

Code Change Committee 20

Headline Report

11 October 2023

This Headline Report provides a record of the decisions made by the Code Change Committee.

1. Agenda Item 04 – Change Plan – CPM056 Resource Support to Industry Groups

The Code Change Committee considered the change plan for CPM056 '[Resource Support to Industry Groups](#)'. The change proposal sought to allow the Market Operator to provide resources to industry groups such as the Retailer Wholesaler Group (RWG) to support them in developing solutions to improve customer outcomes.

The Code Change Committee:

- **AGREED** (unanimous) to progress the change to assessment;
- **AGREED** (unanimous) the Change Proposal Plan; and
- **PROVIDED** views on the proposed Post-Implementation Review (PIR) rationale.

2. Agenda Item 05 – Recommendation – CPM054 & CPW145 Deductions and Withholdings Under Formal Disputes Process

The Code Change Committee considered the draft recommendation report for CPM054 and CPW145 '[Deductions and Withholdings Under Formal Disputes Process](#)'. The change proposal sought to bring the deductions and withholdings currently allowed by [Section 9.7.2 of the Business Terms](#) under the formal Disputes Process.

The Code Change Committee:

- **AGREED** (eight in favour, one against) to recommend CPM054 and CPW145 to Ofwat for implementation;
- **AGREED** (eight in favour, one against) the rationale that CPM054 & CPW145 better facilitated the principles of the MAC (Market Arrangement Code) and WRC (Wholesale Retail Code);

- **AGREED** (eight in favour, one against) to recommend that, if approved, CPM054 & CPW145 be implemented at 00:00 hours on:
 - 18 December 2023, if Ofwat approval was received by 15 November 2023, or
 - 16 February 2024, if Ofwat approval was received by 10 January 2024; and
- **ENDORSED** (eight for, one against) the PIR scope and trigger¹.

3. Agenda Item 06 – Recommendation - CPW132 Credit Support and Wholesaler Credit Ratings

The Code Change Committee considered the draft recommendation report for CPW132 '[Credit Support and Wholesaler Credit Ratings](#)'. The change proposal sought to relieve retailers of the obligation to provide credit support to wholesalers who do not have a stable credit rating of BBB/Baa2 or higher (the level agreed by Ofwat as the revised cash lock-up trigger in wholesaler licences).

The Code Change Committee:

- **AGREED** (eight in favour, one abstention) to recommend CPW132 be rejected by Ofwat;
- **AGREED** (eight in favour, one abstention) that CPW132 did not better facilitate the principles of the WRC;
- **AGREED** (unanimous) to recommend that, if approved, CPW132 be implemented at 00:00 hours on:
 - 18 January 2024, if Ofwat approval was received by 18 December 2023, or
 - 1 March 2024 if Ofwat approval was received by 1 February 2024; and
- **ENDORSED** the recommended Post Implementation Review scope and trigger.

4. Agenda Item 07 – Recommendation CPW141b Clarifying Meter Chamber Responsibilities

The Code Change Committee considered the draft recommendation report for CPW141b '[Clarifying Meter Chamber Responsibilities](#)'. The proposed change sought to clarify meter chamber ownership and repair/replacement responsibilities in the codes and remove inconsistencies in trading parties' and meter reading providers' differing approaches to those responsibilities.

The Code Change Committee:

- **AGREED** (unanimous) to recommend CPW141b for implementation;

¹ A PIR would take place 12 months after implementation with provision for a further PIR 24 months after implementation if needed.

- **AGREED** (unanimous) the rationale that CPW141b better facilitated the principles of the WRC;
- **AGREED** (unanimous) to recommend that, if approved, CPW141b be implemented at 00:00 hours on:
 - 16 February 2024, if Ofwat approval was received by 24 January 2024, or
 - 5 April 2024, if Ofwat approval was received by 8 March 2024; and
- **ENDORSED** (unanimous) the recommended PIR scope and trigger.

5. Agenda Item 08 – Recommendation - CPW147 MPS (Market Performance Standard) 18 and 19 Clarification

The Code Change Committee considered the draft recommendation report for CPW147 '[MPS 18 and 19 Clarification](#)'. The proposed change sought to confirm how successful and failed meter reads are counted for MPS 18 and MPS 19. This would confirm the incentive to provide regular meter reads on all meters and provide all customers with non-estimated bills.

The Code Change Committee:

- **AGREED** (unanimous) to recommend CPW147 for implementation;
- **AGREED** (unanimous) that CPW147 better facilitated the principles of the WRC;
- **AGREED** (unanimous) to recommend that, if approved, CPW147 be implemented at 00:00 on
 - 18 January 2024, if Ofwat approval was received by 18 December 2023;
 - 16 February 2024, if Ofwat approval was received by 16 January 2024;
 - 22 March 2024, if Ofwat approval was received by 22 February 2024; and
- **AGREED** (unanimous) that no PIR was required.