To promote, challenge and lead the operation and evolution of the market for the benefit of business water customers



Change Proposal Form Change Proposal Reference: PIP233 Anything written between [_] brackets can be deleted as appropriate. The footer and CP Reference will also need updating to match the change being discussed. **Original Title** Third Party Requests to Wholesalers **Working Title** Third Party Requests to Wholesalers **Date Raised** 17/12/2024 Code Change Proposal Type **Urgent?** No If Change is urgent, please fill out the Urgent Change table at the end of this document. Is there a completed cost template attached? [YES] (If not fill in why not below)

Change Proposer Details - required for all Change Proposals		
Name	Liz Smedley	
Alternate	[ALTERNATE PROPOSER NAME]	
Capacity to submit Change Proposal/Charging Change Proposal	Other	
Organisation	Demeter Water Solutions	
Change Lead Details - required for all Change Proposals		
Name	Amanda Hinde	

[EXPLAIN WHY A COST TEMPLATE MAY NOT BE NEEDED]

Email Address	amanda.hinde@mosl.co.uk
Telephone Number	07948 682092

Assessment against Initial Acceptance Criteria

If the problem statement matches any of the initial acceptance criteria below, it may not progress to solution development.

The problem statement is incomplete or insufficiently clear on any of the following: Issue; Root cause of the issue; Actors involved in the environment of the problem; How the problem impacts the proposer customers and wider market; How the problem inhibits the delivery of MAC and WRC objectives and principles.

The problem that is seeking to be addressed is not materially different from an active problem statement that has not yet been decided upon by the CCC.

The problem statement concerns matters that are outside the scope of the MAC and/or WRC.

The problem is being separately considered within the scope of an existing or scheduled improvement programme by the Market Operator.

The problem is being separately considered within the scope of an existing or scheduled policy review by the Authority.

I have read the Initial Acceptance Criteria and accept that this Change Proposal will be assessed against these.

Liz Smedley

Assessment against Acceptance and Prioritisation Criteria

The CCC will apply the criteria below to decide whether the problem statement should be accepted into the code change process. This assessment will determine whether the change proposal should be taken forward for solution development and if accepted, over what timeframe, reflecting its priority relative to other changes.

Evidence based problem - Is the problem statement sufficiently clear and presented with sufficient evidence to support the issue to allow the CCC to make a reasoned decision?

Legislative or regulatory imperative - Whether the change is needed to meet a new or amended legal or contractual obligation imposed on the parties to the codes.

Case for change - A judgement of whether the problem statement affects the WRC Objectives and remaining MAC and WRC principles, in effect the costs and risks to industry participants.

High level drivers - A judgment to the degree that a change addresses a risk or issue identified in the market risk and issues tracker and the degree to which a problem is hindering the strategic market outcomes against the Strategic Panel Priorities

End state - A judgement of whether the opportunity cost of developing a solution for the problem statement will likely be outweighed against doing nothing.

Summary of Change Proposal - required for all Change Proposals

Please explain the issue or defect this Change Proposal/Charging Change Proposal is seeking to address. (?)

MOSL was created to enable the market for selling and buying water between retailers and wholesalers. A related but distinct market for so-called 'additional services' to improve water efficiency pre-dates 2017 market opening. This market includes consultants and companies ("third parties") who are highly experienced and often innovative in solving problems and delivering services, particularly water monitoring based on granular data.

While water wholesalers focus on MOSL processes, a gap has been created on how to service requests such as logger applications or reports of broken meters made by third parties. If a third party is asked to route requests through a retailer, it adds complications and inefficiencies to communication that undermines the quality of service delivered by the third party to the customer while incurring additional costs.

Wholesalers and retailers state that the market codes do not recognise third parties and are using this reason to avoid working with third parties on operational matters set out in the WRC Operational Terms. This impedes or prevents customers from receiving innovative services on meter readings and water saving. While some Wholesalers have clear, published, and transparent processes, others do not and often fail to respond substantively until complaints are made. Even then, there are cases where some Wholesalers do not respond to complaints from 3rd parties at all.

Another issue that has surfaced is that in some cases, customers are led by wholesalers to believe that they have to pay for meter changes in order to receive data through the logger. If the 3rd party was looped into the conversation, there would be an opportunity to contest the exchange from a technical perspective to log the existing meter and avoid an exchange.

Third parties referred to in this change proposal are parties appointed by customers to manage certain services which tend to be beyond the market's natural service offering (e.g., data loggers for real-time or Day+1 consumption management). Data loggers are fitted onto pulse-enabled meters (compatible with traditional and smart meters). Customers want to receive 'live' data from the loggers to monitor and implement water efficiency measures promptly, avoiding the wait for bills from retailers or smart meter reads from wholesalers. (See section 'Further Information and Additional Comments' below.) When wholesalers and retailers avoid communicating with third parties on data logger matters during an operational procedure, either the new install is delayed or customers' established data feeds from the loggers are disrupted for longer and this affects their business operations.

The NHH market was created to enhance customer service and choice, as such it should be flexible to allow innovative services to flourish to help reduce customer usage and demand. Some of these third-party companies have existed since before the NHH market's creation and have developed considerable expertise in reducing customer demand. Resistance from wholesalers and retailers to work with third parties on operational matters will dampen the NHH market's ability to become a flourishing market.

For the avoidance of doubt, the term third party referred to in this change proposal doesn't refer to Accredited Entities (AEs). AEs provide services on behalf of wholesalers, and the Operational Terms set out processes for where AEs are doing works on behalf of wholesalers. The third party in this change proposal refer to agents providing services directly to customers, and they are not considered in the market codes.

Please provide evidence that there is a problem for this Change Proposal/Charging Change Proposal to address.

A small sample of example scenarios has been supplied by the proposer to evidence the issue. Full transcripts are available. Trading Parties names have been removed.

The scenarios below are provided to offer context and highlight the issues the third party is facing in the NHH market. The intention is not to exacerbate an already challenging situation but to underscore the problems. Some of the cases have eventually been resolved, however they arose in the first place because of the process gap.

Example 1: Overly complex cable request process preventing logger installation

In July 2024, the 3rd party was appointed by a school (part of an academy) to install a logger on their premises. The 3rd party submitted a cable application to the Wholesaler with a Letter of Authority (LoA) from the customer. The Wholesaler advised the 3rd Party that only the Retailer could make the request for the cable, and the LoA had to be from the Retailer. The 3rd party complied with this, although actioning this process relied on independently established business relationships in the chain to leverage help. The retailer put in a request to the wholesaler on the third party's behalf, but no response was received from the wholesaler until the third party chased for updates several times through different means. There has since been intervention from the Retailer to request to be kept informed and the Wholesaler has said a meter exchange is required. The 3rd Party has conducted a meter survey and sees no issue with the meter. Three further messages have been sent to the wholesaler to ask for clarification based on the survey and no response has been received to date. The school had no record of the initial visit by the Wholesaler attending the site or meter, even though the meter is within the boundary of the school – they have since attended but have still not provided evidence that the meter requires an exchange to install a logger, or communicated any update. The 3rd party has made them fully aware of the lengthy processes and the actions of all those in the chain of communication.

Example 2: Reporting faults, complaints and escalations

While some Wholesalers have clear, published, and transparent processes, others do not and often fail to respond substantively until complaints are made. Even then, some Wholesalers do not respond to complaints from 3rd parties at all. The third party currently has four ongoing complaints with one Wholesaler. These are all related to meter exchanges where faults were reported following visits by the

third party's technician investigating loss of granular data from the logger, but despite this the wholesaler contractor exchanged the meter and fitted wholesaler equipment.

The third party is frequently the first on-site when a meter fails because data is actively monitored, and zero readings are flagged. A site visit and subsequent job report (including videos and pictures where available) are sent to the Wholesaler to verify the meter is broken, including checking for leaks. In each of the current complaints, the Wholesaler has proceeded with the exchange and used the pulsed output on the meter for their own equipment, even though a request is always made in the third party's reports for a splitter to be made available on the new meter. This would not be so problematic if the wholesaler responded to applications for a replacement splitter cable – but they do not respond in a timely systematic way. Where a meter has no available pulsed output, re-installing the logger to collect granular data on behalf of the customer will not be possible.

Unless there is a change in process, every time a meter is broken and replaced, it is detrimental to both the third party and the customer because:

- 1. It adds to third party's time and costs to resolve the case with wholesaler, conducting site visits.
- 2. The collaboration to reduce losses/demand is completely unacknowledged by the Wholesaler.
- 3. The customer still cannot get data after the meter is exchanged.

This situation does not encourage the right behaviour and thus does not incentivise the notification of broken meters. If the wholesaler is code-obligated to communicate with third party, requests would be handled transparently according to established SLAs, resulting in better service for the customer.

Example 3: Meter change (B7) quotes being sent to Retailer and not third party

The current Wholesaler meter exchange quote process (B7) is to send any quotes for meter exchange to the Retailer regardless of the quote being generated in response to a logger cable application submitted by the 3rd party. As third parties are not recognised in the market codes, it allowed the following scenarios to develop:

- In the last 2 years, there have been several cases where a customer requested the 3rd Party to log a meter but the wholesaler deemed the meter to be "incompatible" (the 3rd party disagreed please see example 4). The Wholesaler sent the meter exchange quote to the Retailer to pass to the customer without sending it to the third party. This meant that the Retailer presented the meter exchange quote out of context to the customer, without the third parties' knowledge, meaning the third party did not have the opportunity to point out that the meter exchange was unnecessary. This is also an inefficient process as the customer could not make a decision directly through the third party on the logger.
- In another case, a meter exchange <u>was</u> necessary to enable the cable installation. There was no response communicated by the wholesaler to the third party. Instead, the wholesaler sent the quote to the retailer without informing the third party. The retailer declined the quote, perhaps because they were not aware of the original request. The third party had to chase the wholesaler for updates due to a lack of information, adding several months to the process.

Example 4: Unnecessary meter exchanges when existing meters are loggable at cost to Customer

Customers can be told that meter exchanges are required at their expense when the meter is, in fact, pulse-enabled and loggable. The underlying reason for the Wholesaler wanting the exchange is that they

no longer stock the required cables (PG100 or LRP), while the third party still stocks these cables. The Wholesaler describes the meters as "not pulse-enabled" or "not pulse-cable enabled."

In a recent example, the meter was 32 years old. The RWG Good Practice Guide includes a clause that if a meter is older than 15 years and the customer wants to install equipment, then the Wholesaler should implement the exchange at their own cost. The Wholesaler informed the third party that they do not align with the GPG and are not funded to replace the meter unless it is faulty or damaged. The third party objected to customers being asked to pay to exchange an old meter when the current meter is still loggable.

The wholesaler presented an exchange cost to the customer in additional to the equipment cost but this was not a viable cost for the customer. This situation undermines the case for monitoring usage because the time to gain a return on investment from a high initial outlay is too long. In the end, the customer gave up installing the logger for water consumption management.

This is not an isolated case. The third party has a number of similar examples. Under the previous process of only sending the quote to the retailer, the customer has, on occasion, naively accepted the quote without the third party being looped in to intervene and explain that it is not actually necessary.

Example 5: No Smart Meter roll out communication to Third Parties

Wholesalers are not notifying third parties of Smart Meter installations by checking the records of logger applications made in line with wholesaler processes, because they only do this for retailers. This includes giving advance notice of plans and instructing their contractors to call the number on the logger labels when on-site. Equipment installed by third parties is regularly being unplugged, resulting in zero readings on the usage profiles. If the Wholesaler's Smart meter data system is not ready for data sharing, it leaves customers without any data, despite their reliance on their previous 15-minute data stream.

There are some positive examples; one Wholesaler has proactively approached the third party for photos of their logger labels to include in contractor manuals.

Example 6: Removal of logger equipment without prior knowledge or notification

The Wholesaler has given the 3rd party permission to log their meters but has proceeded to remove other Third-party equipment without prior notification and replace it with their own. When such equipment is removed, the customers are left without data having had continuous data for 10 years in some cases. Extra costs are incurred due to

- 1-2 additional site visits to replace the equipment (investigating loss of data and discovering the new installation + returning with equipment if stock not available on the van at the first visit)
- Loss of equipment in some cases, where the wholesaler has completely removed the logger from site
- Loss of customer data preventing active water monitoring processes, with associated costs from increases that are no longer visible from the datastream.
- Admin time chasing the wholesaler to point out the findings from site, and invoice for the loss of equipment if removed.

This in contrary to what is stated in the Wholesale Retail Codes Part 3, Operational Terms, Part B metering, section D.

'If it is not removed in advance of the Wholesaler visiting the Eligible Premises to perform the work, the Wholesaler may remove it in accordance with its policy in relation to the fitting of data loggers (or similar devices) on its meters, in place from time to time.

On completion of the work the Wholesaler shall use reasonable endeavours to re-install the data logger (or similar device) to the repaired or replacement meter (provided the meter installed is compatible with the use of that data logger or similar device).'

Although the code says the wholesaler shall use reasonable endeavours to re-install the data logger (or similar device), without a clear obligation to inform the third party of the removal of such device in the first place, the third party often finds out too late and at a cost to the customer and itself to ensure that the devices are re-fitted.

If a solution has been considered, Please describe the proposed draft solution of this Change Proposal/Charging Change Proposal and its nature and purpose. (?)

To recognise the right of **appointed/authorised** third parties (not just any third party) in WRC. The WRC code should include:

- 1) Allowing an authorised third party the same right to raise a Bilateral Request as the retailer can (through the Wholesaler),
- 2) To be kept informed of said Requests raised by the third party,
- 3) Prior notification from the Wholesaler of works that impact their equipment.

The solution should look at whether to grant the right for a selection of processes or all processes under Schedule 1, Part 3, that are applicable for Retailers. Not all process may be practical, but consideration should be given to allow innovation.

The processes listed below to be reviewed and allow wholesalers to raise bilateral hub requests on behalf of third party to wholesaler themselves: B1, B2 (when live), B3, B5, B7, B11, C1, C3, C4, C5, C7, F4, F5, M1 (F6, F7), H1, H3, I1, I3.

For those processes granted all SLAs associated to the bilateral process are to be applied to Third parties also.

The Wholesaler must raise the request as a Wholesaler-led Request through the Bilateral Hub, noting that the request is initiated by a third party. The Request must be raised through the Bilateral Hub and actioned as if raised by the Customer or Retailer.

To also explore escalation process:

Allow Third parties to have an escalation mechanism if there is a problem.

Other areas to consider:

Wholesaler should not treat Third parties differently to the Retailer (no unfair Pricing etc) Right of Wholesaler to charge third parties for erroneous requests

Do you wish to be involved in developing a solution?

Yes ⊠	No □

Please summarise how the experience and responsibilities of other market stakeholders will be impacted in implementing this Change Proposal/Charging Change Proposal. (?)

Stakeholders (?)	Current Experience	Post-Implementation Experience
Non-Household	Customers who engage third parties	Wholesalers will be obligated to
Customers (?)	for their specialist service are having a	action requests by third parties and
[MANDATORY]	degradation of service to that they had prior to the NHH Market. Customers are seeing delays in service due to Wholesaler delayed response and sometimes complete refusal. Some customers are having to approach the Wholesaler on the third parties' behalf because the Wholesaler refuses to interact with the 3rd party. Wholesalers charging customers for unnecessary work.	held to account on the same SLAs at they would to retailers. Customers would see an improvement of service and not be asked to pay for unnecessary work. Improve customer service and increased demand reduction service
Wholesalers	No clear understanding of how to treat or interact with third parties. Causing inconsistencies between Wholesalers and practices.	All Wholesalers will have set proces on how to deal with third parties. Reducing confusion.
Market	Inconsistent service across the market provided by wholesalers.	Improved opportunity for smart innovation

Further Information and Additional Comments – Optional

Please provide any further information that will support the development of this Change Proposal/Charging Change Proposal. Include references to related or supporting documents and consultations as required. (?)

Introduction of Logger Process B2

The introduction of the Logger process B2 is crucial for third-party water demand reduction specialists and logger suppliers. The ability for third parties to request a logger is essential. However, some wholesalers do not recognize the right of third parties to log a meter, forcing them to go through retailers who could be potential competitors.

Proposed Changes

The proposed changes aim to remove the disproportionate barriers that third parties face in delivering customer service. Unlike trading parties, who apply SLAs to their processes and can communicate directly with all wholesalers, third parties currently face significant challenges.

Discussion in OAG

The ability for third parties to raise Logger processes through the WRC has been discussed in the OAG.

Future of Logging vs. Smart Meters

Loggers will be necessary during the transition to smart metering. Smart meters may be 'smart ready' for a long period before becoming 'smart enabled,' and some rollouts may take time. Therefore, it is important to make the logger process more efficient and consistent.

There will be scenarios where smart meter technology is not suitable for the location or customer requirements. In these cases, a Logger process and the ability to log smart meters are imperative for customer insight and demand reduction.

Advantages of Loggers Over Smart Meters

Smart meters typically upload data daily, which could cause unacceptable delays for some customers. Loggers can provide more frequent data, updating every hour with 15-minute data if required. This is particularly beneficial for reactive time during significant bursts, where shared data streams might be impacted.

There are several benefits to using loggers over smart meters:

- Loggers can send more frequent data compared to smart meters.
- There is a risk that a smart meter may not transmit, leaving the customer worse off and without the possibility of reverting to logged data.
- The applicant believes there will be a higher rate of total or partial non-transmission from smart meters, which has not been fully recognized or understood. This suggests a cost benefit to having loggers in circulation.

Data Management and Added Services

Current industry debates often focus on data. However, data alone does not lead to action. Other systems are needed for maintenance and monitoring of data streams, which retailers and wholesalers may not have in place. Third parties can fill these service gaps.

It is important that new data streams are made available to third parties and that they can also offer logger services that differ from wholesaler smart services. This would provide customers with enhanced service options. Additionally, third parties should have the ability and right to raise issues and concerns through the processes outlined in Schedule 1 Part 3. This will improve and resolve customer issues quickly and consistently.

Objectives and Principles - required for all Change Proposals

Summarise how the following Objectives and Principles, as set out under <u>Part A of Wholesale Contract Schedule 1 Part 1</u> are impacted by this Change Proposal (?) and/or as set out under <u>Schedule 1 Market Arrangements Code Principles and Definitions</u>, are impacted by this Change Proposal. (?) Explanations for each of these principles can be found at the end of this document.

Objective/Principle	Nature of impact	Detail of impact – MAC	Detail of impact – WRC
Primary Principle	Positive Impact	none	If wholesalers are communicating with third parties, customers' data reads would not be abruptly disrupted by the wholesaler's operational activities, or being asked to pay for unnecessary hardware changes.
Continued development and sustainment of an effective market	Positive Impact	none	Removes current code barrier or code silence around third party interaction with the NHH market. Potential to introduce more innovation and healthy competition for customer services.
Seamless Non- Household Customer experience	Positive Impact	none	Effcient, consistent and timely processes and SLAs between appointed customer

			representative be it Retailer or Third Party
Resilience	Positive Impact	none	Facilitate better water management by allowing flexibility and innovative services.
Transparency and clarity	Positive Impact	none	Clear consistent treatment of third parties across the NHH Market
Proportionality	No Impact (consistent)		
Efficiency	Positive Impact		Consistent processes with improved efficiency for customer.
Non-discrimination	Positive Impact		Customers who appoint third parties are currently discriminated in the NHH market
Simple, cost effective and secure (WRC only)	Positive Impact		Impact to code and obligations only. No CMOS impact.
Business Terms Objectives (WRC only)	Uncertain		Uncertain whether Business Terms would need to be amended.
Operational Terms Objectives (WRC only)	Positive Impact		Improve clarity on Third party treatment in the NHH market
Market Terms Objectives (WRC only)	Uncertain		Uncertain whether Market Terms would need to be amended.
Market Led (MAC only)	Choose an item.		

Case for Urgency - required for Urgent Change Proposals only

If the change is Urgent, please state which urgency principles apply and rationale. Supporting evidence may be included as an attachment to this Change Proposal form. (?)

Principle	Applicable	Rationale and Evidence
Could the issue have been reasonably foreseen?	Choose an item.	
Significant impact on a party, parties, consumers or other stakeholder.	Choose an item.	
Significant impact on the safety and security of the Central Market Operating System.	Choose an item.	
Party in breach of any relevant legal obligation.	Choose an item.	
Material and immediate risk of significantly impacting the development and/or operation of the business retail market.	Choose an item.	
Code modification is required to comply with/implement Law.	Choose an item.	
If the change is Urgent, plea justification. (?)	se provide the date I	by which this change should be implemented and
Proposed Implementation Date		
Justification		

Appendix 1: Explanation of objectives and principles	Market Arrangements Code (MAC)	Wholesale-Retail Code (WRC)
Primary Principle	The Market Arrangements Code shall be maintained, operated and developed in a manner that best seeks to protect and promote the interests of, and participation by, existing and future Non-Household Customers.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall be maintained, operated and developed in a manner that best seeks to protect and promote the interests of, and participation by, existing and future Non-Household Customers.
Continued development and sustainment of an effective market	The Market Arrangements Code shall, wherever appropriate, promote effective competition and the removal of, and shall not introduce unnecessary, barriers to: • Efficient market entry, expansion and exit; or • Innovation that benefits Non-Household Customers and the environment, including innovative business modes; or • Development of competitive markets within the water sector in England and Wales.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall, wherever appropriate, promote effective competition and the removal of, and shall not introduce unnecessary barriers to: • efficient market entry, expansion and exit; or • innovation that benefits Non-Household Customers and the environment, including innovative business models; or • development of competitive markets within the water sector in England and Wales
Seamless Non-Household Customer experience	The Market Arrangements Code shall be maintained, operated and developed in a manner that seeks to deliver a seamless experience for the benefit of Non-Household Customers in relation to the Areas of Wholesalers and as between Areas in England and Wales;	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall be maintained, operated and developed in a manner that seeks to deliver a seamless experience for the benefit of Non-Household Customers in relation to the Areas of Wholesalers and as between Areas in England and Wales.

Appendix 1: Explanation of objectives and principles	Market Arrangements Code (MAC)	Wholesale-Retail Code (WRC)
Resilience	The Market Arrangements Code shall be consistent with the Resilience Objective, including by promoting Trading Party and Non-Household Customer participation in measures to: • manage water resources in sustainable ways, to maximise efficiency in the use of water and reduce demand for water so as to reduce pressure on water resources; and • Improve the environmental sustainability of the Sewerage System.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall be consistent with the Resilience Objective, including by promoting Trading Party and Non-Household Customer participation in measures to: • Manage water resources in sustainable ways, to maximise efficiency in the use of water and reduce demand for water so as to reduce pressure on water resources; and • Improve the environmental sustainability of the Sewerage System
Transparency and clarity	The Market Arrangements Code shall be clear, open and transparent, including the activities of the Panel and the Market Operator, and be complete, concise, clearly expressed, well-structured, unambiguous and readily accessible to both existing and prospective Trading Parties	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall be clear, open and transparent, including activities of the Panel and the Market Operator, and be complete, concise, clearly expressed, well-structured, unambiguous and readily accessible to both existing and prospective Trading Parties.
Proportionality	The Market Arrangements Code shall be proportionate to the size of the Competitive Market in England and Wales. It shall allow for the creating of provisions to promote proportionate change which delivers the greatest value for existing and future Non-Household Customers.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall be proportionate to the size of the Competitive Market in England and Wales and proportionate within the context of the Objectives. They shall promote proportionate change which delivers the greatest value for existing and future Non-Household Customers.

Appendix 1: Explanation of objectives and principles	Market Arrangements Code (MAC)	Wholesale-Retail Code (WRC)
Efficiency	The Market Arrangements Code shall ensure the efficient, economic and effective administration, governance and operation of the Competitive Market so far as impacted by it.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall ensure efficient, economic and effective administration and operation of the Competitive Market, so far as impacted by them, and shall promote the efficient administration of the Market Terms by the Market Operator.
Non-discrimination	The Market Arrangements Code shall not unduly discriminate, or create undue discrimination, between any existing or prospective Parties or group of such Parties.	The Wholesale Retail Code and arrangements established by or under the Wholesale Contract shall not unduly discriminate, or create undue discrimination, between any existing or prospective Parties or group of such Parties.
Simple, cost effective and secure (WRC only)		The Central Systems and processes established by or under the Wholesale Retail Code should be as straightforward as possible (whilst being capable of development over time) and should contain appropriate data integrity and security controls
Market Led (MAC only)	The Market Arrangements Code shall enable and promote market participants to drive innovation and change that will create value for existing and future Non-Household Customers.	

Appendix 1: Explanation of objectives and principles	Market Arrangements Code (MAC)	Wholesale-Retail Code (WRC)
To support Innovation (MAC only)	The Market Arrangements Code may enable such processes and procedures for the promotion and investment in innovation and change which will create value for the English and Welsh water and sewerage sector and grow its capacity to innovate, enabling it to better meet the evolving needs of customer, society and the environment as consented to by the Authority.	