

market focus

MOSL
MARKET OPERATOR SERVICES LTD

Welcome to our July edition of *Market Focus*, providing a monthly update on MOSL activities and the water retail market.

Strategic Metering Review: Have your say about the future of meter-related roles and responsibilities

Twelve options for potential changes to the current meter-related roles and responsibilities were presented at [a webinar](#) on 29 June.

Trading parties are now invited to give their feedback on the list of options to help determine which should go forward for more detailed analysis.

The webinar marks the start of a multi-stage process to consider what changes could be made to the market's current roles and responsibilities to improve the ease with which meter reads and consumption data is accessed and the accuracy, timeliness and granularity of the reads and data itself.

The independent research, by PA Consulting, includes a range of options from moving the responsibility of reading meters from retailers back to wholesalers to creating a central data platform.

The research is the second strategic theme to be explored by MOSL and the

[Metering Committee](#). The first, which considered the case for investing in [enhanced metering technology](#), launched in April and led to the publication of an [independent report](#) by Artesia reporting.

Claire Yeates, Strategic Director at Waterscan, who is sponsoring this workstream of the Strategic Metering Review on behalf of the Metering Committee said:

“The webinar was the start of an important conversation in the non-household market, so we were delighted by the number of colleagues that attended and the level of engagement.

PA's longlist provides the groundwork for this programme. We now need trading party and other stakeholders' input to help determine which processes should

go forward to the next phase.

We are therefore asking for feedback on whether we have missed any options – or variations of options - whether any could be discounted and whether any should be fast-tracked ahead of PR24.

When considering the options, we ask everyone to focus on what is in the best long-term interest of the customer, the environment, and the market as this is where we will find the true value.”

The webinar slides and recording, full PA Consulting report and link to the online feedback form are available on the [News page](#) of our website. The deadline for feedback is Friday 22 July.

Strategic Panel Priorities

The consultation on the [Strategic Panel's](#) draft priority market outcomes and areas of work closed on Friday 24 June.

Feedback from the 29 written responses the Strategic Panel received is being collated alongside feedback from a series of engagement roundtables with retailers, wholesalers and customers.



The Strategic Panel met on 13 July to discuss the feedback and proposed amendments to the draft priorities. The final priorities will be published later this summer along with a summary of the feedback.

Trisha McAuley, Independent Chair of the Strategic Panel, said: “On behalf of the Strategic Panel I'd like to thank everyone who has engaged with us through the consultation process and shared their feedback on the priorities. We have welcomed the honest and comprehensive feedback which will enable us to ensure it delivers in the areas the market and its stakeholders want to see, and which will secure the best outcomes for customers. The consultation is the start



of what we hope is a continuing dialogue as it's really important we hear from, and listen to, market stakeholders now and on an ongoing basis.”

As part of the [Strategic Panel's Engagement Plan](#), there will be an open forum on 12 September that will provide a further opportunity to engage in the Panel's work and discuss it directly with Panel members. We will be publishing further event information shortly.

Code Change Committee appointment

The Strategic Panel has appointed Steve Creighton, Head of Member Services at the Energy Consortium, to the [Code Change Committee](#) as the Alternative Customer Body Representative.

Steve is a highly experienced senior leader and procurement professional and has worked across the utilities sector.



Steve's appointment brings the Code Change Committee to its full membership.

He said: "The opportunity to be part of the Code Change Committee, right at the heart of the industry, was one I could not pass up. I look forward to bringing my vast experience of large multi-site, multi-sector operations into the decision making of the committee. I am particularly interested in good quality data that supports full understanding of meter use, allowing proper targeting of waste events and leaks in support of stressed areas and cost reduction. This can only happen in a market that supports cost effective, quality solutions to deliver that."

You can read Steve's full bio on our webpage [here](#).

MOSL prepares for upcoming R-MeX survey

The [Retailer Measure of Experience \(R-MeX\) survey](#) will take place next month. The R-MeX gives retailers the opportunity to provide feedback on the services provided by their wholesalers.

We recognise that August is a particularly busy time for trading parties, therefore we will be issuing this survey for four weeks. The results will be published and shared with wholesalers in mid-October. You can find the results of the previous surveys on the [R-MeX webpage](#).

Separately, Ofwat has proposed a new BR-MeX commitment in the [draft methodology for PR24](#) which was published on 7 July. This will look to capture both non-household customers and retailers' experience of wholesalers. Ofwat intend to pilot and test the exact design of BR-MeX in 2023 as recommended in the [Business Measure of Experience \(B-MeX\) report](#) published by the [B-MeX working group](#).

MOSL publishes first market audit statement of work

As communicated in our [Annual Report and Financial Statements](#), we have increased our internal audit capability to enable us to conduct more market audit activity in-house rather than through a third party.

Going forward, market audits carried out on trading parties will be summarised in an audit '[statement of work](#)', the first of which we published on 1 July. These documents will outline the scope of the audit activity, the purpose and the data and processes that we will be targeting.

Our first audit activity focuses on wholesaler data, and the completeness and consistency of data held in CMOS compared to wholesalers' own systems. This follows similar audits carried out on retailer meter read and vacancy status data and consistency between retailer systems and CMOS. These are currently being finalised, with results due to be published this summer.

The MPF (Market Performance Framework) Reform programme is looking closely at how trading parties can be monitored and incentivised to improve

data quality, but the market audit also plays a vital role in delivering confidence around the accuracy of data held in CMOS. Furthermore, our focus on data accuracy and completeness aligns with one of the [Strategic Panel's priorities](#), to 'Get the basics right'.

Starting initially with a pilot audit focused on high priority data items, we aim to identify and uncover any reasons for differences and establish the impact, if



any, that they may have on the market. The pilot will start with one trading party, before expanding to a further four trading parties. These trading parties will be selected based on a set criteria detailed in the [statement of work](#).



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Bilateral Transactions Programme: thumbs up for Phase 3, changes to Phase 4

Trading parties have expressed their approval of Phase 3 of the [Bilateral Transactions Programme](#), with 86 per cent of respondents saying their experience was 'positive' or 'very positive'.

The programme team and trading parties are now preparing for Phase 4, which was due to see another three phases added to the hub: B1 (meter installations), B3 (meter accuracy test) and B7 (meter change).

However, following discussions with Ofwat, the programme's Steering Group and advisory groups, MOSL has confirmed that Phase 4 will go ahead as planned on 2 August, but with just two of the processes.

Before releasing a process, both the High Volume Interface (HVI) and Low Volume Interface (LVI) need to be fully tested. Testing of the B3 (meter accuracy) process via the LVI is currently behind schedule and therefore it has been proposed to be moved out.

Commenting on the decision, John Gilbert, MOSL's Head of Planning, said: "The launch of Phase 3 went extremely smoothly, which demonstrated the benefit of thorough testing.

As we look ahead to the next phases, it is clear we are now working to very exacting timescales - made more challenging over the summer period. Having looked at the options, we concluded that releasing B3 before testing was complete represented an unacceptable risk to both the existing processes and future phases.

It would also risk undermining our previous releases, which we have all worked so hard to ensure are high quality as possible. We are confident it is the right decision, especially for customers, who will benefit from the two processes being added to the hub.

However, we appreciate the impact that any changes to the programme have on trading parties. We are very grateful for the continued close working and engagement we have with trading parties in what remains a very challenging programme. At all times we want to make sure we are making the best decisions on behalf of the market, its participants, and their

customers. Moving the B3 process is a good example of this."

For more information about the changes to Phase 4 and the implications for future phases, please see the recording of the Planning Update meeting on 29 June, which is available on the [MOSL website](#).

The scope of the final Phase 6, which is due to go live at the end of November, and how processes will be delivered after this date, is due to be confirmed this month.



Membership Review

Earlier this year the MOSL Board initiated a review of MOSL's membership structure to reevaluate the membership categories as the market has evolved.



The current membership structure dates back to 2017, with three classes of members: wholesalers, associated retailers and unassociated retailers (NAVs (New Appointments and Variations) account for eight of the wholesalers, and self-supply retailers make up 16 of the unassociated retailers). Each member, regardless of size, number of supply points (SPIDs), or overall consumption, has one vote. The purpose of the review is to ensure that our membership and voting remains fair and proportionate to all members.

Given the changes to membership since market opening and the revised Strategic Panel structure following the Market Governance Review (removal of the categories "associated" and "unassociated"), we believe that the current structure needs to be reviewed.

We have started to engage with our members and Ofwat and presented the proposed changes in voting and quorum at the June User Forum. We will also be looking to issue a consultation in Autumn to outline the proposals in more detail, gauge members' feedback and seek views on potential alternative solutions.

As well as changes to the membership classes and quorum, the proposal will include possible new structures for the way in which directors are elected to the Board.

You can find out more about the membership review by listening to the User Forum recording available on [our website](#) (from 1:31:00). If you have any questions on the review, please email comms@mosl.co.uk.

Data Digest: Data User Personas

As signposted in last month's [Market Focus](#), we will be publishing the Data User Personas, the first output from the [Data and Analytics Roadmap](#), this week.

The personas, which present a generalised view of various data users in the non-household market will help inform activities to achieve theme one of our Market Data Strategy – 'Reduce the cost and increase the value of market data' – and develop the approach for our data services over the next three years.

Ensure you're signed up to our "Data and Analytics" [emails](#) to be notified when the document is published. We encourage trading parties to use and share the data personas within their own organisations. We also welcome feedback. Please send any comments or questions to comms@mosl.co.uk.



Making changes: your change proposal update

Implementation

Implementation date: 2 August 2022:

[CPW134: 'Clarifications to default provisions'](#)

CPW134 is a housekeeping change to rectify cross referencing errors in the Default and Termination provisions.

[CPW070: 'Bilateral Transactions Phase 4'](#)

We will be implementing processes B1 (meter installation) and B7 (meter change) approved under CPW070d. Process B3 (meter testing) was due to be implemented in this release will be moved to a later phase (see [page three](#)).

Code Change Committee

No code changes were raised or recommended at the June meeting and the committee used this time to consider changes to the code change mechanism. A workshop on the code change mechanism was planned in June but moved out to July due to the national rail strikes.

Upcoming Consultations

There are currently no planned code consultations.

Monthly Market Statistic

“Despite only 109 supply points in the non-household market having non-potable water services, 10 per cent of all water consumed in the market is non-potable. This is linked to just five top consuming sites in the five industrial hubs of England and Wales. These areas of high consumption can be seen by postal sector on the [new consumption map](#).”

Source: CMOS best view of consumption from settlement data

Non-potable water requires less intensive treatment to produce so has a lower economic and environmental cost than potable water. However, it requires expensive parallel infrastructure to distribute on both the network and customer sides, which may explain the low number of sites that are currently supplied with non-potable water. Understanding where the network infrastructure exists, and which customers could use non-potable water located near sites that have non-potable supplies, could open up options for more non-potable water services. We look forward to providing more insight regarding non-potable water in the coming months.

Market Improvement Fund begins publishing milestone updates

We are pleased to announce that we have published the outputs from one of the [Market Improvement Fund \(MIF\)](#) projects from the first round.

The [Retailer Wholesaler Group \(RWG\) Water Efficiency Sub-group \(WESG\)](#) project (sponsored by Thames Water) entitled "Further develop options and RWG recommendations for increasing water demand reduction delivery on non-household properties and within the retail market", has published its [recommendation report](#), which is now available on the MOSL website.

The sub-group commissioned independent consultant, Economic Insight, to provide recommendations on the ways in which customers, retailers and wholesalers can be incentivised to make water efficiency changes.

On the back of the report, the RWG WESG made a number of recommendations on potential changes, including to the

regulatory framework around water efficiency. The report and recommendations have since been highlighted in Ofwat's [draft methodology](#) for PR24.

As part of the fund criteria, all projects are required to share milestone updates and any appropriate outputs for market use. We have created a [dedicated webpage](#) that will be updated as these projects progress. To ensure you are notified of any updates, please sign up to the Market Improvement Fund mailing list on [our website](#).

Special Feature

To find out more about the successful bids from this round, look out for the Market Improvement Fund Special Feature, which will be published next month.

CMOS Release 13.0 content confirmed

CMOS Release 13 content is confirmed and is on track to be deployed into the Production environment on 2 December 2022.

Two changes will be implemented:

◆ [CPW085: 'Premises Vacant Transaction Link to DPID'](#): This change will implement validation rules in CMOS to prohibit premises occupancy change to 'Vacant' if there is an active discharge point during the period of vacancy and the creation of a discharge point with an active status that overlaps with a period when the premises is vacant

◆ [NCC029: 'MVI Channel in CMOS'](#): This change will create a new Medium Volume Interface (MVI) channel in CMOS that will allow the MVI to send and receive transactions through a dedicated CMOS channel and it will improve the visibility of submission failures and identification of transaction rejections in MVI.

The initial CMOS Release Note is available on our [website](#) with further details of these changes and their impact in CMOS.

The RWG Corner

Your monthly round-up of [Retailer Wholesaler Group \(RWG\)](#) activities and updates:

Steering group meeting

Our new joint chairs Ray Porter and Mike Rathbone held their first RWG steering group meeting in July. Discussion points included:

- ◆ Clear voting rules for the RWG awards
- ◆ Signing off the draft steering group terms of reference
- ◆ A proposed "Access" subgroup
- ◆ [Sub-group milestones](#)
- ◆ The branding process
- ◆ The Strategic Panel and its link to RWG
- ◆ Group resourcing and encouraging new members of the RWG
- ◆ Planning for the next face to face meeting.

Our thanks go to Ofwat, CCW and MOSL for their continued support.

New group logo

We are pleased to announce that we have finalised our new logo. We are also working on a strapline for the logo,

document branding and visibility on the MOSL website. We are hoping to have all good practice guides updated with the new branding by September.



RWG Tariff Simplification - Charges Scheme structure and consultation

The RWG Tariff Structure Simplification Group is seeking trading parties and interested stakeholders responses to its consultation to gauge views on two specific proposals which look to:

- ◆ Harmonise the structure and content of wholesalers' annual charging statements
- ◆ Harmonise the application of non-return to sewer allowances.

You can view the consultation [here](#), and feedback via the [online form](#). The deadline for feedback is 29 July 2022.

New members wanted

If you would like to join one of the RWG sub-groups, please visit our webpage and contact the relevant chair. As this market has developed we are seeing lots of new faces, and are keen to get more people involved.

User Forum

The RWG Tariff sub-group will be providing an update at this month's [User Forum](#), on Wednesday 27 July from 3-5pm. The forum will be recorded for viewing. MOSL very kindly share the monthly forum with the RWG which allows us to update the market on sub-group activities. We will continue to have a regular slot at the User Forum to provide updates to the market on the RWG's sub-group activities.

Equality, Diversity and Inclusion blog: Roshini Mylvaganam

This month, as part of our Equality, Diversity and Inclusion (EDI) blog series, we invited Roshini Mylvaganam, EDI Programme Lead for Ofwat, to share her thoughts on EDI and why it means so much to her.



Roshini shares her motives for taking on the EDI Programme Lead role, why she believes diversity and inclusion in the workplace is so important and good practice she believes other companies could adopt.

Roshini says: "So much of EDI is about learning. We need to be able to talk about the uncomfortable so that we can create an environment where everyone can truly be themselves at work. Its possible (and

important) to be inquisitive and curious whilst being respectful about EDI issues."

You can read Roshini's full blog on MOSL's website [here](#).

We look forward to hearing from more people in MOSL and across the wider industry as the series progresses. If you are interested in sharing your story or perspective, please email MOSL's EDI Lead, Abu Rashid, at abu.rashid@mosl.co.uk.

CMOS Stats - June 2022

Number of HVI transactions submitted	541,359
Number of MVI transactions submitted	209,376
Number of LVI transactions submitted	34,955
Total transactions submitted by trading parties	785,690
	14 per cent increase from May 2022
CMOS Notifications sent (.M)	1,569,970
Number of active users in CMOS (GUI)	5663
Maximum number of concurrent users	405
Unplanned outages	None
Number of Unplanned Settlement Runs (USRs)	32
Number of Market Dataset (MDS) reports generated	13,940

Behind the Mailbox - Meet the Team

In this month's edition of Behind the Mailbox, we are introducing Sophie Turner, Communications Executive and lead on MOSL's Market Focus newsletter.



"Hi, I'm Sophie. I joined MOSL in 2019 into the Market Engagement and Communications team.

As a small organisation, the comms team need to wear many hats. From member and internal communications

to website content creation and design, my role is all about showcasing the work that MOSL does and how it contributes to wider strategic goals of the non-household market.

My project communications are currently very data focused – I work with the Data team to publish and communicate outputs from the Data and Analytics Roadmap and am part of the team delivering the central data cleanse and enrichment service to the market. I am also Communications Lead on the Market Improvement Fund, which is particularly exciting and I feel privileged to be able to work on several projects that will make a real difference to the market and its customers.

I also manage the MOSL website and

acted as the communications lead for the website redesign last year. I'm passionate about ensuring that the MOSL website is accessible and easy to use, so am always seeking feedback and looking for ways to improve its performance.

Lastly, I manage Market Focus. From content creation to design, I work with MOSL colleagues to provide project updates, and external stakeholders to share best practice and good news stories from across the market.

You can contact the Market Engagement and Communications team via comms@mosl.co.uk, or contact me directly via Sophie.turner@mosl.co.uk – I'm keen to hear your thoughts and suggestions on how to improve the way we communicate with our members!"



Dates for your diary

20 July: [Annual General Meeting, PAG Meeting 3](#)

21 July: [MPC Meeting 63](#)

22 July: [OPS and MPS reports published](#)

27 July: [User Forum](#)

3 Aug: [PAG Meeting 4](#)

9 Aug: [Metering Committee Meeting 17](#)

16 Aug: [ORWG Meeting](#)

News in Brief

Central Data Cleanse progress

Work is progressing on the central data cleanse and enrichment project alongside data solutions company Sagacity. Matt Labrum, Market Improvement Lead at MOSL and Sagacity will present some high-level findings at this month's [User Forum](#), giving an introduction into the data items Sagacity is exploring as part of the Proof on Concept, which is set to be published in mid-August, in preparation for a consultation in September.

Annual General Meeting

MOSL will be hosting its [Annual General Meeting \(AGM\)](#) on 20 July to seek approval of its Annual Report and Financial statements, and to reappoint our auditors. Notices of the meeting have been sent to member CEOs, Contact Managers and named contacts with the authority to vote on behalf of the trading party. For more information on the AGM, click [here](#).

User Forum

This month's User Forum takes place on 27 July from 3-5pm. Agenda items include an update from the Retailer Wholesaler Group (RWG) Tariffs sub-group, an overview of the Market Audit

and an update from Waterplus on using wholesaler reads in CMOS. Find out more [here](#).

PAS Information Seminar

Following the [FOG and Trade Effluent Masterclass on 28 June](#), Southern Water is extending the invitation for retailers to attend an information day on PAS 406/409 standards - new standards for grease management systems. The Seminar will provide attendees with a clear understanding of how these new standards will potentially impact on procurement of FOG management equipment and services. It will also provide an opportunity to input and comment on the process and join the Representatives Group.

The event will take place on 9 August at 116 Pall Mall, London, SW1Y 5ED. If you are interested in attending, please RSVP to Network Protection Manager at Southern Water, [Stephen Williams](#).

Want to give us
feedback?

Email us at
comms@mosl.co.uk.