

Panel 08 - Headline Report

25th July 2017

1. Minutes and Outstanding Actions

The Panel reviewed the minutes and outstanding actions of the Panel meeting held on 27th June 2017, and the minutes of the Urgent Panel Meeting on 10th July 2017.

- The Panel **AGREED** upon the accuracy of both sets of minutes, subject to some minor amendments, and for the final minutes to be published on the MOSL website.
- The Panel reviewed the actions and **AGREED** to close actions **A06_06, A07_02, A07_04, A07_07** and **P07_14**, from the previous meetings, based on the update provided from the Panel Secretary.

2. Update from Ofwat

A delegate from Ofwat provided an update that Ofwat had published the decision document of the Authority Timetable Change Proposal (CPW021) on 13th July 2017, and the change was implemented into the market codes on 14th July 2017. Ofwat indicated it was considering potential further Change Proposals to introduce an urgent change process, in addition to improvements to Ofwat's processes when granting licenses in conjunctions with the Market Entry Process. An update was also provided on the PR19 methodology, noting that the consultation was published in 11th July 2017, with the deadline for responses being 30th August 2017. Ofwat's price transparency project is underway and Ofwat has written to all CEOs highlighting a concern that customers, SMEs, are struggling to find pricing information. Ofwat is looking for significant progress within the next 6 months and for the issue to be fully resolved by June 2018. Ofwat will be consulting on water undertaker appointments in the Autumn. Cathryn Ross will be leaving Ofwat at the end of December 2017.

- The Panel **NOTED** the presentation from Ofwat.

3. Update from MOSL

The Chief Executive of MOSL provided an update on the key activities at MOSL since the previous Panel meeting. It was noted that CMOS R2.4.1 was successfully deployed into the Production environment on the weekend of 1st July 2017. MOSL confirmed it would be publishing the first CEO quarterly market review report on the 3rd August 2017. In terms of Market Entry Assurance (MEA), it was noted that MOSL had granted MEA certification to one new associated retailer, and five new entrants were currently going through the MEA process. 2 market participants are also undergoing market reassurance.

- The Panel **NOTED** the presentation from MOSL.

4. Interim Arrangements for Market Incident Management Plan

A verbal update was provided on the interim arrangements for the Market Incident Management Plan (MIMP), before a Change Proposal to revise the MIMP Committee provisions is brought to the August

2017 Panel meeting. MOSL confirmed it would issue a note to the Panel on the role and responsibilities of the interim arrangements following the meeting.

- The Panel **NOTED** the presentation from MOSL.

5. Change Report

MOSL provided a monthly update to the Panel on the status and progress of currently in flight Change Proposals and highlighted key changes to the report since the previous meeting. It was noted that the report had been simplified to improve its readability, as well as additional elements had been introduced, such as the costs of Change Proposals, to take on Panel Members feedback.

- The Panel **NOTED** the contents of this paper.

6. Initial Written Assessment: CPW020 – Proposal to Amend the Wording of the F02 Complaint Form

This Change Proposal sought to introduce provisions for the Retailer to provide consent to a Wholesaler to contact a Non-Household customer directly, in relation to an F/02 Complaint Form.

- The Panel unanimously **AGREED** to recommend the implementation of CPW020 to the Authority for approval; and
- The Panel unanimously **AGREED** to recommend to the Authority the implementation date of 1st December 2017.

7. Draft Recommendation Report: CPW018 – Clarification of Unsecured Credit Allowance

This paper set out a proposal to remove the reference to a parent company's credit rating from Schedule 2E of the Wholesale Contract Schedule 1, Part 2: Business Terms.

- The Panel **CONSIDERED** the draft Recommendation Report;
- The Panel **AGREED** to recommend the implementation of CPW018 to the Authority for approval; and
- The Panel **AGREED** to recommend to the Authority the preferred implementation date of the 1 December, or if the Authority decision were to be later than 31 August, then the 1st of the month falling three full months after the Authority decision.

8. Draft Recommendation Reports: CPW014, 15, 16 and 17 – CSD Clarifications and Updates

These four Change Proposals sought to enhance the content of specific Code Subsidiary Documents (CSD) documents in order to better align the documents with CMOS design, resolve some inconsistencies and provide additional clarity on the use of certain TCORR transactions.

- The Panel **CONSIDERED** the draft Recommendation Reports;

- The Panel unanimously **AGREED** to recommend the implementation of CPW014, 15, 16 and 17 to the Authority for approval;
- The Panel unanimously **AGREED** to recommend to the Authority the implementation date of March 2018 for CPW014; and
- The Panel unanimously **AGREED** to recommend to the Authority the implementation date of 30th September 2017 for CPW015, 16 and 17.

9. Initial Written Assessment: CPW019 – Clarification of Unsecured Credit Allowance

This paper set out a Change Proposal to Wholesale Contract, Schedule 1, Part 2: Business Terms, Schedule 3, Alternative Eligible Credit Support. The change sought to ensure the codes reflect how insurance policies work in practice. The recommendation of the paper was that the change be progressed to a Working Group for Assessment.

- The Panel **AGREED** to submit this change to Assessment by the Market Operator, so that the Authority Policy document a could be reviewed and advice from insurance experts could be gathered in order to assess whether a change to the Codes was required.

10. Three Month Review of Panel Working Practices

The Panel considered its activities and working practices, over the first three (3) months of its operation.

- The Panel **NOTED** the presentation provided by the Panel Secretariat; and
- The Panel Members **AGREED** to submit to the Panel Secretary their individual feedback on the top three areas for improvement, so that this could be collated and brought to the August Panel meeting.

11. Monthly Committee Updates

This paper set out monthly updates on the activities of the Panel Committees, which have met since the June 2017 Panel meeting. Additionally, the Chair invited each of the Chairs of the Panel Committees to provide an update from their respective Committees.

- The Panel **NOTED** the contents of this paper and the feedback from the Committee Chairs.

12. Any Other Business (AOB)

The Panel Secretary requested that for budgeting purposes, Panel Members inform MOSL on how, and at what frequency, they will be invoicing for their expenses.

There was no further business and the Chairman closed the meeting.