

Change Proposal Reference: CPW143		Initial submission of this form is the first stage of the Change Proposal process, as outlined below. Its solution may evolve with further assessment and consultation.	
Original Title	Sub-metering	01	Change Proposal
Working Title	Wholesaler Maintenance of YVEs for Non-Market Meters	02	Consultation
Date Raised	23 May 2023	03	Draft Report
Type	Code Change Proposal	04	Final Report
Urgent?	No		

Case for Urgency - required for Urgent Change Proposals only		
<i>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. (?)</i>		
Principle	Applicable	Rationale and Evidence
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	Choose an item.	

development and/or operation of the business retail market.		
Code modification is required to comply with/implement Law.	Choose an item.	
<i>If the change is Urgent, please provide the date by which this change should be implemented and justification. (?)</i>		
Proposed Implementation Date		
Justification		

Summary of Change Proposal - required for all Change Proposals

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

A series of sub-meters that exist in properties are mixed use, their usage is shared between the Non-Household Market (Market Meters) and the Household Market (Non-Market Meters). Where this occurs, without a meter read it is difficult to ascertain the water usage, so to estimate the volume of usage, the only figure that can currently be used is the Industry Level Estimates (ILEs). The problem exists because this means that volume estimation for Non-Market Meters (NMM) is often inaccurate; basing the volume of usage on the ILEs can result in a difference on average of around 70% when a corrective meter read is finally taken. This can mean the billing of customers is substantially incorrect. Bills in the Household market are often fixed at a predetermined rate regardless of usage, but in the Non-Household (NHH) market, as bills are calculated by use or estimated use, this incorrect billing is a more significant problem in the NHH market. A preferable alternate to this would be to use the Yearly Volume Estimates (YVEs), but these are currently unusable as Wholesalers are the Trading Party responsible for reading NNMs and yet they are unable to add to or amend the YVEs for NNM's. This would mean using YVEs to estimate water usage volumes would still be, on average, around 70% incorrect; it would be possible for a NMM to exist with no YVEs at all as it is an optional data field in CMOS so currently 23% of all meters in the NHH market

exist without any YVEs, though this is falling over time¹. This would mean attempting to use YVEs for estimation would be impossible. There currently exist 8,972 market sub-meters (as of 19th May 2023). Without a read it is more difficult to estimate usage.

Please describe (in reasonable but not excessive detail) the proposed solution of this Change Proposal/Charging Change Proposal and its nature and purpose. (?)

New functionality will be added to CMOS to allow Wholesalers to add and amend Yearly Volume Estimates for Non-Market Meters based on newly undertaken meter reads, leading to more accurate volume estimation. This will bring the process more in line with how Retailers read Market Meters. It should also mean that because data quality improves across the Market as estimates are more reflective than before, and this would benefit even the 20% of LUMs.

Please summarise any impact on the customer journey by implementing this Change Proposal. (?)

Customers in mixed use properties can expect more accurate volume estimation and therefore more accurate billing. The benefit will be most noticed by NHH customers as use is generally higher therefore bills are likely to be higher, but it will also benefit HH customers.

¹ As of 01/02/2019

Where applicable, please summarise how the experience and responsibilities of other market participants will be impacted in implementing this Change Proposal/Charging Change Proposal. (?)

Participant (?)	Current Experience	Post-Implementation Experience
Trading Parties	Wholesalers currently have no ability to amend Yearly Volume Estimates for Non-Market Meters	Wholesalers will have the ability to amend Yearly Volume Estimates for Non-Market Meters
Market Operator	N/a	N/a

Objectives and Principles - required for all Change Proposals

Summarise how the following Objectives and Principles, as set out under Part A of Wholesale Contract Schedule 1 Part 1 are impacted by this Change Proposal. (?)

Objective/Principle	Nature of impact	Detail of impact
Primary Principle	Positive Impact	Indirect – customers should see more accurate volume estimation, leading to more accurate billing
Continued development and sustainment of an effective market	Positive Impact	This change will lead to better data quality and volume estimation for Non-Market Meters.
Seamless Non-Household Customer experience	Positive Impact	Indirect – customers should see more accurate volume estimation, leading to more accurate billing
Efficiency	Positive Impact	Currently, Retailers can amend YVEs for market meters but neither Wholesalers nor Retailers can amend the YVEs for non-market meters. Whilst the Wholesaler is responsible for reading non-market meters, this is not always possible. Therefore, the inability to set appropriate estimates at non-market meters, which may be used to support more accurate volume estimation, will be resolved.

Proposer Details - required for all Change Proposals	
Name	Paul Heron
Capacity to submit Change Proposal/Charging Change Proposal	Trading Party – Castle Water
Change Lead Details - required for all Change Proposals	
Name	Luke Coyle
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Codes, Appointments, Documents and Systems - Optional
<i>Select which of the following may be impacted by this Change Proposal/Charging Change Proposal</i>
Market Arrangements Code (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1: Terms and Conditions of a Wholesale Contract (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 1: Objectives Definitions and Principles (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 2: Business Terms (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 3: Operational Terms (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 4: Market Terms (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 5: Code Subsidiary Documents (?) <input checked="" type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 6: Operational Forms (?) <input type="checkbox"/>
Wholesale-Retail Code Schedule 1 Part 7: Operational Subsidiary Documents (?) <input type="checkbox"/>
Scottish Core Industry Documents (?) <input type="checkbox"/>

Appointment

Licences

Other industry code/agreement/document [please specify here]

Central Systems (?)

Trading Party Systems (?)

Where applicable, please summarise the nature of impacts on the items above.

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. (?)