

**73<sup>rd</sup> Technical Panel Meeting  
Approved Minute**

**Present**

Derek Ellery (DE) – DWF (Acting TP Chair)  
Amanda Hancock (AH) – CMA (TP Secretary)  
Robin Donald (RD) – Castle  
Mike Brindle (MB) – Water Plus Ltd  
Belinda Oldfield (BO) – Scottish Water  
Fraser Gourlay (FG) – Earls Gate Water  
David Innes (DI) - Commission  
Tony March (TM) – Wave  
Alastair Ross (AR) – Commercial Water Solutions  
Ewan Hardy (EH) – Lettermay  
Nick Williams (NW) – Business Stream

**Apologies**

Ian Grundy (IG) – Pure Utilities  
Fiona Matheson – Business Stream  
Tom May (TMV) – Veolia  
Jeremy Atkinson (JA) - CMA  
David Sigsworth (DS)– CMA – (TP Chair)  
Janet Judge (JJ) – Affinity for Business

**1. Introductions and Minute**

AH advised that some comments had been received from Water Plus and were shown in track change on the Minute for Approval. The meeting accepted the comments, and the Minute from 22 August 2019 was approved by the meeting.

**2. Actions and Administrative Update**

AH noted that AP459 was still ongoing, as confirmed by AM. This action would be complete once the final determination is issued. AP482 and AP483 are complete, and AP484 is ongoing. AH hoping to arrange this workshop after an MPF meeting to progress.

AH noted that no proposals had been withdrawn or rejected since the last meeting. AH noted that MCCP242 was agreed. No proposals had been implemented.

AH noted that there were no Commission Changes implemented or introduced since the last meeting and no CMA Bulletin or Guidance notes issued since the last meeting.

One new TP date was proposed for February 2021.

### 3. Change Proposals in Progress

#### ***MCCP243 – Critical Sites***

AH noted that this proposal had been presented at the last TP meeting, but a request had been made to either allow Scottish Water to also update the new data item or provide them with a notification transaction. Following internal review, it was deemed best practice to ensure data items could only be updated by the data owner (LP). Therefore, a new update transaction was proposed to notify Scottish Water when the data item was updated.

No further comments were received on the proposal and it was approved by the meeting.

**AP485** CMA to prepare Final Draft and forward MCCP243 and supporting documentation to WIC for consultation.

### 4. New Change Proposals

#### **OCCP062 Shared Supply Investigation Process**

BO introduced this proposal and advised it was the creation of a process to cater for site investigations where there was a shared supply. The documented process in the change proposal is already being used in practice as part of a trial, and SW is now looking to formalise this. BO welcomed any comments on the proposal.

RD asked for clarification on the process. There are three new questions on the forms, do these replace the 13 questions currently being asked, or are they in addition to? BO would confirm this.

**AP486** BO to confirm whether the three questions in the CP are in addition to the existing 13 or are they a proposed replacement.

RD also asked for clarification as to whether this new process would go through the portal, or whether it would be a manual process. BO confirmed that the intention is to put this process through the portal. Finally, RD noted that the 20 business days seemed very tight, was this achievable. BO confirmed that the timescales were aspirational, but that SW was looking to meet this challenge. These stats would be reported separately to the normal investigations.

NW asked in Step 2 where there are multiple customers, would an appointment be made with each customer, or would they try and make visits while on site. BO confirmed that they would try and arrange one appointment to visit all affected customers, but that additional visits may be required.

No more comments were received. AH asked the meeting whether the clarification point would stop the proposal being approved. The meeting agreed it would not. As such the meeting approved the proposal. AH asked if SW had a timescale for implementation. BO confirmed that she did not have a timescale at the moment but would advise.

**AP487** CMA to prepare Final Draft and forward OCCP062 and supporting documentation to WIC for consultation.

### **OCCP063 New Connections Form**

BO advised that as part of Project Astro, SW is looking to improve the New Connections experience, allowing online functionality on the portal to allow LPs to track new connections online. It was hoped this would be in place in November, but has slipped slightly, however SW is still hoping this will be implemented pre-Christmas. BO happy to take any questions or comments on the proposal.

TM asked whether SW would be looking to extend Pre Development Enquiries (PDE's) to all applications, the concern being this may add a layer of unnecessary complication to some of the smaller applications. BO would confirm.

MB asked whether the implementation date could be firmed up, as there is some additional work to be undertaken by LPs as part of this process. Also, MB asked whether the utilisation of the portal was an optional process or whether it was mandatory. MB added that his operations team felt that the portal was more beneficial for domestic customers rather than businesses. BO advised that this would be picked up at the session organised next week on new connections.

No more comments were received. DE asked if the proposal could be approved or whether it should be carried over to the next meeting given the outstanding queries. The meeting agreed that the proposal should be carried over to December to allow SW to respond.

**AP488** SW to respond to clarification questions on OCCP063.

## **5. Forward Planning Report**

AH noted that CMAPx191 was new and awaiting internal sign off. The CP would look to impose an obligation to change FTP passwords on a regular basis to improve security. The proposal suggests passwords are change bi annually.

AH noted that placeholders have been added to March and September 2020 for Commission changes which may be required as a result of the impending Determination. These are likely to include restriction of Market Data for LPs that

do not meet the minimum threshold based on a minimum number of SPIDs or volume, and a process for the Assignment of SPIDs.

AH noted that an additional £169k has been invoiced for Q2 and will be due for payment at the end of October, which takes the overall pot to just under £2M. AH also noted that there have been no changes to the table in section 6 for late payments.

MB asked about costs for work on Commission changes and how likely these were to be implemented. DI added they were unlikely to change at this late stage based on any feedback or discussion to date. AH added that the proposals had not yet undergone full impact assessment so cost incurred to date would be internal to CMA so not additional spend out with the normal CMA budget.

No additional comments were received from the meeting on any of the Item 5 papers.

## **6. Performance Charge Projects**

AH introduced this paper and advised that it is a follow on from the paper put forward in August looking to introduce three new performance projects as part of the CMA's ongoing review of utilisation of performance charge monies. All three projects were agreed in principle; however, some additional detail was requested on the CS Refresh project. The meeting agreed that there was a need for this project but asked for some additional clarification on how it would be funded. Some supporting information was required on how this project met the criteria set out by the CMA Board to qualify for funding, suggesting it could be funded via the normal CMA Charges which are levied to Trading Parties based on their Market Share.

The updated paper sets out the framework for assessing potential projects, and what criteria is required. AH then highlighted in the Annex to the paper, the demonstrable benefits this project would bring to the market, including mitigating risk of redundancy and improved security. The project would also allow the Market to take advantage of technological enhancements and improved analytical capabilities via enhancements to our structure and architecture. AH recognised that the CMA would still need to bring additional detail to the TP on the scope of the project, but this was not available at this time.

MB asked about the costs for the project, which are between £1.5 and £2m. Would the project be chunked into phases, and what would happen if the pot dried up. AH confirmed that the current planned phasing of costs shows that at the current run rate of charging, the performance pot never dips below £1m. Obviously if there was a dramatic improvement in performance, or a change to the regime this could be impacted, however given the size of the current pot, this was unlikely to become an issue. MB asked if the money was completely ringfenced or whether it was used for any CMA operational activity. AH confirmed the money was completely ringfenced and never used for CMA operations. TM added that there was a

significant buffer and that the money wouldn't suddenly drop off and that it would be a gradual decline that could be catered for within the running of the project. TM also added that the CMA Board would take a prudent approach to signing off each stage of the project, ensuring that the necessary funding was available.

AH then noted the next criteria used is that the project should be additional, i.e. it would not otherwise occur, or would be delivered at a later date. If the CMA were to deliver the refresh project piecemeal, it would likely commence in September 2020, but would be well in to 2022 before it could complete. If it were run as a standalone project, it would still commence in 2020, but would be complete in 2021. Lastly, AH confirmed that the Market Code principles were set out, and the CMA did not believe that this project conflicted with any of those principles.

AH then opened the floor to any questions or clarifications. BO asked whether the project was delivering a like for like replacement, and how this fit in with the overall IT Strategy. AH noted that whilst the look and feel of the CS wouldn't change, we are working as part of the CMA's IT Strategy and thus the delivery of the new platform would be in line with the CMA's overall IT Strategy. BO asked if the IT Strategy had been discussed by the TP. AH advised that this was being developed at present and would be going to the CMA Board for discussion.

NB asked whether there would be any fundamental changes as a result of the review, providing meter to SPID relationships as an example. AH advised that this is something that would be delivered through normal market change processes, and perhaps SWBS could look to produce a paper for the MPF setting out some suggestions for changes.

Finally, AH provided an overview of the current position on the remaining projects. In relation to the LP to LP Portal, AH advised that following discussion at the last TP the CMA would look to set up a working group to ascertain what was required by the Market. This meeting would likely take place in December or February after the MPF meeting depending on the current schedule of work, with a view to scoping out requirements.

On the meter read compliance review, the CMA is currently looking to undertake a piece of work to understand compliance rates in the Market. As an output from the Market Audit, compliance is trending in the right direction, but it is evident that there is a large disparity in compliance between participants. The CMA is looking to identify the root cause of these issues. As part of the ongoing review of performance measures, we as a market need to understand the root cause of non-compliance, and this work will feed into this project.

DE asked what next steps would be for this paper. AH noted that while the CMA Board had discretion over the spending of the Performance money, it was very mindful of the TPs views, so asked whether the meeting was now in agreement that this project met the criteria set out for a performance project. There was agreement around the room that provided the project worked in line with the

CMA's IT Strategy, then the TP supported the funding of this project via the Performance Charge Funds.

## 7. Any Other Business

### LP Nominations Process

AH reminded participants that there was a vacancy on the CMA Board and that nominations were currently being accepted for the post. The nominations meeting is on 13<sup>th</sup> November, nominations can be submitted until 6<sup>th</sup> November.

### New Entrant Activity

AH advised that Waterscan had undertaken their final training day but were not yet active in the Market.

### WICS Consultation Update

DI apologised for cancelling the October session with the Market, unfortunately an external expert on EBR was unavailable, but WICs will look to re-schedule. Everything else running to plan. The next phase of consultation on Customer Experience and Self Supply due out by the end of October. TM asked for clarity on whether the Determination would be December or November as originally planned. DI confirmed it would be December.

### October Release Re-certification

AH reminded participants that re-certification forms should be complete by close of business on Friday 18<sup>th</sup> October.

There being no further business, DE closed the meeting.

### Action Summary

Action	Subject	Update
<b><i>From the minute of the 64<sup>th</sup> Meeting (26<sup>th</sup> April 2018)</i></b>		
<b>AP459</b>	WIC / SW looking at legal issues associated with the terminology.	Ongoing
<b><i>From the minute of the 72<sup>th</sup> Meeting (22<sup>nd</sup> August 2019)</i></b>		
<b>AP482</b>	CMA to prepare Final Draft and forward M CCP242 and supporting documentation to WIC for consultation.	Complete
<b>AP483</b>	CMA to look at an option to add an SW notification transaction to the user requirements for updated a site to critical on CS. AH to then circulate the revised proposal to the TP offline for approval.	Complete
<b>AP484</b>	CMA to set up a working group in relation to LP to LP contact and LP SPID lookup functionality.	Ongoing
<b><i>From the minute of the 73<sup>rd</sup> Meeting (17<sup>th</sup> October 2019)</i></b>		

Action	Subject	Update
AP485	CMA to prepare Final Draft and forward MCCP243 and supporting documentation to WIC for consultation.	
AP486	BO to confirm whether the three questions in the CP are in addition to the existing 13 or are they a proposed replacement.	
AP487	CMA to prepare Final Draft and forward OCCP062 and supporting documentation to WIC for consultation.	
AP488	SW to respond to clarification questions on OCCP063.	