

# COMMISSION CHANGE PROPOSAL

Form  
version 2.1

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

**MCCP241 – CC**

Version No.

**D.1**

## SUBMISSION

### GENERAL DETAILS

TITLE

Assignment of SPIDs

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ASSOCIATED DOCS.

MCCP / OCCP DETAILS

ISSUE OR DEFECT WHICH THIS MCCP / OCCP SEEKS TO ADDRESS

The Market Code currently includes provisions to enable a Licence to be transferred from one LP to another (Section 1.4 of the Market Code refers). This process assumes that a Transferee would be a new LP (but equally covers the possibility that the Transferee is an existing LP) that would assume all Licence responsibilities and all associated liabilities from a Transferor and that the Transferor would then resign from the market arrangements, with no outstanding liabilities remaining with them.

It has now been recognised that a related process may also be required, whereby a transfer of all liabilities associated with identified Supply Points takes place and both Transferor and Transferee subsequently remain active in the market arrangements.

This Commission Change Involves the use of a script being run to give effect to the change of LP for the identified SPIDs in the Central Systems, but with no modifications to the historic Performance Measures on the LVI.

DRAFT LEGAL TEXT

Required under Market Code Parts 8.7.1 (ii) (d) and 8.8.1 (ii) (d)

The Market Code should be amended as follows (see red text):

#### **1.4 Transfer of Licence(s) by a Licensed Provider and Assignment of Supply Points**

##### **1.4.1 Notice from the Commission:**

Where the Commission has issued notice that it is proposing to consent to the transfer of a Licence, or SPID Assignment, from a Licensed Provider (“the LP Transferor” or “LP Assignor”, as the case may be) to another entity (“the LP Transferee” or “LP Assignee”, as the case may be) (“the Proposal to Grant Notice”) then the remaining provisions of this Section 1.4 shall apply and shall supersede and take priority over any conflicting provisions of the Market Code. Where a SPID Assignment is contemplated, such notice shall include the Supply Points identified as being subject to SPID Assignment.

##### **1.4.1B Prior Notice to the Commission:**

The LP Transferor, or LP Assignor, as the case may be and the LP Transferee, or LP Assignee as the case may be, shall each provide the Commission with a notice requesting the Transfer or Assignment. The notice shall contain an anticipated date for the Transfer or Assignment to take place and shall be provided to the Commission not less than 20 Business Days in advance of the proposed Transfer or Assignment date. In the case of an Assignment, such notice shall include the Supply Points to be subject to SPID Assignment.

The LP Transferor, or LP Assignor, as the case may be, shall additionally provide the Commission with written assurances, signed by its board that it has or will write to all Customers who have a Supply Point to be Transferred or Assigned to inform those Customers about the Transfer or Assignment not less than 20 Business Days in advance of the Transfer or Assignemnt date.

The LP Transferee, or Assignee, as the case may be, shall additionally provide the Commission with written assurances signed by its board that it has or will offer all Customers who have a Supply Point to be Transferred or Assigned terms and conditions that are the same as, or the equivalent to, those in place prior to the Transfer or Assignment and assume all rights and obligations with respect to those Supply Points, including liability for all historic obligations that originated prior to the Transfer or Assignment date.

#### 1.4.2 Admission:

Following publication, including but not limited to the sending of notice to the CMA, of the Proposal to Grant Notice and prior to the date specified by the Commission in that Notice as the date on which the Licence transfer, or SPID Assignment, is anticipated to take effect (“the initial Transfer Date” or “initial Assignment Date”, as the case may be), the CMA shall prepare to admit the LP Transferee, or LP Assignee, if applicable, as an additional party to the Market Code in accordance with Section 1.3 save that:-

- (i) the LP Transferee, or LP Assignee, shall be required to complete the Training Process prior to admission unless the Commission has agreed (in its discretion) to waive the requirement for the LP Transferee, or LP Assignee, to comply with all or any part of the Training Process (save any requirement for self-certification which must always remain) such waiver being set out in the Proposal to Grant Notice;
- (ii) the LP Transferee, or LP Assignee, shall be required to provide written confirmation to the CMA that it agrees that it shall exercise all of the rights and be responsible and perform all of the duties and obligations of the LP Transferor, or LP Assignor, under the Market Code, including without limitation all accruals and debits arising from the Market Code, with effect from the Transfer Date, or SPID Assignment Date, and whether relating to a date or dates prior to or after the Transfer Date, either wholly if in respect of a transfer of a Licence, or in respect of the identified Supply Points if in respect of a SPID Assignment;
- (iii) the CMA shall be required to provide the Commission with notice specifying (a) any amounts due and outstanding by the LP Transferor, or LP Assignor, under the Market Code; (b) whether or not the LP Transferee, or LP Assignee, has completed the Training Process (subject to any waiver of all or part of the Training Process by the Commission under Section 1.4.2 (i) above) and (c) whether there are any reasons that the CMA is aware of why the transfer of the Licence, or SPID Assignment, should not take effect on the Transfer Date, or SPID Assignment Date, including without limitation any failure to provide the written confirmation required by Section 1.4.2(ii) or a failure to complete the Training Process (including any necessary self-certification); such notice to be provided no earlier

than two Business Days prior to the end of the period of consultation specified by the Commission in the Proposal to Grant Notice; and

(iv) **For a transfer of a Licence**, the CMA and the LP Transferor shall be required to execute a Suspensive Accession Agreement in the form set out in Schedule 4 hereto.

(v) In this section 1.4.2 of the Market Code, "Transfer Date" or "Assignment Date" as the case may be shall mean the date specified by the Commission when consenting to a Licence transfer **or SPID Assignment** as the date on which such Licence transfer, **or SPID Assignment** shall take effect.

#### 1.4.3 Resignation:

**For a transfer of a Licence**, prior to the Transfer Date, the LP Transferor shall submit a Resignation Notice provided that such notice will not be effective unless and until

- (i) the requirements set out in Section 1.3.6 are complied with; and
- (ii) all necessary Transfers of Supply Points shall be performed in accordance with Section 1.4.4 below.

#### 1.4.4 Licence Transfer and **SPID Assignments**

At 23.59 hours on the day immediately prior to the Transfer Date, **or SPID Assignment Date**, the following provisions shall apply to admit the LP Transferee, as an additional party to the Market Code (where appropriate), **for a transfer of a Licence**, to effect the resignation of the LP Transferor and to effect the Transfer of all Supply Points Registered to the LP Transferor **for a transfer of a Licence, or identified Supply Points for a SPID Assignment**, to the LP Transferee, **or LP Assignee**, with effect on, from and after the Transfer Date, **or SPID Assignment Date**:

- (i) the CMA shall admit the LP Transferee as an additional party to the Market Code where appropriate, and **for the transfer of a Licence**, shall effect the resignation of the LP Transferor as a party to the Market Code
- (ii) Subject to Section 1.4.4(iii), the CMA shall allocate all of the Supply Points, **for a transfer of a Licence, or identified Supply Points for a SPID Assignment**, that are Registered to the LP Transferor at 23.59 hours on the day immediately prior to the Transfer Date, **or SPID**

**Assignment Date**, to the LP Transferee, **or LP Assignee**, with effect on, from and after the Transfer Date, **or SPID Assignment Date**, shall Register those Supply Points as so allocated and on the Transfer Date, **or SPID Assignment Date**, shall provide written confirmation by the end of the day of the Transfer Date, **or SPID Assignment Date**, that such Transfer, **or SPID Assignment**, has been effected to the LP Transferee, **or LP Assignee**, the LP Transferor, **or LP Assignor** and Scottish Water;

(iii) In relation to a Transfer, or Assignment under Section 1.4.4(ii), the LP Transferee, **or LP Assignee** shall not be required to submit any Transfer Application to the CMA and the CMA, the LP Transferor **or LP Assignor** and the LP Transferee, **or LP Assignee** shall not be required to comply with the provisions of CSD 0102 in relation to the Transfer **or SPID Assignment**; and

(iv) Subject to Section 1.4.4(v) below, **for a transfer of a Licence**, the LP Transferee shall become the Licensed Provider for the purposes of the Market Code and the CMA and all Trading Parties shall treat the LP Transferee as the Licensed Provider, ceasing communication with the LP Transferor and directing all communications and processes without interruption to the LP Transferee.

(v) **For the transfer of a Licence**, the CMA shall be entitled to continue to communicate with the LP Transferor throughout the day of the Transfer Date as necessary in order to ensure the effective transfer of the Licence.

The following Market Code definition should be added to Schedule 1 of the Market Code:

SPID Assignment	The allocation of Licence obligations in respect of identified Supply Points from one LP to another, <u>where such License obligations shall include both historic and future liabilities.</u>
SPID Assignment Date	Has the same meaning as Transfer Date, but in relation to a SPID Assignment.

IMPLEMENTATION DETAILS

TP ACTION REQUIRED

CONSULTATION WITH TP / NONE

REQUIRED IMPLEMENTATION DATE

September 2020

ANY LIMITATIONS OR DEPENDENCIES FOR IMPLEMENTATION

ANY OTHER COMMENTS

Indicative User Requirements are as follows:

**UR 1 Assignment Script.** A one-off script should be developed, to execute a SPID Assignment, defined as per the following URs.

**UR 2 Input Data.** The SPID Assignment Script should use the following input data, structured as follows:

- Header (to include the Assignor - being the D4001 Org ID of the LP from whom SPIDs are to be assigned and the Assignee - being the D4001 Org ID of the LP to whom SPIDs are to be assigned).
- A list of the SPIDs to be assigned, by SPID Number. The expectation is that this list will include some 5,000 SPIDs.
- No explicit Assignment Date is required, as this will be the date on which the script is executed.

**UR 3 Trading Party Validation.** The following validation should be applied by the script (unless otherwise stated):

**UR 3.1 Assignor.** There must be no Licence Transfers pending that involves the Assignor. If this is not the case, the processing should stop, and a suitable message displayed.

**UR 3.2 Assignee.** Each of the following must be true, otherwise the processing should stop, and a suitable message displayed.

**UR 3.2.1** The Assignee must have a full Licence.

**UR 3.2.2** The Assignee must not be a Self-Supplier, or Specialist Supplier.

**UR 3.2.3** The Assignee must not be the Assignor.

**UR 3.2.4** There must be no Licence Transfers pending involving the Assignee.

**UR 3.3 Assignee (CMA Manual Check).** The Assignee must have the relevant service types for the SPIDs to be assigned (i.e. have relevant Licences for WS and/or SS SPIDs, as required).

**UR 4 SPID Validation.**

**UR 4.1** The SPID must be New, Partial, Tradable, TDISC, or PPDISC. If this is not the case, the Assignment of the SPID should not be progressed, and validation should move to the next SPID.

**UR 4.2** The SPID must not be subject to any pending transfer (in or out). If this is not the case, the Assignment of the SPID should not be progressed, and validation should move to the next SPID.

**UR 4.3** The SPID must be associated with the Assignor:

- A SPID that is New must be identified against the Assignor.
- A SPID that is Partial must have the Assignor as the Active Reg. LP
- A SPID that is Rec, TDISC, or PPDISC must have the Assignor as the Current LP
- If this is not the case, the SPID in question should not be assigned, and validation should move to the next SPID.

**UR 5 Processing.**

**UR 5.1 Run Date and Time.**



**UR 5.1.1** The script should be run after business hours on the day prior to the Assignment Date.

**UR 5.1.2** Prior to the run for updating the Production environment, a test run should be executed, using the putative SPIDs identified by the Assignor for whom the script is to be used and CMA approval to execute the Production update should then be provided.

**UR 5.2 Registration Processing.** The script should execute the following, for all identified SPIDs that have passed validation:

- SPIDs identified against the Assignor (i.e. New), or
- SPIDs for which the Assignor is the Active Reg LP (Partial), or
- SPIDs for which the Assignor is the Current LP (Tradable, PPDISC, or TDISC).

The LP should be changed from the Assignor to the Assignee: Specifically, the D4013 Trading Party Name, the D4001 Org ID and the unique LP ref should be changed from those for the Assignor to those for the Assignee.

**UR 5.3 Operational Data Processing.** All operational data (excluding that for settlement, performance and RAs) for the identified SPIDs that have passed validation should be modified to reflect the assignment from the Assignor to the Assignee.

**UR 6 SPID Assignment Report.** The following report should be created in csv or Excel, following the execution of the script:

- Title; SPID Assignment Report
- Headers;
  - Assignment Date, being the script run-date,
  - Assignor (Giver),
  - Assignee (Taker),
  - Assigned SPIDs,
  - Non-Assigned SPIDs (i.e. those identified, but which failed validation)
  - Error Description for each SPID that failed validation,
  - SPID Status (for both Assigned and Non-Assigned)

<b>IMPLEMENTATION</b>	
IMPLEMENTATION DATE	24 September 2020
IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central Systems release number, etc.)	
MC v46	