the “EA”), a Bulk Generation Licence authorises the licence holder to engage in the bulk generation of electricity in Bermuda.

2 Applicant Information

In accordance with Section 23(1) of the EA, please provide the following information on the project and the project’s owners and officers.

2.1 Project Information

Name and registered address of applicant in full. In the case of a partnership or other joint venture (other than a body corporate), give the names and addresses of each party concerned	
Where the applicant is a body corporate: (i) the jurisdiction under which it is incorporated; and (ii) if applicable, its registered number.	
Name, address, facsimile number (where applicable), telephone number and electronic mail address of person to whom correspondence or enquiries concerning the application should be directed	
Is this an application to obtain a new licence or renew an existing licence?	

2.2 Information on project owners and officers

- (a) Provide the following information for all owners and officers of the site and project (this evidence may be submitted under confidential cover, pursuant to Sections 33 and 34 of the Regulatory Authority Act (the “RAA”)).

Legal name of person	Role (applicant, officer)	Principal business office address	Social Insurance number	Date of birth	Data Universal Numbering System (DUNS) number (applicant and owners only)

- (b) Describe each owner’s and each officer’s legal interests in the project.

Person	Legal Interests

- (c) Provide legal names for all of applicant’s Affiliates (including Affiliates of the applicant and the applicant’s owners). For the purpose of this paragraph 2.2(c), “Affiliate” means any entity that owns, or is owned by, another entity, as evidenced by the ownership of 25% or more of the shares, stock or other securities or voting rights of the owned entity, including through an agreement or arrangement of any type.

Entity	Affiliates
[name of applicant]	[list of affiliates of the applicant]
[Owner 1]	[list of affiliates of the applicant]
[Owner 2]	[list of affiliates of the applicant]

[Owner 3]

[list of affiliates of the firm]

- (d) Describe the technical experience of the applicant and its owners in designing, building, and/or operating similar projects, particularly in comparable jurisdictions.

Owner	Relevant Experience
[name of applicant]	[describe relevant experience]
[Owner 1]	[describe relevant experience]
[Owner 2]	[describe relevant experience]
[Owner 3]	[describe relevant experience]

3 Project Description

Describe the aspects of the project below.

3.1 Location of the proposed site

Provide the address of the proposed site Attach maps and photos as necessary.

3.2 Generating Units

- (a) Provide the information in the table below, for each proposed generating unit.

Unit Name	Technology	Fuel Source	Capacity (kW)	Est. Annual Gross Gen. (kWh)	Est. Annual Gen. Sold to Grid (kWh)	Est. Capacity Factor	Est. Economic Life

Total			[total capacity at site]	[total expected generation at site]			
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(b) Describe the maintenance schedule for the units.

Unit Name	Maintenance Schedule

(c) Provide information on self- consumption of electricity provided by the generating units for this project.

How much electricity generated by the project does the applicant plan to consume at its own facilities (kWh)	
Describe the facilities that will consume the electricity	
Describe the proposed facilities that will be used to connect the generating equipment to your facilities that will consume the electricity.	

3.3 Interconnection Facilities

Describe all interconnection facilities, such as power lines, substations, switchyards, and other transmission equipment, and right-of-way (if required). Attach technical plans or photos if necessary.

3.4 Fuel Characteristics

Describe the following fuel characteristics for the project.

What type or types of fuel will be used	
Company or companies that will supply the fuel (attach fuel supply agreement)	
Origin of fuel	
Description of facilities used to import and store (attach technical plans and/or photographs)	
Attach scenarios with projections of the amount of each fuel that the project will use	

3.5 Permits

- (a) In accordance with Section 23(1)(a) of the EA , provide evidence that the applicant has secured the necessary permits and approvals from the relevant [Government of Bermuda] agencies.

Approval needed	Agency	Has approval been granted (attach copy)?
Planning permission as required under the Companies Act 1981, the Development and Planning Act 1974, the Building Act 1988 and any other relevant legislation.	Development Applications Board	

Construction permits for controlled plant (pursuant to the Clean Air Act)	Department of Environmental Protection	
Building permit(s)	Department of Planning	
[other permissions]		

3.6 **Safety**

Describe the safety, emergency, and auxiliary systems that will ensure that the project can be built and operated safely. Attach relevant technical plans and safety and emergency procedures.

3.7 **Water supply routes and facilities**

Describe how the generating plant will obtain the water supply necessary for operations.

If this plan requires permits or approvals from an agency, provide documentation that these permits or approvals have been granted.

3.8 **Projected timeline and cost**

Submit:

- (a) a schedule detailing the expected project timeline, including design and engineering milestones, construction milestones, and expected in-service date; and
- (b) an estimate of the cost of developing the site, installing the proposed facilities, and operating the facilities over the estimated economic lifetime of the project.

4 **Business Plan and Audited Financial Statements**

Section 23(1)(c) of the EA requires that the applicant has demonstrated the necessary financial capacity to build and maintain the project.

Accordingly, attach a business plan and audited financial statements, as described below. You may submit these documents under confidential cover, pursuant to Sections 33 and 34 of the RAA.

4.1 Business Plan and financial information

The applicant must provide a business plan. The business plan must, at a minimum, describe:

- (a) The applicant's business goals, objectives, and mission;
- (b) The ownership structure of the applicant, and what experience the applicant and its owners have in developing and operating similar projects;
- (c) How the applicant will provide the energy, capacity, and other services it is contracted to provide under the Power Purchase Agreement ("PPA") (if necessary);
- (d) The resources that the applicant will use to provide its contracted services; and
- (e) The applicant's financial plan, including estimates for key financial indicators against which the applicant, its owners, and creditors will measure its financial performance.

In addition, the applicant must provide information and explanation as to how it will finance the proposed activities that would occur under a license.

4.2 Audited Financial Statements

Submit audited financial statements for the applicant and for each of its owners for the last three fiscal years. Applicant must submit financial statements prepared in accordance with International Financial Reporting Standards, or other generally accepted accounting principles as applicant may select with the Authority's written approval.

5 Executed PPA

In accordance with Section 23(2) of the EA:

- 5.1 Where the applicant is applying for a Bulk Generation Licence, it must submit copies of the PPA that it has negotiated and executed with the TD&R Licensee. These agreements may be submitted under confidential cover, pursuant to sections 33 and 34 of the RAA.

6 Evidence of Applicant's Probity

In accordance with Section 23(1)(d) of the EA, an applicant must submit evidence of its probity and suitability to be granted a licence. Applicant must submit signed, notarised attestations by its officers of their probity, using the language provided in Appendix A.

Appendix A: Attestation of Probity

Name of Person:

Name of Applicant:

Name of Project:

Title:

I certify that I am a fit a proper person to participate in electricity generation in Bermuda. I make this certification as part of **[name of applicant]**'s application for a Bulk Generation Licence.

Specifically, neither I nor my spouse or dependants has been convicted of any criminal conduct (within the meaning of the Proceeds of Crime Act 1997) that suggests that my participation in electricity generation is not in the best interests of Bermuda.

Further, neither I nor my spouse or dependants has any interest or affiliation that would, or would likely, cause the applicant to be in conflict with the best interest of Bermuda or the electricity sector if it held the Licence.

Signed _____

Dated _____

Part 2: Form of Application in respect of a TD&R Licence

1. Purpose of the Application

- 1.1 As described in Section 21(1) of the Electricity Act 2016 (the “EA”), a person that wishes to obtain or renew a TD&R Licence shall submit to the Authority an application in respect of such licence.
- 1.2 This is an Application to the Regulatory Authority (the “Authority”) for a TD&R Licence. As described in Section 20(1)(b) of the Electricity Act 2016 (the “EA”), a TD&R Licence authorises the licence holder to transmit, distribute and retail electricity and to purchase electricity from Bulk Generation Licensees and distributed generators.

2. Applicant Information

In accordance with Section 23(1) of the EA , please provide the following information on the project and the project’s owners and officers.

2.1 Project Information

Name and registered address of applicant in full. In the case of a partnership or other joint venture (other than a body corporate), give the names and addresses of each party concerned	
Where the applicant is a body corporate: (i) the jurisdiction under which it is incorporated; and (ii) if applicable, its registered number.	
Name, address, facsimile number (where applicable), telephone number and electronic mail address of person to whom correspondence or enquiries concerning the application should be directed	
Is this an application to obtain a new licence or renew an existing licence?	

2.2 Information on project owners and officers

- (a) Provide the following information for all owners and officers of the site and project. (This evidence may be submitted under confidential cover, pursuant to Sections 33 and 34 of the Regulatory Authority Act (the “RAA”).

Legal name of person	Role (applicant, officer)	Principal business office address	Social Insurance number	Date of birth	Data Universal Numbering System (DUNS) number (applicant and owners only)

- (b) Describe each owner’s and each officer’s legal interests in the project.

Person	Legal Interests

- (c) Provide legal names for all of applicant’s affiliates (including affiliates of the applicant and the applicant’s owners).

Entity	Affiliates
[name of applicant]	[list of affiliates of the applicant]

[Owner 1]	[list of affiliates of the applicant]
[Owner 2]	[list of affiliates of the applicant]
[Owner 3]	[list of affiliates of the applicant]

- (a) Describe the technical experience of the applicant and its owners in designing, building, and/or operating similar projects, particularly in comparable jurisdictions.

Owner	Relevant Experience
[name of applicant]	[describe relevant experience]
[Owner 1]	[describe relevant experience]
[Owner 2]	[describe relevant experience]
[Owner 3]	[describe relevant experience]

3. Permits

- 3.1 In accordance with Section 23(1)(a) of the EA, provide evidence that applicant has secured the necessary permits and approvals from the relevant [Government of Bermuda] agencies.

Approval needed	Agency	Has approval been granted (attach copy)?
Planning permission as required under the Companies Act 1981, the Development and Planning Act 1974, the Building Act 1988 and any other relevant legislation.	Development Applications Board	
Construction permits for controlled plant (pursuant to the Clean Air Act)	Department of Environmental Protection	
Building permit(s)	Department of Planning	

[other permissions]

4. **Safety**

Describe the safety, emergency, and auxiliary systems that will ensure that the project can be built and operated safely. Attach relevant technical plans and safety and emergency procedures.

5. **Business Plan and Audited Financial Statements**

Section 23(1)(c) of the EA requires that the applicant has demonstrated the necessary financial capacity to build and maintain the project.

Accordingly, attach a business plan and audited financial statements, as described below. Applicant may submit these documents under confidential cover, pursuant to Sections 33 and 34 of the RAA.

5.1 **Business Plan**

The applicant must provide a business plan. Such business plan must, at a minimum, describe:

- (a) The applicant's business goals, objectives, and mission;
- (b) The ownership structure of the applicant, and what experience the applicant and its owners have in developing and operating similar projects;
- (c) The resources that the applicant will use to provide its contracted services; and
- (d) The applicant's financial plan, including estimates for key financial indicators against which the applicant, its owners, and creditors will measure its financial performance.

In addition, the applicant must provide information and explanation as to how it will finance the proposed activities under the licence.

5.2 **Audited Financial Statements**

Submit audited financial statements for the applicant and for each of its owners for the last three fiscal years. You must submit financial statements prepared in accordance with International Financial Reporting Standards, or other generally accepted accounting principles as applicant may select with the Authority's written approval.

6. Evidence of Applicant's Probity

In accordance with Section 23(1)(d) of the EA , an applicant must submit evidence of its probity and suitability to be granted a licence. Applicant must submit signed, notarised attestations by its officers of their probity, using the language provided in Appendix A.

Appendix A: Attestation of Probity

Name of Person:

Name of Applicant:

Name of Project:

Title:

I certify that I am a fit a proper person to participate in electricity generation in Bermuda. I make this certification as part of **[name of applicant]**'s application for a TD&R Licence.

Specifically, neither I nor my spouse or dependants has been convicted of any criminal conduct (within the meaning of the Proceeds of Crime Act 1997) that suggests that my participation in electricity generation is not in the best interests of Bermuda.

Further, neither I nor my spouse or dependants has any interest or affiliation that would, or would likely, cause the applicant to be in conflict with the best interest of Bermuda or the electricity sector if it held the Licence.

Signed _____

Dated _____

Part 3: Form of Application in respect of a Large Scale Self-Supply Licence

1 Purpose of the Application

- 1.1 Pursuant to Section 21(1) of the Electricity Act 2016 (the “EA ”), a person that wishes to obtain or renew a Large Scale Self-Supply Licence shall submit to the Authority an application in respect of such licence.
- 1.2 This is an Application to the Regulatory Authority (the “Authority”) for a Large Scale Self-Supply Licence. Under Section 20(1)(c) of the Electricity Act 2016 (the “EA”), a Large Scale Self-Supply Licence authorises the licence holder to engage in the large scale self-supply of electricity in Bermuda.

2 Applicant Information

In accordance with Section 23(1) of the EA, please provide the following information on the project and the project’s owners and officers.

2.1 Project Information

Name and registered address of applicant in full. In the case of a partnership or other joint venture (other than a body corporate), give the names and addresses of each party concerned	
Where the applicant is a body corporate: (i) the jurisdiction under which it is incorporated; and (ii) if applicable, its registered number.	
Name, address, facsimile number (where applicable), telephone number and electronic mail address of person to whom correspondence or enquiries concerning the application should be directed	
Is this an application to obtain a new licence or renew an existing licence?	

2.2 Information on project owners and officers

- (a) Provide the following information for all owners and officers of the site and project (this evidence may be submitted under confidential cover, pursuant to Sections 33 and 34 of the Regulatory Authority Act (the “RAA”)).

Legal name of person	Role (applicant, officer)	Principal business office address	Social Insurance number	Date of birth	Data Universal Numbering System (DUNS) number (applicant and owners only)

- (b) Describe each owner’s and each officer’s legal interests in the project.

Person	Legal Interests

- (c) Provide legal names for all of applicant’s Affiliates (including Affiliates of the firm and the firm’s owners). For the purpose of this paragraph 2.2(c), “Affiliate” means any entity that owns, or is owned by, another entity, as evidenced by the ownership of 25% or more of the shares, stock or other securities or voting rights of the owned entity, including through an agreement or arrangement of any type.

Entity	Affiliates
[name of applicant]	[list of affiliates of the applicant]
[Owner 1]	[list of affiliates of the applicant]
[Owner 2]	[list of affiliates of the applicant]
[Owner 3]	[list of affiliates of the applicant]

- (d) Describe the technical experience of the applicant and its owners in designing, building, and/or operating similar projects, particularly in comparable jurisdictions.

Owner	Relevant Experience
[name of applicant]	[describe relevant experience]
[Owner 1]	[describe relevant experience]
[Owner 2]	[describe relevant experience]
[Owner 3]	[describe relevant experience]

3 Project Description

Describe the aspects of the project below.

3.1 Location of the proposed site

Provide the address of the proposed site Attach maps and photos as necessary.

3.2 Generating Units

- (a) Provide the information in the table below, for each proposed generating unit.

Unit Name	Technology	Fuel Source	Capacity (kW)	Est. Annual Gross Gen. (kWh)		Est. Capacity Factor	Est. Economic Life
Total			[total capacity at site]	[total expected generation at site]			

(b) Describe the maintenance schedule for the units.

Unit Name	Maintenance Schedule

(c) Provide information on the load demands that will be serviced by the generating units for this project.

Describe the facilities that will consume the electricity	
Describe the proposed facilities that will be used to connect the generating equipment to your facilities that will consume the electricity.	

d) Describe the contingency plans in the event that the generating units fail to meet the required load.

3.3 Fuel Characteristics

Describe the following fuel characteristics for the project.

What type or types of fuel will be used	
Company or companies that will supply the fuel (attach fuel supply agreement)	
Origin of fuel	
Description of facilities used to import and store (attach technical plans and/or photographs)	
Attach scenarios with projections of the amount of each fuel that the project will use	

3.4 Permits

- (a) In accordance with Section 23(1)(a) of the EA , provide evidence that you have secured the necessary permits and approvals from the relevant [Government of Bermuda] agencies.

Approval needed	Agency	Has approval been granted (attach copy)?
Planning permission as required under the Companies Act 1981, the Development and Planning Act 1974, the Building Act 1988 and any other relevant legislation.	Development Applications Board	
Construction permits for controlled plant (pursuant to the Clean Air Act)	Department of Environmental Protection	
Building permit(s)	Department of Planning	
[other permissions]		

3.5 **Safety**

Describe the safety, emergency, and auxiliary systems that will ensure that the project can be built and operated safely. Attach relevant technical plans and safety and emergency procedures.

3.6 **Water supply routes and facilities**

Describe how the generating plant will obtain the water supply necessary for operations.

If this plan requires permits or approvals from an agency, provide documentation that these permits or approvals have been granted.

3.7 **Projected timeline and cost**

Submit:

- (a) a schedule detailing the expected project timeline, including design and engineering milestones, construction milestones, and expected in-service date; and
- (b) an estimate of the cost of developing the site, installing the proposed facilities, and operating the facilities over the estimated economic lifetime of the project.

4 **Business Plan and Audited Financial Statements**

Section 23(1)(c) of the EA requires that the applicant has demonstrated the necessary financial capacity to build and maintain the project.

Accordingly, attach a business plan and audited financial statements, as described below. You may submit these documents under confidential cover, pursuant to Sections 33 and 34 of the RAA.

4.1 **Business Plan and Financial Information**

The applicant must provide a business plan. The business plan must, at a minimum, describe:

- (a) The applicant's business goals, objectives, and mission;
- (b) The ownership structure of the applicant, and what experience the applicant and its owners have in developing and operating similar projects;

- (c) The resources that the applicant will use to provide its contracted services; and
- (d) The applicant's financial plan, including estimates for key financial indicators against which the applicant, its owners, and creditors will measure its financial performance.

In addition, the applicant must provide information and explanation as to the how it will finance the proposed activities that would occur under a license.

4.2 Audited Financial Statements

Submit audited financial statements for the applicant and for each of its owners for the last three fiscal years. You must submit financial statements prepared in accordance with International Financial Reporting Standards, or other generally accepted accounting principles as you may select with the Authority's written approval.

5 Evidence of Applicant's Probity

In accordance with Section 23(1)(d) of the EA, an applicant must submit evidence of its probity and suitability to be granted a licence. You must submit signed, notarised attestations by your officers of their probity, using the language provided in Appendix A.

Appendix A: Attestation of Probity

Name of Person:

Name of Applicant:

Name of Project:

Title:

I certify that I am a fit a proper person to participate in the electricity generation in Bermuda. I make this certification as part of **[name of applicant]**'s application for a TD&R Licence.

Specifically, neither I nor my spouse or dependants has been convicted of any criminal conduct (within the meaning of the Proceeds of Crime Act 1997) that suggests that my participation in electricity generation is not in the best interests of Bermuda.

Further, neither I nor my spouse or dependants has any interest or affiliation that would, or would likely, cause the applicant to be in conflict with the best interest of Bermuda or the electricity sector if it held the Licence.

Signed _____

Dated _____

Schedule 2

Application Fees

Description of Application	Fee Payable (\$)
Bulk Generation Licence	
TD&R Licence	
Large Self-Supply Licence	