

Market Code Schedule 7

Code Subsidiary Document No. 0002

Performance Standards

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## Change History

Version Number	Date of Issue	Reason For Change	Change Control Reference	Sections Affected
1.0	31/8/2007	Reissue		
1.0a	09/09/2009	Standardise the layout of first two pages		Pages 1 and 2
2.0	21/07/2011	Revised Performance Standards		All
2.1	2011-12-01	Revised performance standards, and typographical fixes	MCCP090	Table 1
2.2	2012-03-30	Clarification that Deregistration is out of scope	MCCP052 and MCCP079	Table 1
3	2013-04-12	Accredited Entities	MCCP 111	Table 1
4	2014-03-21	Private Meters	MCCP130	Table 1
5	2014-07-??	SWLP Charges clarification	MCCP150	Section 3
6	2014-09-21	Typos	MCCP149	Table 1
7	2015-09-24	Revisions for Transfers	MCCP165	Table 1
8	2016-03-18	Relevant Meter Treatments for R9 and R10	MCCP187	Table 1
9	2016-05-05	S Reads for POLR removed from the R9	MCCP192	Table 1
10	2016-09-30	Periods of TDISC removed from R10	MCCP190	Table 1
11	2019-03-28	Renaming of R6 Measure and clarification of timing of R11	MCCP236	Table 1
12	2019-10-24	Typo in formulae, and Transaction Name updates	MCCP242	Various

13	2020-03-26	Changes to R4 and R5 Measures	MCCP239	Table 1
14	2020-12-02	Removal of R11	MCCP255	Table 1
15	2021-04-12	Minor Error Corrections and addition of timing conventions.	MCCP250	Section 2 Table 1

## **Table of Contents**

<b>1. Purpose and Scope</b>	<b>5</b>
<b>2. Performance Standards and Performance Standard Charges</b>	<b>5</b>
<b>3. Performance Standards Charges - SW</b>	<b>6</b>
<b>4. Performance Standards Charges - LPs</b>	<b>7</b>
<b>5. Table 1 - Performance Standards</b>	<b>9</b>

# 1. Purpose and Scope

This document sets out Performance Standards to be applied to the performance of Trading Parties with effect from 1st April 2011 in accordance with Part 6 of the Market Code.

## 2. Performance Standards and Performance Standard Charges

2.1 The Performance Standards listed in Table 1 below have been designed to target performance in relation to high-priority tasks where a failure to carry out the task is likely to have a direct impact on the accuracy of Wholesale Charges calculations by the CMA.

2.2 For the purposes of the Market Code a Trading Party will be regarded as having failed a Performance Standard where it has failed to submit the relevant data on time. For the avoidance of doubt, only transactions which pass CMA validation will be considered as to whether they contain relevant data or not. The CMA will not take into account any messages, which either fail validation or are otherwise rejected, in the measurement of Performance Standards.

2.3 The Performance Standards R1 to R10 will be calculated monthly for the preceding calendar month.

2.4 Performance Standard Charges shall apply in accordance with Section 6.2 of the Market Code.

2.5 Performance Standard Charges will be applied at three levels. From 1st April 2011, the charges will be:

- Level 1 Charge £10
- Level 2 Charge £25
- Level 3 Charge £40

2.6 The Performance Standard Charges will be designated as CMA Performance Standard Charges or SWLP Performance Standard Charges in accordance with Table 1.

2.7 For the purposes of performance standards, the following timing conventions will be used:

- **Calendar Days;**
  - If a period start, or other date and time, is identified on a Calendar Day, it should be taken that the period starts at the second beginning at 00.00.00 on that day.
  - If a period end is identified on a Calendar Day, it should be taken that the period ends at the beginning of the second of 23.59.59 on that day.
- **Business Days.** Where a date and time needs to be identified against a Business Day (BD), the Business Day will be identified, as follows;
  - If received during business hours on a BD – that BD.
  - If received after Business Hours on a BD – the next BD.
  - If received prior to Business Hours on a BD – that BD.
  - If received on a non-BD – the first BD after the non-BD.

- Business Hours will be defined as being from the start of the second beginning at 08.00.00 to the end of the second beginning at 17.59.59 inclusive.

### 3. Performance Standards Charges - SW

- 3.1 The CMA will invoice SW quarterly in respect of the Performance Standard Charges to ensure that following the final quarter, the total amount invoiced in respect of the Year will be in accordance with the Market Code Section 6.2.6(a).
- 3.2 The aggregate amount of Performance Standard Charges payable by Scottish Water in accordance with the Market Code Section 6.2.6(a) is

$$PSC^Y = PSC_{CMA}^Y + PSC_{SWLP}^Y$$

where

$PSC^Y$  are the Performance Standard Charges payable in respect of the Year;

$PSC_{CMA}^Y$  are the CMA Performance Standard Charges payable in respect of the Year; and

$PSC_{SWLP}^Y$  are the SWLP Performance Standard Charges payable in respect of the Year

In the above expression,

$$PSC_{CMA}^Y = \min \left( \sum_{q=1}^4 PSC_{CMA}^q, 0.15\% \times \sum_{q=1}^4 QR^q \right)$$

$$PSC_{SWLP}^Y = \sum_{q=1}^4 PSC_{SWLP}^q$$

where

$PSC_{CMA}^q$  are the CMA Performance Standard Charges payable in respect of quarter  $q$  and

$PSC_{SWLP}^q$  are the SWLP Performance Standard Charges payable in respect of quarter  $q$ ; and

$QR^q$  is the sum of the R1 Settlement charges for the quarter  $q$  payable to SW as determined at the date of the invoice for the Performance Standard Charges for that quarter.

3.3 In respect of the first quarter, the CMA will invoice SW for the following reconciled CMA and SWLP Performance Standard Charges

(i).  $RPSC_{CMA}^{q=1} = \min(PSC_{CMA}^{q=1}, 0.15\% \times QR^{q=1})$ ; and

(ii).  $RPSC_{SWLP}^{q=1} = PSC_{SWLP}^{q=1}$  ;

3.4 In respect of subsequent quarters Q, the CMA will invoice SW for the following reconciled CMA and SWLP Performance Standard Charges:

(i).  $RPSC_{CMA}^Q = \min(\sum_{q=1}^Q PSC_{CMA}^q, 0.15\% \times \sum_{q=1}^Q QR^q) - \sum_{q=1}^{Q-1} RPSC_{CMA}^q$

(ii).  $RPSC_{SWLP}^Q = PSC_{SWLP}^Q$

3.5 For the avoidance of doubt, once a value of  $QR^q$  is established for the invoice of CMA Performance Standard Charges for quarter  $q$  it will be used unchanged in the calculation for all subsequent quarters of the Year.

3.6 SWLP Charges will only be calculated for a Supply Point or meter that can be associated to a particular LP. Such association will be that the LP is responsible for the Supply Point, or meter, as the case may be. If a meter is a domestic meter, the responsible LP will be the LP responsible for the Main Meter in a Meter Network for which the domestic meter is the Sub Meter. Where no such association can be made, no SWLP Charges will be calculated.

## 4. Performance Standards Charges - LPs

4.1 The CMA will invoice each Licensed Provider quarterly in respect of the Performance Standard Charges to ensure that following the final quarter, the total amount invoiced in respect of the Year will be in accordance with the Market Code Section 6.2.6(b). In particular, the CMA will invoice each Licensed Provider in respect of the CMA Performance Standard Charges payable by the Licensed Provider to the CMA and credit each Licensed Provider with the SWLP Performance Standard Charges payable to the Licensed Provider

4.2 The aggregate amount of Performance Standard Charges payable by each Licensed Provider in accordance with the Market Code Section 6.2.6(a) is

$$PSC^Y = PSC_{CMA}^Y - PSC_{SWLP}^Y \text{ where}$$

$PSC^Y$  are the Performance Standard Charges payable by the Licensed Provider in respect of the Year;

$PSC_{CMA}^Y$  are the CMA Performance Standard Charges payable by the Licensed Provider for the Year; and

$PSC_{SWLP}^Y$  are the SWLP Performance Standard Charges payable to the Licensed Provider for the Year; and where

$$PSC_{CMA}^Y = \min \left( \sum_{q=1}^4 PSC_{CMA}^q, 0.15\% \times \sum_{q=1}^4 QR^q \right)$$

$$PSC_{SWLP}^Y = \min \left( \sum_{q=1}^4 PSC_{SWLP}^q, PSC_{CMA}^Y \right)$$

In the above expression,:

$PSC_{CMA}^q$  are the CMA Performance Standard Charges payable in respect of quarter  $q$  and

$PSC_{SWLP}^q$  are the SWLP Performance Standard Charges payable in respect of quarter  $q$ ; and

$QR^q$  is the sum of the R1 Settlement charges for the quarter  $q$  payable to SW as determined at the date of the invoice for the Performance Standard Charges for that quarter.

4.3 In respect of the first quarter, the CMA will invoice the Licensed Provider for the following reconciled CMA Performance Standard Charges

$$(i). \quad RPSC_{CMA}^{q=1} = \min(PSC_{CMA}^{q=1}, 0.15\% \times QR^{q=1});$$

and credit the Licensed Provider with the following reconciled SWLP Performance Standard Charges:

$$(ii). \quad RPSC_{SWLP}^{q=1} = \min(PSC_{SWLP}^{q=1}, PSC_{CMA}^{q=1});$$

4.4 In respect of subsequent quarters  $Q$ , the CMA will invoice the Licensed Provider for the following reconciled CMA Performance Standard Charges:

$$(i). \quad RPSC_{CMA}^Q = \min(\sum_{q=1}^Q PSC_{CMA}^q, 0.15\% \times \sum_{q=1}^Q QR^q) - \sum_{q=1}^{Q-1} RPSC_{CMA}^q$$

and credit the Licensed Provider with the following reconciled SWLP Performance Standard Charges:

$$(ii). \quad RPSC_{SWLP}^Q = \min(\sum_{q=1}^Q PSC_{SWLP}^q, \sum_{q=1}^Q PSC_{CMA}^q) - \sum_{q=1}^{Q-1} RPSC_{SWLP}^q$$

4.5 For the avoidance of doubt, once a value of  $QR^q$  is established for the invoice of CMA Performance Standard Charges for any LP for quarter  $q$  it will be used unchanged in the calculations for the same LP for all subsequent quarters of the Year.



## 5. Table 1 - Performance Standards

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
R1A	Partial Registration	LP	Receipt by the CMA from the LP of a T003.0 (Partial Registration Application) or T009.2 (Reject New SPID) within 5BDs of the CMA sending a T002.0 (Notify New SPID(LP)) to the LP.	Level 2	CMA	This measure will not apply if a T015.0 SPID Status (Dereg), or T015.2 SPID Status (Dereg) has been submitted within 5BDs of the relevant initiating transaction.
R1B	Partial Registration	LP	Receipt by the CMA from the LP of a T003.0 (Partial Registration Application) or T009.2 (Reject New SPID) within 10BDs of the CMA sending a T002.0 (Notify New SPID(LP)) to the LP.	Level 3 – Level 2	CMA	Cumulative on R1A; the net effect being a Level 3 Charge.  This measure will not apply if a T015.0 SPID Status (Dereg), or T015.2 SPID Status (Dereg) has been submitted within 5BDs of the relevant initiating transaction.
R2A	New Connection Notifications	SW	Receipt by the CMA of a T007.0 (Submit Connection Complete (WS)) within 5 BDs, for activities undertaken by Scottish Water and 8 BDs for activities undertaken by an Accredited Entity, of the effective date contained within the transaction.  This applies to the “New” connection type only, and not to “Gap Site” or “Connection Change of Use”	Level 2	CMA	

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
R2B	New Connection Notifications	SW	<p>Receipt by the CMA of a T007.0 (Submit Connection Complete (WS)) within 9 BDs, for activities undertaken by Scottish Water and 12 BDs for activities undertaken by an Accredited Entity, of the effective date contained within the transaction.</p> <p>This applies to the “New” connection type only, and not to “Gap Site” or “Connection Change of Use”</p>	Level 3 – Level 2	CMA	Cumulative on R2A; the net effect being a Level 3 Charge
R3A	Connection Notifications for Gap Site or Connection Change of Use	SW	<p>Receipt by the CMA from SW of a T007.0 (Submit Connection Complete (WS)) within 15 BDs of the CMA sending a T002.1 (Notify New SPID(SW)) to SW,</p> <p>This applies only to T002.1 transactions with “Gap Site” or “Connection Change of Use” connection type, but not the “New” connection type”</p>	Level 3	CMA	This measure will not apply if a T015.0 SPID Status (Dereg), or T015.2 SPID Status (Dereg) has been submitted within 5BDs of the relevant initiating transaction.
R5A	Connection Notifications for Gap Site or Connection Change of Use	SW	<p>Receipt by the CMA from SW of a T007.1 (Notify Connection Complete) within 15 BDs of the CMA sending a T002.1 (Notify New SPID) to SW,</p> <p>This applies only to T002.0 transactions with “Gap Site” or “Connection Change of Use” connection type, but not the “New” connection type”. This measure is only applicable to Sewerage SPIDs for which there is not a related Water SPID.</p>	Level 3	CMA	This measure will not apply if a T015.0 SPID Status (Dereg), or T015.2 SPID Status (Dereg) has been submitted within 5BDs of the relevant initiating transaction.
R6A	SPID Status Updates	SW	The T015.0 (Update SPID Status) is received by the CMA within the 2BDs of the effective date contained within the transaction.	Level 2	CMA	T015.0 (Deregistration) and T015.0 (TTRAN) are not taken account of.

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
R6B	SPID Status Updates	SW	The T015.0 (Update SPID Status) is received by the CMA within the 6BDs of the effective date contained within the transaction.	Level 3 – Level 2	CMA	T015.0 (Deregistration) and T015.0 (TTRAN) are not taken account of.  Cumulative on R6A; the net effect being a Level 3 Charge
R7A	Late Meter Reads	SW	For a meter with a Meter Treatment type of 'SWWater', the T005.0 (Submit Meter Read (SW)) or T017 (Submit Meter Swap) is received by the CMA within 5 BDs, for activities undertaken by Scottish Water and 8 BDs for activities undertaken by an Accredited Entity, of the effective date contained within the transaction in respect of I, F, E, O, X, Y reads.  For a meter with a Meter Treatment type of 'Private Water' or 'Private Effluent' the T005.0 (Submit Meter Read (SW)) or T017 (Submit Meter Swap) is received by the CMA within 13 BDs of the effective date contained within the transaction in respect of I, F, E, O, X, Y reads.	Level 2	CMA	
R7B	Late Meter Reads	SW	For a meter with a Meter Treatment type of 'SWWater', the T005.0 (Submit Meter Read (SW)) or T017 (Submit Meter Swap) is received by the CMA within 13 BDs, for activities undertaken by Scottish Water and 16 BDs for activities undertaken by an Accredited Entity, of the effective date contained within the transaction in respect of I, F, E, O, X, Y reads.	Level 3 – Level 2	CMA	Cumulative on R7A; the net effect being a Level 3 Charge

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
			For a meter with a Meter Treatment type of 'Private Water' or 'Private Effluent' the T005.0 (Submit Meter Read (SW)) or T017 (Submit Meter Swap) is received by the CMA within 21 BDs of the effective date contained within the transaction in respect of I, F, E, O, X, Y reads.			
R7C	Late Meter Reads	SW	The T005.0 (Submit Meter Read (SW)) for a meter with a Meter treatment type of 'SWWater' is received within 13 BDs of the effective date contained within the transaction in respect of C reads,	Level 1	CMA	Domestic meters
R7D	Late Meter Reads	SW	The T005.0 (Submit Meter Read (SW)) for a meter with a Meter Treatment type of 'SWWater' is received within 60 BDs of the effective date contained within the transaction in respect of C reads,	Level 2 – Level 1	CMA	Cumulative on R7C; the net effect being a Level 2 Charge
R8A	Extremely Late Meter Reads	SW	For bi-annually read meters with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, success if the T005.0 (Submit Meter Read (SW)) is received within 160 BDs of the effective date contained within the transaction (for all meter read types) or if the T017.0 (Submit Swap Meter) is received by the CMA within 160 BDs of the effective date contained within the transaction in respect of E and O reads.	NC * Level 3, where  NC = (Business Days Late /160), rounded up to the nearest whole number	CMA  SWLP	NC * Level 2 forms CMA Performance Charges  NC * (Level 3 - Level 2) forms SWLP Performance Charges
R8B	Extremely Late Meter Reads	SW	For monthly read meters with a Meter Treatment of SWWater, PrivateWater, or PrivateEffluent, success if the T005.0 (Submit Meter Read (SW)) is received within 40BDs of the effective date	NC * Level 3 , where	CMA	NC * Level 2 forms CMA Performance Charges

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
			contained within the transaction (for all meter read types) or if the T017.0 (Submit Meter Swap) is received by the CMA within 40 BDs of the effective date contained within the transaction in respect of E and O reads.	NC = (Business Days Late /40), rounded up to the nearest whole number.	SWLP	NC * (Level 3 - Level 2) forms SWLP Performance Charges
R9A	Late Meter Reads	LP	The T005.1 (Submit Meter Read (LP)) for a Meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is received by the CMA within 10 BDs of the effective date contained within the transaction in respect of C and R reads.	Level 1	CMA	
R9B	Late Meter Reads	LP	The T005.1 (Submit Meter Read (LP)) for a Meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is received by the CMA within 15 BDs of the effective date contained within the transaction in respect of U reads.	Level 1	CMA	
R9C	Late Meter Reads	LP	The T005.1 (Submit Meter Read (LP)) for a Meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is received by the CMA within 60 BDs of the effective date contained within the transaction in respect of C, U and R reads.	Level 2	CMA	Cumulative on R9A and R9B; the net effect being a Level 2 Charge
R9D	Late Meter Reads	LP	The T005.1 (Submit Meter Read (LP)) for a Meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is received by the CMA within 5 BDs of the latest Registration Start Date submitted via a T003.1 transaction for the associated Supply Point, in respect of T and S reads, excluding S reads associated with a POLR process.	Level 2	CMA	

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
R9E	Late Meter Reads	LP	The T005.1 (Submit Meter Read (LP)) for a Meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is received by the CMA within 10BDs of the latest Registration Start Date submitted via a T003.1 transaction for the associated Supply Point, in respect of T and S reads, excluding S reads associated with a POLR process.	Level 3 – Level 2	CMA	Cumulative on R9D; the net effect being a Level 3 Charge
R10A	Missed Meter Reads	LP	Success if a bi-annually read meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is read within 160 BDs (excluding periods of vacancy or disconnection) of the later of: <ul style="list-style-type: none"> <li>• 31st December 2010</li> <li>• The last meter read for that meter</li> <li>• The date of submission of an I, O, or Y read</li> <li>• The date the last Performance Charge (if any) was applied in respect of measure R10A for this meter.</li> <li>• The last Registration Start Date for the associated Supply Point.</li> </ul>	Level 3	CMA	
R10B	Missed Meter Reads	LP	Success if a monthly read meter with a Meter Treatment of SWWater, PrivateWater or PrivateEffluent, is read within 40 BDs (excluding periods of vacancy or disconnection) of the later of: <ul style="list-style-type: none"> <li>• 31st March 2011</li> <li>• The last meter read for that meter</li> <li>• The date of submission of an I, O, or Y read</li> </ul>	Level 3	CMA	

No	Context	Party	Success Criteria	Performance Charge	Type	Notes
			<ul style="list-style-type: none"> <li data-bbox="741 309 1279 395">• The date the last Performance Charge (if any) was applied in respect of measure R10B for this meter.</li> <li data-bbox="741 400 1249 459">• The last Registration Start Date for the associated Supply Point.</li> </ul>			