CentralMarketAgency

Technical Panel Meeting, 20 October 2011
Minute for Approval

Attendees

Jeremy Atkinson (JA) - CMA
James Bream (JB) - Business Stream
Alastair Ross (AR) - Satec
Neil Cohen (NC) – CMA (TP Secretary)
Jessie McLeman (JMcL) - Scottish Water
Kevin Ensell (KE) – Osprey
Richard Khaldi (RK) - Commission
David Walters (DW) - Commission
Brian Saunders (BrS) – CMA (Chair)

Apologies

No apologies were received.

1. **Minute**

   The minute of the meeting of 18 August 2011 was approved.

2. **Actions and Administrative Update**

   NC provided an update on the action log:

   NC advised that AP161, AP162, AP164, AP165, AP166, AP168, and AP170 had been completed and that AP169 was ongoing (and would be a standing action). JMcL reported that AP163 and AP167 were ongoing, and that AP158 had been completed, noting that a process had been established, whereby routine updates were being provided to the Commission by SW.

   NC confirmed that no Change Proposals had been withdrawn at or since the last TP meeting.

   NC confirmed that MCCP082 and MCCP088 had been approved by the Commission since the last meeting and that Commission approval for MCCP052, MCCP079 and MCCP086 had been received on the 20 October 2011.

   NC confirmed that no new Commission Changes had been implemented since the last TP Meeting and that no new Commission Changes had been introduced since the last TP meeting.

   NC noted that there had been six bulletins issued since the last TP meeting, all of which pertained to the work to cutover to the upgraded CMA CS hardware platform and for the September Release. NC also noted that there had been no guidance notes issued since the last TP meeting.

3. **Change Proposals in Progress**

There were no Change Proposals in progress to be discussed.

4. **New Change Proposals**

MCCP089 – Schema Changes for Validity (Urgent)

NC introduced this MCCP and explained that it proposed a small number of changes to the HVI Schema to ensure that existing flows are valid against the Schema, thereby removing the risk of rejection of messages. Because of the risk that large numbers of messages could be rejected, the MCCP had been designated as Urgent and the process adopted was that, following the issue of the MCCP on the 30 September 2011, TP agreement had been sought by the 5 October 2011, subject to a Commission view that the adopted process was acceptable, with subsequent ratification at the October TP, after which, Commission approval would be sought.

NC reported that the Commission had provided a view that it was content with the adopted process and that TP agreement had been given on the 5 October 2011, after which, work to implement the changes had begun. NC reported that completion of this work would now be incorporated into the implementation of the September Release.

The TP approved this MCCP, subject to a typographical error being corrected and the CMA should now seek Commission approval.

> **AP 171** CMA to correct the MCCP and forward a Final Report to the Commission for MCCP089, for Commission approval.

OCCP035 – Improving Responses for Verification of Service Visits – Form O

JB presented this OCCP and explained that it had arisen from an action at the last MPF. JB noted that Business Stream had met with Scottish Water and that the OCCP sought to reflect the views from that meeting.

JMcL identified two key issues with the proposal: the provision of an SAA reference was described as mandatory, although this item did not form part of the market data and may not be readily available to SW following a site visit. Also, the OCCP identified the need for SW to provide a 'SPID Address' and JMcL noted that, whilst an address associated with the SPID would be held in the CMA Central Systems, the pertinent address that SW would have would be the address of the premises that had been subject to a visit. On the basis of these remarks, the TP agreed that the OCCP should reflect that provision of an SAA reference should be optional and that 'SPID Address' should be replaced with 'Address Visited'. Subject to these changes, the TP approved the OCCP and JB agreed to provide an updated OCCP to the CMA. The CMA would then seek Commission approval.

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AP172 BS to provide an updated OCCP035 to the CMA.

AP173 CMA to forward a Final Report to the Commission for the updated OCCP035, for Commission approval.

MCCP090 – Performance Measures Update

NC presented this MCCP, which responded to one aspect of an Enquiry that had been put to the CMA by an LP. The Enquiry had highlighted that, for the R5A Performance Measure, whilst a timely connection notification for a gap site SS SPID was recognised as a performance success in CSD0002, a timely error notification was not, even though this alternative is allowed for in CSD0101 and is accommodated for in other performance measures where error notifications are allowed. This MCCP, therefore, sought a change to CSD0002 to allow for a timely error notification for such SPIDs.

NC also noted that the benefit of the proposal was the avoidance of an unreasonable charge to an LP, where an error notification was made rather than a connection notification. Conversely, the cost was considered modest, since no changes to the core Central System were required. NC further noted that a cost had been incurred by the LP for such a circumstance against one SPID, in the August Performance Report. However, the cost of making the change retrospectively to correct this would exceed this amount by some margin and would require re-running and re-issue of performance reports. The TP agreed that the MCCP should not have retrospective effect but that, once approved, its implementation should be expedited to ensure that there are no further instances of these charges occurring, so far as is possible.

The TP approved the MCCP and suggested that the CMA should forward a Final Report to the Commission by the 21 October, 2011.

AP174 CMA to forward a Final Report to the Commission for MCCP090 by the 21 October 2011, for Commission approval.

5. **Forward Plans**

Enhancements to the Reporting of Issues

NC presented a paper that responded to an action placed at the last TP meeting and outlined enhancements to the reporting of issues and forward plans.

NC introduced the paper by summarising the current position, whereby the TP had made use of the Issues List as a key driver to monitor developments, alongside those dictated by MCCPs (and OCCPs) and that costs and benefits tended to be considered qualitatively. NC also explained that, once an issue had been considered, if a Market Code (or CSD) change was identified, then an MCCP would be brought forward to resolve that issue. If, however, no such MCCP was required, then a change process internal to the CMA would be used. The TP would then review Release Calendars based on the proposed scheduling of a combination of MCCPs and Issues. NC noted, however, that whilst MCCPs and the CMA's internal change management constituted formal proposals with defined solutions,

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timescales, costs and implementation approaches, issues might often be more general statements of concern or of possible problems.

The proposal in the paper considered that, as the main emphasis potentially shifts from dealing with known bugs to the need to assess potentially competing enhancements, the TP may wish to have some visibility of the CMA change proposals, where these might impact on Release Calendars (such change proposals to be identified as CMACPx's), particularly as the CMA would also be endeavouring to identify costs and benefits for proposed changes (MCCPs, as well as CMACPxs and indeed for Releases), where practical. JMcL noted that such visibility would also help the TP to monitor issue resolution (as issues were developed into formal proposals). KE suggested that the distinction between those changes that would be made available to the TP and others might be driven by budgetary distinctions to avoid the TP being drawn into CMA decisions on routine software changes; ie the "CMA day job"; for example, based on a distinction between approved budget items and discretionary spend. JA noted that there would be a challenge for the CMA to ensure consistency with budgets, but BrS suggested that the test as to whether a proposal was identified to the TP ought to be whether there was an impact on the Release Calendar. KE also suggested that it would remain helpful to present the broader perspective on the benefits of a change, along with any quantitative estimates. NC undertook to ensure that this would be done, as change proposals were brought forward.

The TP supported the principles identified in the paper.

Issues and Forward Plans

NC presented the new report which sought to incorporate all of the proposals identified in the previously discussed paper. NC noted that the current status was presented in the form of the Issues List, alongside a CMACPx Log. Changes in status since the last TP were then presented, noting that a number of issues had closed, since change proposals had been developed and a number of new issues had arisen. Forward Plans were provided in the form of the Release Calendar and a CMA Workplan, which also identified changes to be implemented outside Releases, Market Enhancement Projects (none yet identified) and MPF Working Group activity (to be determined).

JA provided an update on the situation with the September Release and noted that the CMA was seeking to implement a hardware upgrade as part of this project. The hardware upgrade was principally seeking to move the CMA CS from 32 bit to 64 bit processing and that once this had been implemented, the September Release changes could then be cut-over. However, there had been some difficulties associated with HVI connectivity to the upgraded hardware and it was this problem that had caused delay to the September Release; the CMA is currently working with SW and BS to resolve this. JMcL asked if these delays might have a knock-on impact on the March 2012 Release. JA considered that this would not be the case, noting that the development work on the September Release has progressed well and as soon as the connectivity problems were solved, the September Release software could be delivered and cutover.

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6. **Performance Statistics**

    CMA Business Indicators

    NC presented the Business Indicators Report.

    Participant Performance

    NC presented the market Level Participant Performance Report.

    RK asked for clarification of what was anticipated for the Performance Standards Review. NC noted that this was a standing item on the agenda, as required by a TP action and that the Review was expected to take place one year after the introduction of the Performance Standards.

    JB noted that he would have a view on how the Performance Standards had operated by the next TP. RK suggested that the TP should consider not just the way in which the new arrangements had functioned, but also their impact on data quality and performance. KE noted as an example that the issue of the caps must be included in this review as performance incentives disappear once they have been hit. JMcL noted that the context was also important; for example, what projects had completed or were underway to deliver data quality improvements. JA commented that the CMA would be able to present information on data quality and performance. BrS suggested that the next TP might be an appropriate time to undertake an initial review and this view was agreed by the TP.

    > **AP175** CMA to provide a report on the impact of the Performance Standards to the December TP.

7. **Any Other Business**

    Market Enhancement Projects

    JA introduced a paper on the allocation of funds from the Performance Standards Charges to Market Enhancement Projects and invited comments from the TP regarding the main decision points; the use of revenues, the identification and approval of candidate projects and the delivery of approved projects.

    In so far as the use of revenue was concerned, JB suggested that an additional criterion of there being some customer benefit should be added. RK concurred and noted that improvements to the 'Scotland On Tap' website might be such a project. BrS noted that the commission could bring proposals to the TP. KE noted that this criterion must only apply to Scottish customers and RK noted that a project with wider implications would constitute Commission policy and should necessarily be excluded from the scope of these projects.

    With regard to the identification and approval of projects, KE noted that projects must not subsidise or disincentivize what individual parties should already be doing as part of good business practice to support the market.

With regard to the delivery of projects, RK suggested that the suggested governance structure might not always be appropriate. BrS noted that this would be at the discretion of the CMA Board and it was agreed that the governance approach should be tailored to the proposed project. JMcL also asked what cost would normally be covered by these projects. RK suggested that the identification of costs would form part of the proposals, noting that in some cases, a party might decide that only partial funding was required. JB suggested that the governance approach constituted a risk, as the funding could be withdrawn during the project. BrS noted that this was essentially a normal form of project control, consistent with the PRINCE approach; that funding was rolled out to a project on a stage by stage basis. JA noted that the governance was principally to ensure that criteria were continuing to be met. JA also noted that projects could be multi-party and that MPF Working Groups might provide the support to scope such projects. This would serve to mitigate any perceived risks. KE noted that projects could also be undertaken soley by 3rd party Contractors. JB asked how such projects could be scheduled. NC noted that the CMA Workplan included these projects and BrS noted that this would allow the TP to consider this.

> **AP176** CMA to modify the framework for Market Enhancement Projects to reflect; customer benefit as a criterion and to note the flexibility for governance arrangements.

Data Working Group Update

NC presented a paper summarising the latest work of the DWG, which had been primarily associated with addressing arrangements under the Market Code. The paper identified some statistics on the usage of various address fields in the CS and had provided a comparison between the CS address structure and the address formats used by the Post Office and the Scottish Assessor. NC suggested that the DWG could consider whether there was any benefit in undertaking one or more Market Enhancement Projects to deliver views on preferred addressing arrangements under the Market Code, in light of this information. RK asked what the objective would be for such projects. JMcL noted that the use of a 3rd. party reference was potentially useful, particularly the SAA Ref, since recourse to the SAA was already required for RVs, but was a separate issue to address formats more generally. JA suggested that the address formats and content should support settlement and registration. RK also suggested that the scope of any projects should be carefully considered; for example, if an SAA Ref was considered to be useful, consideration would then need to be given as to who obtained it and from whom. RK suggested that any proposals for a Market Enhancement Project should identify a problem, whose responsibility it was and how it might be fixed. NC also noted that the outcome of such a project might be an MCCP, which would then progress via the normal working arrangements under the Market Code. The TP agreed that the DWG should consider whether one or more Market Enhancement Projects might be of value. TP members also asked for the attachment to the paper could be provided, as this had not been included in the pack originally sent out.

> **AP177** CMA to schedule a DWG and to provide a paper to support DWG consideration of the scoping and definition for possible Market Enhancement Projects.

> **AP178** CMA to issue the Attachment to the DWG Update Paper.

Retrospective Amendments

JMcL noted that the CMA had recently issued guidance on data formatting requirements for scripts to deliver retrospective amendments and had also identified the costs for running such scripts. JMcL asked whether these requirements should be incorporated into CSDs. NC noted that there had not been any changes to existing practice; the data formats constituted part of the method for delivering retrospective amendments and had done since the scripts had been implemented and the costs were those originally identified. However, JA noted that the original form in the CSD is out of date and the TP considered that the DWG should undertake to review this.

AP179 CMA to add retrospective amendment pro-forma and processing to the DWG agenda.

Summary of Actions

Action	Subject	Update
From the minute of the meeting of 18thAugust2011		
AP163 SW	SW to review the Operational Code to determine whether an OCCP is required to support MCCP079, following further development of requirements for MCCP079	
AP167 SW	SW to review the current status of matters under the Metering Working Group.	
AP169 Parties	Participants to submit proposals for additional market-enhancing projects at the earliest opportunity.	
From the minute of the meeting of 20thOctober 2011		
AP171 CMA	CMA to correct the MCCP and forward a Final Report to the Commission for MCCP089, for Commission approval.	
AP172 BS	BS to provide an updated OCCP035 to the CMA.	
AP173 CMA	CMA to forward a Final Report to the Commission for the updated OCCP035, for Commission approval.	
AP174 CMA	CMA to forward a Final Report to the Commission for MCCP090 by the 21 October 2011, for Commission approval.	
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