

**NOTICE OF REVOCATION OF A LICENCE PURSUANT TO SECTION 6 TOGETHER  
WITH REASONS PURSUANT TO SECTION 38A OF THE GAS ACT 1986**

**Notice of Revocation and Reasons for Decision**

**Whereas**

1. National Gas and Power Limited, (company registration number 09523569), having its registered office at 2 Pellon Place, Bradley Business Park, Dyson Wood Way, Huddersfield HD2 1GT, United Kingdom (“**NGP**”), is the holder of an Gas Supply Licence (the “**Licence**”) granted or treated as granted under 7A(1)(a) of the Gas Act 1986 (the “**Act**”).
2. Section 7B(3) of the Act provides that a licence granted or treated as granted under the Act may be revoked in accordance with any term contained in it.
3. Schedule 2(1)(f)(i) to the Licence provides that the Gas and Electricity Markets Authority (the “**Authority**”) may at any time revoke the Licence on giving not less than 24 hours’ notice to NGP where it is unable to pay its debts (within the meaning of section 123(1) of the Insolvency Act 1986).
4. On 30<sup>th</sup> May 2018 the Hudson Energy Supply UK Limited, a creditor, served a statutory written demand under section 123(1)(a) of the Insolvency Act 1986 for the sum of £212,113.73. Schedule 2(2) to the Licence extends the limit set in s.123(1)(a) to £100,000. NGP was unable to pay the full amount within the three weeks allowed by s.123(1)(a). Accordingly the Authority deems that under the terms of section 123(1)(a) of the Insolvency Act:
  - a. NGP is unable to pay its debts (within the meaning of section 123(1)(a) of the Insolvency Act 1986) and;
  - b. therefore the condition, as set out in Schedule 2(1)(f)(i) of the Licence is satisfied.
5. The Authority notes that sums have not been fully discharged.
6. For the following reasons, the Authority has decided that, in order to protect the interests of consumers, it is appropriate to give notice to revoke the Licence (with effect from 05:01 on 26 July 2018) in accordance with schedule 2(1)(f)(i) of the Licence:
  - a. given that NGP is unable to pay its debts, the Authority is not satisfied that the company will be able to continue to provide or otherwise procure the services necessary for supplying electricity to its customers or to pay charges under the industry arrangements;

- b. the Authority has decided to initiate the process to appoint a supplier of last resort (“SoLR”) pursuant to its powers under condition 8 of the Standard Conditions for Electricity Supply, in order to ensure continuity of supplies of electricity to NGP’s customers, and payment of appropriate charges from the date of which the SoLR direction takes effect;
- c. the revocation of the Licence would ultimately be necessary for SoLR arrangements to come into effect.

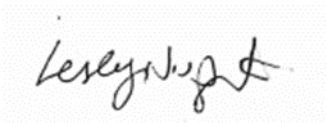
**Therefore**

7. The Authority hereby gives notice that, unless the Authority otherwise directs, with effect from 05:01 on 26 July 2018, the Licence shall be revoked.

**The Official seal of the Gas and Electricity**

**Markets Authority here**

**affixed is authenticated by –**



.....

**Lesley Nugent**

**Authorised in that**

**behalf by the Authority**

**24 July 2018**