

	<b>Licence Requirement for Electricity Trading</b>	<b>Doc. Type.</b>	Form
		<b>Doc. No.</b>	LN.FM-025
		<b>Issue Date</b>	2024-01-26
		<b>Revision No.</b>	00
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This **Checklist** should be completed and submitted together with **“Form I – Application Form”**

This **Checklist** should be filled by an entity or company engaged in the buying and selling of electricity through the local market and cross border trade (import and export) without directly interfacing with the electricity end users or consumers. Entities intending to interface directly with the end users or customers should apply for **“Electricity Supply Licence”** which grants the holder the right to provide electricity services to end-users or consumers, such as homes, businesses, and industries

### Instructions

1. Read Energy Regulation (General) Regulations 2023 before completing this form
2. Use capital letters and where applicable mark
3. This checklist has nine (9) parts.
  - a. For initial application, applicants must complete parts: **A,B,C,D,E,F, H&I**
  - b. For renewal application, applicants must complete parts: **A,G,H&I**
4. Use a separate application form for each project.

### A. Application Particulars

Name of Applicant \_\_\_\_\_

Please mark  to select type of entity or specify in “other”

- Limited Liability Company    
  Partnership    
  Sole Trader    
  Body Corporate  
 Trust    
 Other (please specify) \_\_\_\_\_

Entity’s Registration Number \_\_\_\_\_

ZRA Taxpayer Identification Number \_\_\_\_\_

ERB (application fee) Receipt Number \_\_\_\_\_

Please mark  to select type of application

Initial <input type="checkbox"/>	Renewal <sup>1</sup> <input type="checkbox"/>	Amendment <sup>2</sup> <input type="checkbox"/>
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### B. Financial Information


**Please provide the projected total cost of investment in the activities to be Licenced**

Amount in Figures	
Amount in Words	

<b>Proof of funds for working capital</b>	Mark <input checked="" type="checkbox"/> where applicable
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<sup>1</sup> Please go to **“Section J”** to complete the information required for renewal

<sup>2</sup> Please complete only the applicable section of the checklist being amended.

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Line of credit from a financial institution	<input type="checkbox"/>
Letter of sponsorship/financing	<input type="checkbox"/>
Latest Bank statement (Not later than 3 months)	<input type="checkbox"/>
Grants	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

- a) Please submit a financial model detailing the cost components used in the determination of the electricity tariff (*wheeling charges, transmission pricing model, etc.*).
- b) Please submit annual forecasts for the duration of the project (*operation*) indicating costs, sales and revenues generated by the project, stating the technical, financial, and economic assumptions underlying the figures.
- c) Provide estimates of net annual cash flows for the estimated life span of the power which should be sufficient to demonstrate the financial viability and technical feasibility of conducting electricity trading.
- d) Project financing: Please provide details of who will fund the project, and how the project will be financed including the components (*debt, equity, export credits, bonds, etc.*).

### C. Commercial Aspects of Electricity Trading

**Areas of Operation:** *(Please provide a sufficient description of the area of operation to which the application relates e.g. local market, SAPP, other cross border trade, etc)*

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Please state the aspects of trading to be covered by the licence

Energy <input type="checkbox"/>	Capacity <input type="checkbox"/>	Ancillary Services <input type="checkbox"/>
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Please provide the names (source) that will provide the power to be traded by the applicant

Source <sup>3</sup>	Generator	Local Trading	Imports <sup>4</sup>	SAPP
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>3</sup> Please provide names of entities providing the trader with electricity

<sup>4</sup> Electricity from cross border trade other than SAPP market

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Please provide the names (customer) that will be sold the electricity traded by the applicant

Customer	SAPP	Export <sup>5</sup>	National grid licensee(s)		
			Transmission	Distribution	Supply

**D. Competitive Market Trading** (projected five-year trading volumes)

Year	1	2	3	4	5
Energy (MWh)					
Capacity (MW)					

**E. Long Term Commercial Contracts** (not applicable to spot market and emergency power)

Please note that Section 17 of the Electricity Act No. 11 of 2019 requires an enterprise that intends to purchase or sell electricity outside the Republic to apply to the Minister for approval except where electricity is purchased or sold on a competitive spot market or is required for emergency purposes

Trading Party	Contract				
	Energy (MWh)	Capacity (MW)	Ancillary Service	Model <sup>6</sup>	Tenure (Years)

Has the applicant obtained approval from the Minister of Energy? Yes  No

**F. Material Agreements**

Please state types of agreements entered, or intended to be entered, by the applicant that are material to the undertaking of the electricity activity. Agreements that are material to the undertaking of the electricity trading activity may include:

Agreements	Applicable	NA
Wheeling Agreements	<input type="checkbox"/>	<input type="checkbox"/>

<sup>5</sup> Cross border power sales done other than through SAPP market

<sup>6</sup> Please indicate if the applicant is a “seller” or “buyer” in the contract.

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Power Purchase Agreement / Power Supply Agreement	<input type="checkbox"/>	<input type="checkbox"/>
Use of System Agreement	<input type="checkbox"/>	<input type="checkbox"/>
Approval from the Minister ( <i>Not applicable to trading in competitive markets</i> )	<input type="checkbox"/>	<input type="checkbox"/>

### G. Application for Renewal

<b>Please provide the following details of the current licence</b>			
Current Licence No			
Issue Date		Expiry Date	
Are there any outstanding liabilities on the current licence?			Yes <input type="checkbox"/> No <input type="checkbox"/>

<b>State the “Net Worth<sup>7</sup> of the Enterprise” at the time of renewing the application</b> (Use audited financial statements not older than 2 years)	
Amount in words	
Amount in figures	

<b>Please provide any other details in support of the application, if any?</b>

### H. Declaration by Applicant

I (full name in block letters) \_\_\_\_\_  
 declare that the particulars, details and information given in this Application Form are true and correct to the best of my knowledge

\_\_\_\_\_

**Signature** **Date**

### I. Appendices (Please attach the following to your application where applicable)

Requirement	Y	N	NA
Wheeling Agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Power Purchase Agreement / Power Supply Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Use of System Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>7</sup> Net Worth = Non-Current Assets (A) + Current Assets(B) - Current Liabilities(C) [D = A+B-C]

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Approval from the Minister ( <i>Not applicable to trading in competitive markets</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**FOR OFFICIAL USE ONLY**

<b>Review of the Application</b>

**Recommendation**     Approval                       Reject                       Request for information

<b>Reason(s) or Condition(s) for the Recommendation</b>

**Reviewed by** \_\_\_\_\_ **Sign** \_\_\_\_\_ **Date** \_\_\_\_\_

**Checked by** \_\_\_\_\_ **Sign** \_\_\_\_\_ **Date** \_\_\_\_\_

**Approved by** \_\_\_\_\_ **Sign** \_\_\_\_\_ **Date** \_\_\_\_\_