
Wholesale Retail Code Change Proposal – Ref CPW056

Modification proposal	Wholesale Retail Code Change Proposal – CPW056 – Cascade Erasure
Decision	The Authority has decided to approve this Change Proposal
Publication date	30 April 2019
Implementation date	8 November 2019

Background

The Central Market Operating System (CMOS) holds a variety of information on meters. This information includes current and live meters, old meters that have been exchanged following a new meter being installed, and meters which have been erased.

Code Subsidiary Document (CSD) 0105 (Error Rectification and Retrospective Amendments) only allows for three assets to be erased from CMOS: meters, discharge points (DPIDs) and supply points (SPIDs). The three erasure data transactions are:

- Erasing a meter (TCORR174.W);
- Erasing a DPID (TCORR179.W); and
- Erasing a SPID (TCORR115.W with a value of 'SPERR')

Erasing meter information from CMOS usually occurs due to the asset being registered or created in error, which becomes apparent at a later date. Once the process to erase a meter is complete, it is deemed to have never existed. Any usage this meter might have accumulated will not be taken into account as it will not be included in the Final Settlement Run and therefore will not be included in the Primary Charges that are calculated.

It should be noted that a deregistered SPID behaves differently to an erased SPID. Deregistered SPIDs will always be present and contribute towards Primary Charges

for the period they were active (i.e. between the connection date and the date the SPID was deregistered).

The issue

With the current erasure data transactions which are in place, it is not possible to perform a complete erasure, as associated attributes are left in an 'active' status. For example, erasing a SPID will result in the SPID itself showing as being erased, however any associated meters or DPIDs it had would not be erased. As a result, those associated meters and DPIDs are left unlinked to any active SPID, which creates data inconsistencies and leaves those assets unusable in the future. Another example is when erasing a meter, the meter readings associated will not be erased. Similarly when erasing a DPID, the calculated discharges associated will not be erased with it and there is no process which can be used to erase these.

Wholesalers can perform their own erasure of meters and DPIDs prior to erasing a SPID, which reduces the likelihood of data inconsistencies and resolves some of the issues this change proposal seeks to address. However, although steps can be taken to reduce the likelihood of data inconsistencies, there is no process in place for a Trading Party to be able to ensure a complete erasure of an asset has taken place, this increases the likelihood of data inconsistencies.

This ultimately results in a 'part-erasure' being processed, which creates a number of issues, including:

- If a SPID is erased without its associated meter or DPID being erased alongside it, the asset ID of the meter and DPID will still be linked to the erased SPID, and therefore cannot be reused at a different Supply Point. This risk can be mitigated by Trading Parties removing the associated meters and DPID first as stated above. However, as the process for erasing a SPID does not explicitly state that it is a requirement to do this, this risk is always possible.
- Following on from the example above, even if the meter and DPID are also erased alongside a SPID, when the asset ID for either is reused, it will reload all of the previous attributes. This includes meter reads or meter networks and is due to there being no mechanism for a full erasure of all attributes.
- When erasing a DPID, the associated Calculated Discharges which are registered to that DPID are not erased. This generates a system exception in the Settlement Run, whereby the settlement engine recognises the existence of a Calculated Discharge, but due to the DPID being erased, it is unable to link it to any DPID.

In addition to the behaviours of the erasure transactions outlined above, it has also been highlighted that the Incoming Retailer is not notified under all circumstances of an asset being erased. This Change Proposal intends to rectify this, and ensures that the Incoming Retailer is aware of data being erased in the period prior to them acquiring and becoming registered to the relevant SPID(s).

Analysis shows that erasure TCORRs are seeing a constant, and relatively high usage amongst the overall TCORR usage. The Market Operator (MOSL) has looked into the system exceptions which have been generated by the settlement engine as a consequence of incomplete erasures. It found that out of 383,689 table rows that appeared in the exceptions report, 2,240 (0.6%) were in relation to the issues described within this Change Proposal. This accounts for 37 (0.45%) SPIDs out of a total 8,310 SPIDs for which exceptions were raised. Although this is not a high number of SPIDs affected, it does still demonstrate that a number of system exceptions are being generated due to the poor handling of the erasure processes, which could be prevented by the implementation of this Change Proposal.

The modification proposal¹

In order to rectify the issues outlined by this Change Proposal, the following will be addressed (red line changes to the relevant documents can be found in Appendix 1):

- 1) For all erasure processes to not only set an erased status for the relevant asset (SPID, meter or DPID), but also sets an erased status for any associated attribute. In essence, the erasure processes will be enhanced to undertake a cascade erasure. This will ensure that a complete erasure is carried out thus promoting data consistency. For example, when a meter is erased, any associated assets such as meter readings or meter networks, will also have their status set to erase as well; and
- 2) To ensure that any Incoming Retailer is notified of any erased asset data in the period prior to them being registered at the SPID.

Further to the changes mentioned above, the implementation of this Change Proposal will be done alongside a data cleansing exercise which will be carried out by MOSL.

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>

As highlighted in the issues above, it is believed that there are instances in CMOS where SPIDs, meters and DPIDs have been erased without associated attributes also being erased; this theory is backed up by the system exceptions generated by the settlement engine. Therefore, this data cleanse will ensure that an equivalent set of data amendments are made to the existing database records as will be made by the new erasure data transactions which have been proposed. It is important this data cleanse is executed to ensure any historic issues are resolved, and that Trading Parties can take full advantage of the proposed changes. MOSL will be overseeing the data cleanse exercise, and will be engaging with Trading Parties to understand the suitability of erasing attributes which were associated with previously erased assets.

Industry consultation and assessment

A Request for Information was issued by the Panel on 7 January 2019 and closed on 21 January 2019. There were a total of 16 respondents, 11 were from Wholesalers and five from Retailers (three associated Retailers and two unassociated Retailers). Please note that CPW056 was initially raised as draft change proposal DCP018

When asked if they agreed with the proposed solution in DCP018, eight Wholesalers and four Retailers (three associated and one unassociated Retailers) agreed. One Wholesaler stated that the change proposal would simplify the business processes for erasing a SPID, and reduce both the number and time taken to process erasure transactions. It went on to recommend that previous, historical, data should be erased before the proposed solution is implemented – which is what the Change Proposal has included. One of the Wholesalers that disagreed stated that it felt the need for erasure did not occur frequently enough, and its manual internal operational process followed the same approach to the one contained within DCP018. It also believed that as the market continued to mature, the need to use the erasure process would reduce, further diminishing the benefits of this Change Proposal.

Eight Wholesalers and all five Retailers agreed with the legal drafting to be implemented into the WRC associated with the proposed changes in DCP018. Those who agreed did so on the basis that they deliver the scope of DCP018. One Wholesaler disagreed, as they wanted a pop-up box incorporated into the changes, as it believed that this would prevent accidental SPID deletion.

When asked to what extent existing systems and business processes would need to be amended following the implementation of DCP018, the majority of respondents advised there would be minimal to no changes required at all. One Wholesaler

stated it did not intend to fully implement DCP018 as it wished to keep its existing audit trail. It went on to state should they fully implement DCP018, all erasure processes in their current system would require new functionality, which would lead to changes in business processes. One of the unassociated Retailers also stated changes to its existing systems would be required, although the extent to which this would be an issue would be unknown until its software development team had reviewed the Change Proposal.

The majority of respondents believed the implementation cost for DCP018 would be minimal or zero, with one Wholesaler anticipating the cost to be low, and provided a figure of below £10,000 for impact assessment, development, deployment and project management aspects. However, it stated that the implementation cost could rise to a medium cost (£10,000 - £100,000) if they fully implement the functionality in DCP018.

The majority of respondents also stated the ongoing costs following DCP018 being implemented would be minimal to zero. One Wholesaler stated that it believes there would be potential ongoing administrative costs moving forward should they identify that certain assets were erased in error and need to be recreated.

When asked whether the benefits of this change outweigh the implementation and operational costs, seven Wholesalers and four Retailers agreed. Wholesalers that agreed cited the time savings made this cost beneficial, and an associated Retailer expressed the benefits of enhanced data consistency would make the change beneficial. Three Wholesalers who disagreed did not feel the issue was prominent enough to warrant this Change Proposal given the CMOS implementation costs. One unassociated Retailer did not agree that the benefits of this change outweigh the implementation and operational costs as it did not consider the change to be necessary.

When asked whether the proposed change better facilitates the Objectives and Principles of the Wholesale Retail Code, nine Wholesalers and four Retailers agreed. One Wholesaler neither agreed or disagreed with this. It stated while it agreed it would better facilitate the objectives and principles of the WRC, it did not feel there was currently a business case for the costs associated. One unassociated Retailer also disagreed that the proposed change better facilitates the Objectives and Principles of the Wholesale Retail Code.

Seven Wholesalers and four Retailers agreed with the implementation date of 8 November 2019. One Wholesaler that agreed stated it would have preferred an earlier date to quickly address data issues that prevent billing accuracy. Out of three Wholesalers and one unassociated Retailer that disagreed, one Wholesaler did so because they wanted this change implemented in March 2019 to prevent erasure

issues after the first Final Settlement Report was published. The others disagreed because they do not agree with the Change Proposal as a whole. One other Wholesaler stated it would have agreed with this date if further evidence was provided to demonstrate that the Change Proposal was cost beneficial.

Panel recommendation

The Panel considered this change proposal at its meeting on 26 February 2019. It agreed unanimously and recommended, that the Authority approve this proposal on the basis of improving the principles of efficiency, transparency, simplicity, cost-effectiveness and security as well as the Market Terms objectives. The recommended date of implementation is 8 November 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 CPW056 will simplify erasure processes and improve data consistency, and therefore facilitate the principles and objectives of the 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 will improve transactional processing, and reduce the amount of time spent by Trading Parties in carrying out erasure processes along with investigating data inconsistencies.

Transparency

This Change Proposal will ensure that the processing behaviour of the erasure data transactions is defined in the codes. And the introduction of notifications for Incoming Retailers, will ensure they are aware of data being erased in the period prior to them acquiring the supply point and becoming registered to the SPID.

Simplicity, cost-effectiveness and security

This modification will simplify and clarify the erasure data transactions.

Market Terms objectives

The changes will improve the accuracy of the calculation of Primary Charges and reduce the number of settlement exceptions created.

Decision notice

In accordance with paragraph 6.3.7 of the Market Arrangements Code, Ofwat approves this change proposal.

Emma Kelso

Senior Director, Customers and Casework

Appendix 1

In relation to the erasure data transactions and the issues identified above, the following amendments are proposed:

CSD 0105 (Error Rectification and Retrospective Amendments):

Section 6.2.21:

The Data Transaction does not remove the record of the Meter Data at the Supply Point, but sets the meter status to Erased. **Data Items and logical constructs which are attributes of the meter (for example Meter Reads, Meter Network data and meter-DPID associations) will also have their status set to Erased.**

Section 6.3.9:

The Data Transaction does not remove any of the SPID Data, Meter Data or Service Component Data from the Central Systems but sets Supply Point status to Erased. **Data Items and logical constructs which are attributes of the Supply Point (for example Meter Data, Service Component Data, DPID Data and Core (Eligible Premises) Data which relates to the Erased SPID) will also have their status set to Erased.**

Section 6.4.9:

The Data Transaction does not remove any of the DPID Data, Meter Data or Service Component Data but sets the Discharge Point status to Erased. **Data Items and logical constructs which are attributes of the Discharge Point (for example Calculated Discharges and meter-DPID associations) will also have their status set to Erased.**

Part 1: Objectives, Principles and Definitions:

Amend the definition of “Erase” to: the removal of meters, Discharge Points or Supply Points, **and any Data Items and logical constructs which are attributes of those meters, Discharge Points or Supply Points**, such that they do not contribute to the calculation of Primary Charges for any Invoice Period;

In relation to the Incoming Retailer being notified of an asset or SPID being erased:

CSD 0102 (Registration: Transfers)

Section 2.2.38

The Market Operator will notify the Incoming Retailer of any relevant meter read in accordance with CSD 0202 (Meter Read Submission: Process), and any relevant SPID Data update in accordance with CSD 0104 (Maintain SPID Data) or CSD 0105 (Error Rectification and Retrospective Amendments) during the period up to the Registration Start Date. Data Transactions that will be notified to the Incoming Retailer include all Data Transactions listed in Section 2.2.11 of this CSD, plus additional Data Transactions as follows:

- (a) T113.M (Notify Meter Non-Chargeable);
- (b) T114.M (Notify Meter Chargeable);
- (c) T115.M (Notify Disconnection/Reconnection/Deregistration);
- (d) TCORR115.M (Notify Disconnection/Reconnection/Deregistration);
- (e) T117.M (Notify Meter Exchange);
- (f) T105.M (Notify Meter Read);
- (g) T143.M (Notify Service Component);
- (h) T146.M (Notify Yearly Volume Estimate);
- (i) TCORR148.M (Notify Correct Meter SPID Relationship);
- (j) TCORR165.M (Notify Unpaired Sewerage SPID);
- (k) TCORR166.M (Notify Paired Sewerage SPID);
- (l) TCORR171.M (Notify Removed Meter Read);
- (m) TCORR172.M (Notify Inserted Meter Read);
- (n) TCORR173.M (Notify Amended Initial Final or Pre-loaded Meter Read);
- (o) TCORR174.M (Notify Erased Meter);
- (p) TCORR175.M (Notify Amended Meter Treatment);
- (q) TCORR176.M (Notify Amended Meter Register);
- (r) TCORR177.M (Notify Amended Supply Point Effective Dates);
- (s) TCORR179.M (Notify Erased DPID);
- (t) TCORR180.M (Notify Amended Meter Identification); and
- (u) T181.M (Notify Association/Disassociation of Meter with SPID).

CSD 0301 (Data Catalogue)

Transaction Number	TCORR179.M	
Transaction Name	Notify Erased DPID	
From	Market Operator	
To	Retailer, Incoming Retailer	
Data Item Number	Name	Notes
D2001	SPID	Will be included
D6001	DPID	Will be included
D4031	Authorisation Code	Will be included
D4003	Text Comment Field	Will be included if provided in TCORR179.W
Description	Notification of an Erased DPID. This is a Retrospective Amendment Data Transaction only	
Additional Notes		

In relation to the change above for TCORR179.M, appendix D of CSD 0301 will also need to be updated to make clear that the TCORR179.M is submitted to the Incoming Retailer.