
Wholesale Retail Code Change Proposal – CPW015

Modification proposal	Wholesale Retail Code Change Proposal CPW015 – CSD 0101 (Registration: New Supply Points) Clarification
Decision	Ofwat has decided to accept this change proposal
Publication date	1 September 2017
Implementation date	2 October 2017

Background

The Wholesale Retail Code (WRC) sets out the relationship between Wholesalers and Retailers, and how the market will operate. The WRC includes a number of Code Subsidiary Documents (CSD), which are the detailed processes and responsibilities that further describe and facilitate the performance of duties under the Market Terms, as set out in Schedule 1 Part 5 of the WRC. This proposal seeks to amend CSD 0101 in order to clarify requirements and remove a small number of inconsistencies.

The issue

CSD 0101 Registration: New Supply Points describes the process to be followed in order to Register New Supply Points, from the point of the Wholesaler’s submission of the request for a SPID, through the Market Operator creating the new SPID and the Retailer submitting a Partial Registration Application. The necessary SPID Data is then completed by the Wholesaler and Retailer as relevant and the SPID becomes Tradable.

The current content of CSD 0101 contains a small number of inconsistencies, which either do not fully reflect the behaviour of transactions or miss out on particular requirements in relation to Non-Market Meters.

The modification proposal¹

Market Operator Services Ltd (MOSL), as the Market Operator and proposer of this change, seeks to provide further clarity on requirements and the transactional design described in CSD 0101 with the intent of improving the overall quality of CSD 0101. MOSL contends that some of the current specifications in CSD 0101 are incomplete and do not fully reflect the design principles of the market codes. Without carrying out the amendments proposed in this Change Proposal, there is a potential for confusion amongst Trading Parties.

Specifically, this Change Proposal seeks to make the following changes:

1. Clarify that when resubmitting T139.W and T140.W values prior to the SPID becoming Tradable any values previously submitted will be replaced.
2. Clarify which data items need to be submitted by the Wholesaler on the T104.W, and which data items are set by CMOS. Non-Market Meters are potable water meters (domestic meters), for which Trading Parties' need to provide data similar to that provided for Potable Water Meters. Therefore, any sections that refer to Potable Water Meters, also need to include a reference to Non-Market Meters.
3. The name of transaction T115.W is incorrect in section 3.2.2 and needs to be updated.
4. The layout of appendix A.2 (the table formatting) makes it difficult to clearly understand the validations performed by the Market Operator under each step. This is due to missing semicolons (;) and the rows in the table not being as clearly delimited as possible.
5. The Data Owner and Transaction name are incorrect at step (o) of Appendix A.2. This step should refer to the T132.R (instead of the T132.W which does not exist), as it is a Retailer transaction.

It is recommended that these modifications come into effect on 2 October 2017.

¹ The proposal and accompanying documentation is available on the MOSL website at <https://www.mosl.co.uk/market-codes/change#scroll-track-a-change>

Industry consultation and assessment

In total, eight Trading Parties responded to the Industry Consultation, of which all respondents were Wholesalers. Key points arising from the consultation are set out below.

- All wholesalers agreed with the proposed changes and that they deliver clarity and improve the overall quality of CSD 0101.
- Four Trading Parties responded by stating that they would not be impacted by CPW015. Two Wholesalers stated that there would be minor impact in communicating updates to their Wholesale Services divisions.
- All Trading Parties agreed that the proposed changes better facilitate the Objectives and Principles of the WRC, citing the improved clarity of wording and the avoidance of confusion.
- All parties agreed with the proposed implementation date of October 2017.

Panel recommendation

At its meeting on 25 July 2017, the Panel recommended, by unanimous decision, that Ofwat approve this change for implementation on 2 October 2017. The Panel submitted its recommendation report to Ofwat on 28 July 2017, which set out the Panel's view that this change improves the Principles of transparency and simplicity, cost effectiveness and security.

Our decision

We have carefully considered the issues raised by the modification proposal and the supporting documentation provided in the Panel's recommendation report. We have concluded that the implementation of CPW015 will better facilitate the principles and objectives of the WRC, detailed in Schedule 1 Part 1 Objectives, Principles and Definitions and is consistent with our statutory duties.

Reasons for our decision

We set out below our views on which of the applicable Code Principles are better facilitated by the modification proposal.

Transparency

We consider that this proposal improves the overall quality of CSD 0101 and enhances certain provisions in the code document by making them more clearly expressed and aligning them to the design of CMOS. In addition, missed

requirements in relation to Non-Market Meters will be added, thus making them visible and readily accessible to Trading Parties.

Simplicity, cost effectiveness and security

We think that this proposal improves the description on the behaviour of certain Data Transactions as included in CSD 0101 and adds missed requirements in relation to Non-Market Meters, thus ensuring that the requirements in CSD 0101 are as clear as possible and reflect the processes established under the Market Terms.

Decision notice

In accordance with paragraph 7.2.8 of the Market Arrangements Code, Ofwat approves this change proposal.

Priya Sinha
Director, Market Outcomes