



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

**OVO Energy Pty Ltd
(ACN 623 475 089)**

RECORD OF DECISION

25 June 2020

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 OVO Energy Pty Ltd (ACN 623 475 089) (**OVO Energy**) a licence to sell electricity by retail 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; or
- (b) is exempted from the requirement to obtain a licence in respect of the relevant activity.

Entitlement to apply for a Licence

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

The applicant

On 2 August 2019, OVO submitted an application to the commission for a licence authorising it to sell electricity by retail.

The application

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

In particular, OVO Energy presented information to provide assurance concerning its technical capacity and its financial viability.

On 6 April 2020, the commission published a copy of the application, and invited interested parties to make submissions in respect of the application.

The commission did not receive any 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) (Commission Act).

DECISION

The commission is satisfied that OVO Energy:

- has the technical capacity to comply with the conditions of the licence to be granted;
- has the financial resources to sustainably operate the proposed retail business in compliance with the conditions of the licence; 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 Commission Act and the Industry Act, the commission has decided to grant OVO Energy a licence to sell electricity in Victoria, subject to conditions specified in the licence. The authorisation granted by the licence does not permit the sale of electricity through the wholesale market.

**THE COMMON SEAL
of THE ESSENTIAL
SERVICES COMMISSION**
was affixed pursuant to the
authority of the Commission
on 25 June 2020

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Kate Symons
Chairperson

