

Minutes of Panel Meeting 26a

16 January 2019 | 13:00 – 14:30
Via Teleconference

Status of the Minutes: Approved

MEMBERS PRESENT

Margaret Beels	MBe	Chair	Nicola Smith	NSi	Panel Member (Unassociated Retailer)
Mike Brindle	MBr	Panel Member (Associated Retailer)	Dylan Freeman	DF	Panel Member (Wholesaler)
Wendy Monk	WM	Panel Member (Associated Retailer)	Mark Holloway	MH	Panel Member (Wholesaler)
Simon Wilshire	SW	Panel Member (Associated Retailer)	Howard Smith	HS	Panel Member (Wholesaler)
Helyn Mensah	HM	Panel Member (Independent)	Des Burke	DB	Affiliated Panel Member (MOSL)
Nigel Sisman	NS	Panel Member (Independent)	Dan Mason	DM	Affiliated Panel Member (Ofwat)
Elsa Wye	EW	Panel Member (Independent)	Christina Blackwell	CB	Affiliated Panel Member (CCWater)
Richard Moore	RM	Panel Member (Unassociated Retailer)	Adam Richardson	AR	Panel Secretary
Trevor Nelson	TN	Panel Member (Unassociated Retailer)			

OTHER ATTENDEES

Elliot Bird	N/A	Meeting Secretary	Hayley Robinson	N/A	Observer (Ofwat)
Huw Comerford	N/A	Observer (MOSL)	John Vinson	N/A	Observer (Independent)
Harry Osei-Tutu	N/A	Observer (MOSL)	Evan Joannette	N/A	Observer (CCWater)
Stuart Boyle	SB	Presenter (MOSL)			

APOLOGIES

N/A	N/A
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1. Welcome and Introductions

- 1.1 The Chair welcomed Panel Members to the ad-hoc meeting of the Panel to discuss the Authority change on the Wholesale Retail Code inconsistency, relating to the back-billing deadline and post final settlement (RF) updates.

2. Draft Recommendation Report: CPW055 – Wholesale Retail Code inconsistency

- 2.1 Dan Mason (DM) presented the Change Proposal to Panel Members, discussing the background of the issue the change resolves and the process that has been followed to develop the change.
- 2.2 DM noted that RF runs had been deferred until March 2019 and therefore this change was recommended to be implemented prior to this date.
- 2.3 DM explained that, currently the Market Terms prevent a Wholesaler from charging a Retailer for any adjustments made in settlement after the RF run has been published. However, the Business Terms allow for Wholesalers to invoice Retailers in relation to post-RF settlement runs. Related provisions in the Customer Protection Code of Practice currently limit Retailers from billing customers after an RF settlement run has been published.
- 2.4 DM explained that the change removed the restriction in the market terms that prevents billing past the RF run and instead allows an 8-month deadline following the RF to resolve any back billing.
- 2.5 DM also highlighted that the data improvement work currently being undertaken by Trading Parties was important since timely improvements in data quality would limit the need for post-RF amendments to settlement charges.
- 2.6 The Panel noted that, prior to the proposed February implementation date, Ofwat will consult on its proposed changes to its Customer Code of Protection to align it with this Change Proposal. DM also confirmed that time had been allowed should any changes be required to the proposed changes to the Customer Code following this consultation.
- 2.7 Christina Blackwell (CB) on behalf of CCWater raised concerns with the proposal. In her view, it was not appropriate to increase the time in which back billing was allowed and she felt this could have a negative impact on customers. DM recognised the concerns raised by CCWater and had noted their response to the consultations which had also indicated this. DM indicated that he believed the number of customers affected by this change were likely to be minimal, and that the impact should be further reduced by data improvement activities currently being progressed by Trading Parties.
- 2.8 Panel Members provided their thoughts on the proposed change and generally were supportive of the proposal. However, a number of points of concern were raised and are listed below:



- Some concerns were raised with the increased deadline allowed for back billing, rather than just allowing changes post-settlement to happen on a case-by-case basis. DM highlighted that this was to encourage Trading Parties to resolve meter reading issues.
- Panel Members highlighted concerns raised in the consultation that this change could be used by Retailers to avoid paying settlement charges. DM recognised this but suggested that there already existed mechanisms to deal with this kind of Retailer behaviour such as disputes.
- Panel Members requested clarity on whether the new deadline on back billing applied to the settlement catch-up period. DM confirmed this was the case.
- Some Panel Members did not completely support the solution and felt that it should instead be a temporary solution. It was recognised that the Change Process would allow changes to be made at a later date if it was felt that further amendment to the post-RF invoicing period was required.
- The Chair suggested that a date should be recorded to review this change, following the RF runs and catch-up period requested that MOSL put forward a review date for this change.

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- A Panel Member highlighted that this should not be seen as a solution to data issues and agreed with Ofwat that this would need to be supported by existing data improvement work.
- Another Panel Member suggested that it could not be said that a minimal number of customers would be impacted by this, as there was currently no analysis to suggest this was or was not the case. Other Panel Members highlighted that it would be important to understand the impacts of allowing the deletion of system generated reads (G-reads), following final settlement going forward in order to assess the potential impact of this change.

2.9 The Panel:

- **AGREED** to recommend implementation of CPW055 to the Authority for approval; and
- **AGREED** the recommended implementation date on 28 February 2019.

3. Panel nominations Update

- 3.1 Stuart Boyle provided the Panel with an update on the Panel elections, the nominations for which had closed.
- 3.2 In total 12 nominations had been received for 6 Wholesaler members, 4 Unassociated Retailer members and 2 Associated Retailer members. SB explained that this meant the Panel would be one Associated Retailer member short of a full membership and that a competitive election would not be held for these positions. Elections would be held for the other positions as normal.



However, even with this vacancy the Panel would still be quorate following the election of new Panel Members.

- 3.3 It was highlighted that MOSL was collating a list of authorised representatives to take part in the vote, and they had all received biographies of the nominees. MOSL explained that, in order to take part in the vote, all Trading Parties would have to notify their authorised representatives and the deadline for providing them was Friday 18 January 2019.
- 3.4 Panel Members requested clarity on whether it would be required for those who provide a vote to attend the meeting. MOSL explained that, although it was not required the attendees of the meeting can set aside the vote by coming to a unanimous position on the appointments, so it was recommended that they attend or phone in to the meeting too.
- 3.5 A Panel Member also requested clarity on whether Associated Retailers would be required to provide further nominations or whether MOSL would run a further election for the third position. MOSL indicated that it had not yet agreed a position on this yet and would be considering it going forward.

4. Any Other Business (AOB)

- 4.1 Panel Members asked when the agreed RF settlement timetable would be published, which MOSL confirmed would be after the upcoming Panel meeting when the Panel will be asked to agree to a timetable.
- 4.2 There was no further business and the Chair closed the meeting.