

# MARKET CODE / OPERATIONAL CODE CHANGE PROPOSAL

Form  
version 2.1

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

**MCCP136**

Version No.

**D.1**

## PART A — SUBMISSION

### A.1. GENERAL DETAILS

A.1.a. TITLE Disaggregated Trade Effluent Settlement Reports

A.1.b. COMPANY Scottish Water Business Stream

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

A.1.c. AUTHORISED SIGNATURE Duncan Innes

NAME	Duncan Innes
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A.1.d. CONTACT NAME Thomas Young

CONTACT EMAIL; TEL./MOB.	<a href="mailto:Thomas.young@business-stream.co.uk">Thomas.young@business-stream.co.uk</a> 0131 338 3137
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A.1.e. ASSOCIATED MCCP / OCCP

A.1.f. ASSOCIATED DOCS.

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>Currently the level of information provided on trade effluent charges in the aggregated settlement files is given at a DPID level stating only “Registered Days”, “Volume” and “Charge”. This makes it difficult to carry out reconciliation on these settlement charges. Details of strengths and other data items are available in the market data set, but this is only a snap shot in time and doesn’t relate to relevant settlement runs for certain periods (eg R3s and RFs where the settlement period is quite some time in the past)</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>The settlement files should include a second Disaggregated Settlement Report, to provide detailed data on trade effluent charges in a similar way to the existing report for all other service elements. As with the existing report, there would be 3 extracts based on this, to be provided to the CMA, SW and the LPs respectively. Each line of the report would relate to an individual meter associated with a DPID, and would include all data related to the calculation of trade effluent charges for that DPID.</p> <p>Details of the data to be included are set out in Annexes 1 and 2 for this paper. Annex 2 also sets out the user requirements for the new report.</p>		
Principles and Objectives affected		
PRINCIPLE	AFFECTED (Y/N)	DESCRIPTION
Proportionality	Y	Time savings and improvements to the quality of trade effluent data will outweigh the costs of introducing the reports
Transparency	Y	The new reports will make settlement arrangements for trade effluent more clearly expressed and readily accessible.
Simplicity, Cost-effectiveness, and Security	Y	While the reports will increase the complexity of the market arrangements, this will be justified by the benefits delivered. As noted above, cost-effectiveness will be enhanced.
Non-exclusivity	N	There will be no impact on this principle.
Barriers to Entry	Y	Improving the visibility of settlement calculations should make it easier for any new entrant to understand how their wholesale charges are derived
Customer Contact	N	N/A

Non-discrimination	N	There will be no impact on this principle.
Non-detrimental to SW Core Functions	N	There will be no impact on this principle.
MC / OC OBJECTIVES		

<b>A.2.c. IMPACT</b> 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	N	
CSDs	Y	Revision of CSD0201 to include new report
Wholesale Services Agreements	N	
Licenses	N	
CMA Central Systems	Y	In line with requirements of new CSD0201
CMA business processes	N	
Trading Party systems	N	
Trading party business processes	N	

<b>A.2.d. DRAFT LEGAL TEXT</b> Required under Market Code Parts 8.7.1 (ii) (d) and 8.8.1 (ii) (d)	
Contained in Annex 2	
<b>A.3. IMPLEMENTATION DETAILS</b>	
<b>A.3.a. PROPOSED IMPLEMENTATION DATE OR LEAD TIME</b> 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.	
Sep-14	
<b>A.3.b. ANY LIMITATIONS OR DEPENDENCIES FOR IMPLEMENTATION</b>	

A.4. ANY OTHER COMMENTS

**PART B — TP ASSESSMENT**

B.1. ASSESSMENT PROCESS

B.1.a. ASSESSMENT START DATE	2013-10-17	ASSESSMENT END DATE	2014-01-20
B.1.b. IMPACT ASSESSMENT REQUIREMENT	IA 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)

A refinement has been incorporated, whereby the TE Disagg Report provides a breakdown of each TE SE to identify periods within the Invoice Period over which all TE parameters remain constant. Furthermore, options have also been provided for less extensive changes to Settlement Reports regarding TE;

- Option 1 – Removing the proposed additional report, but adding TE SEs to the Disagg. This would be the same data as is currently provided in the Agg Report, but with DPIDs identified against SPIDs.
- Option 2 – As described in the original submission, but excluding TE data that is not currently stored in the settlement calculator (all the Level 4 data, along with the CDV, Availability Charge and Operational Charge from the Level 3 data).
- Option 3 – As implied in the original submission (matching the current reporting for water and Sewerage)
- Option 4 – As described above.

Trading Parties have been asked for their views on the above options and for any concerns regarding possible impact on Trading Party systems and no issues or preferences have been forthcoming.

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

The original drafting has been modified to reflect the above refinement to the specification and is attached as Annex 2.

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	Based on IA costs, plus 33%, costs have been estimated to be:  £26.9k  For the other Options, costs would be; <ul style="list-style-type: none"> <li>• Option 1 £7.9k</li> <li>• Option 2 £11.3k</li> <li>• Option 3 £22.7k</li> </ul>
Benefit Estimate (L: < 10k, M: £10k to £100k, H: > £100k)	M On the assumption of 20 DPIDs needing to be checked per settlement report (on both wholesale and retail sides), with a time saving of 30 minutes each, the change should produce a benefit of at least £10,000 p.a. On top of this, we would expect the quality of trade effluent data to be improved.
B.3. TP DECISION	TP APPROVED
B.4. FINAL TP VIEWS	
B.5. PLANNED IMPLEMENTATION DATE	September 2014 Release

WITHDRAWN BY PROPOSER?	No
COMMENTS	
DATE OF WITHDRAWAL	

<b>PART C — COMMISSION APPROVAL</b>	
C.1. DATE FINAL REPORT ISSUED TO COMMISSION	2014-02-24
C.2. APPROVAL STATUS	APPROVED CHANGE
C.3. DATE OF APPROVAL STATUS	2014-03-21
C.4. COMMISSION RESPONSE REFERENCE	

**PART D — IMPLEMENTATION**

D.1. IMPLEMENTATION DATE	2014-09-18
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D.2. IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central Systems release number, etc.)	
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Cma cs V4.1