

MARKET CODE CHANGE PROPOSAL			Draft Form Version 1.2	
Market Code Change Proposal Ref (Assigned by CMA)		MCCP025	Version Number (Assigned by CMA)	Version 1.0
Title of the change		Removal of nugatory obligations in CSD0201		
1. GENERAL DETAILS		Proposers are reminded that Change Proposals must be countersigned by the Proposer's Contract Manager or the person designated by the signatory to the Market Code Framework /Accession Agreement		
Company:	CMA	Org ID if assigned:		
Signature:		Date: Name:	Alan Jones	
Contact details for the Proposal - the contact should be able to deal with queries regarding this Market Code Change Proposal and need not be the same person who has countersigned the Change Proposal				
Name:		Alan Jones		
Email Address:		Alan.jones@cmascotland.co.uk		
Telephone and or Mobile:		01786-468869		
Number of Associated Documents	01	Name or link to documents	MCCP025-Legal Text.doc	
If the MCCP will also affect the Operational Code, an OCCP must also be raised				
Indicate if there is an associated OCCP			OCCP Ref: CMA use only	
URGENT – IF PROPOSER HAS INDICATED THIS MCCP IS URGENT, STATE REASONS HERE The CMA Chief Executive will review this information and make a decision as to whether to take this MCCP forward as urgent as defined as under Market Code Part 8.7.1 (ii) (e)				
2. MARKET CODE CHANGE PROPOSAL DETAILS				
A	ISSUE or DEFECT WHICH THIS MARKET CODE CHANGE PROPOSAL SEEKS TO ADDRESS required under Market Code Part 8.7.1 (ii) (b)			
<p>CSD0201 sets out two duties which are not necessary to the computation of charges.</p> <p>CSD0201 requires an annual Yve refresh by LPs of the YVe value in respect of each meter. While this value was important in the first year of operation; where there are meter readings, the YVe is not used in the calculation of charges. When new SPIDS are set up, LPs are still able to submit YVe values under the connections process. An annual update is nugatory.</p> <p>CSD0201 also requires an annual EWA calculation. Following the EWA refresh process instituted in December 2008, the results of this calculation are no longer used.</p> <p>The MCCP removes both unnecessary requirements.</p>				

B	DESCRIPTION OF NATURE AND PURPOSE OF THE CHANGE AND HOW IT MEETS THE MARKET CODE OBJECTIVES AND PRINCIPLES FOR THE MARKET DOCUMENTS required under Market Code Part 8.7.1 (ii) (c)								
<p>The Proposer should indicate which principles the change supports and whether there is any adverse effect on any principle(s).</p> <table border="0"> <tr> <td>a) Proportionality</td> <td>e) Barriers to entry</td> </tr> <tr> <td>b) Transparency</td> <td>f) Customer contact</td> </tr> <tr> <td>c) Simplicity, cost-effectiveness and security</td> <td>g) Non-discrimination</td> </tr> <tr> <td>d) Non-exclusivity</td> <td>h) Not detrimental to Scottish Water's core functions</td> </tr> </table>		a) Proportionality	e) Barriers to entry	b) Transparency	f) Customer contact	c) Simplicity, cost-effectiveness and security	g) Non-discrimination	d) Non-exclusivity	h) Not detrimental to Scottish Water's core functions
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<p>Removal of nugatory requirements from the CSDs on both the LPs and the CMA is proportional, adds to transparency, is simple, and removes barriers to entry. It is not detrimental to Scottish Water's core functions.</p>									
C	IMPACT – required under Market Code Part 8.7.1 (ii) (d), (f) and (g)								
<p>The Proposer should indicate the sections of the Market Code affected, whether the Operational Code or CSDs, Wholesale Services Agreement or License is impacted and whether there are likely to be implications on:</p> <table border="0"> <tr> <td>a) Central Systems</td> <td>c) CMA Interfaces/ Processes</td> </tr> <tr> <td>b) Trading Party's systems</td> <td>d) Trading Party's business processes</td> </tr> </table>		a) Central Systems	c) CMA Interfaces/ Processes	b) Trading Party's systems	d) Trading Party's business processes				
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<p>There are no impacts to Central Systems. Removal of unnecessary obligations on Licensed Providers provides an opportunity for them to simplify their business processes.</p>									
D	DRAFT LEGAL TEXT – required under Market Code Part 8.7.1 (ii) (d)								
<p>References to the annual EWA update by the CMA have been removed from Section 2.3 and from Section 2.4.1. The EWA refresh has been removed from the example calendar for both 2008 and 2009 (although the refresh actually took place in 2008, as this is an example calendar).</p> <p>References to the LP Yve update have been removed from the process diagram in Section 3 and supporting table in Section 4.</p> <p>The detail is set out in the attached file MCCP025-Legal_Text.doc .</p> <p>The change in section numbers will interact with the proposed changes in MCCP016 and MCCP024</p>									
<p><b>3. IMPLEMENTATION DETAILS - PROPOSED IMPLEMENTATION DATE OR LEAD TIME</b></p>									
<p>Timescale must not overlap with the period of consultation with the Commission and should take account of the impacts identified in Section C. Any quoted lead time should commence from date of approval.</p>									
<p>It is proposed that this change is implemented after is has been approved by the Commission in conjunction with other changes to CSD0201.</p>									
<p><b>4. ANY OTHER COMMENTS</b></p>									
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The full text of the objectives and principles for the Market Code are set out in The Water Services (Codes and Services) Directions 2007 which can be downloaded from the Commission's website ([http://www.watercommissioner.co.uk/view\\_Directions.aspx](http://www.watercommissioner.co.uk/view_Directions.aspx))