

MARKET CODE CHANGE PROPOSAL			Form Version 1.2
Market Code Change Proposal Ref (Assigned by CMA)	<b>MCCP064</b> (Issue 244)	Version Number (Assigned by CMA)	<b>1.0</b>
Title of the change		<b>SGES Credit</b>	
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:	<b>CMA</b>	Org ID if assigned:	
Signature:		Date:	11/08/2010
		Name:	David Nicol
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:		David Nicol	
Email Address:		david.nicol@cmascotland.co.uk	
Telephone and or Mobile:		01786468865	
Number of Associated Documents	<b>03</b>	Name or link to documents	Marked-up CSD0205, 0206. Extract from 0207.
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)			
Urgent – Required for September Software Release			
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)		

There was a defect noted within the system during system testing (CMA Issue 244), that the Central Systems does not properly apply the SGES credit to a Sewerage SPID, when the Sewerage SPID has a related Trade Effluent DPID. It should be noted, that at present there are currently no SPIDs on the Central System which have the SGES credit, and have a related Trade Effluent DPID.

While correcting this minor defect, it was realised that the current Wholesale Charges Scheme does not explicitly address the calculation of the annual minimum charges in respect of a DPID, if the DPID is granted SGES relief for part of the year. Explicit rules have been included to deal with this situation.

The opportunity of resolving this defect has been taken to update the CSDs to clarify:

- That the Scottish Government Exemption Scheme has been extended beyond 2010 as anticipated in the CSDs;
- To clarify that DPIDs are entitled to the SGES credit; and
- To clarify how that SGES Credit is allocated amongst the different Service Elements relating to a SPID

<b>B</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 style="width: 100%; border: none;"> <tr> <td style="width: 50%;">a) Proportionality</td> <td style="width: 50%;">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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	The change is proportional, it provides transparency in the application of the Wholesale Charging Scheme, and is simple and cost effective in that is effective to make the change alongside the rectification of the defect.								
<b>C</b>	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 style="width: 100%; border: none;"> <tr> <td style="width: 50%;">a) Central Systems</td> <td style="width: 50%;">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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	CSD 0205, CSD0206, CSD0207								
<b>D</b>	DRAFT LEGAL TEXT – required under Market Code Part 8.7.1 (ii) (d)								
	<p>The following CSDs will be updated to reflect the changes:</p> <ul style="list-style-type: none"> <li>• CSD0205</li> <li>• CSD0206</li> <li>• CSD0207</li> </ul> <p>The Updated CSDs are attached.</p>								
	<b>3. IMPLEMENTATION DETAILS - 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 C. Any quoted lead time should commence from date of approval.								

27 September 2010

4. ANY OTHER COMMENTS

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))