



**ELECTRICITY INDUSTRY ACT 2000
APPLICATION FOR AN ELECTRICITY RETAIL LICENCE**

**CEP Energy Retail Pty Ltd
ACN 658 178 404**

RECORD OF DECISION

14 May 2024

SUMMARY

Pursuant to the provisions of section 19(1) of the Electricity Industry Act 2000 (Vic) (Industry Act) the Essential Services Commission (the commission) has granted CEP Energy Retail Pty Ltd (ACN 658 178 404) a licence to sell electricity by retail to CEP Energy Pty Ltd (ACN 632 035 575) and business customers in embedded networks only in Victoria.

BACKGROUND

Requirement to obtain a Licence

Section 16(1) of the Industry Act provides that a person must not engage in the generation of electricity for supply or sale or the transmission, distribution, supply or sale of electricity, unless the person is:

- (a) the holder of a licence authorising the relevant activity;
- (b) is exempted from the requirement to obtain a licence in respect of the relevant activity; or
- (c) is the holder of a trial waiver in respect of the relevant activity.

CEP Energy Retail Pty Ltd is not exempted from the requirement to obtain a licence in respect of the relevant activity.

Entitlement to apply for a Licence

Section 18(1)(d) of the Industry Act provides that a person may apply to the commission for the issue of a licence authorising the person to sell electricity.

The application

On 30 June 2023, CEP Energy Retail Pty Ltd submitted an application to the commission for a licence authorising it to sell electricity by retail to business customers whose annual aggregate consumption is likely to be greater than 40 MWh per year only in Victoria. CEP Energy Retail Pty Ltd subsequently submitted an updated version of its licence application on 18 January 2024.

Consistent with the requirements of the commission's 'Guide to Applications for Electricity and Gas Industry Licences', CEP Energy Retail Pty Ltd has provided the commission with documentation supporting the application.

In particular, CEP Energy Retail Pty Ltd presented information to provide assurance concerning its technical capacity and its financial viability to undertake the relevant activity.

On 29 February 2024, the commission published a copy of the application, and invited interested parties to make submissions in respect of the application.

The commission received one non-confidential submission and two confidential submissions regarding the application.

CONSIDERATION OF THE APPLICATION

Section 19(1) of the Industry Act provides that the commission may grant or refuse the application for any reason it considers appropriate, having regard to the objectives of the commission under the provisions of the Industry Act and the Essential Services Commission Act 2001 (Vic) (ESC Act).

DECISION

The commission is satisfied that CEP Energy Retail Pty Ltd:

- has the technical capacity to comply with the conditions of the licence to be granted;
- has the financial resources to carry out the licensed activities; and
- is a fit and proper person to hold a licence to sell electricity in Victoria.

In accordance with section 19(1) of the Industry Act, and having regard to its objectives under the ESC Act and the Industry Act, the commission has decided to grant CEP Energy Retail Pty Ltd a licence to sell electricity by retail in Victoria, subject to conditions specified in the licence.

The authorisation granted by the licence does not permit the sale of electricity to residential customers.

THE COMMON SEAL
of the ESSENTIAL
SERVICES COMMISSION
was affixed pursuant to the
authority of the Commission
on 14 May 2024

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A handwritten signature in blue ink, appearing to read "S. Bhojani".

Sitesh Bhojani
Acting Chairperson