
Wholesale Retail Code Change Proposal – Ref CPW053

Modification proposal	Wholesale Retail Code Change Proposal – CPW053 – Market Operator Transaction Processing and Reporting
Decision	The Authority has decided to approve this Change Proposal
Publication date	26 March 2019
Implementation date	17 May 2019

Background

The Market Arrangements Code (MAC) and the Wholesale Retail Code (WRC) together govern the Non-household (NHH) retail market. Both were written prior to the Central Systems (CMOS) being designed, developed and released. Both the MAC and the WRC were written in a manner which was foreseen to be an efficient manner of operation. Within the WRC sit two Code Subsidiary Documents (CSDs) which are relevant to this code Change Proposal.

CSD 0401 (Transactional interface for Trading Parties having a high volume of Data Transactions) outlines the technical requirements for the interface through which transactions are submitted to MOSL by Trading Parties at high volumes, i.e. the High-Volume Interface (HVI). It also outlines the process for when HVI transactions are received, and how MOSL should undertake the control checks, process them and send notifications to the relevant Trading Parties.

CSD 0403 (Interface for the provision of Reports from the Market Operator to Trading Parties) outlines the interface through which Reports generated by MOSL are selected and downloaded by Trading Parties, i.e. the FTP server, Jaspersoft which is accessible through CMOS, SharePoint and the Market Operator Portal. The formatting of the Reports, their availability along with how they are generated and how Trading Parties can retrieve them is also included within CSD 0403.

The issue

As the MAC and WRC were written prior to CMOS being designed, developed and released, there are a number of processes which are written differently in CSD 0401 and CSD 0403, to how they are actually undertaken within CMOS. These processes relate specifically to:

- 1) Transactional processing in CMOS
CSD 0401 states that where a transaction is received from a Trading Party after the end of the Business Day, MOSL will postpone data processing until the beginning of the following Business Day. However only in circumstances such as Market Performance Standard (MPS) charges being submitted after the end of the Business Day, would result in the transaction being assigned to the following Business Day. The current process is that all other transactions are processed when they are received.
- 2) Report retention on the interface
CSD 0403 states that the data contained within Reports generated and made available by MOSL (as outlined in CSDs 0201, 0301 and 0302), will reflect all data within CMOS up until the end of extended hours on the previous Business Day, unless otherwise specified. However, this is not the current procedure, as the Reports only contain information that was in CMOS up until the end of the previous Business Day. CSD 0403 also states that Reports should be made available to Trading Parties for a period of three months, this is deemed to inappropriate as Trading Parties are able to download past/previous Reports through interfaces such as Jaspersoft, or can raise service requests for Reports to be regenerated; therefore keeping Reports available for a period of three months is impractical and this timeframe should be shorter.
- 3) Selecting and downloading Reports from the interface
CSD 0403 outlines the process for Trading Parties to select and download Reports from the interface. It states Trading Parties are able to select from a list of filtered Reports, and then able to download multiple Reports in one selection. The interface does not have this capability, and in order to amend it to do so would be inappropriate from a cost and benefit perspective.

Although these misalignments may appear insignificant and the impact they have is extremely limited, this Change Proposal has been raised to address these discrepancies and increase transparency within the codes.

The modification proposal¹

In order to correctly outline how transactions and Reports are processed by MOSL, six minor amendments will be made to CSDs 0401 and 0403, the changes being made can be categorised as follows:

- 1) The wording which describes how the processing of transactions takes place after the end of the Business Day will be amended to reflect the actual process, in addition, clarification on what the cut-off time for data to be included in the Report is;
- 2) Revising the policy of retaining Reports on FTP servers; and
- 3) Adjusting the descriptions of how users of CMOS are able to select and download Reports.

Industry consultation and assessment

The Panel did not consult on this Change Proposal, we believe this is proportionate given the nature of the change.

Panel recommendation

The Panel considered this Change Proposal at its meeting on 29 January 2019. It agreed and recommended, that the Authority approve this proposal on the basis of improving the principles of efficiency, transparency and simplicity, cost-effectiveness and security. The recommended date of implementation is 17 May 2019.

Our decision

We have considered the issues raised by the modification proposal and the supporting documentation provided in the Panel's Final Report. We have concluded that the implementation of CPW053 will better align the market codes with existing operational processes, and therefore facilitate the principles and objectives of the

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

Wholesale Retail Code 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.

Efficiency

This Change Proposal increases efficiency as the need for additional Reports to be stored by MOSL will be removed, and instead the Reports can be regenerated as and when required.

Transparency

This Change Proposal will correct the market codes to outline how transactions and reporting processes are actually undertaken, and therefore increases transparency for all.

Simplicity, cost-effectiveness and security

The proposed change is simple in its implementation as no changes are required to existing (currently running) processes. It has no effect on security provisions.

Decision notice

In accordance with paragraph 6.3.7 of the Market Arrangements Code, Ofwat approves this Change Proposal.

Emma Kelso
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