

By email

Steve Arthur
Market Performance Director
MOSL

20 November 2020

Dear Steve

Extending the suspension of Market Performance Framework Charges

Throughout the Covid-19 pandemic, we have been working together to support the interests of business customers. To this aim we have collectively introduced a number of measures, including a temporary suspension on the invoicing and payment of charges under the Market Performance Framework (MPF). The Market Arrangements Code (MAC), defines the periods for which this suspension applies¹ and allows for these periods to be amended where the Authority (Ofwat) notifies the Market Operator (MOSL) in writing.

Our [joint statement](#), published on 4 November 2020, set out Ofwat and MOSL's planned approach in response to the second national lockdown. In relation to MPF Charges, we confirmed that the suspension on the invoicing and payment of market performance charges would be further extended, and that Ofwat would write to MOSL to confirm the details of the suspension of MPF charges. This letter confirms the details of that suspension.

We are suspending the invoicing and payment of market performance charges in relation to both OPS and MPS standards until end December 2020.

- From 1 January 2021, OPS charges will come back into effect, with invoices to Wholesalers commencing from February. We do not expect to extend the suspension of OPS charges further beyond this date.
- From 1 January 2021, MPS charges are expected to come back into effect, with invoices to Retailers commencing from February. If we experience another national lockdown we may consider a further extension of the suspension of MPS charges only.
- MOSL shall continue to report and publish the level of OPS and MPS charges that would have been due, even where invoices are not issued.

For the purposes of sections 10.4.2(c) and 10.4.3(c) of the MAC Ofwat is notifying MOSL that Market Performance Standard Charges shall not be invoiced to each Undertaker Wholesaler Business and each Retailer Business for the Months of November 2020 and December 2020.

¹ This temporary suspension expired at the end of September for Operational Performance Standards (OPS) for Wholesalers, and the end of October for Market Performance Standards (MPS) (for Retailers and Wholesalers).

For the purposes of sections 10.4.2(d) of the MAC Ofwat is notifying MOSL that Operational Performance Standard Charges shall not be invoiced to each Undertaker Wholesaler Business for the Months of October 2020, November 2020 and December 2020.

For the purposes of section 10.5.3 of the MAC Ofwat is notifying MOSL that for the Months of October 2020, November 2020 and December 2020 it shall report the level of Market Performance Standard Charges and Operational Performance Standard Charges that would be due by each Undertaker Wholesaler Business and Retailers Business at the time of the invoice issued pursuant to section 10.4.2. and section 10.4.3 but such amounts shall not be due or payable.

Yours sincerely

Georgina Mills
Director, Business Retail Market