

The Single Electricity Market (SEM)

Agreed Procedure 18 Suspension and Termination

Version 0.1

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Table of Contents

Table of Contents	2
1. Introduction.....	4
1.1 Background and Purpose	4
1.2 Scope of Agreed Procedure	4
1.3 Definitions	4
1.4 Compliance with Agreed Procedure	4
2. Overview.....	5
2.1 Deregistration	5
2.2 Voluntary Termination	5
2.3 Default and Suspension	5
2.4 Issuing of a Termination Order	6
2.5 Removal of an Intermediary.....	6
3. Procedural Steps	7
3.1 Voluntary Termination	7
3.2 Issuing a Suspension Order	8
3.3 Suspension	11
3.4 Issuing of a Termination Order	12
3.5 Deregistration	13
3.6 Intermediary removal.....	15
4. Swimlanes	16
4.1 Voluntary Termination	17
4.2 Issuing a Suspension Order pursuant to B.18.3.1 of the Code	18
4.3 Issuing a Suspension Order pursuant to B.18.3.2 of the Code	19
4.4 Suspension	20
4.5 Issuing a Termination Order	21
4.6 Deregistration	22
4.7 Intermediary Removal	23
Appendix 1: Definitions And Abbreviations	24

DOCUMENT HISTORY

Version	Date	Author	Comment
0.1	11/11/2016		

RELATED DOCUMENTS

Document Title	Version	Date	By
Trading and Settlement Code			
Agreed Procedure 1 "Registration"			

1. INTRODUCTION

1.1 Background and Purpose

This Agreed Procedure supplements the rules set out in the Trading and Settlement Code (hereinafter referred as the “**Code**”) in relation to Default, Deregistration, Suspension and Termination. It sets out procedures with which Parties to the Code must comply.

1.2 Scope of Agreed Procedure

This Agreed Procedure sets out the procedures in relation to:

- (a) Deregistration
- (b) Voluntary Termination
- (c) Suspension
- (d) Issuing of a Termination Order; and
- (e) Intermediary removal

This Agreed Procedure forms an annex to, and is governed by, the Code. It is a statement of process and procedure. Parties’ rights and obligations are set out in the Code. In the event of any conflict between a Party’s obligations set out in the Code and this Agreed Procedure, the Code shall take precedence.

1.3 Definitions

Words and expressions defined in the Code shall, unless the context otherwise requires or unless otherwise defined herein at Appendix 1 “Definitions and Abbreviations”, have the same meanings when used in this Agreed Procedure.

References to particular sections relate internally to this Agreed Procedure unless specifically noted.

1.4 Compliance with Agreed Procedure

Compliance with this Agreed Procedure is required under the terms as set out in the Code.

2. OVERVIEW

It is not intended that there be any inconsistency or conflict between this section 2 “Overview” and section 3 “Procedural Steps”. However, in the event of any inconsistency or conflict, section 3 “Procedural Steps” shall take precedence.

2.1 Deregistration

The Deregistration procedure is applicable:

- (a) when a Participant seeks to voluntarily Deregister any Units registered to them; and
- (b) when the Market Operator determines that a Participant should be Terminated.

A Participant may choose to deregister any Unit registered in its name at any time by submitting a Deregistration Form to the Market Operator. The Market Operator shall review the Deregistration Form, in conjunction with the appropriate Meter Data Provider and / or System Operator and shall make a decision to approve or reject the Deregistration request in respect of the Unit(s). Once a decision has been made, the Market Operator shall notify the Participant by registered post issuing a Deregistration Consent Order.

If the provisions of the Metering Code have not been complied with, the Deregistration of Units shall be delayed until the relevant conditions are complied with, or until the Participant indicates that the Deregistration of those Units is no longer required.

All the processes under the Code applicable to the period when the Unit was registered continue. This includes market Settlement Rerun, Settlement Documents and Required Credit Cover.

Once the Deregistration request is approved for all Units registered to the Participants, the Participant is granted with the status ‘Deregistered’ and an effective end date.

2.2 Voluntary Termination

In accordance with the Code, a Party may cease to be a Party at any time. The procedure in relation to Voluntary Termination is set out at section 3.1 below. In order to voluntarily Terminate a Party must provide 90 Working Days notice of the Termination to the Market Operator, obtain the consent of the Regulatory Authorities and comply with the Deregistration procedure set out at section 3.5 below. The Market Operator issues a Voluntary Termination Consent Order specifying an effective date of termination once all relevant criteria under the Code are met.

2.3 Default and Suspension

2.3.1 Default

A Party shall be in Default where it is in material breach of any provision of the Code or the Framework Agreement. A Default Notice shall be issued by the Market Operator in accordance with paragraph B.18.2.3 of the Code.

2.3.2 Issuing of a Suspension Order

The Market Operator may suspend a Party from participation under the Code in respect of some or all of its registered Units in accordance with a Suspension Order. The procedure in relation to the issuing of a Suspension Order in accordance with paragraph B.18.3.1 of the

Code is set out at section 3.2 below and the procedure in relation to the issuing of a Suspension Order in accordance with paragraph B.18.3.2 is set out at section 3.2 below.

A Suspension Order shall include the following information:

- (a) Estimated date that registration of Supplier of Last Resort process will be initiated;
- (b) Estimated date that suspension shall take effect; and
- (c) A copy of the relevant Default Notice.

Following the issue of a Suspension Order, a suspension will take effect in accordance with the procedure set out at section 3.3 below.

2.4 Issuing of a Termination Order

The procedure in relation to Issuing of a Termination Order is set out in section 3.4 below. The Market Operator may, with the prior approval of the Regulatory Authorities, issue a Termination Order to a Party in accordance with paragraph B.18.6.1 of the Code.

2.5 Removal of an Intermediary

The procedural steps for the removal of an Intermediary are set out at section 3 below.

There are three circumstances in which an Intermediary may be removed:

- (d) an Intermediary's consent is revoked by the Regulatory Authorities, or the expiration of Form of Authority;
- (e) an Intermediary wishes to voluntarily deregister any or all of the Units; or
- (f) an Intermediary ceases participating in respect of any Units without first voluntarily deregistering the Units or the Unit Owner wishing to revoke the Intermediary.

The Market Operator will Deregister the applicable Units in all cases. In the event of an Intermediary removal the Unit Owner may either (subject to Regulatory Authority consent) either procure a substitute Intermediary to reregister the Units or may re-register the Units itself and become the Participant in respect of those Units, unless:

- (a) the Unit is decommissioned; or
- (b) the Unit is below de-minimis and the Unit Owner does not wish the Unit to be registered to a Participant in the SEM.

Note that in any event, the removed Intermediary continues to be bound by the enduring obligations of the Code in respect of the Deregistered Units. However, where the Intermediary had appointed the Market Operator to report REMIT Data on its behalf, this will cease on the date of removal.

3. PROCEDURAL STEPS

3.1 Voluntary Termination

Step	Step Description	Timing	Method	From / By	To
1	Notify of intention to cease being a Party and time and date upon which it is intended that this Termination will take effect by completing the Voluntary Termination Form.	At least 90 WD prior to the date upon which it is intended that the termination will take effect	Registered post / e-fax	Party	Market Operator (with a copy to the System Operators and the Regulatory Authorities)
2	Issue a Voluntary Termination Consent Order	Following receipt of notification set out in step 1 above and once the relevant Party has complied with conditions set out in paragraph B.18.8.3 of the Code	Registered post / e-fax	Market Operator	Relevant Party
3	Commence Deregistration procedure set out at section 3.5 below as applicable.			Party	
4	Voluntary Termination takes effect (Party seeking Termination must remain in compliance with conditions set out in paragraph B.18.8.3 of the Code for Termination to take effect)	End of last Imbalance Settlement Period of the Trading Day specified by Market Operator in the Voluntary Termination Consent Order		Market Operator	

3.2 Issuing a Suspension Order

3.2.1 Issuing a Suspension Order in accordance with paragraph B.18.3.1 of the code

Step	Step Description	Timing	Method	From / By	To
1	Issue Default Notice	(i) Immediately on becoming aware of a Non-Financial Default in relation to a Party; or (ii) if a Participant fails to comply with a Credit Cover Increase Notice, within 2 WDs of its issue	Registered post]	Market Operator	Defaulting Party
2	Remedy the default in compliance with the terms of the Default Notice	Immediately on receipt of Default Notice		Defaulting Party	Market Operator
3	Assess whether the default has been remedied by the Defaulting Participant. If the Default has been remedied, end process . If the Default has not been remedied, continue to step 4	Within the timelines as set out in the Default Notice		Market Operator	
4	Seek approval from Regulatory Authorities to issue Suspension Order.	As required		Market Operator	Regulatory Authorities
5	Confirm whether the issue of a Suspension Order is approved. If issue of a Suspension Order is not approved, end process , otherwise continue to step 6.	Within 2 WD of step 4		Regulatory Authorities	Market Operator
6	Issue Suspension Order.	On receipt of		Market Operator	Defaulting Party

Step	Step Description	Timing	Method	From / By	To
		approval in step 4			
7	Send a copy of the Suspension Order	With step 6	Registered post / e-fax	Market Operator	Regulatory Authorities, System Operators, relevant Distribution System Operators
8	Publish Suspension Order	With step 6	Market Operator website	Market Operator	Market Operator website
9	If the Defaulting Party has remedied Default(s) in accordance with the Code, lift the Suspension Order	As required	Registered post / e-fax	Market Operator	Defaulting Party

3.2.2 Issuing a Suspension Order pursuant to paragraph B.18.3.2 of the Code

Step	Step Description	Timing	Method	From / By	To
1	Issue Default Notice.	(i) Immediately on becoming aware of a Default in relation to a Party; or (ii) if a Participant fails to comply with a Credit Cover Increase Notice, within 2 WDs of its issue	Registered post	Market Operator	Defaulting Party
2	Remedy the Default in compliance with the	Immediately on		Defaulting Party	Market Operator

Step	Step Description	Timing	Method	From / By	To
	terms of the Default Notice or Credit Cover Increase Notice.	receipt of Default Notice			
3	Issue Suspension Order.	At the same time or any time following the issue of the relevant Default Notice		Market Operator	Defaulting Party
4	Send a copy of the Suspension Order.	Together with step 3		Market Operator	Regulatory Authorities, System Operators, relevant Distribution System Operators
5	Publish Suspension Order.	Together with step 6	Market Operator website	Market Operator	Market Operator website
6	If the Defaulting Party has remedied Default(s) in accordance with the Code, lift the Suspension Order.	As required	Registered post / E-fax	Market Operator	Defaulting Party

3.3 Suspension

Step	Step Description	Timing	Method	From / By	To
1	Commence procedure to register Supplier of Last Resort as set out in Agreed Procedure 1 "Registration".	Following direction of the Regulatory Authorities		Regulatory Authorities	
2	Confirm wholesale market registration changes to Meter Data Providers as set out in Agreed Procedure 1 "Registration".			Market Operator	Meter Data Providers
3	Confirm suspension has been given effect.	With step 2		Market Operator	Impacted Party, Regulatory Authorities, System Operators, relevant Distribution System Operators
4	Publish confirmation of suspension.	With step 3		Market Operator	Market Operator website

3.4 Issuing of a Termination Order

Step	Step Description	Timing	Method	From / By	To
1	Seek written approval from Regulatory Authorities to issue Termination Order in accordance with paragraph B.18.6.1 of the Code.	As required	Registered post / e-fax	Market Operator	Regulatory Authorities
2	If approval is received from Regulatory Authorities, issue Termination Order.	On completion of step 1	Registered post	Market Operator	Party
3	Send copy of the Termination Order.	With step 2	Registered post / e-fax	Market Operator	Regulatory Authorities, System Operators, relevant Distribution System Operators
4	Publish Termination Order.	With step 2	Market Operator website	Market Operator	Market Operator website
5	Commence Deregistration procedure set out at section 3.5 below as applicable.			Party	
6	Termination takes effect (Party being Terminated must remain in compliance with conditions set out in paragraph B.18.8.3 of the Code for Termination to take effect)	End of last Imbalance Settlement Period of the Trading Day specified by Market Operator in the Voluntary Termination Consent Order		Market Operator	Party

3.5 Deregistration

Step	Procedural Step Description	Timing	Method	By/From	To
1	Submit completed Deregistration Form (available to download from the Market Operator website)	At least 60 WD in advance of the proposed Deregistration date	Market Operator website	Participant	Market Operator
2	Submit appropriate Deregistration details to relevant System Operator and Meter Data Provider	Within 5 WD of receipt of Deregistration Form	Email / Registered Post	Market Operator	System Operator / Meter Data Provider
3	Confirm compliance with relevant Metering Code or raise issues with respect to the Deregistration, if applicable.	Within 20 WDs of receipt of Deregistration details from Market Operator	Email / Registered Post	System Operator / Meter Data Provider	Market Operator
4	Notify Participant of issues raised.	Within 5 WD	Email/Registered Post	Market Operator	Participant
5	Participant co-ordinates resolution of the issues with System Operator / Meter Data Provider.	As required	Email/ telephone/ meetings	Participant, Market Operator, System Operator, Meter Data Provider	

Step	Procedural Step Description	Timing	Method	By/From	To
6	Participant and Party raising issue confirm the outcome of the resolution and: (a) if Deregistration of the Unit is no longer required, end process . (b) if all outstanding issues resolved, continue to step 7.	Within 2 WD	Email	Participant, System Operator, Meter Data Provider	Market Operator
7	Organise final Registration meeting with all relevant Parties to determine the Effective Date. If Deregistration is no longer required, end process .	Within 2 WD of step 6	Conference call/ Meeting / Email	Market Operator	Participant, System Operator, Meter Data Provider
8	Send Deregistration Consent Order to Participant and System Operator, Meter Data Provider, and Regulatory Authorities.	Before Deregistration date	Registered Post	Market Operator	Participant, System Operator, Meter Data Provider, Regulatory Authorities
9	Where Deregistration Consent Order has been issued, maintain and publish list of registered Units in accordance with Agreed Procedure 6 "Data Publication and Data Reporting".	Before Deregistration date		Market Operator	

3.6 Intermediary removal

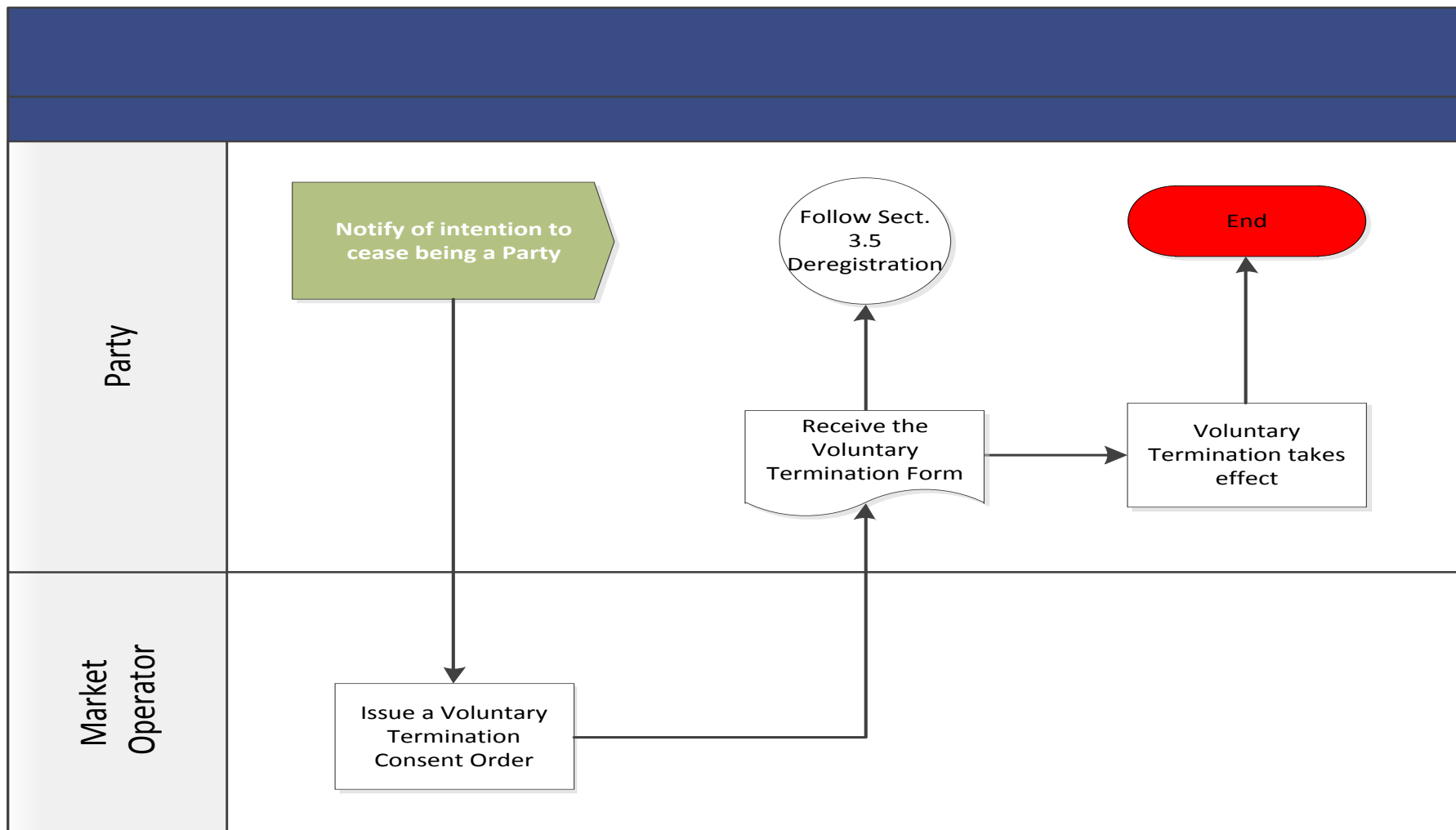
Step	Procedural Step Description	Timing	Method	By/From	To
1a	Intermediary's Form of Authority is revoked by Regulatory Authorities, or expiration of Form of Authority communicated to Market Operator.	As required, as soon as determined	-	Regulatory Authorities / Unit Owner	Market Operator
1b	Market Operator Deregisters Units registered to the removed Intermediary.	On the date of the Intermediary removal	-	Market Operator	
2a	Form of Authority retrieved from Market Operator Website (Appendix C "Form of Authority" of Code).	As required	-	Unit Owner	
2b	Form of Authority completed and provided to Registering Party.	As required	Registered Post	Unit Owner	Registering Party (to become the Intermediary)
3	Commence Unit registration procedure set out in Agreed Procedure 1 "Registration".	60 WD prior to revocation date of Form of Authority of old Intermediary, or prior to notification from Unit Owner of proposed effective date of removal of Intermediary	-	Registering Party	Market Operator

4. SWIMLANES

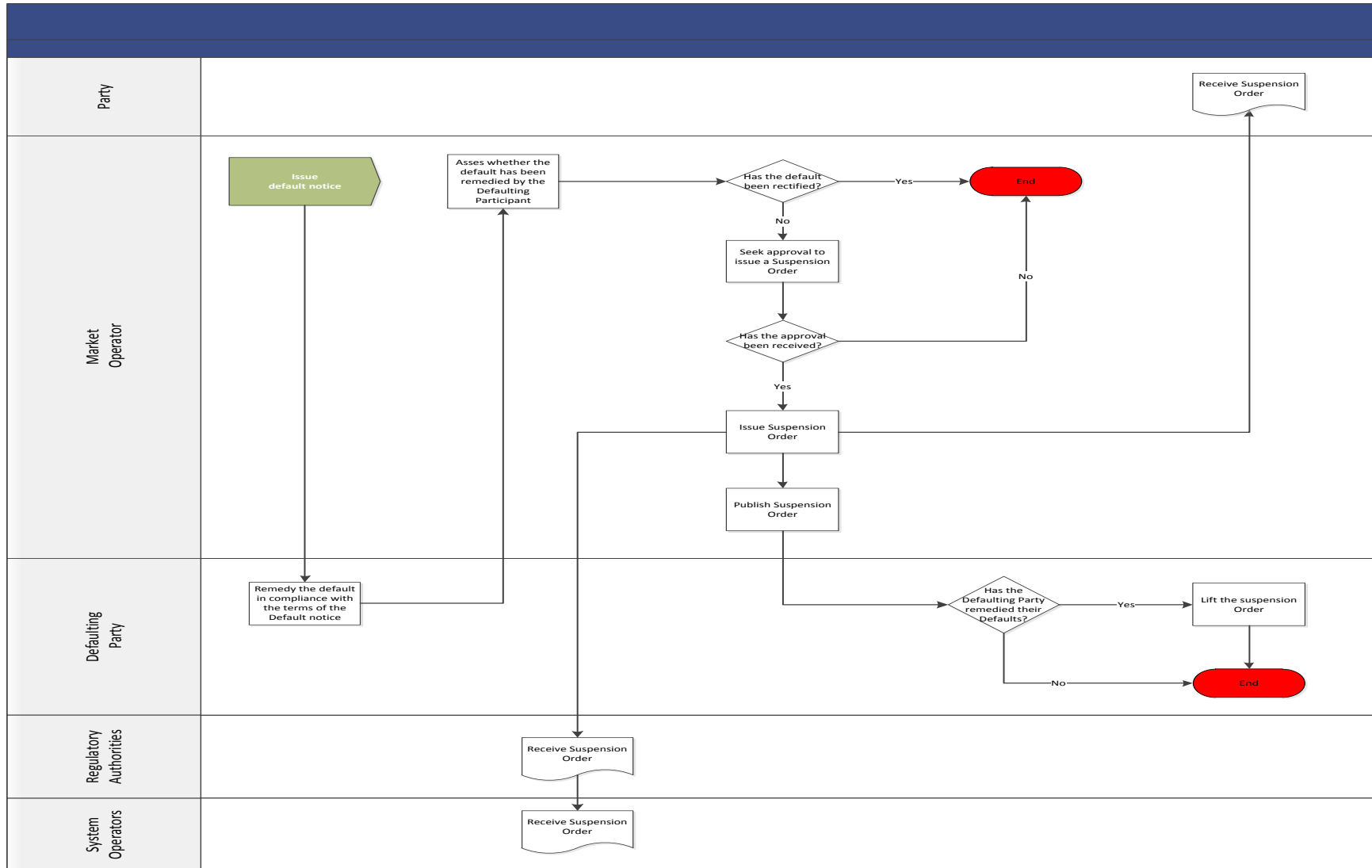
It is not intended that there be any inconsistency or conflict between this section 4 “Swimlanes” and section 3 “Procedural Steps”. However, in the event of any inconsistency or conflict, section 3 “Procedural Steps” shall take precedence.

Note: All swimlanes in this section 4 are to be finalised in accordance with updates to Agreed Procedure 18 “Suspension and Termination”

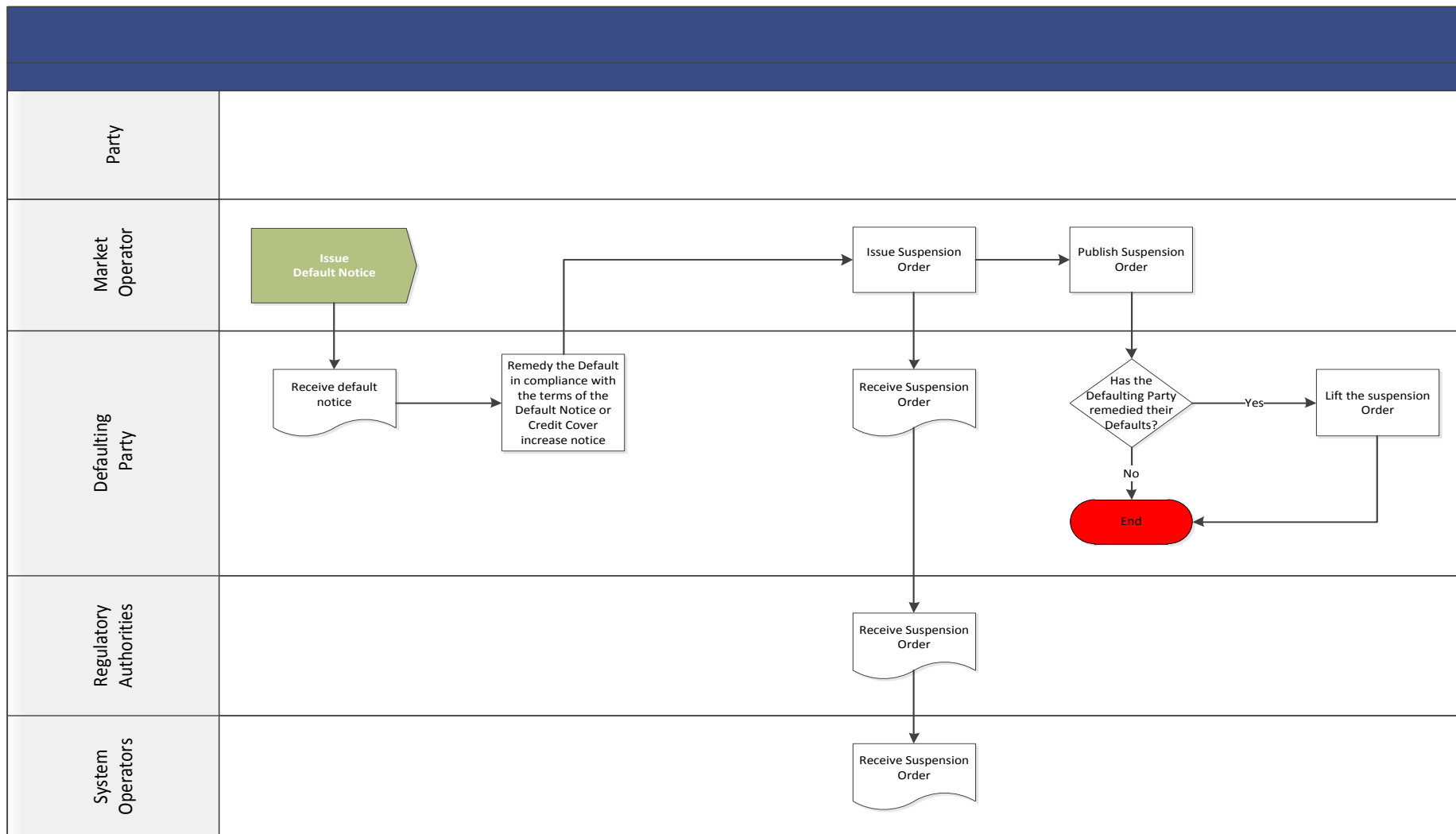
4.1 Voluntary Termination



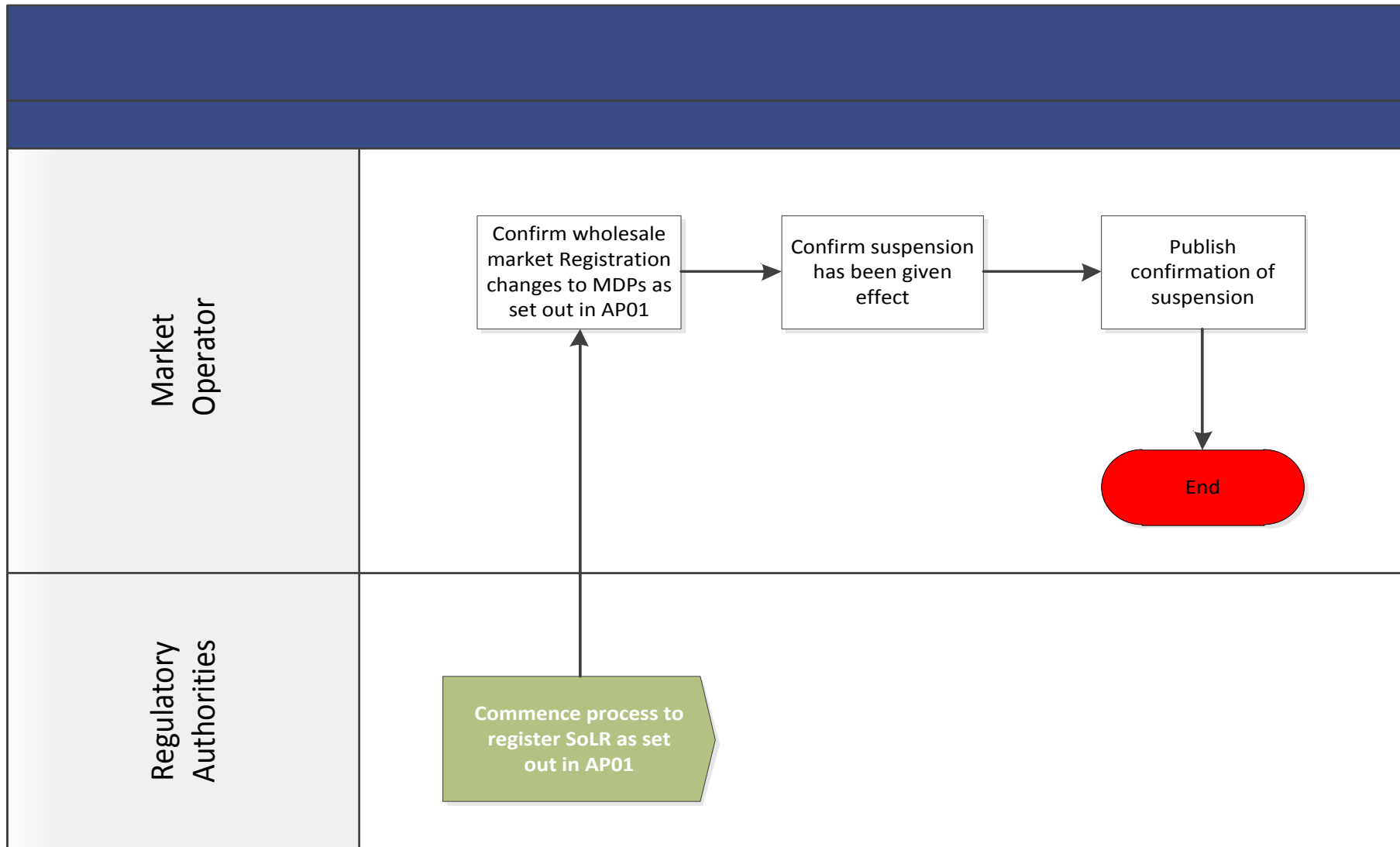
4.2 Issuing a Suspension Order pursuant to B.18.3.1 of the Code



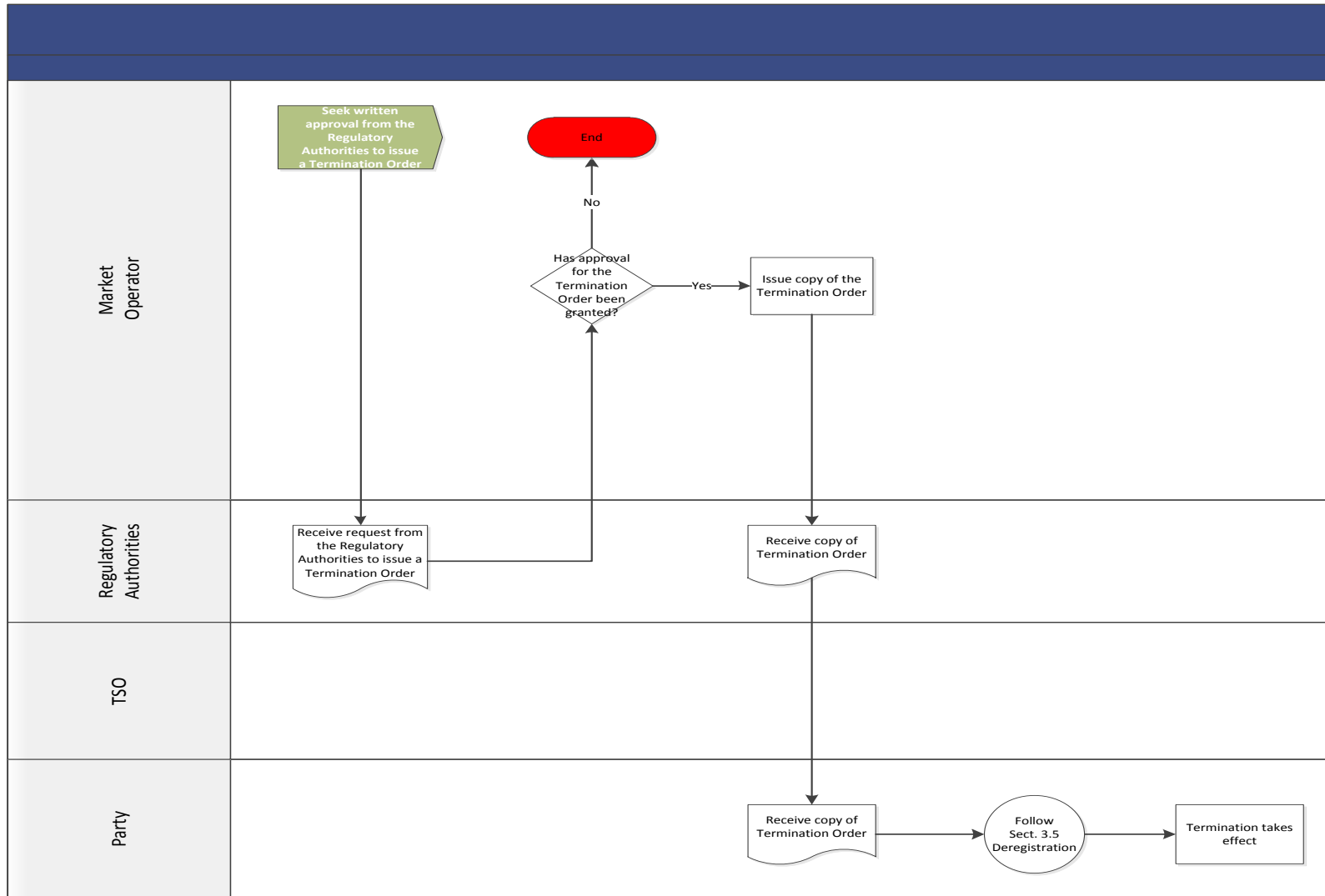
4.3 Issuing a Suspension Order pursuant to B.18.3.2 of the Code



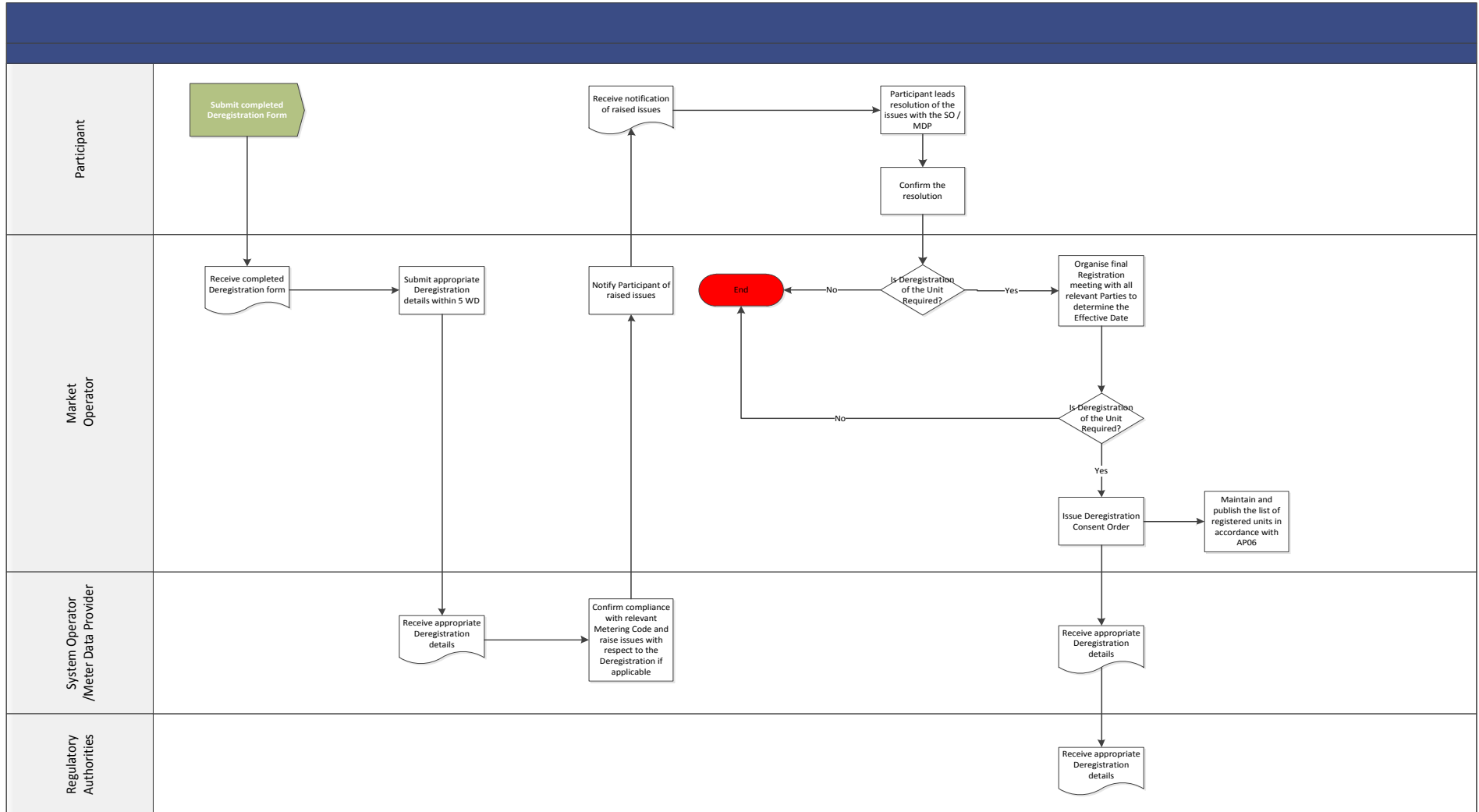
4.4 Suspension



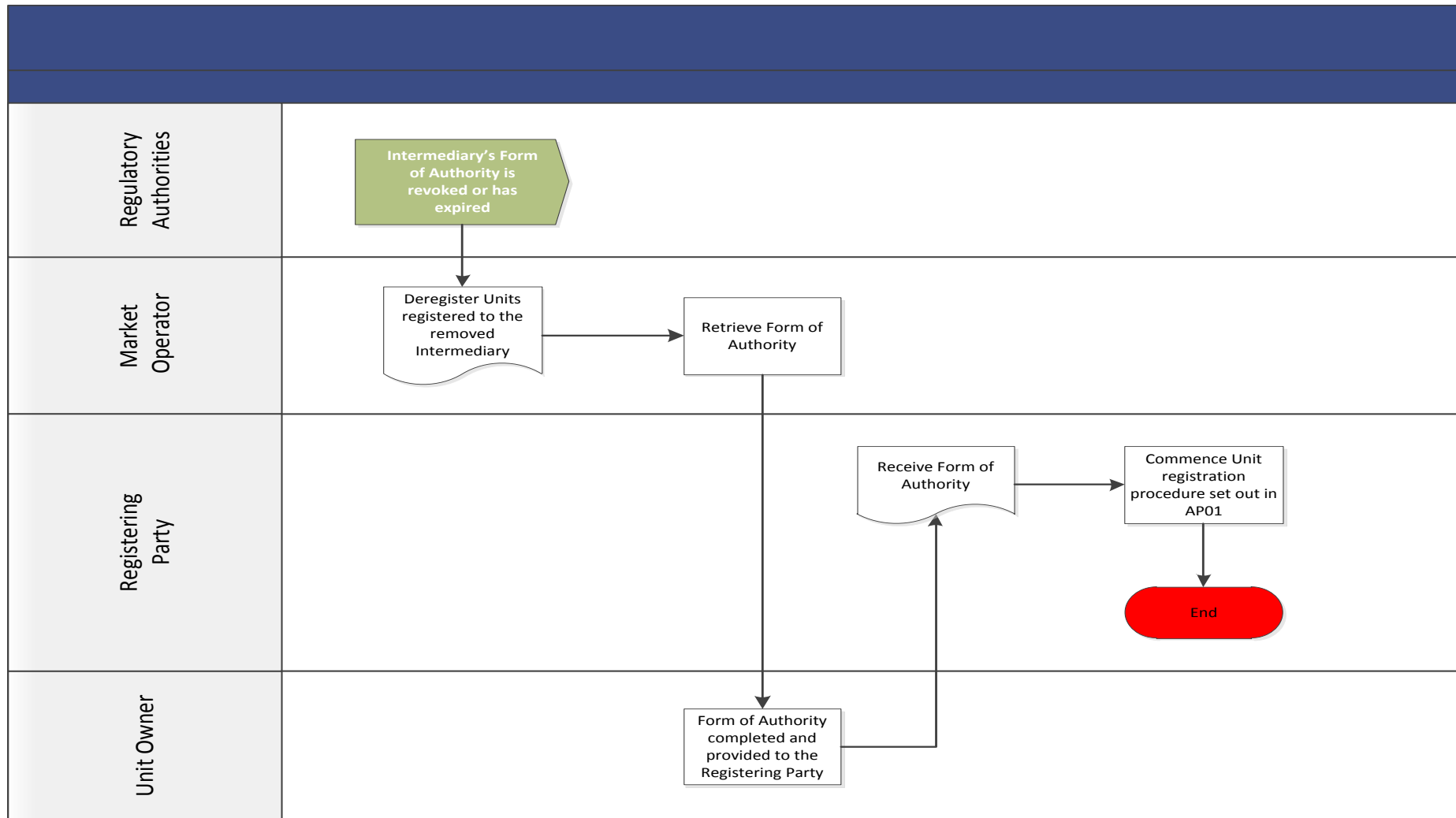
4.5 Issuing a Termination Order



4.6 Deregistration



4.7 Intermediary Removal



Appendix 1: Definitions And Abbreviations

Unless otherwise specified, words and expressions defined in the Code shall have the same meanings when used in this Agreed Procedure.

DEFINITIONS

Deregistration Form	means the form available on the Market Operator website for the purposes of Deregistration.
Voluntary Termination Form	means the form available on the Market Operator website for the purposes of Voluntary Termination

ABBREVIATIONS

WD	Working Day(s)
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