

Northumbrian Water welcomes the publication of the consultation on the Market Arrangements Code and the opportunity to comment on the proposals.

Consultation Questions

We would be grateful for comments on the MAC drafting set out in the Consultation. In addition, we would welcome any suggested improvements to the MAC for the purposes of Market Opening as well as issues such as the document hierarchy or Stapling Condition.

To aid our consideration of your comments or suggested drafting it would be helpful if you could ensure that you make a full reference to the MAC provision you are making a comment about or to which you are suggesting a change.

In addition you should explain the rationale for the comment or suggested change together with your view on whether the change is needed prior to Market Opening and why. You should also explain why this change has not be raised earlier to the ICP or indeed whether this change has already been considered by the ICP.

We have reviewed the proposed changes and are supportive of the suggested changes and the MAC in its proposed form. Specifically we would make the following comments;

- We recognise the need for the proposed changes and welcome the clarity provided over legal precedence of the relevant documents.
- We note the amendments made in respect of implementing a change at Section 7.2.9

[7.2.6](#) [7.2.9 The Market Operator shall implement any Market Arrangements Code Approved Change, including any resultant amendments required to the Central Systems in an efficient and co-ordinated manner.](#)

We feel that the wording of this clause requires alteration to ensure that a pragmatic approach to implementation is achieved. The clause must place an obligation on the Market Operator to effect an efficient and expedient implementation but due regard will also have to be given to the practical aspects of implementing a change. If a Central System change is required the timing of any change will be required to align with a planned programme of Central System change. Code changes that require System Changes or other preparatory work by Market Participants should be approved in such a way as to allow for an appropriate specific implementation timetable for each change. We would propose that the Panel is required to make a practical implementation timetable for each change and then the Market Operator is required to deliver the change in line with the agreed implementation timetable. Currently under 6.3.5 (e) (i) the Panel is simply required to state the date and time on which the change could be implemented. Under the Wholesale Retail Code CSD0501 the requirement to align changes with a planned System Release timetable is stated.

Market Participants cannot be expected to comply with a change until such time as any required Central System functionality exists. Accordingly the change proposal process should clearly state the effective date of the change and a “required to be implemented” by date.

Therefore we would propose that 2 changes are required;

- 1 A change to oblige the Panel under clause 6.3.5 (e) (i) to produce a practical Implementation Timetable for any recommended changes and specifically one that recognises the requirements of CSD0501. Our suggested wording is

“The Market Operator shall implement any Market Arrangements Code Approved Change, including any resultant amendments required to the Central Systems in an efficient and co-ordinated manner with due regard for the changes required to Trading Parties systems and CSD0501.”

- 2 A change to Clause 7.2.9 to include a recognition that the implementation of changes will be aligned to CSD0501. Our suggested wording is;

“the time and date on which the Panel believes the Change Proposal or Charging Change Proposal could be implemented with due regard for the changes required to Trading Party systems and CSD0501; and”