

## Trading Disputes Committee 19 - Minutes

12 December 2018 | 10.30am

Teleconference

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Status of Minutes: Draft

### Members

Member	Role
Elsa Wye	Chair
Julian Tranter	Committee Member (Wholesaler)
Martin Marvin	Committee Member (Wholesaler)
Jessy Wright	Alternate Member (Wholesaler)
Cleo Acraman	Committee Member (Associated Retailer)
Carl Lees	Committee Member (Unassociated Retailer)
Peter Strain	Committee Member (Unassociated Retailer)
Richard Barton	Alternate Member (Associated Retailer)
Emma Taylor	Presenter (MOSL)
Pav Dosanjh	Presenter (MOSL)
Dave Edward	Secretary (MOSL)

### Apologies

Member	Role
Patrick McCart	Committee Member (Unassociated Retailer)
Richard Stanbrook	Committee Member (Associated Retailer)
Paul Stelfox	Committee Member (Wholesaler)
Kirstie King	Committee Member (Associated Retailer)

## 1. Welcome

- 1.1 The Chair welcomed members to the Trading Disputes Committee (TDC) meeting.
- 1.2 The Chair passed on apologies from Patrick McCart, Richard Stanbrook, Paul Stelfox and Kirstie King who were unable to attend the meeting. The Chair also welcomed the alternates to the meeting.
- 1.3 The Chair confirmed whether members had any concerns regarding last month's meeting minutes.
- 1.4 Members raised no concerns and the minutes were approved by the TDC.

## 2. Update on current trading disputes.

- 2.1 MOSL provided an update on current trading disputes since the last TDC meeting.
- 2.2 A resolution has been reached for the disputes between Thames Water Utilities and Castle Water discussed at the last meeting.
- 2.3 Since the November TDC meeting, there has been one trading dispute raised. This was raised by Thames Water Utilities against Castle Water with relation to Yearly Volume Estimates (YVE). A resolution is yet to be agreed by disputing parties.
- 2.4 The Chair reiterated the Terms of Reference for the TDC with relation to parties involved in disputes and declaration of conflict of interest.
- 2.5 No questions were raised by members.

## 3. Decision on next steps for individual SPIDs change.

- 3.1 MOSL provided an update to the TDC from the Design Authority (DA) meeting in October. Based on feedback obtained from the TDC, the DA determined that the impact of the change will be classified as medium, indicating a cost between £10,000 and £100,000.
- 3.2 This estimate was based on feedback provided by members that the functionality should be limited to a maximum of 5000 SPIDs, and would be used approximately twice a year by each trading party. This would also include a functionality for multiple wholesale-retail pairing. Other functional aspects such as upload of CSV files and multiple selection of service components would be cost dependent and may increase the cost.
- 3.3 3 potential options were presented for consideration in relation to progression for this change proposal. Option 1 would involve a code and CMOS change; this option, based on requirements previously submitted by TDC members involved a complex technical solution as it involved a significant change in CMOS functionality and would need to be achieved without any detrimental impact on the CMOS settlement engine. Option 2 would be a code change only. This option would seek to change the existing Code drafting which prevents running corrective settlement runs for individual SPIDs.. A member asked for clarification on how the Codes were drafted in relation to other unplanned settlement runs and what was happening in practice.
- 3.4 Option 3 was to not progress the change proposal.
- 3.5 A committee member enquired into the cost estimate provided by the DA. MOSL confirmed the estimate of medium impact was costs related to CMOS, and did not include any additional costs that may be incurred by trading parties. MOSL confirmed in the instance of a corrective settlement run being requested for individual SPIDs, both parties involved in the request would be required to agree to a corrective settlement run for individual SPIDs and the cost associated with the run, in line with the current process.
- 3.6 A committee member enquired into the Additional Services costs with regards to running batches of 72 individual SPIDs. MOSL undertook an action to confirm this.

- 3.7 The Chair noted that the consideration of the inclusion of a cap mechanism for option 2 may prevent requests for large numbers of individual SPIDs.
- 3.8 Members discussed MOSL's policy decision to run settlement runs for full wholesale-retail pairing. MOSL stated that this decision was made during the early stages of market opening as full wholesale-retail pairing, further that this approach provides the most up to date and accurate information for trading parties.
- 3.9 The Committee discussed the background and limitations of the current CMOS functionality to execute settlement for individual SPIDs. MOSL confirmed that the existing functionality may not have been in line with the market codes' drafting in relation to running unplanned settlement runs on large numbers of individual SPIDs but that it was extremely difficult several years on, to speculate on why the system had not been designed to fulfil this specification..
- 3.10 The Chair stated that concerns regarding certain aspects of functionality in CMOS had been raised as a concern at the Panel.
- 3.11 Members discussed the estimated usage of individual SPID functionality in CMOS to MOSL confirmed that this was purely based on estimate provided by members previously and welcomed any further estimates from members. Members agreed that the current CMOS functionality could be used to enable the change, with a view that a detailed impact assessment would likely be required in the future to assess usage levels and determine whether a CMOS change was required to enable a more efficient delivery of the proposed Code change.
- 3.12 Members voted unanimously to proceed with option 2 - a code change only. The Chair opened an action for MOSL to confirm the additional service costs for parties if a corrective settlement run was requested for more than the current limit of SPIDs.
- TDC18\_01.**
- 3.13 The Chair also opened an action for MOSL and trading parties to provide a view into the usage of the functionality.
- TDC18\_02.**
- 3.14 A member requested MOSL to provide a view on the number of supply points for which unplanned settlement runs were typically requested, such analysis to be presented by MOSL at the next meeting
- 3.15 The chair requested members feed into the process, given a member's comment that some trading parties may not always provide full lists of affected SPIDs, if the materiality threshold is able to be met with small numbers of SPIDs.
- TDC18\_03.**
- 3.16 The Chair requested for MOSL to draft a change proposal for option 2 to be circulated prior to the next meeting.
- TDC18\_04.**
- 3.17 The TDC will discuss the next steps at the Jan 2019 meeting.

## 4. TDC Next Dates

- 4.1 The Chair requested members indicate to the Chair whether they would like to remain on the TDC for the next term. The Chair also noted that members that did not wish to remain on the TDC would be requested to attend the May and possibly June meetings, to enable a smooth handover to new members.
- 4.2 The Chair also noted that nominations for a final wholesaler TDC member are still open, following previous resignations. MOSL stated that they will remain open until 6pm of Thursday 13 December, with potential to be extended if no response is received.

## 5. Any Other Business

- 5.1 There was no further business and the Chair closed the meeting.