

# WHOLESALE-RETAIL CODE CHANGE PROPOSAL/ CHARGING CHANGE PROPOSAL

<b>Change Proposal Reference</b> <i>(To be completed by the Panel Secretary)</i>	<b>CPW038</b>	Version No	<b>1.0</b>
<b>Type of Change Proposal:</b> <i>(delete as appropriate)</i>	Change Proposal		
	<del>Charging Change Proposal</del>		
<b>Submission Date</b>	17 July 2018		
<b>Title:</b> of Change Proposal/Charging Change Proposal	Tariffs Report updates		
<b>Summary:</b> of Change Proposal/Charging Change Proposal <i>(40 to 50 Words Maximum)</i>	This Change Proposal adds Tariff Standing Data to the Tariffs Report, changes the report's logic to display only applicable Charging Elements, and introduces clarificatory elements.		
<b>General Details of the Proposer</b>			
<b>Name of Proposer</b>	Mihai Ciurba		
Capacity (to submit Change Proposals and Charging Change Proposals – on behalf of a Party, as a Panel member, as the customer representative, or the Market Operator or on behalf of the Authority; or Charging Change Proposals – on behalf of a Wholesaler).	Market Analyst MOSL		
<b>Contact Email</b>	Mihai.ciurba@mosl.co.uk		
<b>Telephone Number</b>	07948466729		
The Proposer recommends that this Change Proposal/Charging Change Proposal should initially: <i>(delete as appropriate)</i>	<del>Proceed to Assessment</del>		
	<del>Proceed to Consultation</del>		
	Proceed to Recommendation		
Is the change Urgent (Yes/No)? If yes, please provide reason for urgency (if applicable)	No		
<b>Related Documents</b>			

Reference of any associated Code Panel Change Proposal/ Charging Change Proposal	Not applicable
Documents Accompanying Form	Legal drafting: <ul style="list-style-type: none"> <li>• CSD 0208 Creation and update of Wholesaler Tariff Data;</li> <li>• CSD 0301 Data Catalogue; and</li> <li>• CSD 0302 Standing Reports and Data Extracts.</li> </ul>
<b>Change Proposal/ Charging Change Proposal Details</b>	
Description of (i) the issue or defect which this Change Proposal seeks to address, or (ii) the modified or new charging method or charging structure required pursuant to this Charging Change Proposal, as required under the Market Arrangements Code Section 6.2.1(b).	
<p>The Tariffs Report provides information to Trading Parties about the range of Tariffs in the Central Systems. The report specifications are available in CSD 0302 (Standing Reports and Data Extracts) under section 8 and Appendix A.</p> <p>MOSL and Trading Parties have identified certain issues with the Tariffs Report which prevent the delivery of a complete and accurate report. The issues identified fall in the following categories and are:</p> <p><b>1. Issues relating to the design of the report</b></p> <p><b>1.1. <u>Tariff Standing Data not included in the Tariffs Report</u></b></p> <p>A Tariff represents a set of values by which one Service Component at a Supply Point can be charged. By definition, each Service Component can be charged using a different Tariff (i.e. there can be no two identical charging arrangements for any of the Service Components in market). On the other hand, Tariff Standing Data represents a set of values which are applicable to the entirety of a Wholesaler's Tariffs and all its Supply Points (i.e. only one set of Tariff Standing Data can exist in a Year, and it governs certain charging arrangements across all Service Components in the market).</p> <p>The Tariff Standing Data governs whether Primary Charges are calculated in periods of Vacancy or Temporary Disconnection, and if they are, which Charging Elements (such as volumetric charges or fixed charges) are charged for during these periods. In addition, the Tariff Standing Data determines the default Return to Sewer value for a Sewerage Wholesaler which is used, unless otherwise specified, to calculate the majority of sewerage Volumes.</p> <p>Currently, the Tariffs Report contains all versions of all Tariffs on the Central Systems, but it does not contain the Tariff Standing Data. This limitation comes from the list of Data Items in section 8.6 of CSD 0302 which are used to populate the content of the report. This list does not include the Data Items which relate to Standing Data, and hence the Tariffs Report does not report any Standing Data. The workaround to view the Standing Data is to obtain this information directly from the Wholesaler or through the Wholesaler's charging scheme document. An additional workaround consisted of MOSL issuing a one-off extract containing the Standing Data information.</p> <p>The Tariff Standing Data is required by Retailers to understand the charging arrangements of different Wholesalers, thus ensuring a more efficient operation and</p>	

accurate service offering to Non-Household Customers. It is thus proposed that the Tariffs Report is amended to also display Tariff Standing Data.

## 1.2. Not applicable Charging Elements included in the Tariffs Report

Each Service Component has a number of Charging Elements which govern the calculation of Primary Charges. For instance, the Metered Potable Water Service Component can have up to five (5) Charging Elements: Meter Fixed Charges, Supply Point Fixed Charges, Metered Volumetric Charges, Standby Capacity Charges and Maximum Demand Charges.

When creating or uploading a Tariff in the Central Systems, the Wholesaler can choose which Charging Elements to submit and, of those that are submitted, which it wishes to make applicable.

Consider two examples:

- a. Wholesaler submits Supply Point Fixed Charges and Metered Volumetric Charges and marks both as applicable;
- b. Wholesaler submits Metered Fixed Charges, Supply Point Fixed Charges and Metered Volumetric Charges but only marks Supply Point Fixed Charges and Metered Volumetric Charges as applicable.

The screenshot below (Image 1) shows how case (b) is represented in CMOS. Only the Supply Point Fixed Charges and the Metered Volumetric Charges are marked as applicable, but all three Charging Elements were submitted in CMOS.

## View Tariff Data: MOSL-W\_Metered Potable Water

[Return](#)

Effective From	2018-04-01
State	AUTHORISED

  

### Metered Potable Water

Name	Is Applicable
<a href="#">Meter Fixed Charges</a>	<input type="checkbox"/>
<a href="#">Supply Point Fixed Charges</a>	<input checked="" type="checkbox"/>
<a href="#">Metered Volumetric Charges</a>	<input checked="" type="checkbox"/>

*Image 1: Applicable Charging Elements for a Tariff*

The net effect of examples (a) and (b) above is the same. For that particular Tariff, only Supply Point Fixed Charges and Metered Volumetric Charges apply. The difference however lies in how the Tariffs Report reports the data. Under example (a), it will only report the two Charging Elements that were submitted, but for case (b) it will report all three Charging Elements that were submitted, rather than only the two which were marked as applicable.

This design leads to inconsistencies between how a Tariff is structured and governs charges, and how it is reported in the Tariffs Report. It creates confusion and uncertainty in any Tariffs' structure, requiring further investigation to confirm which Charging Elements are actually applicable. The workaround for Wholesalers is to check the Tariff

in the Central Systems Portal, while Retailers will need to engage directly with Wholesalers to understand the applicability of Charging Elements.

As the existing provisions in CSD 0302 do not constrain the reporting of only Charging Elements which are applicable (i.e. *not None*) at the Tariff, the Tariffs Report reports all Charging Elements as submitted in the Tariff. It is thus proposed to restrict the display to only applicable Charging Elements in a Tariff.

## 2. Lack of clarity with respect to the design of the report

### 2.1. Tariff Effective From Date

The Tariffs Report contains the Tariff Effective From Date (D7002) Data Item. This Data Item shows the date from which the associated data set for the Tariff is applied. It is important to note that a Tariff can have multiple sets of data with different Effective From Dates (EFD). For instance, Tariff '*MOSL\_violet*' has an EFD of 2017-04-01 and an associated fixed charge of £1.05, but the same Tariff has an EFD of 2018-04-01 and an associated fixed charge of £1.13. Thus, D7002 represents the Effective From Date of each of the different sets of data.

The screenshot below (Image 2) shows how Tariff '*MOSL\_violet*' is represented in CMOS. As mentioned above, there are two Effective From Dates, one for each set of Tariff data.

### View Tariff

Cancel

Service Component	Metered Potable Water
Name	MOSL Violet
Code	MOSL_violet
Effective From	2017-04-01
Status	ACTIVE
Legacy Effective From	

  

Tariff Data	
Effective From	State
2017-04-01	AUTHORISED
2018-04-01	AUTHORISED

Image 2: Effective From Dates for each set of Tariff data

A defect was present in the Central Systems where D7002 on the Tariffs Report would only report the earliest Effective From Date, so Tariff '*MOSL\_violet*' would appear as two rows in the report, one for each year, each with its associated charge, but both with the same EFD of 2017-04-01. Such a design has caused a number of issues amongst Trading Parties, leading to confusion and additional manual processes.

The screenshot below (Image 3) shows how the Tariffs Report would have displayed the '*MOSL\_violet*' Tariff prior to the defect being fixed. Readers should pay special attention to the cells highlighted in yellow, where the charge for each year is incorrectly associated to the same Effective From Date.

Wholesaler ID	Tariff Code	Tariff Effective From Date	Tariff Name	Tariff Status	Legacy Tariff Effective From Date	Applicable Service Component	Tariff Authorisation Code	Charge Element Billing Field Name	Charge Element Billing Field	Charge Element Property 1	Charge Element Property 1 Value
MOSLTEST-W	MOSL_violet	2017-04-01	MOSL Violet	ACTIVE		MPW	Authorised	Metered Potable Water Supply Point Fixed Charges	D7102	Value	1.05
MOSLTEST-W	MOSL_violet	2017-04-01	MOSL Violet	ACTIVE		MPW	Authorised	Metered Potable Water Supply Point Fixed Charges	D7102	Value	1.13

Image 3: Tariffs Report prior to defect fix

The screenshot below (Image 4) shows how the Tariffs Report currently displays the 'MOSL\_violet' Tariff, after the defect has been fixed. Readers should pay special attention to the cells highlighted in yellow, where the charge for each year is now correctly associated with its appropriate Effective From Date.

Wholesaler ID	Tariff Code	Tariff Effective From Date	Tariff Name	Tariff Status	Legacy Tariff Effective From Date	Applicable Service Component	Tariff Authorisation Code	Charge Element Billing Field Name	Charge Element Billing Field	Charge Element Property 1	Charge Element Property 1 Value
MOSLTEST-W	MOSL_violet	2017-04-01	MOSL Violet	ACTIVE		MPW	Authorised	Metered Potable Water Supply Point Fixed Charges	D7102	Value	1.05
MOSLTEST-W	MOSL_violet	2018-04-01	MOSL Violet	ACTIVE		MPW	Authorised	Metered Potable Water Supply Point Fixed Charges	D7102	Value	1.13

Image 4: Tariffs Report after defect fix

While the above defect was fixed, MOSL believes that there is additional merit to provide clarity on what D7002 represents and how it is handled in the Tariffs Report. As such it is proposed that additional details are added in the description and further details of D7002 in CSD 0301.

Based on the proposed enhancement to the description of D7002, MOSL believes that a clarification amendment is suitable to the Wholesaler Tariff Data illustrative examples in Appendix A of CSD 0208 to emphasise what is represented by the Tariff Effective From Date (D7002). Currently, all example diagrams have D7002 represented as either "Tariff Effective From" or "Tariff Data Effective From". The "Tariff Effective From" represents the earliest EFD of the tariff (so under Tariff 'MOSL\_violet' 2017-04-01), while the "Tariff Data Effective From" represents the Tariff data EFD (so under Tariff 'MOSL\_violet' 2017-04-01 and 2018-04-01). However, it should be noted that the concept of "Tariff Data Effective From" is not defined in the market codes, and is simply known as the EFD of the Tariff data. In light of the above, MOSL is proposing to add a clarificatory change to the illustrative examples to signal that:

- the "Tariff Effective From" is actually the earliest "Tariff Effective From"; and
- the "Tariff Data Effective From" is actually the Tariff's Effective From Date.

All illustrative examples in CSD 0208 omit the word "Date" from either the "Tariff Effective From" or the "Tariff Data Effective From". As D7002 is named "Tariff Effective From Date", it is proposed to add the word "Date" to the labels to increase clarity and consistency.

MOSL also identified additional non-material inconsistencies with respect to the diagrams in Appendix A of CSD 0208 which are being proposed to be fixed. These include formatting changes and adding the:

- Code;
- Name;
- Earliest Tariff Effective From Date;
- Status; and
- Tariff Effective From Date.

to *Example 12 – Tariff Standing Data* as these have been omitted in error. The Tariff Standing Data does have the properties above and for consistency and clarity, these should be added to the Tariff Standing Data illustrative example.

The proposed amendments under this section (2.1) are non-material and necessitate no changes in the Central Systems.

### 3. Readability of CSD 0302

#### 3.1. Section 8.6 and Appendix A content

At present, section 8.6 of CSD 0302 contains a table which details the Data Items which are used to populate record fields in the Tariffs Report. Appendix A shows the Tariffs Report format (i.e. by defining the report's columns).

Across all other reports defined in CSD 0302, the "Detailed Record Content" section (e.g. section 8.6) shows the report format. This means that for the Tariffs Report only, the report's format is not defined in the same place as it is being done for other reports.

It is thus proposed that from a readability and consistency perspective, the table in section 8.6 and Appendix A are switched around, such that the report format is now defined in section 8.6, and the Data Items which are used to populate the record fields are defined in Appendix A.

The proposed amendment under this section (3.1) is non-material and necessitates no changes in the Central Systems.

#### 3.2. Missing Wholesaler ID

The Wholesaler ID (D4025) is included on the Tariffs Report as defined in Appendix A and is one of the columns in the report. A small inconsistency was identified where the Wholesaler ID was not included in the list of Data Items which are used to populate the record fields in the Tariffs Report as detailed in section 8.6. It is thus proposed to add the Wholesaler ID (D4025) to the table in the existing section 8.6 of CSD 0208.

The proposed amendment under this section (3.2) is non-material and necessitates no changes in the Central Systems.

Description of the Change Proposal/ Charging Change Proposal, its nature and purpose and (for Change Proposals only) how it is consistent with the Principles and falls within the Objectives noted below, as required under the Market Arrangements Code Section 6.2.1(c).

In relation to the issues identified above, the following amendments are proposed:

#### 1. **Resolve issues relating to the design of the report**

- 1.1. Add Wholesaler Standing Data to the Tariffs Report by adding the relevant Data Items to the table currently in section 8.6.

Field Name	Data Item (D Number)
Default Return to Sewer	D7051
Vacancy Charging Method Water	D7052
Vacancy Charging Method Sewerage	D7053
Temporary Disconnection Charging Method Water	D7054

Temporary Disconnection Charging Method Sewerage	D7055
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The image below (Image 5) shows an extract of the proposed way in which the Tariff Standing Data will be displayed in the Tariffs Report.

Wholesaler ID	Tariff Code	Tariff Effective From Date	Tariff Name	Tariff Status	Legacy Tariff Effective From Date	Applicable Service Component	Tariff Authorisation Code	Charge Element Billing Field Name	Charge Element Billing Field	Charge Element Property 1	Charge Element Property 1 Value
MOSLTEST-W	MOSLSD1	2017-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Default Return to Sewer	D7051	Value	95.00
MOSLTEST-W	MOSLSD1	2017-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Temporary Disconnection Charging Method Sewerage	D7055	Value	TSA
MOSLTEST-W	MOSLSD1	2017-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Temporary Disconnection Charging Method Water	D7054	Value	TWA
MOSLTEST-W	MOSLSD1	2017-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Vacancy Charging Method Sewerage	D7053	Value	VSC
MOSLTEST-W	MOSLSD1	2017-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Vacancy Charging Method Water	D7052	Value	VWC
MOSLTEST-W	MOSLSD1	2018-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Default Return to Sewer	D7051	Value	95.00
MOSLTEST-W	MOSLSD1	2018-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Temporary Disconnection Charging Method Sewerage	D7055	Value	TSA
MOSLTEST-W	MOSLSD1	2018-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Temporary Disconnection Charging Method Water	D7054	Value	TWA
MOSLTEST-W	MOSLSD1	2018-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Vacancy Charging Method Sewerage	D7053	Value	VSC
MOSLTEST-W	MOSLSD1	2018-04-01	MOSL Standing Data	ACTIVE		Standing Data	Authorised	Vacancy Charging Method Water	D7052	Value	VWC

Image 5: Proposed display of Standing Data in the Tariffs Report

1.2. Restrict the Tariffs Report to only display applicable Charging Elements. The proposed drafting is as such:

8.4.1 Each Tariffs Report contains all **applicable (i.e. not None) Charging Elements of all** versions of all Tariffs on the Central Systems with a Tariff Status of either ACTIVE or LEGACY, with Effective From Dates covering the period starting two (2) years prior to the last Business Day of the Month of the Report, plus any future Effective From Dates.

**2. Clarify the design of the Tariffs Report**

2.1. Provide further details on the use of the Tariff Effective From Date (D7002) Data Item. The proposed amendments in CSD 0301 are as such:

<b>Data Item Number</b>	<b>D7002</b>
<b>Data Item Name</b>	Tariff Effective From Date
<b>Data Item Logical Type</b>	date
<b>Member of unique serial set</b>	no
<b>Member of Valid Set</b>	no
<b>Data Group</b>	Tariff
<b>Data Owner</b>	Wholesaler
<b>Description</b>	The date from which the associated data set for the Tariff is to be applied. <b>For the</b>



	avoidance of doubt, a Tariff can have multiple sets of data with different Effective From Dates. D7002 will represent the Effective From Date of each of the different sets of data, e.g. 1 <sup>st</sup> April 2017, 1 <sup>st</sup> April 2018.
<b>Further Details</b>	D7002 will represent each set of data with its associated Effective From Date and the earliest Tariff Effective From Date is the Effective From Date of the earliest set of data.
<b>Used in Data Transaction</b>	

Note: The proposed legal drafting to the illustrative examples in CSD 0208 are available in the attached CSD 0208 document. Please note that changes made to the diagrams are done in the colour green, to distinguish between existing text in red.

### 3. Add non-material improvements to CSD 0302

3.1. Switch the tables in section 8.6 and Appendix A around, such that the report format is now defined in section 8.6, and the Data Items which are used to populate the record fields on the Tariffs Report are defined in Appendix A.

Note: The red line changes for the proposed non-material improvements to CSD 0302 are available in the attached CSD 0302 document.

3.2. Add Wholesaler ID to the list of Data Items which are used to populate the record fields on the Tariffs Report.

Note: The red line change for this proposed non-material amendment is available in the attached CSD 0302 document.

## Principles and Objectives

Description of the principles and objectives affected by the Change Proposal on the items below (if applicable) as detailed in Part A of Schedule 1 Part 1: Objectives Principles and Definitions.

Principles	Affected (Y/N)	Description
Efficiency	Y	<p>The proposed changes to the Tariffs Report will ensure that Standing Data is reported, improving the visibility of charging arrangements for Retailers and facilitating their operations, including customer service provision.</p> <p>Updating the Tariffs Report to only display applicable Charging Elements will reduce the need to verify and crosscheck charging mechanisms, whilst also increasing confidence in the report's content.</p>



Proportionality	N	
Transparency	Y	<p>The proposed changes will ensure that the Tariffs Report's content is clearly designed, well-structured and consistent throughout the CSDs.</p> <p>The proposed changes will also assist with understanding how the report and associated attributes are structured and what data is displayed, providing further clarity to Trading Parties.</p>
Simplicity, cost-effectiveness and security	Y	<p>The proposed changes to the Tariffs Report will ensure that the report's specifications are clearly expressed and reduce the need for additional processes outside the market codes in order to understand a Wholesaler's charging mechanisms.</p>
Barriers to entry	N	
Non-discrimination	N	
Customer participation	N	
Customer contact	N	
Seamless markets	N	
No limit on upstream competition	N	
Business Terms Objectives	N	
Operational Terms Objectives	N	
Market Terms Objectives	N	
<p>Description of the impact of the Change Proposal/ Charging Change Proposal on the following items, as required under the Market Arrangements Code Sections 6.2.1 (f), (g) and (h).</p>		
Configured Item	Impacted (Y/N)	Description
Schedule 1: Terms and Conditions of a Wholesale Contract	N	

Wholesale-Retail Code, Schedule 1 Part 1 (Objectives, Definitions and Principles)	N	
Wholesale-Retail Code, Schedule 1 Part 2 (Business Terms)	N	
Wholesale-Retail Code, Schedule 1 Part 3 (Operational Terms)	N	
Wholesale-Retail Code, Schedule 1 Part 4 (Market Terms)	N	
Wholesale-Retail Code, Schedule 1 Part 5 (CSDs)	Y	CSD 0208 Creation and update of Wholesaler Tariff Data; CSD 0301 Data Catalogue; and CSD 0302 Standing Reports and Data Extracts.
Wholesale-Retail Code, Schedule 1 Part 6 (Operational Forms)	N	
Appointment	N	
Licence	N	
Any other industry code, agreement or document (e.g. the Wholesale Contract or the MOSL Articles) (please specify)	N	
Central Market Operating System	Y	Changes need to be made to the Central Systems to include Wholesaler Standing Data to the Tariffs Report and for the report to only display the applicable Charging Elements of a Tariff.  CGI has confirmed that CPW038 will have an implementation cost of £12,523.
Trading Party systems which interface with Central Systems and other relevant Trading Party systems/ business processes.	Y	Based on the responses received from the RFI, respondents have noted that the proposed change will have positive impact on business operations. Respondents have stated that impacts to

		changing business processes and systems is expected to minimal. Some respondents have stated that only minor modifications such as changes to templates will need to be made to accommodate this change.
Scottish Core Industry Documents	N	

### Further Information

Description of any discussions on the topic of the Change Proposal/ Charging Change Proposal at the User Forum (as relevant) or otherwise relevant discussions with parties, as required under the Market Arrangements Code Section 6.2.1(i).

Further Comments

### Key

	To be completed by the Market Operator
	To be completed by the Proposer