

**40th Technical Panel Meeting
Minute for Approval**

Present

Brian Saunders (BS) – CMA (TP Chair)
Belinda Oldfield (BO) – Scottish Water (Observer)
Kevin Ensell (KE) – Anglian Water
Neil Cohen (NC) – CMA (TP Secretary)
David Walters (DW) – Commission
Freddie Pryde (FP) - Commission
Ian Whatton (IW) - United Utilities
Emma Norris (EN) – Thames Water
Andrew Sharp (AS) – Business Stream
Paul Allen (PA) – Aimeria
Jeremy Hobbis (JH) – Severn Trent (Telephone)
Stuart Yardley (SY) – Clear Business Water
Tom May (TM) – Veolia

Apologies

Iain Clark (IC) – Commercial Water Solutions

Ian Whatton

IW informed the Technical Panel that he would not be attending future meetings and a new UU representative would be identified to the TP Sec in due course. BS thanked IW for his contributions to the Panel and wished IW well in his future endeavours.

1. Minute

Aside from some matters to be covered under AOB, there were no comments and the minute of 20 February 2014 was approved.

2. Actions and Administrative Update

NC provided an update on the action log, noting that all previous actions had been completed.

NC noted that no change proposals had been withdrawn since the last TP.

NC noted that six Change Proposals had been implemented since the last meeting, as a result of the deployment of the March 2014 release, namely;

- MCCP128 Meter Network Management,
- MCCP129 TE Central System changes
- MCCP130 TE Documentation Changes
- MCCP131 Gap Site Allocation Data and
- MCCP138 March 2014 CSD Drafting

Four Change Proposals had been agreed by the Commission since the last meeting, namely;

- MCCP124 Integrating POLR on the CS
- MCCP136 Disagg TE Settlement Reports
- MCCP142 Enhanced LVI Access for LPs and
- MCCP143 Water and Waste Disaggs.

One Change Proposal had been agreed by the Technical Panel since the last meeting, namely;

- OCCP046 Connections Process.

NC noted that one Commission Change had been implemented since the last meeting, namely;

- OCCP048 – CC Form M Updates.

NC noted that there were three bulletins issued since the last TP;

- BU099 User Access Form
- BU100 Software Release v3.7 and
- BU101 Termination of the SWW Vacant Site Incentive Scheme Application Workround

NC also noted that no new Guidance Notes had been issued since the last TP.

There were no new proposed TP dates.

3. Change Proposals in Progress

MCCP127 – Linking Supply Points with a 3rd Party Reference(s)

BO presented this paper and explained that, following previous discussion at the Technical Panel and development via the 3rd. Party Refs Working Group, approval was now being sought for this change proposal.

PA asked what the value of the proposal was, given that the Silver Tassie portal was now providing Gap Sites and PA further noted that for this initiative, there had not been a particularly big take-up and the data may not be sufficiently reliable. AS noted that Silver Tassie covered Gap Sites, whereas MCCP127 sought to provide an authoritative record on the CMA CS for all Supply Points. BO noted that the use of these references would help all parties to gain confirmation of the uniqueness and location of premises and KE noted that MCCP127 constituted a strategic proposal that would provide long term value for the market, such as facilitating future discussion on the use and selection of RVs, for example. AS also noted that, in terms of the take-up of the Silver Tassie data, the project was still in its early phases and the data would still be picked up by SW, if not by the LPs and BS noted that small take-up was not necessarily an indicator of poor data. NC also noted that the 3rd Party Refs WG were currently engaged in a process to deliver confidence in the SAA Project data by inviting parties to challenge the methodology and identify where

possible refinements might be of value, given the serious effort that the Project had made to establish a minimal error rate.

NC also noted that initial cost modelling had suggested a cost of the order of some £60k and that, given the broad support of the Technical Panel for the proposal at the last meeting, the Chair of the 3rd Part Refs WG had asked the CMA to initiate an Impact Assessment. NC also confirmed that delivery of the proposal could be scheduled for March 2015.

The Technical Panel unanimously approved MCCP127.

AP328: CMA to forward a Final Report for MCCP127 to the Commission.

4. New Change Proposals

MCCP144 – Removing T25s

NC presented this proposal, which had been put forward by the CMA. NC explained that this MCCP seeks to remove T25s from the CSDs and from the CS, as they are now redundant; they enable submission of TE volumes for dates prior to 2013-04-01, for which the RF has now been run. NC noted that this MCCP is for delivery in March 2015, at a cost model estimate of £9k.

The Technical Panel unanimously approved MCCP144.

AP329: CMA to forward a Final Report for MCCP144 to the Commission.

MCCP146 – Minor Changes to CSD0105

NC presented this proposal, which responds to a minor audit observation that CSD0105 still requires the use of the RA request form, although the practice is now and has been for Trading Parties to make RA requests via the submission of data files, as given in the CMA Additional Services Schedule for existing RA processes. For new RAs, e-mails are used and new data files established as required, following any development activity. NC confirmed that this CP is intended for delivery in March 2015, at no cost (admin only).

BO asked whether the CMA had considered adding the current RA data file formats into the CSD. NC accepted that this could be given consideration, but since these data files formats were of a technical nature, the CMA had originally considered that the Additional Services Schedule was adequate for recording these.

The Technical Panel unanimously approved MCCP146.

AP330: CMA to forward a Final Report for MCCP146 to the Commission.

MCCP147 – Change to T8

BO presented this change, explaining that it seeks to move the notification from the CMA to SW of a transfer, from the date of confirmation, to the date of the actual transfer. NC noted that delivery in March 2015 was sought and that cost modelling had suggested a cost of about £9k. JH asked whether this exacerbated an issue of SW being able to communicate with an Incoming LP prior to the transfer date and SY noted that this was also a difficulty with Service Requests. BO suggested that this could still happen, since SW would be happy to respond to an Incoming LP if they made themselves known to SW. BS noted that if this proved to be an issue, a further change could always be brought forward to introduce a further, earlier notification to SW. NC asked if the legal drafting could be slightly modified to reflect the standard approach of the CMA providing such notifications ‘within 1BD’ of the transfer date. This was accepted.

The Technical Panel unanimously approved MCCP147.

AP331: CMA to forward a Final Report for MCCP147 to the Commission.

MCCP148 – Change to the MDS

BO introduced this MCCP, which seeks to add a number of data items to the MDS. PA expressed a concern that it was not clear precisely what the value of these items being on the MDS was. PA also noted that a number of previous MCCPs had delivered, or were delivering, additional data onto the MDs and it was not clear what the strategic policy was, given that some of these data items might potentially be market sensitive and could impose perverse incentives on LPs and involve issues of confidentiality. DW noted that in the early phase of the market the policy had been restrictive so far as data visibility was concerned, but the view now was that this should be reversed. However, ongoing review would be useful to ascertain where the balance might lie. BO noted that LPs had been asking SW for these data items, suggesting that this proposal would be of benefit to LPs and they were operational data items, in essence. AS noted that these data items were potentially useful for audit purposes. BS noted that the Technical Panel could only consider these reporting mechanisms and scope from a Market Code perspective and that a party should respond accordingly to the Commission, if they considered that a retail issue was at stake. BO agreed to provide further information on the requested data items.

AP332: SW to provide further information on the data items to be included on the MDS, as described in MCCP148.

5. Forward Planning Report

NC presented the report.

6. Any Other Business

6.1 CSD Redrafts

NC presented this topic, explaining that the CMA had proposed bringing forward the planned CSD review. However, following the discussion of this matter at the last Technical Panel, SW had provided written comments which largely echoed the sentiments of the meeting, that a full scale CSD review was not considered practical at the present time and that the resource requirements on parties might be onerous. The CMA accepted these view and agreed that this project would not be brought forward, but that individual CSDs might be subject to amendment and review, as required.

6.2 New Trading Party

NC noted that Commercial Water Solutions were now a Trading Party and Iain Clark would be their Technical Panel member.

6.3 Market Audit

IW asked whether LPs had been notified as to their involvement in the Market Audit that is now underway. TM also noted that only two weeks' notice had been given for the auditor to visit the sites of the designated LPs. BS noted that an LP could always ask for more preparation time from the auditor, but agreed that the CMA Board should, in future, seek to provide some form of notice to designated Trading Parties as to the scope and timing for Market Audit related site visits

6.4 Gap Sites

PA explained that the information provided on Gap Sites was not always sufficient to allow for the due process to proceed to completion. For example, it was not clear which LPs had opted out of the Gap Site allocation process, what the take-up rate is from Silver Tassie, what correspondence has occurred between a customer and SW and how an LP should proceed when contradictory information exists, such as when a customer claims that no correspondence has been provided by SW, or if a customer believes that they are being billed and a SPID for the putative Gap Site premises already exists.

NC noted that an M CCP would be required to allow the CMA to identify Opted Out LPs. SY agreed that SW correspondence would be helpful for an LP, although PA noted that this might not always be the case. AS also agreed that information sharing would be helpful and IW suggested that the process and the information exchange should be considered at the MPF. BS agreed and suggested that real examples should be provided to allow a view to be taken as to what process shortcomings there were. AS also noted that this work should focus on the process issues and was distinct from the review of the methodology for identifying Gap Sites and 3rd Party Ref matches being undertaken by the 3rd Party Refs WG. The Technical Panel agreed that a new Working Group should be established to

consider this issue and that it should meet in two weeks time, if practical and should consider real process examples.

AP333: CMA to set up a Gap Site Process Working Group and schedule a meeting for two weeks time, or as soon after as is practical.

AP334: SW/BS/Aimera to provide examples of where issues have arisen with the Gap Site process.

AP335: CMA to provide a process timeline for the Gap Site process.

6.5 Use of the ftp

PA asked whether an LP could still make use of the ftp for particular reports. NC confirmed that any Party could simply ask the CMA for ftp access.

6.6 Commission Issues

DW noted that the deemed contract scheme paper would be issued prior to the EU elections and a one month consultation period was expected.

DW also noted that he would be spending some 3 days per week in London for the next few months, but that he would remain contactable by mobile. Should he not be contactable, FP could also be contacted.

6.7 Further New Entrants

SY asked what the Commission view was on how many further new entrants might be contemplated. DW suggested that the Commission saw no reason for there to be any imposed limit and market forces should determine the natural level of involvement. BS also noted that there was also no barrier to market exit. NC asked whether the Technical Panel had any view as to when its structure might need to be reviewed, given the number of participants. BS suggested that a review might be needed if the Panel started to behave more like a conference than a meeting, although this did not seem to be happening at the moment.

6.8 Matters Arising

PA considered that many of the above issues were matters arising and BS considered that a matters arising agenda item should be included on the agenda for the TP and for the MPF.

AP336: CMA to add a Matters Arising Item to the TP and MPF agendas.

Action Summary

Action	Subject	Update
<i>From the minute of the 40th Meeting (17th April 2014)</i>		
AP328 CMA	Forward a Final Report for MCCP127 to the Commission.	
AP329 CMA	Forward a Final Report for MCCP144 to the Commission.	
AP330 CMA	Forward a Final Report for MCCP146 to the Commission.	
AP331 CMA	Forward a Final Report for MCCP147 to the Commission.	
AP332 SW	Provide further information on the data items to be included on the MDS, as described in MCCP148.	
AP333 CMA	Set up a Gap Site Process Working Group and schedule a meeting for two weeks time, or as soon after as is practical.	
AP334 SW/BS/Aimera	Provide examples of where issues have arisen with the Gap Site process.	
AP335 CMA	Provide a process timeline for the Gap Site process.	
AP336 CMA	Add a Matters Arising Item to the TP and MPF agendas.	