

MARKET CODE CHANGE PROPOSAL			Draft Form Version 1.2	
Market Code Change Proposal Ref (Assigned by CMA)		MCCP 90	Version Number (Assigned by CMA)	B.1
Title of the change		Performance Measures Update		
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:	CMA	Org ID if assigned:		
Signature:		Date:	2011-10-11	
		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:				
Number of Associated Documents	00	Name or link to documents		
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)				

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)								
<p>Background</p> <p>The Water Industry Commission for Scotland (WICS) with support from the CMA undertook a review of the industry Performance Measures at the request of the Technical Panel. The revised measures were discussed at length with participants, and came into effect on 1st April 2011. A small issue has now arisen, in practice, with Performance Measure R5. This change proposal seeks to rectify the matter. The opportunity will also be taken to resolve some minor typographical errors.</p> <p>Measure R5</p> <p>Measure R5A verifies whether LPs send in a connection notification on a timely basis in respect of sewerage only gap sites as follows:</p> <p style="text-align: center;"><i>“Following the T002.0 (Notify New SPID) to the LP, the LP responds with a T007.1 (Notify Connection Complete) within 15BDs. This applies only to T002.0 transactions with “Gap Site” or “Connection Change of Use” connection type, but not the “New” connection type. This measure is only applicable to Sewerage SPIDs for which there is not a related Water SPID”</i></p> <p>In the application of this measure, a single case has arisen where an LP instead of submitting a T007.1 within 15BDs, rejected the SPID within 15BDs using the T009.2 transaction. This is an appropriate and correct process under the CSDs. The outcome however, is that a Performance Measure Charge has been ‘correctly’ applied in respect of the CSD.</p> <p>Typographical Errors</p> <p>In Table 1 there is an omission in the right hand columns of the entry for R8A which should be the same as for entry R8B. In the same table, for measures R10A, R10B and R11 – “LP” is missing from the “Party column”</p>									
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> <p>Resolving the issue in scripts is proportional, transparent and simple. Costs are judged to be modest, since no change is required to core settlement, but only to the performance reporting scripts. The benefit is that LPs will not be allocated charges for a correct and timely notification.</p>		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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C	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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There should be no changes to business process or interfaces.

D DRAFT LEGAL TEXT – required under Market Code Part 8.7.1 (ii) (d)

The proposed changes are to Table 1 in CSD0002. The substantive change is for the entry for R5A which will be amended to read:

Following the T002.0 (Notify New SPID) to the LP, the LP responds with a T007.1 (Notify Connection Complete) or a T009.2 (Error / Notification) within 15BDs. This applies only to T002.0 transactions with “Gap Site” of “Connection Change of Use” connection type, but not the “New” connection type. This measure is only applicable to Sewerage SPIDs for which there is not a related Water SPID”

The typographical changes are

- (i) to amend the two right hand columns of measure R8A to make them the same as those for measure R8B
- (ii) to add “LP” to the party column against measures R10A, R10B and R11.

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 CMA proposes to make the change as soon as its Service Provider can update the necessary scripts.

However, the CMA does not propose that the change should be retroactive back to the 1st April as there would be significant costs in re-running the scripts and re-billing the Performance Charges. These costs are significantly more than the single ‘incorrectly’ applied charge. Instead, the changes should take effect moving forwards.

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)

PART B –TP ASSESSMENT				
1. ASSESSMENT PROCESS				
a.	ASSESSMENT START DATE	13/10/11	ASSESSMENT END DATE	20/10/11
b.	IMPACT ASSESSMENT REQUIREMENT	IA NOT REQUIRED		
c.	CONSULTATION REQUIREMENT	TP CONSULTATION NOT REQUIRED		
d.	ASSOCIATED DOCUMENTS (to this Part B)			
2. ASSESSMENT DETAILS				
a.	CHANGE SPECIFICATION AND IMPACT			
As above				
b.	DRAFT LEGAL TEXT (if different from that originally submitted)			
As above				
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: As above			Benefit: As above	
3.	TP DECISION	APPROVED		
4.	FINAL TP VIEWS			
5.	PLANNED IMPLEMENTATION DATE	Prior to the October Performance Report		

WITHDRAWN BY PROPOSER?	NO
COMMENTS	
DATE OF WITHDRAWAL	

PART C – APPROVAL		
1.	DATE FINAL REPORT ISSUED TO COMMISSION	
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.)	