

## Minutes of Urgent Panel Meeting 47a

21 October 2020 | 10:00 – 11:00

Videoconference

Status of the Minutes: **Final**

### MEMBERS PRESENT

Trisha McAuley OBE	TM	Chair	Michael Rathbone	MR	Panel Member (Wholesaler)
Michelle Burns	MB	Panel Member (Associated Retailer)	Helyn Mensah	HM	Panel Member (Independent)
Richard Barton	RB	Panel Member (Associated Retailer)	Elsa Wye	EW	Panel Member (Independent)
Trevor Nelson	TN	Panel Member (Unassociated Retailer)	Christina Blackwell	CB	Alternate - Panel Member (Customer Representative)
Nicola Smith	NS	Panel Member (Unassociated Retailer)	Sarah McMath	SM	Affiliated Panel Member (MOSL)
Claire Yeates	CY	Panel Member (Unassociated Retailer)	Shaun Kent	SK	Alternate - Affiliated Panel Member (Ofwat)
Mark Holloway	MH	Panel Member (Wholesaler)	Adam Richardson	AR	Panel Secretary
Martin Mavin	MM	Panel Member (Wholesaler)			

### OTHER ATTENDEES

Steve Arthur	SA	MOSL Observer	Ethan Fleming	EF	MOSL Secretariat
Carol Sgambaro	CS	MOSL Secretariat	Gary Lynn	GL	Observer – South West Water
Stuart Boyle	SB	MOSL Presenter item 2	Christopher Wright	CW	Observer – Castle Water
Julian Tranter	JT	Presenter item 2 - Thames Water	Tom Daborn	TD	MOSL Observer
Georgina Mills	GM	Ofwat Observer	Abu Rashid	ARa	MOSL Observer

### APOLOGIES

Mike Keil	MK	Panel Member (Customer Representative)	Pamela Taylor	PT	Panel Member (Independent)
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## 1. Welcome and Introductions

1.1 The Chair welcomed Panel Members and all other attendees to the urgent Panel Meeting 47a.

- 1.2 It was noted that MK and PT had sent their apologies for the meeting.
- 1.3 The Chair thanked all Panel Members, presenters and other attendees for making themselves available at short notice for this urgent meeting, noting that a quorum was present. The Chair declared the meeting open.

## 2. Draft Recommendation Report: CPW107 – Covid-19 Temporary Vacancy exemptions for Credit Support

- 2.1 The Panel considered Change Proposal '[CPW107: Covid-19 Temporary Vacancy exemptions for Credit Support.](#)' It was noted that Retailers were required to update all their Covid-19 Vacant Premises as Occupied Premises or Vacant with 'evidenced' in order to return to the normal credit support rules following the implementation of [CPW101](#)<sup>1</sup>. This change sought to provide for reasonable exemptions to that requirement for Retailers who cannot make the updates in CMOS by no fault of their own.
- 2.2 The proposer requested that this change be treated as urgent as Retailers were due to post credit for November P1 settlement by end of 23 October 2020.
- 2.3 It was explained that CPW107 would exempt a relatively small population of premises which had been flagged as vacant during the Covid-19 Vacancy Period. The Change Proposal provided Wholesalers with a formal basis for exempting premises and, thus, avoided penalising Retailers for matters outside of their control. Without the proposed exemption, some Retailers would continue to have to provide higher levels of credit support, which would unnecessarily increase their costs and, consequently would not be in the interest of the market or customers.
- 2.4 The Panel agreed that the issue significantly affected a number of Retailers from 23 October 2020 and agreed CPW107 should be treated as an Urgent Change Proposal.
- 2.5 The Customer Representative member noted that, although the text for the change proposal stated that Retailers were required to work with Wholesalers and the Market Operator to update Premises subject to exemptions under CPW107, it did not make provision that Retailers should also work with other Retailers. The proposer confirmed that the relevant text would be amended to reflect the Customer Member's feedback.
- 2.6 Some Panel members queried how checks would be carried out to ensure that the requirements of CPW101 were fully met and how exemptions would be monitored and assured. MOSL confirmed it would continue to identify and report where Retailers were unable to update CMOS. CPW107 did not change responsibilities for evidencing whether sites were occupied or vacant. MOSL further explained that detailed level reporting would continue to be produced and shared with Panel and with the Market Performance Committee (MPC), and that it would also be reviewed fortnightly with the Covid Review Transition Group.
- 2.7 One Panel Member asked for further information in relation to how any CMOS glitch affecting data integrity (regarding, for instance, switching of sites and de-registration) would be taken forward.

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<sup>1</sup> Unwinding Temporary Covid-19 Arrangements in the Business Retail Market.

- 2.8 MOSL explained that CMOS would prevent previous Retailers from making changes to the data relating to supply points (SPIDs) that had been transferred to someone else or to a SPID which had been de-registered. If any glitches were identified as bugs, these would be addressed through the usual defect resolution cycle. If any issues arose from the design of the market rules regarding data management, these could be addressed through code changes (and subsequent system changes) in the usual way if it was felt the design needed to change.
- 2.9 In response to a question asked, SB explained that if a site was to become vacant due to a further regional and/or national lockdown arising out of Covid-19, Covid Vacancy flags would no longer be used, as that option had ceased. In such circumstance, meter readings or Yearly Volume Estimate (YVE) settings could be used instead.
- 2.10 An Ofwat representative confirmed Ofwat's intention to publish its decision on this change proposal on 23 October 2020.
- 2.11 One Panel member felt this was a pragmatic and sensible solution which customers in general would benefit from, as it would enable customers to return to their normal operations as soon as possible.
- 2.12 The Panel:
- **AGREED** that the change was urgent;
  - **AGREED** (unanimous) to recommend the implementation of CPW107 to Ofwat for approval (11 in favour)<sup>2</sup>;
  - **AGREED** to recommend an implementation date of 23 October 2020.
- 2.13 The agreement in section 2.12 above was subject to a change to the legal text as requested in section 2.5 above.

### 3. Any Other Business

- 3.1 There being no further business, the Chair closed the meeting.

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<sup>2</sup> While the Panel Chair has a vote, the new Panel Chair has indicated that, for the time being, they would abstain during voting. Given this approach, the Chair's abstention has not been recorded 'for' or 'against' the decision in these minutes.