

MARKET CODE / OPERATIONAL CODE CHANGE PROPOSAL

Form
version 2.1

Change Proposal reference
(To be completed by the TP Sec.)

MCCP139

Version No.

D.1

PART A — SUBMISSION

A.1. GENERAL DETAILS

A.1.a. TITLE Streamlining Market Assurance and Training

A.1.b. COMPANY CMA

Change Proposals must be authorised by the person designated by the signatory to the Market Code Framework / Accession Agreement

A.1.c. AUTHORISED SIGNATURE NAME Gary Craig

A.1.d. CONTACT NAME Neil Cohen CONTACT EMAIL;
TEL/MOB. Neil.cohen@cmascotland.co.uk
0117 942 3272

A.1.e. ASSOCIATED
MCCP / OCCP

A.1.f. ASSOCIATED
DOCS. Annex 1 CSD0001 Drafting

A.1.g. PROPOSED
URGENCY NON-URGENT

A.1.h. REASONS FOR
URGENCY

The CMA CEO will review this information and make a decision as to whether to take this MCCP / OCCP forward as urgent as defined under Market Code Part 8.9.1

A.2. MCCP / OCCP DETAILS		
A.2.a. ISSUE OR DEFECT WHICH THIS MCCP / OCCP SEEKS TO ADDRESS Required under Market Code Parts 8.7.1 (ii) (b) and 8.8.1 (ii) (b)		
<p>The current CSD0001 incorporates a number of assurance techniques which have not been required to date and are considered to be unnecessarily extensive and costly, as well as being potentially overly intrusive; giving powers to the CMA for site access to review projects and developments. These measures are therefore considered to be disproportionate to the market arrangements and may create a barrier to entry.</p> <p>At the same time, the practical measures that the CMA has hitherto utilised are not fully defined and currently require ad-hoc processes, agreed between the CMA and the Party, or Parties, that need to undergo training or market assurance (or re-training or market re-assurance).</p>		
A.2.b. DESCRIPTION OF THE NATURE AND PURPOSE OF THE MCCP / OCCP AND HOW IT MEETS THE MARKET CODE / OPERATIONAL CODE OBJECTIVES AND PRINCIPLES FOR THE MARKET DOCUMENTS Required under Market Code Parts 8.7.1 (ii) (c) and 8.8.1 (ii) (c)		
General Description		
<p>This proposal seeks to present a revised draft of CSD0001 which removes those assurance techniques that are considered impractical and disproportionate to the market arrangements and to more clearly define the processes and scope of Market Training, Market Re-training, Market Assurance Testing and Market Re-assurance Testing to deliver the overall market assurance, as currently defined.</p> <p>In particular, the proposal re-drafts CSD0001, such that:</p> <ul style="list-style-type: none"> • The concept of market assurance techniques is removed and is replaced by a process that simply applies; Data Transfer Capability Testing and Market Scenario Testing, along with one or two basic declarations by a Party, as appropriate. • The distinction between Training and Re-training and that between Market Assurance and Market Re-assurance is clarified. • The likely trigger events for Market Re-training and for Market Re-assurance are clarified, to the extent possible. • Timescales and milestones are clarified, along with explicit requirements for the various notifications and documentation to support these processes. 		
Principles and Objectives affected		
PRINCIPLE	AFFECTED (Y/N)	DESCRIPTION
Proportionality	Y	The potential for use of disproportionate techniques is removed.
Transparency	Y	Processes for assurance are simplified and clarified, removing the need for extensive ad-hoc discussions
Simplicity, Cost-effectiveness, and Security	Y	Processes are simplified.
Non-exclusivity	N	
Barriers to Entry	Y	New entrants will not be faced with the risk of

		the more intrusive techniques being applied to their activities, in order to enter the market.
Customer Contact	N	
Non-discrimination	N	
Non-detrimental to SW Core Functions	N	
MC / OC OBJECTIVES	N	

A.2.c. IMPACT Required under Market Code Parts 8.7.1 (ii) (d), (f) and (g), and 8.8.1 (ii) (d) and (f)		
CONFIGURED ITEM	IMPACTED (Y/N)	DESCRIPTION
MC / OC	Y	Market Code definitions will need to be updated, to reflect some formal assurance milestones and defined terms.
CSDs	Y	CSD0001 should be replaced with the draft in Annex 1.
Wholesale Services Agreements	N	
Licenses	N	
CMA Central Systems	N	
CMA business processes	Y	CMA administration of market assurance processes under CSD0001 will be simplified.
Trading Party systems	N	
Trading party business processes	Y	Trading Party management of assurance processes will be simplified.

A.2.d. DRAFT LEGAL TEXT
Required under Market Code Parts 8.7.1 (ii) (d) and 8.8.1 (ii) (d)

The following defined terms will be added to the Market Code:

- Market Training
- Market Re-training
- Market Assurance
- Market Re-assurance
- Commencement Date
- Day Three Exercise

CSD0001 should be replaced with that given in Annex 1.

A.3. IMPLEMENTATION DETAILS

A.3.a. PROPOSED IMPLEMENTATION DATE OR LEAD TIME
Timescale must not overlap with the period of consultation with the Commission and should take account of the impacts identified in Section A.2.c. Any quoted lead time should commence from date of Approval.

February 2014

A.3.b. ANY LIMITATIONS OR DEPENDENCIES FOR IMPLEMENTATION

The revised CSD should be in place prior to UU undertaking Market Assurance in March 2014.

A.4. ANY OTHER COMMENTS

As part of the implementation of this proposal, the CMA would also establish a Market Assurance Register in order to standardise its records of the current status and history of training and assurance for all Trading Parties. The register will have the following headings:

- Trading Party
- LVI Training/Re-Training
- LVI Change of Circumstances
- HVI MAT/MRT
- HVI Change of Circumstances
- HVI MAT/MRT Scope.

PART B — TP ASSESSMENT

B.1. ASSESSMENT PROCESS

B.1.a. ASSESSMENT START DATE	2013-11-13	ASSESSMENT END DATE	2013-12-12
B.1.b. IMPACT ASSESSMENT REQUIREMENT		IA NOT REQUIRED	
B.1.c. CONSULTATION REQUIREMENT		TP CONSULTATION NOT REQUIRED	
B.1.d. ASSOCIATED DOCUMENTS (to this Part B)			

B.2. ASSESSMENT DETAILS

B.2.a. CHANGE SPECIFICATION AND IMPACT (if different from that originally submitted)

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B.2.b. DRAFT LEGAL TEXT (if different from that originally submitted)

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B.2.c. TP ASSESSMENT
Taking into account complexity, importance and urgency, and having regard to whether or not such proposal is within the relevant Objectives and Principles as required under Market Code Parts 8.7.1 (v) and 8.8.1 (iv)

Impact on Principles and Objectives (if different from that originally submitted)	
Cost Estimate	None. Legal drafting only.
Benefit Estimate (L: < 10k, M: £10k to £100k, H: > £100k)	Removal of a barrier to entry is assumed to provide a benefit of: £50k. Streamlining of the CSD0001 processes is assumed to provide a benefit of 3 man-days per instance of training or assurance (assume 2 per yr). This gives a benefit, using cost model assumptions of: £72.5k.

B.3. TP DECISION

TP APPROVED

B.4. FINAL TP VIEWS

B.5. PLANNED IMPLEMENTATION DATE	2014-01
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WITHDRAWN BY PROPOSER?	No
COMMENTS	
DATE OF WITHDRAWAL	

PART C — COMMISSION APPROVAL

C.1. DATE FINAL REPORT ISSUED TO COMMISSION	2013-12-16
C.2. APPROVAL STATUS	APPROVED CHANGE
C.3. DATE OF APPROVAL STATUS	2014-01-23
C.4. COMMISSION RESPONSE REFERENCE	

PART D — IMPLEMENTATION

D.1. IMPLEMENTATION DATE	2014-02-05
D.2. IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central Systems release number, etc.)	