

Panel Meeting 40b – Headline Report

20 March 2020
Teleconference

This Headline Report provides a record of the decisions made by the Panel.

1 CPM023 & CPW090: Suspension of Performance Standard Charges (Authority Timetabled Change Proposals)

The Panel considered the Draft Recommendation Report for the urgent change proposals [CPM023 & CPW090 'Suspension of Performance Charges'](#). These changes sought to suspend Market Performance Standard (MPS) charges and Operational Performance Standard (OPS) charges for three months (March 2020, April 2020, and May 2020).

The Panel acknowledged that the market faced an unprecedented and pressing cashflow and resource issue as collateral impact from the 2020 coronavirus pandemic. From March 2020, there had been significant disruption to the activities of many businesses and non-household customers. The Government's request to limit all non-essential contact meant that meter reading rates will decrease, while Wholesalers will be focusing efforts on security of supply and not 'Business as Usual' market tasks.

This Authority Timetabled Change Proposal was raised jointly by Ofwat and MOSL to relieve market pressure on Trading Parties.

The Panel:

- **AGREED** to recommend CPM023 & CPW090 to the Authority for approval (Unanimous); and
- **AGREED** to recommend an implementation date of:
 - 23 March 2020.

2 Postpone call for market improvement projects funded by Performance Standard Charges

The Panel considered a recommendation to postpone calling for market improvement projects funded from collected Market Performance Standards & Operational Performance Standards charges, as was introduced by [CPM018 'Treatment of MPS Charges and OPS charges'](#). This recommendation from MOSL recognised that available funds would be limited by the suspension of performance standard charges and that Trading Parties' and MOSL's resources needed to focus on the urgent issues arising from the coronavirus pandemic.

The Panel:

- **AGREED** that 2019/20 MPS and OPS charges will not be used for Market Improvement Projects (11 votes in favour, 1 abstention);
- **AGREED** to postpone calls for market improvement projects (Unanimous).