

## **Website notice for unsecured creditors / customers**

We hereby notify you of our intention to make an application to Court for an order that unpaid pre-energy supply company administration costs incurred by the Energy Administrators before Bulb Energy Limited (the “**Company**”) entered into energy supply company administration (the “**Esc Administration**”), but with a view to its doing so (“**Unpaid Pre-Administration Costs**”), be approved for payment as an expense of the Esc Administration.

In simple terms, the Energy Administrators are asking the Court for permission to draw down sums from an administration funding agreement dated 24 November 2021 (the “**Funding Agreement**”) entered into with the Secretary of State for Business, Energy and Industrial Strategy (“**BEIS**”) to pay fees and expenses incurred by the Energy Administrators prior to (and in preparation for) their appointment.

The total Unpaid Pre-Administration Costs for which the Energy Administrators will seek approval is £3,181,920.67 (plus VAT). The total amount of Unpaid Pre-Administration Costs was previously notified to creditors in the Energy Administrators’ proposals dated 19 January 2022. BEIS has given its consent to the payment of that amount. However, we are also required by Rule 37 of the Energy Supply Company Administration Rules 2013 to make an application to Court for approval before any payments in respect of the costs may be made.

The application will be supported by evidence setting out, *inter alia*, the background to the Esc Administration; the basis upon which the application is made; and the matters to be considered by the Court in approving the Unpaid Pre-Administration Costs, including a description of the work undertaken by the Energy Administrators, their staff and their advisers in incurring the fees we now seek to recover.

The outcome of the application will have no bearing on the position of the unsecured creditors of the Company. This is because the Esc Administration is funded by amounts advanced by BEIS and drawn down under the Funding Agreement. Those amounts are repayable as an expense of the Esc Administration, meaning that they must be repaid in full before any unsecured creditors are entitled to receive distributions from the estate. The Energy Administrators are firmly of the view that there will be insufficient sums generated from the sale of the Company, its business or assets to repay in full the amounts owed to BEIS.

Further, and importantly, the application will have no impact upon the provision of services to customers nor upon the price customers pay for their energy. Any credit balances held by the Company for customers continue to be protected in the normal way.

The Energy Administrators intend to ask that the Court determine the application on the papers (i.e., without a formal Court hearing). That is principally because BEIS is the only party with a potential interest in the outcome of the application, and BEIS has already approved the quantum of Unpaid Pre-Administration Costs. Accordingly, the Energy Administrators consider that incurring further time and cost preparing for a hearing is unlikely to be for the benefit of the estate.

If you have any questions or concerns about the application, or if you require further information, please let us know as soon as possible and in any event by no later than Friday 9 September 2022 by sending an email to [tom.mann@teneo.com](mailto:tom.mann@teneo.com). We intend to issue the application shortly thereafter.

The Energy Administrators will publish a further update on the outcome of the application in due course.