

## **MPF Glossary**

### **Market Performance Framework Reform Programme**

An explanation of the stakeholder groupings, methodologies and common terms used to shape and define the future MPF

28 February 2023

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## Introduction

The Market Performance Framework (MPF) Glossary is a document which describes the core elements of the MPF Reform Programme and is intended to be used as a reference document by stakeholders across the market. Its aim is to establish a common understanding of the terms and processes we have used to establish the building blocks of the programme.

In this respect it goes beyond a traditional glossary. As a living document it can be used to onboard new stakeholders and can act as a reference document for existing ones. The traditional glossary of terms and acronyms is contained at Appendix 1.

## Governance

The Panel has appointed a Steering Group to manage the time, cost and quality aspects of the MPF Reform. A Programme Board, made up of members of the MOSL Senior Leadership Team (SLT) is responsible to the Steering Group for the delivery of the programme and oversees the Programme Team, who is accountable. A [Performance Advisory Group \(PAG\)](#) informs and guides on topics relating to the design and application of incentives, tools and metrics throughout the lifecycle of the programme.

### Steering Group

The Steering Group is responsible for:

- ◆ Monitoring the progress of the programme, including the budget. It holds to account the Programme Board, Advisory and/or other Governance bodies
- ◆ Providing input and advice relating to any risks or issues to the Programme Board, Advisory and/or other Governance bodies, where required
- ◆ Escalating key programme risks or issues to the MOSL Board
- ◆ Assisting with prioritisation of the work of the Programme Board, Advisory and/or other Governance bodies, where required
- ◆ Reviewing the adequacy of Performance Advisory Groups

### Programme Board

The Programme Board reports to the Steering Group on resource allocation and progress of the programme and ensures alignment in terms of resource and activity with the MOSL Business Plan Improvement Programmes.

### Programme Team

The programme team reports to the Programme Board. It is made up of MOSL personnel and is responsible for developing candidate MPF models for consideration and analysing/assessing their potential effectiveness.

### Performance Advisory Group (PAG)

The PAG will support the solution design by reviewing programme requirements, and solutions and Change Proposals which have been developed and designed by the Programme Team.

It will provide input on the following:

- ◆ The design, build and the testing of measures and interventions
- ◆ The state of readiness ahead of the framework's "go live" milestone
- ◆ Support wide input and engagement on proposals
- ◆ The expected benefits to the customer arising from the intended behaviours driven by the framework
- ◆ The possible unintended consequences to customers and/or TPs.

Delivery Partner

A delivery partner has been selected to assist the MPF Reform Programme. Their role is to provide technical expertise and work collaboratively with MOSL and the programme Steering Board to design the future MPF, including the individual incentives that may comprise the new framework

Governance Model

The governance model is shown at Figure 1.

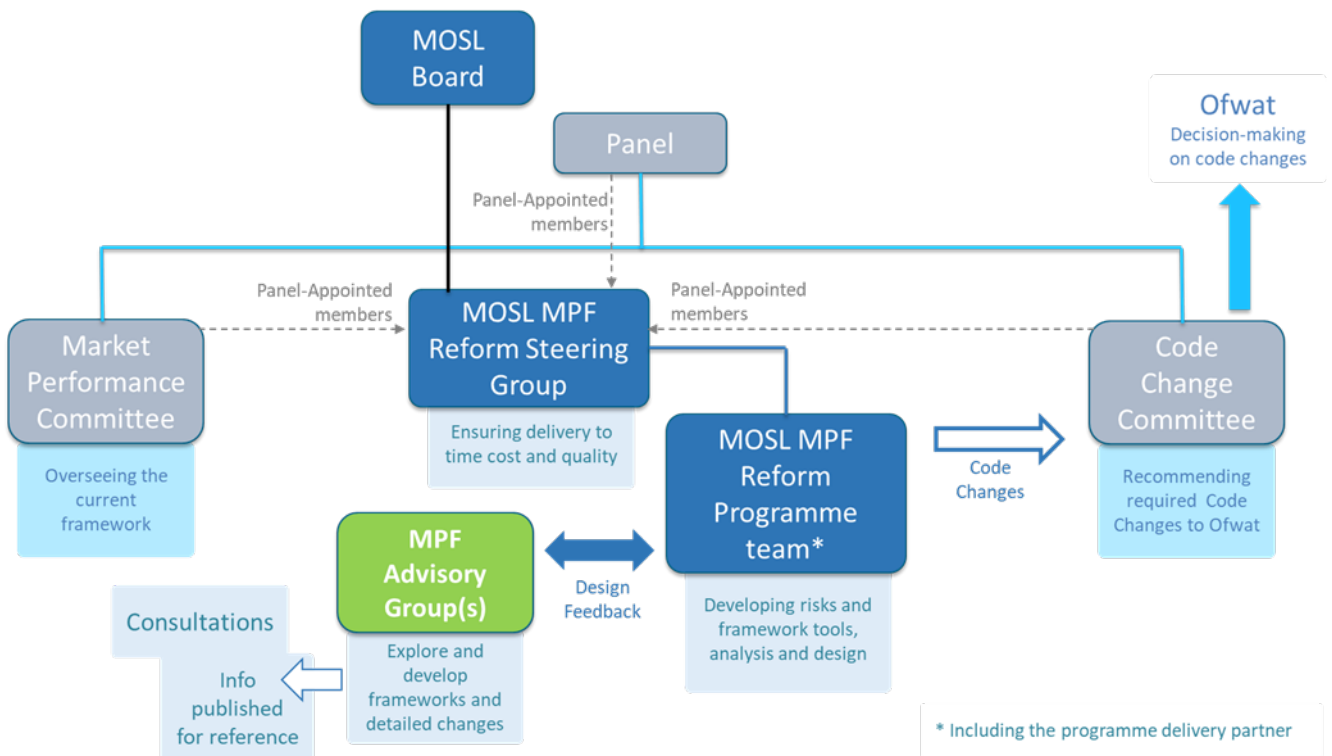


Fig 1. Governance Model

## Methodology

The MPF Reform programme has evolved a concept that is based on the Priority Market Outcomes defined by the Strategic Panel. Against these Outcomes, the programme has identified the risks and issues which prevent the market from delivering on them, as well as the activities which need to be completed to achieve the outcomes.

By scoring the risks and mapping them to the activities which mitigate them, the activities can be prioritised using a points-based calculation. This allows the programme to identify where interventions may best be applied in order to incentivise the completion of the activities.

Candidate Metrics will be established to determine the point at which interventions could be applied to incentivise completion of the activities.

These interventions are defined in terms of their overall categories and then by the grouping of the intervention types which sit under them. Within each intervention type is a set of candidate intervention tools.

The component parts of Outcomes, Activities Risks, Metrics, and Interventions are the foundations of a future MPF and are described in more detail below:

### Priority Market Outcomes

The Outcomes are defined by the Strategic Panel:

- ◆ Value - customers of all sizes, geographies and sectors have a diverse choice of services and market participants actively compete and innovate to meet changing customer needs at a fair price Boards are actively engaged in creating value
- ◆ Customer Service Excellence - customers buy products and services that meet their expectations in terms of time, cost, and quality. The market delivers recognised best practice in customer service
- ◆ Water Efficiency - water efficiency is embedded as core to business across the market. Market participants enable customers to understand their consumption of water and wastewater services and to use resources efficiently

### Risks and Issues

The programme has identified the risks and issues which prevent the market from delivering on the desired outcomes – either now or in the future. These are captured in a Risks and Issues Tracker and have been scored according to their impact on customers, trading parties and the potential volume of supply points (SPIDs) they might affect. Any points of data are also identified for each risk to better inform the choice of metrics that might be used to measure the mitigating activities aligned with the risk.

### Activities

The programme has defined the activities that are necessary to achieve the desired outcomes. The programme has also identified which trading party groupings are accountable for the completion of an activity. Each activity should mitigate at least one risk. The combined score of the risks that a single activity might mitigate will establish that activity's priority. The data points associated with those risks will also help to identify candidate metrics that could be used to determine the extent to which an activity is being completed.

### Metrics

Metrics provide assurance that a common set of standards can be equally applied across trading party groupings to ensure that interventions are fairly applied. Metrics should provide information about whether a particular activity or outcome is being delivered.

They are generally quantitative measures based on inputs and output (or events) and are ideally objective (rather than subjective), but some may provide insight on perception (e.g., customer surveys). Metrics may focus on overall outcomes or may focus on individual activities, or process steps. Metrics may be leading or lagging.

Leading metrics give early indications of performance by showing the progress towards a specific goal or standard. Leading metrics may provide insight on risks that may become issues. If metrics are difficult to identify, then this may be an indication that the desired activity lies outside the scope of the MPF.

### Natural Incentives

These refer to the market forces which incentivise the trading parties to compete with each other to win and retain customers (see Priority Market Outcomes – Values). If natural incentives drive an activity, the activity may sit outside the scope of the MPF, making an assessment of possible natural incentives the first step before considering whether other interventions are needed. There are therefore no associated types or tools defined for these.

### Interventions

Interventions refer to the intercession of the Market Operator or Strategic Panel/committee under the provisions of the code to change market participant behaviour's so that required outcomes are more likely to be delivered. This is in addition to the standard activities market participants undertake. Interventions are defined by category, type and tool. The details below of potential interventions and their derived types and tools is neither definitive nor exhaustive.

Categories and associated Types and Tools are represented at Appendix 2 and are summarised below. More details on tools and categories can be found in the Glossary at Appendix 1.

- ◆ **Category: Reputational Interventions.** Reputational interventions have an incentive effect that arises from impacting the reputation of the subject of that intervention. They aim to to improve performance by driving the desire to visibly outperform competitors within in a peer grouping. Effective reputational interventions generally have a preventative effect because the subject manages its activities to avoid detrimental impact on its reputation

  - **Reputational Types.** These comprise performance against absolute/ defined targets and performance against peers
  - **Reputational Tools.** These include league tables and recognition within industry publications
- ◆ **Category: Compliance Interventions.** Compliance tools require the subject to demonstrate understanding or compliance with important requirements which, if met, should promote the right behaviours and market outcomes.

  - **Compliance Types.** These comprise education/training, additional metric monitoring, audit, assurance, rectification, and monitoring
  - **Compliance Tools.** These include performance improvement plans, Initial Performance Rectification Plans, data audits, letters of concern
- ◆ **Category: Financial Interventions.** These refer to the use of monies as an incentive to maintain or exceed targets

  - **Financial Types.** These comprise the raising of charges against a TP (for non-delivery), the payment of monies (for enhanced delivery) to a TP or options involving both raising charges and paying monies
  - **Financial Tools.** These include penalties or rewards calculated and invoiced against regularly reported metrics; or penalties or rewards that are assessed and attributed based on material instances of under or over-performance
- ◆ **Category: Sanctions.** These refer to the imposition of restrictions for failure to comply with code obligations

  - **Sanction Types.** These comprise restriction on representation, operational restrictions, liquidated damages for failing to fulfil an obligation
  - **Sanction Tools.** These could include a restriction on expanding the customer base

## Principles

The MPF Reform Programme asked market participants to provide Success Criteria for MPF reform.

The responses are the basis for a set of principles for deciding on the tools to be deployed as part of the framework and incorporate feedback from the MPF Reform Steering Group. They will be used to assess the suitability performance intervention tools for inclusion within the framework.

The overarching aim is to improve upon the current Market Performance Framework whilst ensuring it is aligned to the Strategic Panel’s Outcomes – Creating Value, Great Customer Service and Water Efficiency	
Principle	Description
Facilitate <b>improved customer outcomes</b>	<ul style="list-style-type: none"> <li>• The outcomes take account of evidence about the priorities and outcomes desired by NHH customers.</li> <li>• Enabling a clear line of sight between performance standards and an improved NHH customer outcome.</li> <li>• Easy for customers to understand how the MPF can be expected to benefit them.</li> </ul>
Improve trading party <b>accountability</b> , including clear accountability for issues	<ul style="list-style-type: none"> <li>• Promotes Executive level attention and engagement within companies leading to a focus on better outcomes for customers.</li> <li>• Aligns trading party accountability with root cause.</li> <li>• Uses the most appropriate incentives or measures.</li> </ul>
<b>Support competition</b> in the NHH market	<ul style="list-style-type: none"> <li>• MPF reflects the competitive nature of the NHH retail market.</li> <li>• Acknowledges the need for natural incentives to be protected and to play their part in a successful market and recognises where natural incentives alone are sufficient to deliver the required outcomes</li> <li>• Accounts for wholesalers not being subject to the same competitive pressures as retailers.</li> </ul>
Ensure <b>consistency and compatibility</b> with the wider regulatory regime	<ul style="list-style-type: none"> <li>• The MPF recognises potential overlaps with other parts of the regulatory regime (e.g., Ofwat’s Price Reviews), avoiding double-counting of penalties and rewards or introducing perverse / counteracting incentives.</li> </ul>
Provide an <b>enduring, agile, and responsive</b> framework	<ul style="list-style-type: none"> <li>• The MPF is able to be deployed flexibly to facilitate dynamic and agile responses from market participants in the case of evolving market and customer circumstances.</li> <li>• The process for amending / applying the MPF allows for incremental changes to benefit customers to be made more quickly.</li> </ul>
Ensure the framework is <b>transparent and proportionate</b>	<ul style="list-style-type: none"> <li>• Measures, process, and governance are transparent and proportionate recognising the differences in market participant’s size and cost base.</li> </ul>
Deliver <b>value</b> for money for stakeholders	<ul style="list-style-type: none"> <li>• Evidence good value for market participants and customers, with costs of deployment being outweighed by the benefits.</li> <li>• Minimises the risk of costly or unintended outcomes.</li> </ul>
Seek <b>simplicity</b> over complexity	<ul style="list-style-type: none"> <li>• The MPF is simple to operate, apply and understand. The MPF is as simple as possible while achieving its aims.</li> <li>• Aim to balance the need for simplicity against a codified and complex market.</li> </ul>

## Appendix 1

### Glossary of Terms

**Note:** Some terms are defined further in the Market Arrangements Code or the Wholesale Retailer Code. In the case of conflict, the meaning defined in the market codes shall apply.

Term	Industry Abbreviation	Category	Description
Absolute and relative Performance		MPF Reform Terminology <sup>*1</sup>	Intervention Types. Absolute performance assesses individual trading party performance against a defined target. Relative Performance uses peer comparison to rank a trading party against its peers. Relative performance can be combined with absolute performance to establish the rank of a TP within its peer group while representing its ability to meet a defined target
Actual Read		Operational/ Finance Process	A meter reading that was entered to record a visual read of the meter
Additional Metric Monitoring		Compliance Tool	Additional Metric Monitoring might include provision to track and measure specific metrics on emerging risks
Additional Performance Indicator	API	Compliance Tool	An Additional Performance Indicator is a tool to review and monitor performance against a specific task or measure. APIs can be used to trigger Initial Performance Rectification Plans if the performance measured is not deemed as acceptable. APIs cannot carry financial incentives unless supported by a change in code
Asset Data		Data Point	Specifically, the definition of the meter by its serial number, manufacturer, make, age, location, GIS co-ordinates and functionality. GIS is an API and is represented in the holistic reports for wholesalers
Assurance		Compliance tool	Assurance might include self-certifications of compliance
Audit		Compliance tool	Audit might include data audits, audits of metering installations, audits of processes or control environments



Term	Industry Abbreviation	Category	Description
Bilateral Transaction Hub	Bilats	Market System	Platform on which bilateral requests can be submitted by one TP to another
Bilateral Transaction Programme	Bilats	Improvement Programme	A programme which delivers significant improvements to the way in which wholesalers and retailers interact with each other through technology, ways of working and standardisation of processes
Business Customer Measure of Experience	B-Mex	Reputational Tool	Proposed tool which may be used as a future KPI
Central Market Operating System	CMOS	Market System	The central IT system and primary repository of customer data, meters and meter reads which is maintained by MOSL. Primary data source for quantitative metrics
Compliance Interventions		MPF Reform Terminology <sup>*1</sup>	See main document
Customer Data		Data Point	Name, address, SIC and sensitivity (SEMD) flag. Many of the customer data fields are APIs for retailers and represented in holistic reports
Data Insights Programme		Improvement Programme	Addressing the causes of poor-quality data and develop tools to access, analyse, cleanse, and enrich this data. This improvement programme may identify potential intervention tools regarding data quality for consideration as part of a new, ongoing MPF.
Data Quality API	DQ	Data Point	An API capturing the provision of Customer name or banner name. It is an API and is represented in the holistic reports for retailers
Discharge Point Identifier	DPID	Market Definition	A unique value to identify a property that has had the water/sewerage disconnected.
Discretionary tools		MPF Reform Terminology <sup>*1</sup>	Tools that would be used in the event of underperformance and deployed conditionally in the event of extended unaddressed issues.
Dispute		Compliance Tool	A formal escalation of a disagreement between two parties which may result in a Trading Dispute, a Non-Trading Dispute, a Market Arrangements Code Dispute, or an MO Dispute as the context requires

Term	Industry Abbreviation	Category	Description
Disputes Committee	DC	Industry Group	A group of members who discuss and oversee issues and disputes
Dumb Meter		Market Definition	A meter that requires a physical inspection and visual verification to obtain a meter read
Education/ training		Compliance tools	Education/training tools might include requirements to gain certification in certain matters, or the provision of guidance notes or on-line training facilities
Erroneous Transfers	ET	Operational Process	Where a supply point has been incorrectly switched to a new retailer.
Estimated Read		Operational/ Finance Process	A meter reading that was generated by CMOS using previous estimated reads, YVEs or ILEs in the absence of a visual read of the meter
First Reconciliation Run	R1	Operational/ Finance Process	A settlement report with the MO calculations. Issued four Business days after the end of the invoice period.
Gap Site		Market Definition	Any Eligible Premises which is in receipt of Water Services and/or Sewerage Services where no Supply Points or insufficient Supply Points are Registered in relation to such Eligible Premises in the Supply Point Register
Geographical Information System	GIS	Data Point	A geographic information system (GIS) is a framework for gathering, managing, and analysing data. The provision of GIS information for a meter is an API and is represented in the holistic reports for wholesalers
High Volume Interface	HVI	CMOS	An automated way for trading parties to submit transactions to CMOS.
Household	HH	Market Definition	An identifier to confirm if a property is domestic.
Incentive Scheme		Market Process	A voluntary scheme, normally operated by a wholesaler, in which a retailer is offered incentives such as monies or reduction/removal of non-primary charges to complete activities which benefit customer, premises or asset data quality (e.g., identifying premises with incorrect occupancy status)

Term	Industry Abbreviation	Category	Description
Industry Level Estimation	ILE	CMOS	Any estimated value based on an industry consumption rate. Use of ILE can be an indicator that a retailer is neglecting the maintenance of the meter estate on CMOS
Initial Performance Rectification Plan	IPRP	Compliance Tool	A rectification, monitoring, and escalation tool. It is typically a plan submitted by a Trading Party in response to performance below target and is managed by MOSL.
Intervention Categories		MPF Reform Terminology* <sup>1</sup>	The categories of Financial, Reputational, Compliance and Sanction (and Natural incentives) segment the intervention tools such as league tables or audits.
Intervention Tools		MPF Reform Terminology* <sup>1</sup>	The intervention tools can be applied to drive the desired activity if the metric against the activity indicates poor performance. See main document
Intervention Types		MPF Reform Terminology* <sup>1</sup>	The types of intervention that sit within an intervention category. Under the Intervention Types are the Intervention tools
Key Performance Indicator	KPI	Metric	A KPI is supported by the market arrangement codes and may carry a financial incentive such as incurring a charge which may be redistributed as liquidated damages
League Table		Reputational Tool	A comparative table of performance by TPs available to the public
Legacy Long Unread Meter	LLUM	Metric	A meter that has not been read since the market opened. The percentage of LLUM in a wholesaler area is currently used as an API
Letter of Concern	LOC	Compliance Tool	A rectification, monitoring, and escalation tool. It is a letter, normally sent by MOSL, in which a TP is asked for an insight into areas of potential poor performance. This can be an early option in the rectification process
Long Term Vacancy	LTV	Metric	A premises which has been vacant for 6 consecutive years. The percentage of LTV is currently an API for holistic reporting for wholesalers
Long Unread Meter	LUM	Metric	A meter that has been read since the market opened, but not read in the last 12 months. The percentage of LUM is currently used as an API for retailers

Term	Industry Abbreviation	Category	Description
Market Assurance Programme		Improvement Programme	Developing an integrated approach to assuring compliance and performance levels of trading parties. Under this programme MOSL has delivered the holistic reporting, brought audit into the remit of MPC and drafted the risk and issues tracker
Market Code Simplification		Improvement Programme	Ensuring the codes are suitably adaptive to enable efficient change, facilitate innovation and lower barriers for entry to the market
Market Entry Assurance Certification	MEAC	Compliance Tool	An audit and assurance tool which confirms that companies who want to join the water market have demonstrated that they have the prerequisite capabilities and resource.
Market Entry Assurance Plan	MEAP	Compliance Tool	An audit and assurance tool which is deployed as part of the Market Entry process, which requires companies who want to join the water market to demonstrate to MOSL that they have the prerequisite capabilities and resource.
Market Entry Assurance Testing	MEAT	Intervention Tool	Part of the MEA and Reassurance process where MOSL carries out testing to confirm if the applicant's software can interact with CMOS
Market Governance		Improvement Programme	supporting the principle of industry self-governance that delivers improvement and enables the market to develop for the benefit of customers
Market Issue		MPF Reform Terminology <sup>*1</sup>	An actual issue within the market which is preventing the market from delivering on the strategic outcomes
Market Issues and Risks Tracker		MPF Reform Terminology <sup>*1</sup>	A tracker of each Market Issue and Risk, including scores for the impact of each risk on customers, Retailers and Wholesalers
Market Performance Committee	MPC	Industry Group	The committee established to assist the Panel in the administration of the Market Performance Framework. Prior to the Steering Group the MPC led on the reform of the MPF and generated the CFI
Market Performance Operating Plan	MPOP	Framework Tool	the plan developed by the Market Operator each Year with input from the Panel and the Market Performance Committee, and in consultation with the Trading Parties that sets the

Term	Industry Abbreviation	Category	Description
			market performance-related focus, priorities and activities of the Market Operator, the Panel, and the Market Performance Committee for the following Year
Market Performance Standards	MPS	Metric	The MPS monitor the accurate and timely operation of market activities undertaken by retailers and wholesalers. These measures do not directly map through to performance levels received by non-household customers and so are not a measure of customer experience
Market Re-assurance Plan	MRP	Compliance Tool	An audit and assurance tool which is deployed as part of the Part of the Market Re-assurance process, requiring a trading party to define a plan to confirm ongoing compliance with the pre-requisite capabilities and resource to operate within the market and inform MOSL of intended timelines for the completion of key milestones
Market Risk		MPF Reform Terminology <sup>*1</sup>	A potential issue that may occur within the market that would prevent the market from delivering on the strategic outcomes
Metrics		MPF Reform Terminology <sup>*1</sup>	The metrics will support the tools to confirm the extent to which the activity has been completed (e.g., the league tables will represent qualitative metrics such as R-Mex)
MPF Programme Board		MPF Reform Group <sup>*1</sup>	See main document
MPF Programme Team		MPF Reform Group <sup>*1</sup>	See main document
MPF Reform Steering Group		MPF Reform Group <sup>*1</sup>	See main document
Natural Incentives		MPF Reform Terminology <sup>*1</sup>	Natural incentives represent market forces which operate without enforcement from the Market Operator or MOSL. An example would be customers switching from retailers under whom they have a poor billing experience, or whom they see to be under performing on the league tables
Non-Household	NHH	Market Definition	An identifier to confirm if a property is commercial.

Term	Industry Abbreviation	Category	Description
Objective		MPF Reform Terminology <sup>*1</sup>	The objective which supports one of the three Panel defined strategic outcomes
Operational Performance Standards	OPS	Metric	The OPS provide a basis for peer comparison of wholesaler performance. They measure the timeliness of bilateral transactions made between retailers and wholesalers through the Bilateral Transaction Hub (e.g., for meter repair and or verification tasks) or are initiated through requests on templates for bilateral requests such as requests for leakage allowances or complaints.
Paired Improvement Plan	PIP	Compliance Tool	A rectification, monitoring, and escalation tool. It is a bilateral agreement to enter into a publicised and timebound collaboration with another TP. As a compliance tool we have seen previous PIPs established by TPs to drive the reduction of LUMs or manage the volume of incorrectly labelled vacant premises.
Panel		Industry Group <sup>*1</sup>	The Panel has appointed the MPF Steering Group - see main document
Performance Period		MPF Reform Terminology <sup>*1</sup>	Period of focus around which decisions are made about strategic changes that might be needed to the market performance framework.
Performance Rectification Plan	PRP	Compliance Tool	A rectification, monitoring, and escalation tool. An IPRP which has been escalated and is managed by the MPC
Pre-market tools		MPF Reform Terminology <sup>*1</sup>	Tools that would provide checks and balances to ensure that new market entrants are able to operate in compliance with market rules
Premises Data		Data point	Specifically, the VOA, UPRN, Address of the premises. Currently used as an API for wholesalers in holistic reporting
Performance Advisory Group	PAG	MPF Reform Group <sup>*1</sup>	See main document

Term	Industry Abbreviation	Category	Description
Provisional Settlement Run	P1	Operational/ Finance Process	A prediction run used to issue pre-payments to wholesalers. This is issued 16 days before start of the invoice period.
Reconciliation final	RF	Operational/ Finance Process	A settlement report with the MO calculations. Issued 16 months after the end of the invoice period.
Rectification Monitoring and Escalation		Compliance tools	Rectification Monitoring and Escalation might include performance improvement plans, Initial Performance Rectification Plans, letters of concern
Reputational Interventions		MPF Reform Terminology <sup>*1</sup>	Reputational Interventions use tools such as league tables to encourage improved performance
Retailer Measure of Experience	R-MeX	Reputational Tool	Currently used to populate league tables as a peer comparison reputational incentive for wholesalers
Sanctions <sup>*1</sup>		MPF Reform Terminology <sup>*1</sup>	An intervention category with associated tools which could include prohibitions around representation at committees or, in extremis, trading restrictions
Security and Emergency Measures Direction	SEMD	Market Definition	A flag which identifies premises associated with sick, the elderly, the disabled, hospitals, schools, and other vulnerable sectors of the population
Settlement		Operational/ Finance Process	The process by which the amount of money owed by a retailer to a wholesaler in respect of the customers' consumption of water is calculated
Settlement based on Actual		Operational/ Finance Process	A settlement run in which the volume of consumption is supported by two or more actual reads, one of which was taken within the relevant settlement window (R1, R2, R3, RF)
Settlement based on Estimate		Operational/ Finance Process	A settlement run in which the volume of consumption is only supported by one actual read or no actual reads
Smart Meter		Market Definition	A meter that does not require a visit by a meter reader to obtain the read

Term	Industry Abbreviation	Category	Description
Standard Industrial Classification	SIC	CMOS	The UK Standard Industrial Classification of economic activities, abbreviated as UK SIC, is a five-digit classification providing the framework for collecting and presenting a large range of statistical data according to economic activity
Standard tools		MPF Reform Terminology <sup>*1</sup>	Tools that would be deployed regularly, on a defined frequency, regardless of observed performance of a subject against an activity. See separate entry for “tools”.
Strategic Metering Review		Improvement Programme	Business Improvement Programme. Defining a framework to improve the volume and quality of consumption data available in the market. This programme is closely aligned to MPF Reform and may identify potential intervention tools or data points regarding metering or data quality for consideration as part of a new, ongoing MPF
Supplier of Last Resort	SoLR	Market Definition	A retailer who by default will become a customer's supplier if no other retailers request to manage the customer
Supply Point Identifier	SPID	Market Definition	A unique value used to identify either the water or sewerage details of a property. A key measure within the current MPF and used as a primary comparator for retailer size and performance (e.g., retailers with more than 5000 SPIDs)
Temporary Building Supply	TBS	Market Definition	Supply of water provided while the premises is under construction and the retailer is not aware of the identity of the future customer
Third Reconciliation Run	R3	Operational/ Finance Process	A settlement report with the MO calculations. Issued 8 months after the end of the invoice period.
Tools		MPF Reform Terminology <sup>*1</sup>	The intervention tools which sit under intervention types e.g., Financial Interventions use tools such as fines, or rewards
Unique Property Reference Number	UPRN	Data point	A number which identifies a premises. UPRN is currently an API for holistic reporting for wholesalers
Unplanned Settlement Run	USR	Operational/ Finance Process	Runs that are requested by the trading party in order to rectify any errors with a SPID, that relate to water consumption and charges.



Term	Industry Abbreviation	Category	Description
Vacancy Change Application	VCA	Operational Process	an application to change the vacancy status of an Eligible Premises submitted by the Contracting Wholesaler in accordance with CSD 0105 (Error Rectification and Retrospective Amendments)
Vacancy with Consumption		Data point	A premises listed as "unoccupied" but showing levels of consumption on the meter which is commensurate with an occupied premises. This uses the Q1 definition of consumption (as defined by ISO 4064-1:2014) which represents consumption in excess of the lowest flow rate at which the meter is to operate within the maximum permissible errors. Typically, a rate of Q1 suggests occupancy. Currently used as an API for retailers in holistic reporting
Vacant Premises		Market Definition	An Eligible Premises which has not been an Occupied Premises for a period in excess of two (2) Calendar Days (implying it meets a specific set of criteria including an absence of furniture and fittings)
Valuation Office Agency	VOA	Data point	a key field used to define the customer in CMOS. Completion of data for this field is currently used as an API in holistic reporting for wholesalers
Volume Transfer	VT	Operational Process	The process in where the supply point is implemented into CMOS to be transferred over.
Yearly Volume Estimation	YVE	CMOS	<p>Any estimated value based on an annual consumption rate. YVE impacts will only materialise if settlement relies on estimated reads. If the value of YVE multiplied by 3 returns a lower value than an estimate based on previous reads, then the YVE x 3 value will be used as the value for the estimated read.</p> <p>Changes to YVEs can be indicative of positive active management of a retailer's meter estate and can be representative of intelligent management of estimated reads (e.g., suppressing a monthly estimate based on overall annual consumption when water usage in that month is known to be historically low)</p>

\*1 See main body of document

Appendix 2

Hierarchy of Intervention Categories

Illustrative view of the relationship between Intervention Categories, Types and Tools

