

Wholesale Retail Code and Market Arrangements Code Change Proposals – Ref CPW110/CPM041

Modification proposal	Wholesale Retail Code and Market Arrangements Code Change Proposals ¹ – CPW110/CPM041 – Sharing non-household emergency contact details
Decision	The Authority has decided to reject these Change Proposals
Publication date	9 November 2021
Implementation date	N/A

We are rejecting these Change Proposals because we do not consider that these Change Proposals address the identified issue, primarily as use of the proposed solution would be optional and the consultation responses indicate that uptake would likely be low. Therefore, the costs of implementation are likely to outweigh the benefits that could be delivered to customers.

Key messages for stakeholders to note:

- We encourage all Trading Parties to adopt the RWG emergency contact details good practice guide. We will shortly be writing to all Trading Parties to confirm our expectation that they should be providing a service that is the same, or equivalent to, what is outlined in the guidance.
- In principle we support a standardised approach to sharing emergency contact details. However, the issues relating to emergency and unplanned event management include, but are not limited to, sharing of emergency contact details. In principle we see merit in a more holistic solution being developed and note it will be for the new Strategic Panel to agree relative priorities for the market.
- We encourage Retailers to take positive steps to obtain emergency contact details from customers to facilitate effective communication with them during emergency and unplanned events.

¹ The terms used in this document are those defined by the Wholesale Retail Code and the Market Arrangements Code.

Background

Wholesalers have responsibilities in the event of emergencies and unplanned events. To fulfil these obligations, Wholesalers may require Non-Household Customer contact details. The Operational Terms provide for the sharing of emergency contact details to facilitate Wholesalers' ability to meet their obligations.

[CPW010 – emergency contact details](#) was approved by the Authority in 2017 to introduce provisions relating to sharing of customer contact details to facilitate contact with customers during an emergency or unplanned event. This proposal permitted Trading Parties to agree a method by which this information would be shared rather than prescribing a required method.

Subsequent to the implementation of CPW010, and to improve the market's response to emergencies and unplanned events, MOSL has worked with a sub-group of the '[Retailer Wholesaler Group](#)' (RWG)² which has developed good practice guides to support with emergency and unplanned event management, including the [RWG emergency contact details good practice guide](#). The sub-group also developed these Change Proposals to build upon the existing codified provisions relating to sharing customer contact details.

The issue

Whilst approval of CPW010 introduced codified provisions relating to sharing of emergency contact details for customers, there is currently no consistent method for sharing these details between Trading Parties. The RWG has developed the [RWG emergency contact details good practice guide](#) for sharing of emergency contact details, which sets out agreed methods and relevant frequencies for sharing this information. However, adherence to the good practice guidance is not mandatory, and not all Trading Parties have adopted this to date.

The Final Report details that a lack of consistent method for sharing this information results in consequential inefficiencies in communicating with end customers during emergency and unplanned events. The various frequencies at which contact details are shared can also result in these becoming outdated. This in turn can cause delays, or a lack of information to be communicated directly to customers affected by emergency and unplanned events.

² The RWG planned and unplanned events sub-group (the sub-group)

The Change Proposals³

It is proposed that a new Data Transaction is created in the Central Market Operating System (CMOS) – T130.R ('Submit Additional Core Data'). This Data Transaction would provide the option for Retailers to submit emergency contact details for customers into CMOS. The information would be applied to both the Water Services and Sewerage Services Supply Point at the relevant premises.

A notification would be issued to inform the Wholesaler and Other Retailer (where the Eligible Premises has a set of Paired Supply Points, each having a different Retailer) of the updated contact details (the Incoming Retailer would also be notified of the contact details upon the Transfer of a Supply Point).

To support the above, the proposed solution includes the following:

- Specific Data Items would be included within the T130.R Data Transaction to verify that the Retailer has complied with data protection laws.
- Where premises are vacant, it would not be possible to enter customer contact information. Once a premise becomes occupied, an amendment would first be required to the Customer Name through T132.R ('Submit Core Customer Data'), following which submission of the T.130R would be permitted.
- Trading Parties using CMOS' high volume interface would be able to download reports containing the customer contact information. The Final Report details that the contact information would also be viewable on CMOS' low volume interface portal.
- If premises are deregistered from the market, the associated contact information would automatically be removed from CMOS.
- Market Privacy Notice and Trading Parties' data sharing agreements would need to be reviewed and updated.

Industry consultation and assessment

An industry consultation was published on 28 April 2021 and closed to responses on 20 May 2021. There were 21 respondents: 11 Wholesalers, nine Retailers and the Consumer Council for Water (CCW). A brief overview of key responses has been provided below, and a more detailed summary and the verbatim responses can be viewed in the [Final Report](#).

³ The proposals and accompanying documentation is available on the MOSL website at <https://www.mosl.co.uk/market-codes/change#scroll-track-a-change>

Respondents were asked a number of questions to understand the extent of the issue. Responses suggested that a lack of consistent approach for sharing of customer contact information does pose an issue and indicated that there are broader concerns relating to management of unplanned and emergency events beyond the sharing of this information between Retailers and Wholesalers. The responses however highlighted that there are currently low levels of complaints from customers relating to being unaware of emergency or unplanned events.

Agreement with the proposed solution

Overall, the majority of respondents agreed with the proposed solution (nine Wholesalers, four Retailers and CCW). The Wholesalers that agreed said that they considered it would deliver benefits for customers, including that it would enable Wholesalers to effectively support all customers during incidents. Another Wholesaler considered that this appeared to be the best solution as CMOS holds all appropriate SPID data. A different Wholesaler thought that the proposed solution would result in customers receiving the same level of service that they did prior to market opening, providing Retailers share the required contact information.

Seven respondents did not agree with the proposed solution (two Wholesalers and five Retailers). One Wholesaler that did not agree thought that there needed to be a consistent way for emergency contact details to be shared and that the proposed solution would only increase the number of available avenues for sharing this information. This respondent did not consider that mandating use of T130.R would be onerous as updates could still be made on a periodic basis. The other Wholesaler that was not in agreement with the proposed solution said that if CMOS is updated to hold emergency contact details then this should be the only mechanism used for sharing this data. The reason for this view was that the singular approach would avoid adding additional complexity by permitting multiple ways for this data to be shared. This Wholesaler did however support emergency contact details being stored within, and shared via, CMOS.

A Retailer expressed concern that the proposed solution would disproportionately affect Retailers that acquired their customer base through the retail exit arrangements where they inherited poor quality data. One Retailer that did not agree said that the proposed solution does not consider what information customers want in emergency situations. Three Retailers highlighted that the proposal assumes that Retailers hold emergency contact information for customers, however, the contact details the Retailers hold are often primarily used for billing purposes. Another Retailer highlighted that the proposal is onerous for Retailers and expressed concern that the information would become outdated and unreliable. A different Retailer respondent highlighted that given the size of its customer base, it would not be realistic to obtain express consent from each

customer to share the contact details and preferences. This Retailer is currently able to share this information under the privacy policy it provides to its customers.

Four Retailer respondents supported the proposed solution. A Retailer was supportive because the solution would not be compulsory, but they considered that it provided a secure method for data sharing. Another Retailer thought that the proposed solution delivered a streamlined approach and offers flexibility for Retailers because it would not be compulsory.

CCW were supportive of storing customer contact details centrally in CMOS and stated that it is vital that Wholesalers can access this information to provide timely updates for customers. CCW did however note that whilst the information would be available, the proposal does not ensure its accuracy. CCW stated that every effort should be made to ensure that this information is kept up to date.

Customer impacts and risks of the proposal

Wholesaler respondents generally agreed that the proposal would result in greater information sharing and timelier provision of updates to customers in unplanned and emergency events.

One Retailer said that, if implemented, the impacts of the proposed solution would be 'at best minimal' as it does not address customer concerns, which do not relate to being informed of unplanned events but rather the consequences of them. This Retailer also expressed concern about the number and type of notifications which might be sent to customers, suggesting that excessive volumes of notifications can result in them being devalued or ignored by customers. Another Retailer thought that the implementation of the proposed solution could result in incorrect customers being contacted.

A number of Retailers highlighted that one of the greatest risks associated with the proposed solution included compliance with data protection laws. Most Wholesalers did not foresee risks although several mentioned data protection laws and suggestions were made that associated risks could be mitigated, for example, through the use of privacy policies. Several Wholesalers noted that individual customer consent is required to process data. A Retailer expressed concern that Wholesalers could use the contact information in broadcasts that are not related to emergency and unplanned events.

Costs and impacts of implementation

Most Wholesalers indicated that the proposed solution would not have major impacts on their systems and processes and that costs to their organisations would be relatively

low. However, one highlighted that there were various implementation options, some of which would result in costs as system amendments would be necessary. Two other Wholesalers suggested that they may incur medium costs to implement.

Some Retailers were unable to quantify the costs at the time of the consultation, two suggested that the costs could be low if the data could be uploaded in bulk to CMOS via the medium volume interface (MVI). One respondent suggested that if the data could not be uploaded by the MVI, the costs could be significant. Another Retailer that was unable to quantify the costs said that they believed the costs would be 'significant and disproportionate to Retailers' role in unplanned events and perceived customer benefits'. A different Retailer expressed concern that the costs to them would be high if significant system development was required. Two Retailers indicated that the proposed solution would increase their cost to serve.

Several respondents thought that the implementation costs outweighed the benefits that the proposal could deliver.

View of the RWG sub-group

The sub-group considers that the [RWG emergency contact details good practice guide](#) should be adopted across the market.

The Final Report details that the sub-group considers that a solution for the centralised retention and pro-active maintenance of customer contact information would benefit the market and customers. Using CMOS to share emergency contact information represents a more enduring and robust mechanism – Retailers would be able to update information whenever necessary. The sub-group thought that as Retailers would be able to update the information more efficiently, the risk of customer being uninformed about incidents affecting their supply should be decreased.

Overall, the sub-group favoured a CMOS solution to the identified issue. However, it did not consider that the solution presented by CPW110 should be mandatory as it recognised that this may become burdensome and overly onerous.

View of the Customer Representative

The Customer Representative agreed with these Change Proposals noting that when incidents occur it is important that Wholesalers can readily access details to ensure that customers receive timely information, which can then potentially reduce the detriment that may be caused by the incident. The Customer Representative supported creation of a location in CMOS for this information to be stored as Trading Parties all have access.

It was highlighted however, that information availability does not necessarily guarantee accuracy and that maintenance of accuracy and relevancy is highly important. In view of the timescale prior to implementation, the Customer Representative urged Trading Parties to follow the [RWG emergency contact details good practice guide](#) prior to implementation of the Change Proposals.

Panel recommendation

The Panel considered these Change Proposals at its meeting on 31 August 2021. It recommended, by unanimous decision, that the Authority reject this proposal. The Panel did not consider that CPW110 and CPM041 would further the principles of proportionality and simplicity, cost effectiveness and security.

Panel Members are noted to have agreed with the concerns raised by respondents to the consultation. The Panel noted that the proposed solution was not mandatory for data protection reasons and highlighted that the lack of a mandated solution resulted in the potential uptake being estimated at 40%. The Panel stated that this would impact the quality and reliability of the contact information in CMOS.

The Customer Representative Panel Member considered that there should at least be a mandated solution for 'vulnerable' customers and therefore did not support the proposed solution.

The Panel concluded that the potential benefits of the proposed solution did not justify the cost of implementation and ongoing operational costs.

The Panel suggested that a broader, more innovative approach to the issue was required. It was suggested that self-serve platforms which allow customers to sign up for alerts (already used by some Wholesalers) could be explored.

Our decision and reasons for our decision

We have considered the issues raised by these Change Proposals and the supporting documentation provided in the Panel's Final Report and have decided to reject the proposals. We do not consider that these Change Proposals would advance the primary principle as it is not apparent that they would operate in a way that best promotes the interests of, and participation by, existing and future Non-Household Customers. The rationale for our decision is detailed below.

It is not apparent from the information provided in the Final Report that these Change Proposals would deliver benefits to customers over and above the existing bilateral arrangements for sharing of emergency contact details. This is primarily because use of Data Transaction T130.R would be optional. The Final Report details that T130.R

would not be mandatory 'as there is a concern that mandating the submission of this data will be too onerous for Retailers'. The analysis provided within the Final Report also suggests that uptake by Retailers would only represent an estimated 40% of SPIDs. Given that the evidence suggests there would be low levels of uptake and the proposed solution is not mandatory, we consider that the costs of implementing these Change Proposals are likely to outweigh the benefits that could be delivered for customers above those provided through the existing bilateral arrangements between Trading Parties. If approved, these Change Proposals would also have introduced an additional method by which emergency contact details could be shared, thereby potentially exacerbating the lack of consistency across the market for sharing this information.

Further to the above, the Final Report details that one of the issues these Change Proposals seek to address relates to the quality of the contact details provided. It is noted that the frequency of provision can result in these details being incorrect at the time of use. The proposed solution would require Retailers to update emergency contact information within five Business Days of becoming aware of a change. However, as use of the T130.R Data Transaction would not be mandatory, it is not apparent that Retailers would proactively keep this up to date, especially if it is administratively onerous (as the information provided in by Final Report suggests it might be). Therefore, the issues pertaining to the quality of this customer contact data would likely remain even if these Change Proposals were approved.

Whilst we are rejecting the proposed solution, we consider that the concept of standardising the process and frequency for the exchange of emergency contact information does have merit. A centralised arrangement for collecting this data could potentially provide a more efficient way for Wholesalers to obtain relevant customer contact information and thereby inform them of an emergency event. It could also improve market resilience by identifying where significant gaps in data exist and where action should be prioritised to obtain emergency contact details, for example, in the case of Sensitive Customers. However, we acknowledge that it has been difficult to quantify such benefits during the development of the proposed solution. Especially if the solution is not adopted and used by all Trading Parties.

We also acknowledge that these Change Proposals focus purely on the exchange of customer contact data from Retailer to Wholesaler. There are other aspects of emergency event management and coordination that could be improved. We noted that one respondent highlighted that these Change Proposals do not consider what information customers want to receive in the event of an emergency or unplanned event. Several Retailer respondents also highlighted that the Change Proposals assume that Retailers hold emergency contact details for all customers. We encourage Retailers to take positive steps to obtain emergency contact details from customers to facilitate effective communication with them during emergency and unplanned events.

We agree with Panel that that the work undertaken on CPW110 & CPM041 has stimulated a beneficial discussion in the market. in principle we support Panel's view that a more holistic, innovative approach to management of emergency and unplanned events may have merit and note it will be for the new Strategic Panel to agree relative priorities for the market.

We note that the RWG sub-group considers that the [RWG emergency contact details good practice guide](#) should be adopted across the market. We encourage Trading Parties to adopt this guidance, which is intended to support market improvements through introduction of a set of common methods and timescales for sharing of emergency contact information across the market. This in turn can contribute to improved communication with customers where unplanned or emergency events occur. We will shortly be writing to all Trading Parties to confirm our expectation that they should be providing a service that is the same, or equivalent to, what is outlined in the guidance.

Decision notice

In accordance with paragraph 6.3.7 and 7.2.9 of the Market Arrangements Code, the Authority rejects these Change Proposals.

Georgina Mills
Director, Business Retail Market