

MARKET CODE CHANGE PROPOSAL			Draft Form Version 1.2	
Market Code Change Proposal Ref (Assigned by CMA)		MCCP 079	Version Number (Assigned by CMA)	Version B.3
Title of the change		De-registration of New & Partial SPIDs		
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:	Scottish Water		Org ID if assigned:	
Signature:			Date:	27/7/2011
		Name:		Jessie McLeman
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:		Richard Lavery		
Email Address:		<a href="mailto:richard.lavery@scottishwater.co.uk">richard.lavery@scottishwater.co.uk</a>		
Telephone and or Mobile:		07875 873845		
Number of Associated Documents	04	Name or link to documents	(see Part B)	
If the MCCP will also affect the Operational Code, an OCCP must also be raised				
Indicate if there is an associated OCCP	YES	OCCP Ref: CMA use only	OCCP030 Deregistration Process	
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)				
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)			

The market documents allow for Supply Points to be physically disconnected on a permanent basis, to reflect disconnection of the water supply. There is no separate process for Supply Points with a status of 'new' or 'partial' to be withdrawn from the market.

Withdrawal of a 'new' or 'partial' Supply Point from the market ('De-registration') is required where:

- the Supply Point has been created in error, for example following the gap site process, and does not exist uniquely in practice; or
- The connections process has been aborted for New Connections, and it does not proceed to a physical connection.

The current process documented within the CSDs is that Permanent Disconnection transaction flows are used to effect de-registration of Supply Points; but this is only permissible once they have been made tradeable on the Supply Point Register. There are a number of issues with this approach:

- The current process is complex and time-consuming. All necessary transactions relating to creation of the Supply Point must be submitted first, including the acceptance of a Supply Point from a Licensed Provider (Data Transaction T003.0), changing the SPID status from 'new' to 'partial'. If an invalid Supply Point is not accepted by the Licensed Provider, the SPID becomes 'stuck' in Central Systems with Scottish Water unable to process or remove the Supply Point from the Central Systems or its own systems.
- There is no record in the Central Systems of whether the existing transaction flows relate to a physical disconnection or a de-registration with the result that there are incomplete audit trails relating to de-registrations and no visibility of the volume of de-registrations in the market;
- When looking at the timeliness of transactions, it is not currently possible to identify which T015 (Declare Disconnection) transaction flows relate to physical disconnections and which relate to de-registrations which often have historic effect so that the transaction date may legitimately be considerably later than the effective date.

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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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								

It is proposed that there should be a new business process within CSD0104 Maintain SPID Data which will allow de-registrations of 'new' and 'partial' Supply Points. The nature of the business process would be that Scottish Water would initiate a transaction flow to de-register a 'new' or 'partial' Supply Point following a request from the registered Licensed Provider or, if the process has been initiated by Scottish Water, after consent has been granted by the registered Licensed Provider.

Complementary changes to the Operational Code will be reviewed and progressed separately and are expected to include expanding the scope of the de-registration process to deal with 'new' and 'partial' Supply Points in addition to provisions for aborting the New Connection process where a physical connection has not been made.

It is proposed that it would be convenient to change the existing T015 transaction flow to allow it to be used to trigger the De-registration of 'new' and 'partial' Supply Points which have been created in error.

The change would provide a much simpler and more efficient procedure and would address the issue of invalid Supply Points becoming stalled in the Central Systems, or the cancellation of new connections.

The addition of a 'Disconnection/De-registration Type' code to the transaction is proposed, distinguishing between physical disconnections, de-registration of Supply Points in settlement (with reference to MCCP052) and de-registration of 'new' or 'partial' Supply Points. This would allow for checking to take place the correct transaction was being used.

The change supports the principles of:

- a) Proportionality - Deregistration is a significant requirement to support data cleansing and for the efficient processing of Gap Sites.
- b) Transparency – the change would provide better visibility and an improved audit trail of De-registrations of gap sites created in error.
- c) Simplicity, cost-effectiveness and security – the change will provide a more straightforward process for all market participants in the case of de-registering gap sites created in error.

C	IMPACT – required under Market Code Part 8.7.1 (ii) (d), (f) and (g)
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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:

a) Central Systems	c) CMA Interfaces/ Processes
b) Trading Party's systems	d) Trading Party's business processes

The proposed change will require changes to the T015 transaction flow to enable the removal of 'new' or 'partial' Supply Points created in error.

The impact of the proposed change will be as follows:

- a) Central Systems – the change will require changes to the Central Systems
- b) Trading Party's systems – the change will impact on the systems of those Trading Parties that use the High Volume Interface
- c) CMA Interfaces/Processes – the change will impact on CMA Interfaces or Processes
- d) Trading Party's business processes – the change will impact on any existing business processes of Trading Parties relating to de-registration of 'new' and 'partial' Supply Points.

D	DRAFT LEGAL TEXT – required under Market Code Part 8.7.1 (ii) (d)
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Detailed drafting for CSD0104, CSD0301 and CSD0002, covering both this MCCP and MCCP052, is available in Annexes 2, 3, and 4 of MCCP052.

### 3. IMPLEMENTATION DETAILS - 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 C. Any quoted lead time should commence from date of approval.

The Implementation Date will be the date of the next release of the Market Code following Approval by the Commission
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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))

PART B –TP ASSESSMENT				
1. ASSESSMENT PROCESS				
a.	ASSESSMENT START DATE	19/08/11	ASSESSMENT END DATE	20/09/11
b.	IMPACT ASSESSMENT REQUIREMENT	IA REQUIRED		
c.	CONSULTATION REQUIREMENT	TP CONSULTATION NOT REQUIRED		
d.	ASSOCIATED DOCUMENTS (to this Part B)	See associated MCCP052 B.2 for: Annex 1 User Requirements, Annex 2 CSD0104 Drafting, Annex 3 CSD0301 Drafting and Annex 4 CSD0002 Drafting		
2. ASSESSMENT DETAILS				
a.	CHANGE SPECIFICATION AND IMPACT			
The specification of requirements for both this MCCP and MCCP052 is given in Annex 1 (User requirements) of MCCP052.				
b.	DRAFT LEGAL TEXT (if different from that originally submitted)			
Drafting for this MCCP and for MCCP052 is given in Annexes 2, 3 and 4 of MCCP052.				
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)			
Costs from IA; £26 495.94, covering both this MCCP and MCCP052  Assessment; As identified above.		Benefits; As identified above		
3.	TP DECISION	APPROVED		
4.	FINAL TP VIEWS			
5.	PLANNED IMPLEMENTATION DATE	March 2012		

WITHDRAWN BY PROPOSER?	NO
COMMENTS	
DATE OF WITHDRAWAL	

PART C – APPROVAL		
1.	DATE FINAL REPORT ISSUED TO COMMISSION	5 <sup>th</sup> . October 2011
2.	APPROVAL STATUS	APPROVED CHANGE / REJECTED
3.	DATE OF APPROVAL STATUS	
4.	COMMISSION RESPONSE REFERENCE	

PART D – IMPLEMENTATION		
1.	IMPLEMENTATION DATE	
2.	IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central System Release Number, etc.)	