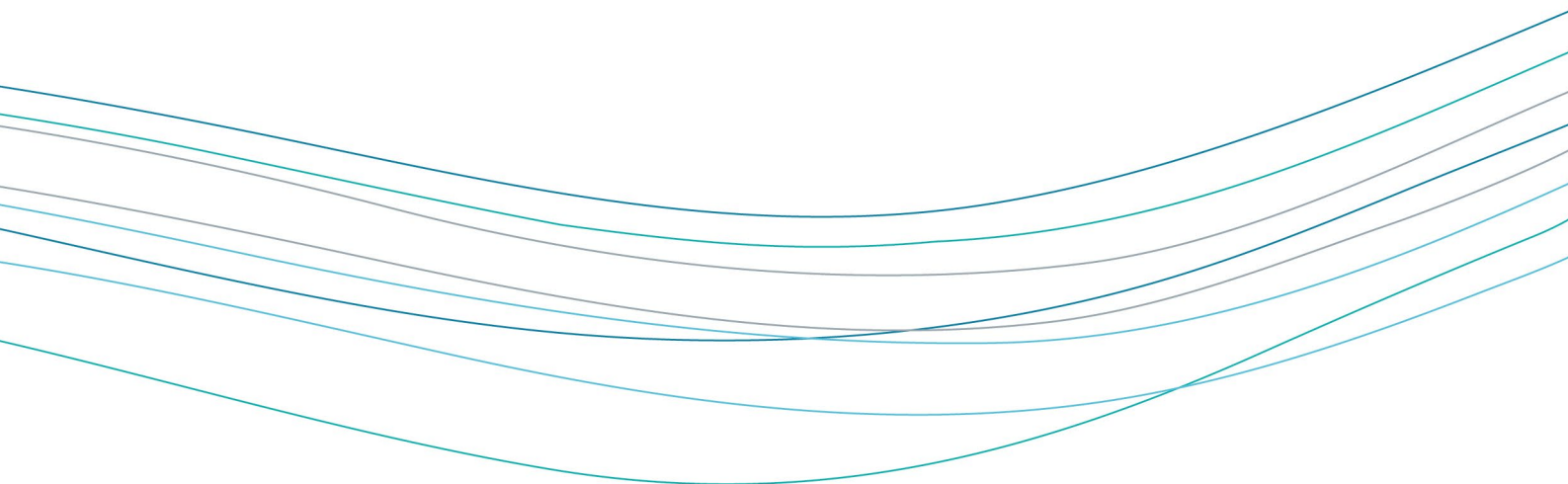


Market Requests

Objectives and Principles



Background

Feedback from trading parties received via meetings and through the Annual Trading Party survey highlighted frustration with the number of market requests received across the year and their impact on trading parties' time and resources.

This feedback included third party consultations such as Ofwat and CCW.

Feedback received included narrative such as:

- ◆ The frequency of consultations remains high and challenging for trading parties to prioritise their resources
- ◆ Market requests do not seem to be effectively planned or managed across MOSL
- ◆ Smaller trading parties find it difficult to engage with limited resources
- ◆ There is a lack of transparency and trading parties cannot identify what is 'critical' to them and where they should focus their resources
- ◆ On occasions, requests have been made for data which MOSL currently has access/visibility of
- ◆ There is limited recognition or clarity of the time/resource impact for trading parties to complete requests and gather the necessary data.

In June 2021 MOSL started to collate the different market requests across MOSL in a 'request calendar' to understand the impact in more detail. Requests are defined in this context as:

- ◆ Consultations
- ◆ Request for information (RFIs)/Call for information (CFIs)
- ◆ Surveys
- ◆ Nominations
- ◆ Data requests

With the introduction of internal planning software, we were able to effectively collate market requests from the following:

- ◆ MOSL – including but not limited to, Market Improvement Programmes, Governance, Market Code Changes, Trading Party Surveys, business plan consultations

- ◆ Strategic Panel – nominations and consultations, including all associated committees.
- ◆ Retail Wholesaler Group (RWG) – including all specialist sub-groups
- ◆ Defra
- ◆ Ofwat
- ◆ CCW
- ◆ Other third party such as Waterwise / Water UK

Market Request principles and objectives

The Market Request principles are to:

- ◆ Provide transparency and longer-term visibility of market requests to trading parties to enable them to better plan
- ◆ Provide transparency on who the market request is aimed at and its purpose to enable trading parties to prioritise effectively
- ◆ Provide clarity on the potential impact to trading parties' time and resource to enable them to manage their resourcing to support market change and improvement

The Market Engagement and Communications team will:

- ◆ Monitor the volume of requests and plan outputs accordingly
- ◆ Present the timeline for market requests to Investment Approval Board (IAB) monthly, highlighting potential clashes for IAB decision
- ◆ Issue market requests on behalf of the Strategic Panel and Committees via the Governance Managers and Panel Secretariat (aligned to the principles above, the Strategic Panel and Committee requests also need to be scheduled in to ensure they are managed effectively with MOSL programmes of work)
- ◆ Issue market requests for third parties, where appropriate