If and when the CMA issues a Termination Notice under Section 10.7.2 to a Licensed Provider which has become a Defaulting Trading Party, and provided that any Supply Points are still Registered to the Defaulting Trading Party ("POLR Supply Points"), the CMA shall:

(a) if the Termination Notice is issued at any time from the Go Live Date up to (but not including) the Review Date, allocate the POLR Supply Points to Scottish Water Business Stream.

(b) if the Termination Notice is issued at any time on or after the Review Date allocate the POLR Supply Points to any one (1) or more Licensed Provider(s) (other than any Specialist Licensed Provider, any Self Supply Licensed Provider and the Defaulting Trading Party) that is entitled to Register Supply Points in accordance with Section 5.2.2 in accordance with the Allocation Process; or, in the absence of an approved Allocation Process,

(c) if the Termination Notice is issued at any time on or after the Review Date allocate the POLR Supply Points to each Licensed Provider (other than any Specialist Licensed Provider, any Self Supply Licensed Provider and the Defaulting Trading Party) that is entitled to Register Supply Points in accordance with Section 5.2.2 as follows:

(c)(1) The CMA shall only allocate POLR Supply Points to Licensed Providers who are entitled to Register Supply Points in accordance with Section 5.2.2 above, are not solely a Specialist Licensed Provider and/or a Self Supply Licensed Provider and have not opted out.

(c)(2) In order to opt out of being allocated POLR Supply Points, a Licensed Provider must have written to the CMA at least 15 business days before the start of the
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Year confirming that they wish to opt out of receiving POLR Supply Points for that Year.

(c)(3) For the purposes of opting out for any given Year, no Licensed Provider that holds more than 20% market share at the end of the preceding Year (based on their wholesale charges from the most recent R1 Settlement Run) may chose to opt out and must therefore always accept POLR Supply Points. No Licensed Provider will have its POLR status change during the course of a Year due to changes in its Market share i.e. opt outs are valid for an entire Year. Any new Licensed Provider obtaining a license during the course of any Year will be deemed to have opted out until the end of that Year.

(c)(14) The particular POLR Supply Points allocated to each Licensed Provider shall be allocated on a random basis.

(c)(25) Each Water Services Licensed Provider shall be allocated an equal number of POLR Supply Points for Water Services and each Sewerage Services Licensed Provider shall be allocated an equal number of POLR Supply Points for Sewerage Services subject, in each case, to any rounding up or down required in order to allocate a whole number of Supply Points.

(c)(36) If, at any stage in the process set out in this Section 5.3.6(i)(c), there are fewer POLR Supply Points than there are Licensed Providers (for either or both Water and Sewerage Services) each remaining POLR Supply Point shall be allocated to the Licensed Providers by the CMA in date order based on the date of grant of each Licensed Provider's
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Permanent Licence with the earliest date of grant being given priority.

(ii) the CMA shall Register the POLR Supply Points so allocated to the relevant Incoming Licensed Provider(s) in accordance with CSD 0003 (Provider of Last Resort) with the Designated Time being the date of issue of the Termination Notice; and

(iii) where any Licensed Provider is required, pursuant to its Licence, to provide Water Services or Sewerage Services in Designated Circumstances, the Licensed Provider shall be responsible for all Supply Point(s) Registered to it by the CMA from the Designated Time in accordance with this Section 5.3.6; and

(iv) the CMA shall introduce a Market Code Change Proposal in accordance with Section 8.7 that contains a proposed Allocation Process which either amends or replaces the process set out in Section 5.3.6(ii)(c) as soon as possible after the Effective Date and shall, to the extent that the CMA is able to do so, seek to ensure that the Market Code Change Proposal process is completed in respect of that Change Proposal prior to the Go Live Date.

(v) Once the CMA has allocated a POLR Supply Point to a Licensed Provider in accordance with Section 5.3.6(ii)(c) above, the Licensed Provider must write to that new customer within 5 Business Days of receiving notification of allocation from the CMA in accordance with Step b of Section 3.1 of CSD 0003 (Provider of Last Resort).