

AM10

Notice of administrator's progress report



Companies House

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1 Company details

Company number 08469555

Company name in full Bulb Energy Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Matthew James

Surname Cowlishaw

3 Administrator's address

Building name/number The Colmore Building

Street 20 Colmore Circus Queensway

Post town Birmingham

County/Region

Postcode B46AT

Country

4 Administrator's name ①

Full forename(s) Matthew David

Surname Smith

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Colmore Building

Street 20 Colmore Circus Queensway

Post town Birmingham

County/Region

Postcode B46AT

Country

② Other administrator
Use this section to tell us about
another administrator.

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Period of progress report

From date	^d 2	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3	
To date	^d 2	^d 3	^m 1	^m 1	^y 2	^y 0	^y 2	^y 3	

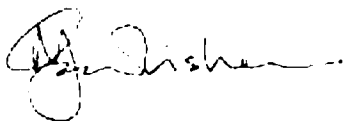
7

Progress report

☒ I attach a copy of the progress report

8

Sign and date

Administrator's signature	Signature X  X								
Signature date	^d 2	^d 2	^m 1	^m 2	^y 2	^y 0	^y 2	^y 3	

AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Arjan Beghal**

Company name **Teneo Financial Advisory Ltd**

Address **The Colmore Building**

20 Colmore Circus Queensway

Post town **Birmingham**

County/Region

Postcode **B 4 6 A T**

Country

DX

Telephone **+44 121 619 0120**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



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The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

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Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Daniel Francis
Surname Butters

3 Insolvency practitioner's address

Building name/number The Colmore Building
Street 20 Colmore Circus Queensway
Post town Birmingham
County/Region
Postcode B 4 6 A T
Country



The Global CEO Advisory Firm

Court Case No. 2181 of 2021
High Court of Justice, Chancery Division, Business
Property Courts of England and Wales
Company Number: 08469555

Registered Office: c/o Teneo Financial Advisory Limited,
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT






Bulb Energy Ltd - in energy supply company administration (“energy administration”) (“the Company”)

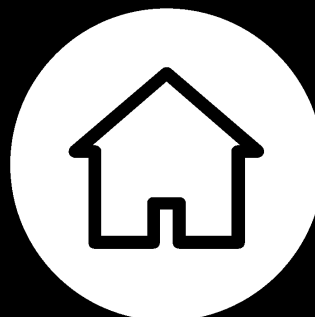
**Progress report to creditors for the period 24 May 2023 to 23 November 2023 pursuant to rule 33 of the
Energy Supply Company Administration Rules 2013 (“the Rules”)**

21 December 2023

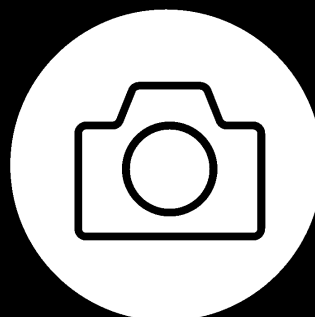
Matthew James Cowlshaw, Matthew David Smith and Daniel Francis Butters (“the Joint Energy Administrators”) were appointed Joint Energy Administrators of Bulb Energy Limited by Order of the Court dated 24 November 2021 on the application of the Gas & Electricity Markets Authority (“GEMA”) of 10 South Colonnade, Canary Wharf, London, E14 4PU with the consent of the Secretary of State (the “SoS”) of Department for Energy Security and Net Zero (DESNZ), formerly Department for Business, Energy and Industrial Strategy (BEIS). The affairs, business and property of the Company are managed by the Joint Energy Administrators. The Joint Energy Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purpose of section 158(5) of the Energy Act 2004 (as applied by section 96(1) of the Energy Act 2011), each of the joint energy administrators may exercise or perform any of the powers and duties conferred on them jointly or individually.

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Key messages



Key messages

Joint Energy Administrators of the Company

Matthew James Cowlshaw

Matthew David Smith

Daniel Francis Butters

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The Colmore Building

20 Colmore Circus

Queensway

Birmingham

B4 6AT

Contact details

Email: bulbcreditors@teneo.com

Website: <https://www.ips-docs.com/case/BULBE00011/TeneoRS2021>

Tel: +44 121 619 0153



	Commentary
Objectives of the Energy Administration	<p>The objective of the Energy Administration is, in summary, to secure that:</p> <ol style="list-style-type: none">1. energy supplies are continued at the lowest cost which it is reasonably practicable to incur; and2. it becomes unnecessary, by one or both of the following means, for the Energy Administration order to remain in force for that purpose. Those means are:<ul style="list-style-type: none">– the rescue as a going concern of the Company; or– the transfer as a going concern of so much of that undertaking as it is appropriate to transfer for the purpose of achieving the objective of the Energy Administration to:<ul style="list-style-type: none">o another company, oro two or more different companies.
Progress of the Energy Administration	<ul style="list-style-type: none">• Following the transfer of certain of the Company's business assets and liabilities to Octopus Energy Operations Limited (formerly named Bulb UK Operations Limited) ("HiveCo") and the transfer of HiveCo's shares to a subsidiary of Octopus Energy Group Limited (the "Purchaser") (the "Sale"), which completed on 20 December 2022 ("Completion"), the second part of the Energy Administration objective (of achieving a going concern transfer) has been substantially achieved. During the period of this report, the Joint Energy Administrators ("JEAs") have focused on resolving post Completion matters, including monitoring the performance of HiveCo, and its ability to pay amounts owed to Bulb pursuant to the transaction documents (and which will ultimately be applied by Bulb primarily to repay the Government funding used to facilitate the Sale).• As outlined in our previous report, on 31 March 2023 the Court handed down judgement rejecting the Judicial Review ("JR") challenges brought by the Claimant ESCs. Permission to appeal the decision was requested by two of the three Claimants on 6 April 2023, with a short permission to appeal hearing listed for 19 December 2023 (in which the Energy Administrators are not required to participate). A further update on the outcome of the hearing will be provided in the next progress report.• As part of the Sale, the Company entered into a 12 month Transitional Services Agreement ("TSA") with HiveCo. The Joint Administrators' team have continued to administer the TSA in the reporting period and have liaised with HiveCo to terminate or novate supplier contracts as required. We have continued to provide monthly TSA invoices to recharge costs and in the period have begun a review of HiveCo's interim TSA reconciliation. At the end of the reporting period there remains only 6 suppliers under the TSA.• Upon Completion, HiveCo was granted a 12-month licence to occupy ("LTO") the Bulb office premises at 155 Bishopsgate. The premises were formally vacated on 25 July 2023 and all outstanding payments under the LTO to this date have been settled. Third party agents were engaged in the period to value and sell any items of value.• Under the Share Purchase Agreement entered into as part of the Sale it was agreed that an interim consideration adjustment be undertaken 120 days following Completion, in order to take account of updated information such as meter readings ("Interim Consideration Adjustment").• This process was broadly completed during the period of this report resulting in an additional £24m paid by the Purchaser to the Company on 8 September 2023 on account of the Interim Consideration Adjustment.

Key messages

Joint Energy Administrators of the Company

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Contact details

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Website: <https://www.ips-docs.com/case/BULBE0001/TeneoRS2021>
Tel:+44 121 619 0153

	Commentary
Progress of the Energy Administration (cont'd)	<ul style="list-style-type: none">Following agreement in late November 2023 (beyond the period of this report), HiveCo agreed to pay a further £13m in relation to VAT treatment of Customer Credit and Debtor balances within the Interim Consideration Adjustments. Discussions are ongoing and we expect a further payment to be made to Bulb in due course in respect of one remaining disputed item.On 3 November 2023 we received HiveCo's draft profit share calculation (for the period from Completion to 30 April 2023), which is currently being reviewed. We will provide an update on the process in our next progress report.We continue to finalise various Compliance and other matters in the post Completion phase of the Energy Administration as detailed further on pages 8 & 9.No further amounts were drawn down under the existing Trading Facility under the AFA during the period of this report. The total drawn down under the AFA under the Trading Facility since the start of the Energy Administration remains at £1.14bn. No further amounts have been drawn under the post completion facility, the total drawn amount remains at £1.79bn.Following a successful mediation process we reached an agreement with the Secured Creditor in respect of various claims or potential claims (including in relation to asserted fixed charge rights). The agreement provides for: (i) a cash payment to be made totalling £9m in December 2023; and (ii) the subordination of a portion of the government's AFA claim behind a portion (expected to be up to £16m) of the Secured Creditor's floating charge claim in line with a mechanism already existing in the AFA. Any distribution in respect of the Secured Creditor's elevated floating charge claim is subject to there being sufficient funds available in the estate; such funds are expected to be available upon receipt of the WAMA proceeds from HiveCo (expected in September 2024).
Estimated Timescale	<ul style="list-style-type: none">The Company will remain in Energy Administration until such time as any actions required to be taken by the JEAs or the Company following the Sale have been completed, including ensuring that the terms of the Sale have been adhered to by the Purchaser / HiveCo.As set out in our previous report, the Sale completed on 20 December 2022 and final payment of all amounts due by the Purchaser to the Company is expected by September 2024 (with the potential for a deferral to September 2025, if certain criteria for deferral are met).It is anticipated that once all amounts due by the Purchaser / HiveCo to the Company have been paid, the Energy Administration will close following a period to resolve any other outstanding matters, expected to be c.12 months. Upon closing the administration the JEAs would need to apply to the court to discharge their duties.



Key messages

Joint Energy Administrators of the Company

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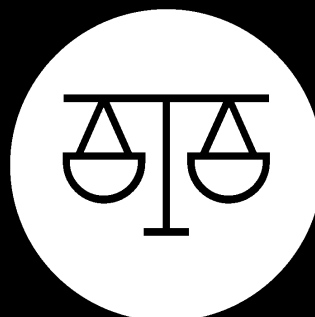
	Commentary
Estimated Costs of the Energy Administration	<ul style="list-style-type: none">A request for approval was made to DESNZ on 8 June 2023 in respect of our remuneration for the period 3 September 2022 to 31 March 2023 for approximately £12.4m (plus VAT) (the “Second Remuneration Application”). Approval was granted by DESNZ on 28 June 2023. It is nonetheless necessary under the applicable legislation to seek approval from the Court.On 18 August 2023 the Second Remuneration Application was submitted to the Court. As per the Court order dated 24 February 2023, the Joint Energy Administrators drew 75% of the amount sought (c.£11.1m) on 21 August 2023.An initial hearing of the application was heard on 16 October 2023 by Chief ICC Judge Briggs, who acceded to the Joint Administrators’ request that an independent cost assessor be appointed (the “Assessor”) to assist the Court by carrying out a review in relation to the fixing of the remuneration sought by the Joint Energy Administrators. Please see page 15 for further details.Professional fees of £1.8m (incl. VAT) were incurred in the reporting period on work undertaken to implement the Energy Administration strategy and statutory objective.
Prescribed Part	<ul style="list-style-type: none">As it is now likely that there will be a Prescribed Part distribution for unsecured creditors, we intend to commence work agreeing unsecured creditor claims. Please see page 13 for further details.





Progress of the Energy Administration

Summary	6
Receipts and payments	11
Prescribed Part	14



Progress of the Energy Administration Summary

The manner in which the affairs and business of the Company have been, and will continue to be, managed and financed since appointment

We have set out on the following pages a summary of the activities undertaken by the JEAs in pursuing the statutory objective, being to secure that:

1. energy supplies are continued at the lowest cost which it is reasonably practicable to incur; and
2. it becomes unnecessary, by one or both of the following means, for the Energy Administration order to remain in force for that purpose. Those means are:
 - the rescue as a going concern of the Company; or
 - the transfer as a going concern of so much of that undertaking as it is appropriate to transfer for the purpose of achieving the objective of the Energy Administration to:
 - o another company, or
 - o to two or more different companies.

Following the sale of the business on 20 December 2022, as set out in our prior report, we have now moved to the post completion phase of the Energy Administration so that, ultimately, it becomes unnecessary for the Energy Administration order to remain in force.

Funding Agreement

As previously reported, the JEAs and the Company have entered into a funding agreement with the Secretary of State ("SoS"), (the "**Administration Funding Agreement**" of "**AFA**"), which the JEAs were authorised and directed to enter into, by order of the Court on 24 November 2021 and which provided an overall funding line of up to c.£1.7bn (which was subsequently increased to £3.9bn on 3 October 2022 to reflect the increase in wholesale energy prices at the time).

Once the sealed ETS order was received from the Court on 8 December 2022, an amendment and restatement of the AFA came into effect. This amendment (amongst other things) reduced the limit available for funding general Energy Administration expenses (the "**Trading Facility**") from £3.9bn to £2.2bn (to reflect the latest estimate of costs required to wind down the Energy Administration).

Funding Agreement (cont'd)

This limit was subsequently reduced to £1.5bn on 22 February 2023 (to reflect the continued decrease in wholesale energy costs and the fact that LCs associated with wholesale energy purchasing prior to Completion were no longer required so were subsequently unwound).

No further drawdowns have been made under the Trading Facility in the six month period to 23 November 2023, per the Receipts and Payments account shown later in this report.

Total drawdowns since our appointment, as at 23 November 2023, remain c.£1.14bn (included within the £1.5bn limit set out above).

In addition to the £1.14bn drawn under the existing Trading Facility, £1.79bn in aggregate of additional funding under the AFA ("the Post Completion Facility") was utilised by Bulb by way of payments to HiveCo to facilitate the transfer of Bulb customers to HiveCo. The funding comprised £1.63bn in respect of HiveCo's energy costs for the period from Completion to 31 March 2023 plus an equity injection of c.£160m to offset certain liabilities (mainly customer credit balances) which transferred to HiveCo under the ETS.

These amounts were drawn under the Post Completion Facility (prior to the period of this report), under the amended and restated AFA between DESNZ and the Company and then paid to HiveCo under the terms of the Sale documents.

There have been no further drawdowns or repayments on either the Trading Facility or the Post Completion Facility during the period of this report.

HiveCo is expected to pay an estimated £2.8bn to the Company which in turn will primarily go to repay the amounts drawn under the Post Completion Facility and the Trading Facility. There are a number of uncertainties, including the final tax position and any remaining consideration adjustments which mean it is not yet possible to predict any potential remaining shortfall to DESNZ once this is repaid.

Statutory objective – Part 1

Overview

Since Completion of the Sale, the Company is no longer delivering energy supplies to customers, with those supplies now being delivered by HiveCo. The first part of the objective has therefore been achieved.

Progress of the Energy Administration Summary

Statutory objective – Part 2

Following Completion of the Sale we are now in the post Completion phase of the Energy Administration. We have set out the progress of the Energy Administration in this regard during the reporting period below.

Financial oversight and control

During the reporting period, the JEAs have continued to exercise financial oversight and control over the Company's finances. This has included:

- Continuing to report to DESNZ, as required under the AFA, including monitoring of HiveCo performance and its adherence to certain requirements, including provision of information and cash sweeps into designated accounts;
- Reviewing management information provided by the Purchaser as agreed under the Sale documentation;
- Processing and authorisation of all receipts and payments;
- Maintaining and updating periodically the estimated outcome statement; and
- Dealing with ongoing tax issues.

Judicial Review

As outlined in our previous report, on 31 March 2023 the Court handed down judgement rejecting the JR challenges brought by two of the three Claimant ESCs. Permission to appeal the decision was requested by the Claimants on 6 April 2023.

On 12 October 2023, the Court of Appeal directed that there should be a short (one hour) oral hearing for submissions on selected issues in respect of the permission application.

This hearing, which the Joint Energy Administrators are not required to attend, has now been listed for 19 December 2023, the outcome of which will be reported in the next progress report.

Interim Consideration Adjustment process

Under the Share Purchase Agreement entered into as part of the Sale it was agreed that an interim consideration adjustment be undertaken 120 days following Completion, in order to take account of updated information such as meter readings ("Interim Consideration Adjustment").

Statutory objective – Part 2 (cont'd)

This process was undertaken during the period and resulted in a payment of c.£23.9m from HiveCo to Bulb SAR on 8 September 2023 as an additional consideration adjustment.

A further payment of c.£13m is expected in December 2023, following agreement on one outstanding point, being the VAT treatment of Customer Credit and Debtor balances within the Consideration Adjustments.

Profit Share Reconciliation

In the period HiveCo shared their first profit share reconciliation for the period since Completion to 20 April 2023, of which a detailed review is being undertaken. We expect to agree the value of this profit share over the coming months and will provide an update in our next progress report.

Debt Recovery Adjustment

In line with the SPA, the Purchaser is due to prepare the "Draft Debt Recovery Adjustment Statement" to be shared in January 2024. This may give rise to an amount payable by the Purchaser to Bulb reflecting a proportion of customer debt recovered beyond the percentages assumed for the purpose of the completion statement.

We have initiated discussions with the Purchaser in advance of the adjustment being calculated to ensure we are aligned on methodology.

Wholesale energy supply

The funding of HiveCo's wholesale energy costs is now complete (as of 31 March 2023), with no further funding required.

In the reporting period one of the Tax team's key area of focus has been ascertaining the tax implications of the material net income under the WAMA. This has included discussions with 3rd party accountants and our legal advisers.

Regulatory Compliance

As previously reported, the Company was licensed by Ofgem to operate as supplier of gas and electricity and remained obligated to comply with all licence conditions.

The energy licences were transferred to HiveCo on Completion and, under the transaction documents, Bulb indemnified HiveCo in respect of certain regulatory liabilities it inherited from Bulb relating to conduct arising in the pre-Completion period.

Progress of the Energy Administration Summary

Statutory objective – Part 2 (cont'd)

Regulatory Compliance (cont'd)

During the reporting period, the JEAs' team have continued to work closely alongside HiveCo's internal Regulation and Operations teams, Ofgem and other external stakeholders, to drive the timely resolution of certain identified pre-Completion compliance issues. During October, HiveCo received confirmation from Ofgem that it would accept a payment of c.£1.83m in full and final settlement of a pre-Completion shortfall against Bulb's smartmeter rollout target for the 2022 period. This was paid by HiveCo on 8 November 2023 and will be reclaimed from Bulb under the indemnity described above.

In respect of other pre-Completion licence-related matters, in the period the JEAs' team has resolved seven existing issues, leaving four remaining open issues being addressed.

The four remaining open issues have all been reported to Ofgem, where reportable.

We continue to work with HiveCo who are making compensation payments to customers (and where customers cannot be reached, to the voluntary redress fund) in respect of each of these issues.

Any amounts paid by HiveCo, in respect of pre-Completion matters will be similarly reclaimed from Bulb under its indemnity

Customers

Octopus completed the migration of all customer accounts by 20 June 2023.

Suppliers

As part of the Sale, the 12 month HiveCo TSA was negotiated with HiveCo, which included c.300 supplier relationships that did not automatically transfer to HiveCo via the ETS.

During the reporting period, the Joint Energy Administrators' team have continued to work with HiveCo and liaise directly with suppliers to ensure continuity of supply under the TSA.

In the reporting period, the JEAs' team have continued to work alongside HiveCo to either novate or cancel these contracts. As at 23 November 2023, 6 supplier contracts remain under the TSA.

Statutory objective – Part 2 (cont'd)

Since completion, monthly TSA invoices have been provided to HiveCo to recharge TSA costs.

Upon completion of the TSA a reconciliation will be undertaken to compare monthly recharges to HiveCo (based on estimated costs) and payments made to TSA suppliers, with a true up payment to be made where required. A repayment will be made to HiveCo for any amounts overcharged.

Property

The Property was vacated by HiveCo on 25 July 2023. All outstanding payments under the LTO to this date, as well as any other associated property costs, have been settled with a final payment of £444k made on 6 September 2023. This amount is inclusive of a £104k credit, being the year end balancing charge for 2022/23.

The JEAs engaged third party agents to assist in the valuation and sale of all residual assets of value. At the date of this report there remain a few assets, namely laptops, which continue to be returned from leavers or remote workers. These will be passed to our agents and sold as appropriate.

Details of Assets remaining to be realised, disposed of or sold

As described in our previous report the Sale (as defined) represents the disposal of all material assets of the Company.

The Company had previously secured REGOs from a third party for future periods at a price below the current market price. An agreement was reached with the third party to monetise these REGOs, with cash flowing back on a quarterly basis over the next three years. This income stream has been retained by the Company. C.£5.2m was received during the period, with a further c.£12m to be realised over the remaining period.

The other remaining assets to be collected include the expected repayment (of at least c.£2.8bn) under the WAMA by the end of September 2024 and the interest being earned on the cash collateral balances in the Purchaser's ring-fenced structure that is passed through to the Company as provided for under the transaction documents (we have received c.£68.7m of interest pass through in the reporting period).

Progress of the Energy Administration

Receipts and payments

£	Notes	To date	Period
Receipts:			
Customer receipts	1	3,038,201,742	754
TSA & LTO receipts	2	79,709,592	14,209,808
Other	3	320,068,660	112,583,431
Cash at bank		80,827,032	-
AFA drawdown		1,142,500,000	-
Catch up hedge receipt		74,491,088	-
Transaction Gov't Funding		1,789,887,334	-
		6,525,685,449	126,793,993
Payments:			
Power & gas wholesale		(2,714,480,040)	-
Industry costs	4	(914,877,137)	(8,869,385)
Environmental and social costs	5	(161,994,677)	(921,499)
Customer service and billing		(40,898,365)	-
Other direct costs		(5,256,298)	-
Other operating expenses	6	(48,973,931)	(41,501)
Pre-appointment regulatory liabilities		(172,359,208)	-
Pre-appointment costs		(5,993,180)	-
Simple TSA Payments	7	(92,329,987)	(353,469)
Professional fees	8	(21,129,723)	(2,258,940)
Pre-appointment fees	9	(3,816,864)	(954,216)
Administrator's fees Post - appointment	10	(41,081,658)	(18,609,359)
Investment in Hiveco		(100)	-
Sellers Cash Contribution		(160,342,790)	-
HiveCo funding		(1,629,544,544)	-
Repayment of Transaction Gov't Funding		(74,491,088)	-
LTO payments		(3,488,946)	(443,379)
TSA payments (including Contractors)		(39,416,644)	(14,314,283)
TSA & LTO payments	11	(42,905,590)	(14,757,662)
		(6,130,475,181)	(46,766,031)
Trading cash flow / balance		395,210,268	80,027,962
Made up of:			
Cash		395,210,268	80,027,962
VAT Receivable / (Payable)		(2,354,424)	(214,676)
		392,855,843	79,813,286

NB: £260m of the cash balance is held in high interest deposit accounts. The remainder is held in a current account to meet expected payments including a potential tax payment in the coming months.

The JEAs' trading account detailing receipts and payments on a gross basis (i.e. inclusive of VAT) in relation to trading of the Company from their appointment on 24 November 2021, as well as the 6 month period 24 May 2023 to 23 November 2023 is provided in the table opposite.

Notes to trading account

1. Customer receipts

Customer receipts in the period to date relate to both credit and pre-payment customers, net of credit balance refunds made to customers. In the reporting period £754 in relation to a customer bill payment was received into the administration bank accounts in error and will be returned to HiveCo via Wrong Pockets.

2. TSA & LTO receipts

Relates to cash received from HiveCo under the Bishopsgate LTO and the HiveCo TSA.

3. Other receipts

Relates to all other receipts excluding HiveCo TSA, LTO and any customer related receipts. The balance for the period breaks down as follows:

Receipt	£
Interim Consideration Adjustment	23,922,227
Interest pass through from HiveCo	68,663,407
Orsted REGO receipts	5,231,750
Other receipts	15,773,586
Wrong Pockets monies received in error	(3,114,698)
Bank account deposit interest	2,107,159
	112,583,431

In the previous period all Other receipts (c.£207m) were included in Customer receipts, these have now been split out and in the previous 18 month period primarily comprised c.£147m in relation to PPMIPs, c.£33m from HMRC, c.£9m of Orsted REGO receipts and c.£3m of bank interest.

4. Industry costs

Payments to relevant industry parties in respect of the transmission and distribution of both gas and power as well as costs relating to meter rentals, installation and other associated costs. £8.3m of industry charges relate to settlements reached with metering suppliers, the remainder relate to payments made post completion in relation to the pre completion period.

Progress of the Energy Administration Receipts and payments

£	Notes	To date	Period
Receipts:			
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Catch up hedge receipt		74,491,088	-
Transaction Gov't Funding		1,789,887,334	-
		6,525,685,449	126,793,993
Payments:			
Power & gas wholesale		(2,714,480,040)	-
Industry costs	4	(914,877,137)	(8,869,385)
Environmental and social costs	5	(161,994,677)	(921,499)
Customer service and billing		(40,898,365)	-
Other direct costs		(5,256,298)	-
Other operating expenses	6	(48,973,931)	(41,501)
Pre-appointment regulatory liabilities		(172,359,208)	-
Pre-appointment costs		(5,993,180)	-
Simple TSA Payments	7	(92,329,987)	(353,469)
Professional fees	8	(21,129,723)	(2,258,940)
Pre-appointment fees	9	(3,816,864)	(954,216)
Administrator's fees Post - appointment	10	(41,081,658)	(18,609,359)
Investment in Hiveco		(100)	-
Sellers Cash Contribution		(160,342,790)	-
HiveCo funding		(1,629,544,544)	-
Repayment of Transaction Gov't Funding		(74,491,088)	-
LTO payments		(3,488,946)	(443,379)
TSA payments (including Contractors)		(39,416,644)	(14,314,283)
TSA & LTO payments	11	(42,905,590)	(14,757,662)
		(6,130,475,181)	(46,766,031)
Trading cash flow / balance		395,210,268	80,027,962
Made up of:			
Cash		395,210,268	80,027,962
VAT Receivable / (Payable)		(2,354,424)	(214,676)
		392,855,843	79,813,286

5. Environmental and social costs

Relates to costs due under industry schemes such as WHD and ECO, certain renewable obligations and amounts paid to customers including in relation to manual customer credit balance refunds and customer compensation. This balance relates to payments made post completion in relation to the pre completion period. £850k was paid to exercise an option to purchase REGOs which were transferred to HiveCo in order to reduce the shortfall liability up to the date of completion which had transferred to HiveCo under the ETS, but which was the responsibility of Bulb in SAR.

6. Other operating expenses

Relates to other operating costs incurred as expenses of the Energy Administration including but not limited to office costs, IT suppliers, contractors and recruitment services.

7. Simple TSA payments

The settlement of amounts owed to Simple under the TSA (which was novated to HiveCo as part of the Sale):

- Employee costs of c.£277k in the period; and
- Professional costs of c.£77k.

8. Professional fees

Professional fees paid in the period comprise primarily the costs of legal advisors, Counsel and Lazard. The costs set out below were all incurred on work undertaken to implement the Energy Administration strategy and statutory objective, including work to support progress of the completion phase:

£	To date	Period
Legal Advisors fees	17,847,361	1,912,516
Legal Advisors expenses	116,534	3,256
Counsel fees	1,196,811	97,938
Counsel expenses	32,238	-
Other legal fees	159,117	-
Other professional fees and expenses	1,772,943	244,623
Other professional expenses	4,720	-
Total	21,129,723	2,258,333

Progress of the Energy Administration

Receipts and payments

£	Notes	To date	Period
Receipts:			
Customer receipts	1	3,038,201,742	754
TSA & LTO receipts	2	79,709,592	14,209,808
Other	3	320,068,660	112,583,431
Cash at bank		80,827,032	-
AFA drawdown		1,142,500,000	-
Catch up hedge receipt		74,491,088	-
Transaction Gov't Funding		1,789,887,334	-
		6,525,685,449	126,793,993
Payments:			
Power & gas wholesale		(2,714,480,040)	-
Industry costs	4	(914,877,137)	(8,869,385)
Environmental and social costs	5	(161,994,677)	(921,499)
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Pre-appointment costs		(5,993,180)	-
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Investment in HiveCo		(100)	-
Sellers Cash Contribution		(160,342,790)	-
HiveCo funding		(1,629,544,544)	-
Repayment of Transaction Gov't Funding		(74,491,088)	-
LTO payments		(3,488,946)	(443,379)
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Trading cash flow / balance		395,210,268	80,027,962
Made up of:			
Cash		395,210,268	80,027,962
VAT Receivable / (Payable)		(2,354,424)	(214,676)
		392,855,843	79,813,286

9. Pre-appointment fees

c.£954k (incl. VAT) was paid in the period:

- £475k (incl. VAT) in respect of the Joint Energy Administrator's pre-appointment fees, which represents the remaining 25% of pre-appointment fees incurred. The initial 75% of pre-appointment fees was paid in preceding 12 month period to the period of this report.
- £479k (incl. VAT) of Linklaters' pre-appointment fees, which represents the remaining 25% of pre-appointment fees incurred.

See page 15 for additional detail.

10. Administrator's fees post – appointment

£18.6m (incl. VAT) of the Joint Energy Administrators' post-appointment fees have been paid during the period, this represents the remaining 25% of total post-appointment fees to 2 September 2022 (£7.5m incl. VAT) and 75% payment on account of post appointment fees for the period 3 September 2022 – 31 March 2023 (£11.1m incl. VAT). See page 15 for additional detail.

11. HiveCo TSA and LTO payments

This balance includes payments which are made and then recharged under the HiveCo TSA, as well as the rent, service charge and insurance payment made in relation to the use of 155 Bishopsgate under the LTO until vacation of the premises on 25 July 2023.

Progress of the Energy Administration Prescribed Part

Prescribed Part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a percentage of the net property and is subject to a statutory maximum of either £600,000 or £800,000 per company depending on the date of creation of the relevant floating charge.

Where the value of the Prescribed Part is so small as to make the costs of distributing it disproportionate, the Court may, on our application, disapply it.

Based on current information, we anticipate the Company will have sufficient net property for the maximum applicable Prescribed Part to apply.

Given the number of pre-appointment regulatory payments that have been made during the administration, together with the transfer of certain liabilities with the Company's previous energy licence, we currently do not have sufficient information to accurately assess the value of the remaining unsecured creditors, and therefore cannot easily estimate the p/£ value of the Prescribed Part at this stage.

Claims process

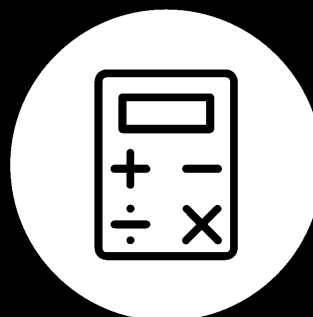
As it is now likely that there will be a Prescribed Part distribution for unsecured creditors, we shortly intend to commence work agreeing unsecured creditor claims.



Remuneration and expenses

Remuneration and Expenses including pre-Energy
Administration costs

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Remuneration and Expenses including pre- Energy Administration costs

The Joint Energy Administrators' remuneration – approval and reporting

Pursuant to Rule 76 of the Rules the Joint Energy Administrators' remuneration is to be fixed:

- by the Court;
- on application by the Joint Energy Administrators; and
- by reference to the time properly given by the JEAs and their staff in attending to matters arising in the Energy Administration.

The JEAs must give at least 14 days' notice (of an application to Court to fix their remuneration) to the following, who may appear or be represented:

- a) the SoS;
- b) Gas & Electricity Markets Authority ("GEMA"); and
- c) the creditors of the Company.

Reporting and Additional Approval of the Joint Energy Administrators' Proposed Remuneration and expenses

Pursuant to the terms of the AFA (and the amended and restated AFA for the period following Completion), the JEAs are entitled to recover their reasonable and proper remuneration from monies held by them under the AFA at fee rates approved by DESNZ prior to the appointment of the JEAs, and subject to the following additional requirements to:

- report to DESNZ on a monthly basis (since Completion) with details of their and their staff's time costs analysed by grade and activity and applicable charge out rates. Time is recorded in six minute units; and
- agree their reasonable and proper remuneration with DESNZ in advance of an application to have their remuneration fixed by the Court in accordance with Rule 76 of the Rules (as referred to above).
- Pursuant to the terms of the AFA as referred to, the Joint Energy Administrators have reported their time costs and expenses to DESNZ on a monthly basis (since Completion), with details of all accruing disbursements.

Approval of the Joint Energy Administrators' (time costs) Remuneration

DESNZ Approval

In advance of the application to Court to fix their remuneration, and pursuant to the terms of the AFA, the Joint Energy Administrators sought and obtained formal approval for their time costs from DESNZ, with approval for the sums of £12,353,992 (plus VAT) for the period 3 September 2022 to 31 March 2023 obtained on 28 June 2023.

Application for Court Approval under Rule 76 of the Rules

On 18 August 2023 the Second Remuneration Application was submitted to the Court. As per the Court order dated 24 February 2023, the JEAs drew 75% of the amount sought (c.£11.1m) on 21 August 2023.

An initial hearing of the application was heard on 16 October 2023 by Chief ICC Judge Briggs, who acceded to the Joint Administrators' request that an independent cost assessor be appointed (the "Assessor") to assist the Court by carrying out a review in relation to the fixing of the remuneration sought by the Joint Administrators.

Since the hearing the JEAs' team have been working alongside Linklaters to assist the Assessor in their review of time costs in relation to the application, providing further analysis and clarification as required. There will be a substantive hearing before Chief ICC Judge Briggs on 2 May 2024; a further update will be provided in due course on the outcome of the application.

Pre Energy Administration costs

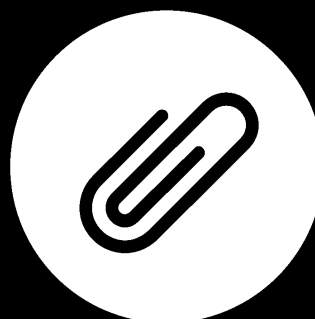
As outlined in our previous report, the Court awarded the pre-appointment costs in full following a hearing on 9 June 2023. As a result, the remaining Teneo fees of £475,150.78 (incl. VAT) in respect of the remaining 25% of these costs were drawn on 26 June 2023, following payments on account of £1,045,331.76 (incl. VAT) on 22 November 2022 and £380,120.62 (incl. VAT) on 3 March 2023, in relation to 55% and 20% of pre-appointment costs respectively.

The remaining 25% of Linklaters fees of £479,065.19 (incl. VAT) were drawn on 29 June 2023.

Appendices

Glossary

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Appendices

Appendix A

Glossary of terms

In these Proposals, the following words have the following meanings:

“**AFA**” refers to the administration funding agreement entered into between the Joint Energy Administrators, Bulb and the SoS on 24 November 2021 (as amended and amended and restated from time to time);

“**Application**” refers to the Court application made by GEMA on 24 November 2021 for an energy supply company administration order in relation to the Company under section 156 of the EA 2004, as applied and modified by section 96 of the EA 2011;

“**Assessor**” Independent Assessor appointed by the Court on 17 March 2023;

“**BEIS**” refers to the Department for Business, Energy and Industrial Strategy;

“**Catch Up Hedge Amount**” £74m benefit to HiveCo as a result of a delay in hedging from 17 November 2022 (being the start of the prove cap hedging window);

“**Claimants**” refers to claimants in the Judicial Review process;

“**Company**” refers to Bulb Energy Limited (in energy supply company administration);

“**Completion**” refers to 20 December 2022, being the date upon which the Sale completed;

“**Court**” refers to the High Court of Justice of England and Wales;

“**DESNZ**” refers to Department for Energy Security and Net Zero (formerly BEIS);

“**ECO**” Energy Company Obligation;

“**Energy Administration**” refers to the energy supply company administration;

“**ESC**” refers to Energy Supply Company;

“**ETS**” refers to Energy Transfer Scheme;

“**GEMA**” refers to the Gas & Electricity Markets Authority;

“**HiveCo**” or “**Purchaser**” refers to Octopus Energy Operations Limited, formerly Bulb UK Operations Limited;

“**HiveCo TSA**” refers to the TSA entered into upon Completion of the sale to HiveCo;

“**Joint Energy Administrators**” or “**JEAs**” refers to Matthew James Cowlshaw, Matthew David Smith and Daniel Francis Butters as the joint energy administrators of the Company;

“**JR**” refers to Judicial Review;

“**Lazard**” refers to Lazard Limited;

“**LC**” refers to Letter of Credit;

“**LTO**” refers to a Licence to Occupy Bulb's head office;

“**Octopus**” Octopus Energy Group Limited;

“**Post Completion Facility**” refers to additional funding facility drawn on 8 December 2022 in order to facilitate the Sale;

“**Property**” refers to the office premises at 155 Bishopsgate

“**Pre-Appointment Costs Application**” Pre-energy supply company administration costs of £3,181,920.97 (plus VAT);

“**Prescribed Part**” An amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge as set out under section 176A of the Act;

“**Purchaser**” refers to Octopus Energy Group Limited;

“**REGO**” refers to Renewable Energy Guarantee of Origin;

“**Remuneration Application**” their remuneration for the period from 24 November 2021 to 2 September 2022 in the sum of £24,969,221 (plus VAT);

“**Rules**” refers to the Energy Supply Company Administration Rules 2013;

“**Second Remuneration Application**” their remuneration for the period from 3 September 2022 to 31 March 2023 in the sum of £12,353,992 (plus VAT);

“**Sale**” the transfer of certain of the Company's business assets and liabilities to Octopus;

“**Simple**” refers to Simple Energy Limited (in administration);

“

Appendices

Appendix A

Glossary of terms (cont.)

In these Proposals, the following words have the following meanings:

Simple TSA" refers to the TSA entered into by Simple and the Company, following appointment;

"SoS" refers to the Secretary of State of Department for Energy Security and Net Zero (DESNZ), formerly Department for Business, Energy and Industrial Strategy (BEIS);

"Teneo" refers to Teneo Financial Advisory Limited;

"Trading Facility" refers to facility drawn under the AFA dated 24 November 2021;

"Trading Facility Limit" the required AFA limit post Completion;

"TSA" refers to Transitional Services Agreement;

"We" refers to the Joint Energy Administrators' team;

"WHD" refers to Warm Home Discount;



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