

Date: 13 July 2022

Dear Stakeholder,

Notice of the Commission's decision on the temporary suspension of retail licence applications

The Commission published on 15 June 2022 a consultation outlining its proposed interim approach to retail licence applications. In light of the issues identified, the Commission proposed that, it should apply a temporary suspension of new and existing applications, for general licences and specialist licences, until the Market Health Check (**MHC**) processes have been fully scoped and implemented.

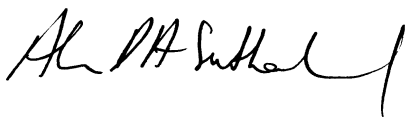
The Commission invited stakeholders to comment on the proposed approach to licensing and received responses from one Licensed Provider, Scottish Water, Consumer Scotland and one licence applicant. We would like to thank all stakeholders for their comments.

The majority of respondents have expressed their support for the Commission's proposal in light of the implementation of the MHC process. One respondent has expressed their disappointment about the temporary suspension but confirmed its commitment to the process.

Having carefully considered all representations made by stakeholders and in views of its functions and duties, the Commission is confirming its decision to suspend temporarily the consideration of general and specialist licence applications until the MHC processes will be fully implemented. The MHC remains critical in allowing the Commission to satisfy itself that any new licence applicant has the appropriate operational and financial capability required to actively participate in the market. The Commission therefore believes that the temporary suspension is consistent with its duty to ensure an orderly functioning of the market.

This document has been sent to Scottish Government, the Central Market Agency, Scottish Water, Consumer Scotland, all Licensed Providers, licence applicants and all parties who responded to the consultation. This document can also be accessed on the Commission's website at: <https://wics.scot/consultations/retail-market-consultations/decisions>

Yours sincerely,



Alan D A Sutherland
Chief Executive Officer