
28th Technical Panel Meeting, 19 April 2012
Approved Minute

Attendees

James Bream (JB) - Business Stream
Alastair Ross (AR) - Satec
Neil Cohen (NC) – CMA (TP Secretary)
Jessie McLeman (JMCL) - Scottish Water
Kevin Ensell (KE) – Osprey
Brian Saunders (BrS) – CMA (Chair)
Amanda Hancock (AH) – CMA
David Walters (DW) - Commission

Apologies

None were received.

1. Minute

The minute of the meeting of 16 February 2012 was approved, subject to a correction to the name of one attendee.

2. Actions and Administrative Update

NC provided an update on the action log:

NC advised that AP190, AP191, AP192, AP193, AP194, AP195, AP196, AP200 and AP201 had all been completed. NC also noted that AP169 was ongoing and the deadline for AP199 had now passed, so this action should be treated as superseded.

JMCL noted that, regarding AP169 (review of the current status of Metering Working Group matters), a number of matters were potentially relevant to the current data quality improvement initiative and in fulfilling the action such items would be highlighted accordingly.

NC also noted that AP181 (reporting on vacancy applications) had been completed and the CMA initial view was that the following items might be appropriate and practical as the basis for a vacancy admin scheme report; Number of applications made (with the Effective From Date and Date of Evidence), Number rejected, lapsed, cancelled and confirmed and Number challenged. However, NC noted that this content should be subject to review once a reasonable body of data had been accumulated, although it was not possible to determine when this might be, given the different processes that might be invoked under the scheme. KE suggested that this proposal could be reviewed at the next TP and that, provisionally, a report should be presented to the October TP.

AP202: TP to review the proposed vacancy scheme report at the June TP.

AP203: Subject to further TP views, CMA to present an initial vacancy scheme report to the October TP.

NC noted that, under AP197 (commentary on performance standards to be provided by Trading Parties), no papers had been submitted. However, JB stated that he wished to provide a verbal report under the relevant agenda item and JMcl had a paper for distribution at the meeting, which the TP was content to accept. AP197 was therefore completed.

Regarding AP198 (consider splitting maintenance and enhancements in the CMA budget), NC noted that this had been considered, but the CMA Board had accepted the CMA budget without such a split. JB suggested that this split continued to be of interest for the TP and KE noted that there was also the matter of what expenditure might be discretionary, particularly given the TP's responsibilities in considering what changes to approve and when these would be scheduled for delivery. NC noted that the costs identified for changes may be funded from various budget components, so such a split may not always be easy to quantify. However, NC agreed to raise this idea with the CMA CEO.

AP204: CMA to consider how IT maintenance and enhancements could be identified for the TP and perhaps be reflected in the Issues and Forward Planning Report.

NC noted that, for AP201, ad-hoc papers for this TP had been given a unique number, whilst routine papers were identified against their agenda item. JMcl suggested that some further identification would be useful, for example identifying the papers for the agenda item and against the TP meeting number. NC agreed to include TP meeting numbers for future minutes and agendas and to identify papers accordingly.

AP205: CMA to include TP meeting numbers for future meetings and to identify papers against these.

NC noted that there had been no Change Proposals withdrawn at or since the last meeting. NC also noted that; MCCC051 (Notification to Scottish Water of Changes in Vacancy Status), MCCC094 (Revised CSD Drafting for the T12.2 Transaction), MCCC052 (De-Registration Transaction Flows), MCCC079 (De-Registration of New and Partial SPIDs) and MCCC092 (March Release CSD Drafting) had all been implemented with the March Release, on the 29/3/12. In addition, MCCC093 (Enabling Automated and Appropriate Registrations – Urgent) had been approved by the Commission on the 7/3/12, having been approved by the TP on the 5/3/12.

NC further noted that the following Commission Changes had also been implemented: MCCC091 – CC (Vacant Site Charging Admin Scheme), implemented with the March Release on the 29/3/12; MCCC097 – CC (Definition of Vacancy and Occupancy), implemented with the March Release on the 29/3/12; MCCC100 – CC (Licence Transfer Process), implemented on the 29/3/12; OCCP – CC (Licence Transfer Process), implemented on the 2/4/12; and OCCP – CC (New Retail Areas), implemented on the 2/4/12.

NC also noted that MCCC087 – CC (Settlement Re-Runs) had been issued as a draft by the Commission on the 3/4/12, with comments requested by the 13/4/12. However, one such comment had suggested that the change be discussed at the April TP and this had been accepted by the Commission.

JB noted that the proposal allowed an LP to submit an application for a re-run, with the agreement of SW, but wondered whether SW should also be allowed to make such a submission. However, JMCL suggested that there were issues of principle that arose; that the Market Code lacked a full definition of an RF settlement run and that the RF's purpose was to provide settlement outcomes to enable SW invoices to be issued and these settlement outcomes should be open to dispute if they were considered to be incorrect. This led to further issues of principle, such as whether these proposed re-runs would explicitly supersede the original RFs. JMCL also suggested that the proposal seemed to imply that there could be no dispute of an RF, but if such a dispute were possible, more clarity might be required as to whether such a dispute could cover both perceived data errors and computation errors. NC noted that, from the CMA's perspective, the Market Code did allow for disputes pertaining to an RF, but the Market Code did require that such a dispute identified a counter-party to the dispute and legitimate grounds for the dispute.

BrS considered that the more significant issues of principle or policy were associated with what the market participants wished to achieve; in the electricity market arrangements, an RF could only be disputed on very limited and tightly defined grounds in order that businesses could rely on the RF. BrS also suggested that whatever arrangements were considered it was essential that the CMA should have hard and fast rules and could not be in a position of having to use discretion. For both the CMA and for other parties, any arrangements had to be manageable and workable in a practical and efficient fashion.

JB noted that customers could claim errors in billing up to 5 years in arrears, under the statute of limitations, which begged the question as to what should happen with the associated RF if the underlying data did prove to have been incorrect. JMCL noted that such data errors could become apparent after the R3. KE expressed a concern that, given the current data quality issues, such re-visiting of an RF could be open ended and AR noted that this would then be a business risk that would need to be carried by all Parties. KE suggested that perhaps LPs simply need to carry the risk that customers might seek billing amendments, but that an RF should be regarded as genuinely final. JMCL and JB both agreed that some form of closure was required for settlement liabilities and in the light of issues that had been identified against the 09/10 RF, for example, perhaps a provisional RF could be contemplated. AH noted that the arrangements already allowed for gradual reconciliation via the R1, R2 and R3 settlement runs prior to the RF. DW stated that the Commission would want to see a genuinely final RF and they did accept that there may be disputes of these, but the Commission would wish to see suggestions as to how closure could be established; for example, any re-opener might be subject to some form of materiality threshold or there might be some ultimate closure deadline, or combinations thereof. NC noted that as well as there being legitimate disputes, it was also the case that many retrospective amendments often involved timescales that overlapped with periods covered by previous RFs. BrS suggested that this was a further policy issue; could a retrospective amendment be grounds for re-opening an RF? KE noted that whatever arrangements were proposed, they should not undermine the incentives to get data correct in the first place. In so far as possible timeframes for RF re-openers were concerned, AR noted the 5 year timeframe for LP customers, but others suggested that this should be treated as distinct to the liabilities under the Market Code. JB also noted that the statute of limitations was effectively a rolling 5 year timeframe, whilst an RF was run on an annual one-off basis. BrS also suggested that there may be value in recognising the timeframes for the current data quality initiative and these might influence closure dates for any re-openers for early RFs, for example.

JMcL suggested that the MPF would be the most suitable forum for these matters to be considered further. DW asked that any MPF member wishing to provide views should identify what they consider to be the underlying problems and what solutions might be appropriate and it was agreed that papers should be provided for the next MPF, but be copied to DW and with sufficient time to enable DW to consider the submissions and to provide a steer from the Commission for the MPF. AH noted that the TP/MPF paper deadline for the June meeting would be the 23/5/12.

AP206: Technical Panel Members to submit views on RF Re-runs to the TP Secretary by 23rd May 2012.

NC noted that there had been three bulletins issued since the last Technical Panel meeting; BU085, which reminded LPs of the need to notify the CMA if they wished to opt out of the POLR process; BU086, which confirmed the deployment timescale for the March Release and BU087, which identified CMA office availability over the Easter period. NC also noted that there had been no guidance notes issued since the last Technical Panel meeting.

3. Change Proposals in Progress

NC noted that there were no proposals in progress.

4. New Change Proposals

MCCP096 – Additional Services and RAs

NC presented MCCP096 and explained that the proposal had arisen from discussions at the Data Working Group. The principal component of the proposal was to enable the CMA to publish its Schedule of Additional Services, along with the costs for such services. In addition the proposal sought to remove the CSD obligation for parties to make a request before submitting a transaction based retrospective amendment and to remove the retrospective amendment request pro-forma. In its place, the CSD drafting identified an obligation for the CMA to make its data format pro-formas available on the CMA website. NC also noted that, if approved, the MCCP could be implemented in May.

NC also noted that, although the DWG had not raised any objections to the drafting prior to its issue to the TP, one DWG member at the last DWG (held on the 18/4/12) had suggested that, with the removal of the RA request pro-forma, there would be value in identifying the data format pro-formas currently used for submitting RA requests in the CSD, to protect against any uncontrolled changes being made. NC explained that this would create a need for any future new or amended RA arrangement to be the subject of an MCCP, with the attendant timescale and cost implications. NC also noted that the data formats formed part of agreed approaches for RA requests, provided as Additional Services by the CMA and this might create a conflict in the Market Code, if TP and Commission approval were to be involved in the future. JMcL expressed a desire for the data formats to remain consistent and not to be subject to any uncontrolled changes, which may have occurred in the past. DW suggested that perhaps on the CMA website, the CMA could state that any changes to these pro-formas would only be undertaken with 10 business

days notice. This was agreed and NC undertook to ensure that this would be done as part of the implementation.

Subject to this proviso, the Technical Panel approved MCCP096.

AP207: CMA to note on its website that the RA data format pro-formas will only be changed after giving 10 business days notice of such change.

MCCP101 – Minor Validation and Error Message Improvements

NC presented MCCP101 and explained that it had been raised by the CMA to resolve issues identified against a number of previous CS Releases. The proposal sought approval for error codes to be added to or refined, as the case may be so as to provide better information to Users when errors occurred. The proposals also include a number of bug fixes that could conveniently be addressed when undertaking the error code work. However, NC also noted that the specific error code refinements and additions would most effectively be confirmed via discussion with User Groups in whichever Release the work would be done, which was proposed to be the September 2013 Release. DW suggested that approval for this MCCP would be problematic, since no drafting for CSD or Market Code changes had yet been provided. NC acknowledged this difficulty, but noted that this somewhat technical proposal would best be dealt with in a delivery project, by operational Users. The Technical Panel were content to action the CMA to take the proposal forward, but wished to formally approve on the basis of suitable CSD/Market code drafting.

AP208: CMA to continue with the development associated with MCCP101, noting that approval will still need to be sought prior to deployment.

5. Forward Plans

NC presented the CMA Issues and Forward Planning Report and noted that the Workplan included work to enhance the CMA's capability to administer the Licence Transfer process. NC also noted that the Release Calendar had been updated; to remove the March Release, which had deployed on the 29/3/12 and to include a June Release, which included the delivery of MCCP093. The delivery date for this Approved Change was currently anticipated to be the 21/6/12, which had slipped from the original intent of delivery in mid-May, as a result of some delay in the approval of MCCP093, some additional work on the refinement of the requirements and subsequent interactions with bank holidays. NC also noted that an HVI User Group was scheduled for late next week to discuss this Release project. NC further noted that the September Release was expected to include the work on MCCP101, along with that on a number of CMACPxs and CMACPs. In addition, NC noted that, with the June Release and the work to refine the CMA's internal processes to support Licence Transfers, the September Release project was anticipated to start in May. Finally, NC noted that the March 2013 Release currently contained place-holders for MCCP095 (TE calculations) and the work associated with the RA enhancements currently being discussed by the DWG; this project was due to initiate in September 2012.

JB noted that there may be a need to take account of work being done in the data quality initiative currently underway. JB also asked whether there was an opportunity for the CMA

to refine the LVI password re-activation process, perhaps making it more automatic and less reliant on re-submissions to the CMA. NC agreed to take this point away and respond to JB.

AP209: CMA to consider whether the LVI password re-activation can be made more automatic and less reliant on submission to the CMA and respond to Business Stream.

KE noted that costs and benefits appeared to be missing from the report. NC noted that some costs and benefits had been given in the Release Calendar, but were missing from the CMAPxs. This would be addressed for future reports. KE also asked if the split between maintenance and enhancement could be reflected in this report. NC agreed to consider this, as part of AP204.

6. Performance Statistics

CMA Business Indicators

NC presented the Business Indicators Report.

Participant Performance

NC presented the market Level Participant Performance Report, noting that the March data had not yet been provided, but should be for the next TP.

Performance Standards Review

NC presented the note provided by the CMA and explained that it sought to identify trends and conclusions that were evident from the data, but that parties would need to provide views on the adequacy and appropriateness of the standards themselves. BrS noted the conclusions of the CMA note; the Performance Standards were capable of being met, the ongoing data cleanse continues to cause a significant number of failures and there is an improvement in the reduction of the number of missing meter reads.

JB presented some views from the Business Stream perspective: The measures appeared to be appropriate, although evidence remains slim and the data cleansing activity continues, making it difficult to identify underlying performance trends, although missing bi-annual reads are improving and BS has a target to avoid the cap in this FY. Therefore, JB concurred with the CMA conclusions. Moreover, JB noted that the Business Stream focus would be for a 40% reduction in the number of meters not read for 8 months, noting that some 2-4% of meters had never been read and it was hoped that these could be reduced to 0%. JB also noted that some 5% of ongoing failures in each performance standard required action with customers. JB also noted that, regarding the R11 measure, some £ORVs were actually appropriate, but would be picked up by this measure as being inappropriate. NC asked if this would be dealt with when MCCP093 is implemented; since this would allow a nominal RV to be submitted to reflect an appropriate £ORV. JB suggested that further consideration as to how this would operate was needed and JB would keep this issue under review.

JMcL presented a paper which identified some views from Scottish Water regarding the performance standards: In general terms, JMCL noted that a large number of performance failures were related to de-registrations. For the R3A measure, JMCL noted that there was a legacy issue because of the large number of de-registrations and the large number of SPIDs in New or Partial status. JMCL also noted that, regarding NAPS, T7 connection flows were getting rejected and causing performance failures for SW, often because of the absence of an RV flow from an LP and this suggested that perhaps the R3A standard might not be providing the right incentives. JB considered that there was still too much 'noise' concerning data to draw that conclusion. JMCL also noted that the R6A and R6B failures were strongly affected by de-registrations and the new de-registration flow would alleviate the failure rate. Also, the jump in failures in April was in part due to many de-registrations that pertained to the previous financial year. For the R8A and R8B, JMCL noted that the measure counted the number of days from the read to the transaction, even for reads that pre-dated market opening and this was, in some cases, exacerbating the performance failure. AH suggested that the CMA and SW might usefully review some of SW's findings and data in a workshop. JMCL concurred.

AP210: JMCL to notify CMA which SW staff should be contacted for a performance standards workshop.

KE noted that the general picture was promising, but that a standards review should be kept on the TP agenda. KE also noted that the CMA Board had asked for predictions of performance, so as to identify the potential sums that might accrue. BrS considered that it was still too early for such predictions to be made.

BrS thanked those participants that had contributed to the review and noted that the original date for the review set by the TP had been June and asked the TP when the next review should take place. JB noted that NAPS related failures would only start to improve substantially in July. KE asked what key issues should be considered for the next review. BrS suggested that the main areas of interest may be; NAPS, De-registration and some of the data quality initiatives. For these, the CMA would be able to provide some basic data analysis, but Parties would need to provide more general analysis. DW suggested that this review could be considered to be the one originally scheduled for June and the next one perhaps could be scheduled for the December TP. This was agreed.

AP211: CMA to identify December as the next performance standards review date on TP agendas.

7. Any Other Business

Data Working Group Update

NC noted that the DWG had last met on the 18 April, 2012 and is due to meet next on the 17 May, 2012. At the last meeting, the DWG had focused on the enabling of greater retrospective for certain transactions, so as to avoid recourse to manual or script based retrospective amendments. The Group had assessed the mechanisms for this (delete and over-write), had noted the TP's views on including some flagging of any meter reads that will have been affected by such a transaction and had confirmed that this technique should be applied to the T5 and T12 transactions.

NC also noted that the DWG had raised a question as to whether its Terms of Reference remained appropriate in the light of the current data quality initiative. The TP confirmed that the current DWG activity should continue, but that no further work was currently envisaged and the DWG should close once the retrospective transaction work had completed.

Connections Working Group Update

NC noted that the CWG had last met on the 16 February and was due to meet again on the 19 April, 2012. Now that MCCP093 had been approved and was being implemented, the work of the Group would be limited to a review of the workaround plan for connections. The TP confirmed NC's suggestion that the CWG should review this plan in order to accommodate the later delivery date for MCCP093, but that after this next meeting, the CWG could close and the TP thanked the CWG for its work.

AP212: CMA to request the CWG to review the workaround plans in the light of the revised timescales envisaged for implementing MCCP093.

Summary of Actions

Action	Subject	Update
<i>From the minute of the 27th. meeting (16th February 2012)</i>		
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.	
<i>From the minute of the 28th. meeting (19th April 2012)</i>		
AP202 Technical Panel	Review the proposed vacancy scheme report at the June TP.	
AP203 CMA	Subject to further TP views, CMA to present an initial vacancy scheme report to the October TP.	
AP204 CMA	Consider how IT maintenance and enhancements could be identified for the TP and perhaps be reflected in the Issues and Forward Planning Report	
AP205 CMA	Include TP meeting numbers for future meetings and to identify papers against these.	
AP206 Technical Panel	Submit views on RF Re-runs	
AP207 CMA	Note on the CMA website that the RA data format pro-formas will only be changed after giving 10 business days notice of such change.	
AP208 CMA	Continue with the development associated with	

Action	Subject	Update
	MCCP101, noting that approval will still need to be sought prior to deployment.	
AP209 CMA	Consider whether the LVI password re-activation can be made more automatic and less reliant on submission to the CMA and respond to Business Stream	
AP210 SW	Notify CMA which SW staff should be contacted for a performance standards workshop.	
AP211 CMA	Identify December as the next performance standards review date on TP agendas.	
AP212 CMA	Request the CWG to review the workaround plans in the light of the revised timescales envisaged for implementing MCCP093.	