

MARKET CODE CHANGE PROPOSAL

Form
version 2.1

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

MCCP194

Version No.

D.1

PART A — SUBMISSION

A.1. GENERAL DETAILS

A.1.a. TITLE Settlement Report Changes

A.1.b. COMPANY Scottish Water

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

A.1.c. AUTHORISED SIGNATURE Belinda Oldfield NAME Belinda Oldfield

A.1.d. CONTACT NAME Luke Williams CONTACT EMAIL; TEL./MOB. Luke.Williams@scottishwater.co.uk

A.1.e. ASSOCIATED MCCP / OCCP n/a

A.1.f. ASSOCIATED DOCS. CSD0201 Settlement Timetable & Reporting (tracked changes)

A.1.g. PROPOSED URGENCY NON-URGENT

A.1.h. REASONS FOR URGENCY n/a

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 DETAILS

A.2.a. ISSUE OR DEFECT WHICH THIS MCCP SEEKS TO ADDRESS Required under Market Code Parts 8.7.1 (ii) (b) and 8.8.1 (ii) (b)

This proposal is for improvements to the Aggregated Settlement Reports and Disaggregated Settlement Reports for Water and Sewerage (X21, X22 and X23), and Trade Effluent (X24, X25 and X26) Reports to address the issues detailed below:

- 1) The Aggregated Settlement Reports were originally designed at market opening to enable manual visual review. Trading Parties may wish to import the reports into any financial, reporting or billing system to support reconciliation, invoicing or payment processes. Some aspects of the current file format do not lend themselves to importing into another system without manual intervention or detailed processing to convert the file contents into a structured tabular format. These include the inclusion of header and sub-totals throughout the file separating different blocks of data and the mixture of aggregated information (for Water and Sewerage) and disaggregated information (for Trade Effluent)
- 2) MCCP143 introduced improvements to the Disaggregated Settlement Report to include a separate line for any change to data affecting a Service Element applied during the run period. This granularity is very useful but there is currently no identifier within the Disaggregate Report to indicate which line reflects the month end chargeable attributes. This applies to both the Water and Sewer (X21, X22 and X23) and Trade Effluent (X24, X25 and X26) Reports. The proposed drafting set out in the Annex sets out one possible solution for reflecting this information in the disaggregated reports but other technical options may also achieve the same outcome.
- 3) The treatment of vacant SPIDs and DPIDs is inconsistent between the Water and Sewerage (X21, X22 and X23) and Trade Effluent (X24, X25 and X26) Disaggregated Settlement Reports.

The X21/X22/X23 (Water and Sewerage) Disaggregated Settlement reports were developed shortly after market opening to provide visibility of detailed settlement data. A 'SPID Vacant' field was included in order that vacant and occupied SPIDs could be distinguished in the reports. Specifications of the X21/X22/X23 (Water and Sewerage) Disaggregated Settlement reports were added to CSD0201 shortly afterwards in 2009 to reflect the reports which had been developed.

In the September 2014 Release, the X24/X25/X26 (Trade Effluent) Disaggregated Settlement reports were developed to provide market participants with similar settlement information for Trade Effluent. A specification of the new reports was also added to CSD0201 with the SPID inclusion criteria mirroring the existing wording for the X21/X22/X23 (Water and Sewerage) reports:

"A SPID will be reported in one or both reports if it has a Service Element (SE) which has a charge or a volume with a zero charge. A SPID will only be included in a given report if it has charges, or a volume with a zero charge, for the relevant Service Elements. The vacancy status of a SPID has no impact on whether the SPID is reported on this Report or not"

However, whilst the X21/X22/X23 Water and Sewerage reports include vacant SPIDs, the

X24/X25/X26 Trade Effluent reports do not. This inconsistency leads to confusion and the exclusion of vacant SPIDs from the Trade Effluent reports hinders analysis of Trade Effluent settlement data.

A.2.b. DESCRIPTION OF THE NATURE AND PURPOSE OF THE MCCP 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

To resolve the issues as numbered above the following changes are proposed:

1) To change the Aggregated Settlement Report to a structured tabular format, without any headers within the body of the report and containing only aggregated Trade Effluent data (as disaggregated Trade Effluent data is now available in the X24/X25/X26 disaggregated reports). The LP field will be added as an additional column, rather than a break within the report. These changes will facilitate loading of the file into a system for any Trading Party who wishes to do so.

2) New fields to be added to the X21/X22/X23 Disaggregated Settlement Report to indicate the effective from and to date for each row of the report. Where multiple rows appear for a given Service Element, these fields will show the sequence in which the data changed and will enable the Service Element attributes at the end of the period to be easily identified.

This would enable accurate analysis and counts at SPID level to be carried out for different attributes of the Service Element and would facilitate Regulatory Reporting and data reconciliation.

3) To change the wording in the CSD0201 so that it unambiguously states that both the Water and Sewerage and the Trade Effluent disaggregated settlement reports should include vacant SPIDs, even where there is no charge or volume associated with the Service Element. This reflects the content that has been provided in the X21/X22/X23 (Water and Sewerage) reports since their development in 2008.

To amend the X24/X25/X26 Trade Effluent reports to include vacant SPIDs, consistent with the X21/X22/X23 Water and Sewerage reports. This would align the two sets of reports and provide market participants with visibility of Trade Effluent settlement information for vacant SPIDs.

Principles and Objectives affected

PRINCIPLE	AFFECTED (Y/N)	DESCRIPTION
Proportionality	N	n/a
Transparency	Y	Increased visibility of settlement information for SPIDs for data quality monitoring
Simplicity, Cost-effectiveness, and Security	Y	The proposed changes will ensure consistency between the X21/X22/X23 and X24/X25/X26 reports

Non-exclusivity	N	n/a
Barriers to Entry	N	n/a
Customer Contact	N	n/a
Non-discrimination	Y	The proposed changes will provide increased visibility to all Market Participants
Non-detrimental to SW Core Functions	Y	n/a
MC / OC OBJECTIVES		

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	N	Not relevant.
CSDs	Y	CSD0201 to be amended as noted below.
Wholesale Services Agreements	N	Not relevant.
Licenses	N	Not relevant.
CMA Central Systems	Y	Amendment of the Aggregated Settlement Report and the X21/X22/X23 and X24/X25/X26 Disaggregated Settlement Reports.
CMA business processes	N	Not relevant.
Trading Party systems	N	Not relevant.
Trading party business processes	N	Not relevant.

A.2.d. DRAFT LEGAL TEXT Required under Market Code Parts 8.7.1 (ii) (d) and 8.8.1 (ii) (d)	
A tracked changes version of CSD0201 – Settlement Timetable and Reporting is included as an Annex, including the proposed drafting changes in respect of the changes set out above.	
A.3. IMPLEMENTATION DETAILS	

<p>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.</p>
<p>Unknown</p>
<p>A.3.b. ANY LIMITATIONS OR DEPENDENCIES FOR IMPLEMENTATION</p>
<p>Unknown</p>
<p>A.4. ANY OTHER COMMENTS</p>
<p></p>

PART B — TP ASSESSMENT

B.1. ASSESSMENT PROCESS

B.1.a. ASSESSMENT START DATE	2016-02-03	ASSESSMENT END DATE	2016-06-23
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)

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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	
Benefit Estimate (L: < 10k, M: £10k to £100k, H: > £100k)	

B.3. TP DECISION	TP APPROVED
B.4. FINAL TP VIEWS	Unanimously approved
B.5. PLANNED IMPLEMENTATION DATE	March 2017

WITHDRAWN BY PROPOSER?	No
COMMENTS	
DATE OF WITHDRAWAL	

PART C — COMMISSION APPROVAL

C.1. DATE FINAL REPORT ISSUED TO COMMISSION	2016-07-06
C.2. APPROVAL STATUS	APPROVED CHANGE
C.3. DATE OF APPROVAL STATUS	2016-08-02
C.4. COMMISSION RESPONSE REFERENCE	

PART D — IMPLEMENTATION

D.1. IMPLEMENTATION DATE	March 17
D.2. IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central Systems release number, etc.)	
CSD0201 v6	