

## Trade Effluent Issues Committee Meeting 05 – Minutes

20<sup>th</sup> March 2018 | 10:30 – 15:00

MOSL Offices, 4<sup>th</sup> Floor, 16-18 Monument Street, London, EC3R 8AJ

### MEMBERS PRESENT

Name	Role
Adam Richardson	Chair (MOSL)
Matthew Atkin	Committee Member (Wholesaler)
Patricia Quintana	Committee Member (Wholesaler)
Andrew Stringer	Committee Member (Wholesaler)
Mark Needham	Committee Member (Wholesaler)
Tony McHattie	Committee Member (Wholesaler)
Janet Bulbick	Committee Member (Retailer)
Phil Sinclair	Committee Member (Retailer)
Rob Barker	Committee Member (Retailer)
Jamie Mack	Committee Member (Retailer)
Ian Myers	Environment Agency Representative (EA)
Daniel Rowe	Change Proposal G/03 Proposer (Yorkshire Water)
Evan Joannette	Consumer Council for Water Representative (CCWater)
Chris Arnold	Market Analyst (MOSL)
Abu Rashid	Market Analyst (MOSL)

### APOLOGIES

Name	Role
Carolina Zenklusen	Committee Member (Retailer)

## 1. Welcomes and Introductions

- 1.1 The Chair began proceedings by welcoming the Trade Effluent Issues Committee (TEIC) to its fifth meeting.

## 2. Minutes and Actions Update

- 2.1 The Market Operator (MOSL) presented the list of actions that had been closed following the previous TEIC meeting. This included an update to the amendments being made to the G/02 form, which had previously been circulated by MOSL, and the submission of an email to the Environment Agency (EA) regarding a consolidated list of hazardous trade effluent substances.
- 2.2 The EA representative stated that it would be technically and practically difficult to consolidate all hazardous substances into a single list, as changes would occur over time as to what substances are hazardous, causing the list to be outdated. MOSL stated that the current proposed solution is to place a link to EA's website on the G/02 form, which would allow applicants to find all updated lists of hazardous substances. A committee member stated that this is better than stating all hazardous substances in appendix 1 of the G/02 form, which is the current situation, but that the question of user-friendliness still remains open. A single combined list would be friendlier to applicants of the G/02 form.
- 2.3 The EA representative stated that he would take away the committee's idea regarding a single list of hazardous substances and report back to the TEIC on possible actions in relation to this issue.
- 2.4 MOSL presented the list of actions that need to be addressed in this meeting, as well as previous open actions that had not been allocated to any specific TEIC members. This included the trade effluent flowchart and related supporting documents. 2 committee members, Andrew Stringer and Matthew Atkin, stated that they would lead on *TEIC03\_02* and *TEIC03\_05*, noting that guidance documents will be linked to the flowchart if it needs any. MOSL stated that there was currently no template for the flowchart.
- 2.5 A committee member stated that Wessex Water have written guidance on the G/02 form and would be willing to share the document with the TEIC.
- 2.6 The committee **AGREED** to review the flowchart in its May 2018 TEIC meeting, with the intention to review the guidance documents thereafter.
- 2.7 MOSL requested that committee members submit any trade effluent scenarios that have been identified in the market that are causing operational issues as per action *TEIC04\_08*. It further stated that a collation of all these scenarios would be undertaken, with subsequent submission to the TEIC.
- 2.8 The committee **AGREED** that there would be benefit to establishing a workshop which would have the specific purpose of reviewing the full list of trade effluent scenarios provided by the TEIC. The committee also **AGREED** to submit further scenarios by the April 2018 TEIC meeting.
- 2.9 Committee members made no comments on the previous TEIC meeting's minutes and **AGREED** to approve them.

**TEIC05\_01**

### 3. Jargon Buster Update and Next Steps

3.1 MOSL stated that it would be extending the deadline for the jargon buster exercise, in order to gain as much feedback as possible for TEIC members. It further stated that the intention of the exercise was to write an official definition of trade effluent terms, as determined by the TEIC. The presenter invited committee members to consider the governance arrangements regarding management of the document.

3.2 A committee member stated that the TEIC should consider liaising with different parties on the hosting and management of the document. The CCWater representative stated that he would be happy to raise the subject of hosting the document on Open Water's website at the group's next meeting.

TEIC05\_02

3.3 The committee agreed that further work needed to be carried out regarding governance of the jargon buster document. TEIC members **AGREED** to consider possible solutions and provide feedback at the April 2018 TEIC meeting.

TEIC05\_03

### 4. TEIC Change Proposal Log Update

4.1 MOSL presented a template of the TEIC Change Proposal log, with suggested headings for the log. It invited TEIC members to consider whether any amendments were needed to the structure of the log, as well as whether any Change Proposals, other than the G/02 and G/03 form changes, needed to be added. The presenter invited members to consider whether the log should be for external use or internal use by TEIC members only.

4.2 A committee member stated that it may be a good idea to publish the log externally, as this could then provide visibility of the TEIC's work to the Market Auditor.

4.3 A committee member queried whether the potential Change Proposal regarding the Operational Performance Standards (OPS) could be added to the log. MOSL clarified that it is expected that this change will be progressed by the Market Performance Committee (MPC) and at this point the TEIC was only being asked to provide a recommendation to the MPC. The presenter stated that it would not be appropriate to include this change in the TEIC Change Proposal log.

4.4 The CCWater representative stated that it would be easier for the Market Auditor and trade effluent customers to review all information related to Change Proposals in a single location. MOSL stated that this single location is contained within the Change Report, which is currently publicly available on MOSL's website. A MOSL representative further stated that a good use of the TEIC Change Proposal log would be for it to track trade effluent changes that are being discussed by the TEIC but are not yet developed enough to publicly state as a pipeline change in the Change Report. It was further stated that the log could also be used as a means by which the TEIC keep track of the statuses of each change proposal related to Trade Effluent.

4.5 The TEIC agreed that the structure of the TEIC Change Proposal log should be amended to include a 'Next Milestone Date' heading, representing the date by which the next deliverable for the relevant Change Proposal is due by.

4.6 TEIC members queried whether only changes to the market codes that required Change Proposals to be raised would be included in the report, as well as whether the list of code documents being amended in each change would be highlighted in the log. MOSL stated that

each line in the log would correspond to an individual potential Change Proposal, with reference to the code documents that will require amendments under the relevant headings.

- 4.7 MOSL stated that the log would be a standing agenda item for all TEIC meetings, in order for the committee to review the statuses of all Change Proposals outlined in the log.
- 4.8 Committee members **AGREED** that the TEIC Change Proposal log should be used for internal tracking purposes only, and that draft changes considered by the committee would be outlined as pipeline changes in the Change Report.

## 5. G/02 Amendments

- 5.1 MOSL presented the draft Change Proposal that seeks to make amendments to the G/02 form of the Operational Terms.
- 5.2 The Proposer for the draft Change Proposal, stated that the proposed progression route for this change was for the TEIC to review the documents provided with the change and thereafter issue an industry-wide Request for Information (RFI) in relation to it.
- 5.3 MOSL invited the TEIC to consider whether it should remove the discontinuation section in the G/02 form in the draft Change Proposal, noting that its removal could delay implementation of the change as drafting and change proposal documentation would have to be revised and reviewed by the committee before a request for information was issued.
- 5.4 A committee member stated that the removal of the discontinuation section will cause significant changes to the market codes and G/02 form; therefore, the member considered it more appropriate to address this in a future Change Proposal if it is still deemed a necessary change to the form.
- 5.5 Committee members discussed the merits of removing the discontinuation section and whether this balanced against the potential consequence of delayed implementation of the draft Change Proposal.
- 5.6 The TEIC **AGREED** to leave the discontinuation section in the G/02 form and assigned an action for Patricia Quintana and Matthew Atkin to discuss the removal of the section (via a future change) with the Trade Effluent Practitioners Network (TEPN).

### TEIC05\_04

- 5.7 Committee members agreed with the sentiments expressed in the draft Change Proposal form with regards to how the change furthers the Objectives and Principles of the Wholesale Retail Contract (WRC).
- 5.8 A committee member queried whether the flashpoint temperature outlined in section 5.3 – Nature and composition of Trade effluent discharging to the public sewer of the form was consistent with the Water Industry Act. Committee members agreed that this temperature must be consistent with the Water Industry Act, a committee member agreed to check that the wording in the G/02 form was consistent with the Water Industry Act in this case.

### TEIC05\_05

- 5.9 A committee member suggested that a free-text field at the bottom of section 10 - Termination of trade effluent consent would be beneficial, as it would enable applicants using the form to provide further information as to why a discontinuation was being requested.

- 5.10 TEIC members discussed the reference at the bottom of section 7 – Volume Assessment outlines the provision of meter calibration certificates and whether an annual provision of these certificates was appropriate. The committee discussed whether the phrasing of the reference needed rewording to take into consideration a meter manufacturer’s recommendation on the frequency of calibration certificates. The committee agreed to remove the reference to an annual calibration certificate and instead include questions asking whether a calibration certificate had been attached to the form, as well as the date of the next meter calibration.
- 5.11 The CCWater representative identified a number of minor amendments and formatting adjustments to the form and agreed to liaise with the Proposer of the change following the meeting to enable the Proposer to update the drafting as appropriate.
- 5.12 MOSL invited the TEIC to consider whether any adjustments were needed to the questions drafted for the G/02 form RFI.
- 5.13 A committee member queried whether implementation of the change could occur before September 2018. A MOSL representative stated that this would not be possible, as a period of 3 months was required to give Trading Parties sufficient time to implement form changes into their own systems (if required).
- 5.14 A committee member suggested that the wording of question 2 (which asks respondents whether they agree with the proposed redline changes) could refer to the clean version of the legal drafting rather than the tracked changes version.
- 5.15 The CCWater representative queried the relevance of questions 3, 4 and 5 which relate to the extent of internal process changes and costs of the Industry Consultation. MOSL stated that these questions had been included to provide additional information to the Panel, as it is always keen to understand the implications of changes on Trading Parties’ operations and processes. This information will also enable the Panel and the Authority to make a more informed decision when assessing the merits and benefits of the change.
- 5.16 A committee member queried whether a guidance note would be issued alongside the RFI. MOSL stated that it issues cover notes with all its RFIs, which explain the issues that the change seeks to address as well as outline the questions in the RFI.
- 5.17 The CCWater representative suggested a question be added into the RFI related to customer impacts and experience. He also suggested that the final question be amended to ask Trading Parties whether they agree that the change be implemented no later than a certain date.
- 5.18 MOSL stated that it would split the final question into two separate questions. The first one would query Trading Parties on the period of time which they need to implement the changes brought by this G/02 form change into their own systems. The second question would ask Trading Parties whether they agree with the implementation of the change by a certain date, rather than on a specific date.
- 5.19 MOSL presented the timetable for progressing the G/02 form Change Proposal, highlighting the RFI deadline and short time period in which the draft Recommendation Report would need to be written.

5.20 The TEIC **AGREED** to proceed with the proposed route and timetable of progression. MOSL stated that it would keep TEIC members informed of whether the RFI deadline should be extended.

## 6. G/03 – Temporary Consent Amendments

6.1 MOSL presented the Change Proposal which seeks to create a new Operational Terms form for temporary consents, form G/03.

6.2 MOSL invited the TEIC to consider whether the Service Level Agreement (SLA) on temporary consents was appropriate in the current wording in the legal text drafting.

6.3 A committee member stated that this issue had been discussed previously by the TEIC and the committee had disagreed with the suggested SLA of 10 days, as it was contrary to the legislative deadline of 60 days/2 months. The committee agreed use the SLA of 2 Months for both temporary and full consents. The committee **AGREED** to remove the suggested wording in the proposed drafting relating to temporary consent SLAs.

6.4 The Proposer for the draft Change Proposal, Daniel Rowe, stated that one of the purposes of this change was to speed up the process by which temporary trade effluent consents could be received by customers. A committee member stated that an SLA for retailers processing G/03 forms could be incorporated into a future Change Proposal if required.

6.5 The committee discussed further changes to the code drafting in the draft Change Proposal, such as amending the text to reflect that a consent of 6-months is technically classified as 'temporary' and that the right to appeal decisions regarding temporary consents should be the same as normal consents, which is 2 months. Members agreed that as the SLAs for temporary and full consents are the same it would not be necessary to change the drafting in the section relating to the right to appeal.

6.6 The committee agreed to let MOSL work with the Proposer in amending the code drafting to reflect the changes discussed at the meeting.

### TEIC05\_06

6.7 MOSL presented the draft legal text for this change. A committee member stated that section 6.6 from form G/02 should be included in the new change. Another committee member stated that there should be consistency in section titles between forms G/02 and G/03. The committee member also stated that the new form should include sections 3, 5, 6 and 7 from form G/02.

6.8 The committee agreed that an exercise needed to be carried out to align sections of form G/03 with form G/02. A committee member stated that sections 7.1, 7.3 and 8 of form G/03 should be taken out, alongside the termination and discontinuation sections.

6.9 The CCWater representative stated that the instructions to fill in certain sections should be at the beginning of the sections, and not after section 2.

6.10 A committee member suggested removing white spaces and unnecessary lines from the new form, in order to reduce its length.

- 6.11 The committee discussed whether there was any merit in requesting detailed location information in the form and agreed that it should not be included as customers are rarely able to provide that information. This may cause Wholesalers to instead reject the form if the information isn't provided, or the wrong information is provided.
- 6.12 A committee member suggested that an approach to extending temporary consents be part of the guidance documents being created.
- 6.13 The TEIC **AGREED** that the amendments being made to the RFI questions for the G/02 Change Proposal should also be made to the form G/03 change RFI questions.

## 7. Part G – SLA for OPS standard

- 7.1 MOSL presented a paper detailing the recommendations from the TEIC to the MPC regarding trade effluent OPS standards and invited the committee to provide rationale for making or not making certain recommendations to the MPC.
- 7.2 The committee **AGREED** not to recommend step 6 of process G2 as the response provided in this step is non-binding and merely indicative. A committee member also stated that the quality of the receipt would be questionable and therefore an OPS control of this would be of no benefit.
- 7.3 The TEIC discussed whether there was any merit in recommending OPS standards that measured the time taken by companies in returning consent approval/rejection to customers. A committee member stated that the 60-day tracker in step 7 of process G2 was reasonable as 60 days was usually enough time for companies to complete a full risk assessment, while another committee member stated that in some cases, even 60 days was not enough as sometimes customers are slow to respond to queries.
- 7.4 The committee further discussed whether there was any benefit to the 30-day indicative response measurement. A member stated that this measurement may grade Wholesalers in the market, but not proportionally as there is variability in the difficulty of some requests received and therefore may not be appropriate. The CCWater representative commented that this measurement would give customers a rough indication on how long it would take to receive approval/rejection of their application. A committee member stated that it could be beneficial to provide guidance to customers on how long it takes Trading Parties to fully process G/02 applications.
- 7.5 The committee **AGREED** to recommend the 60-days OPS standard to the MPC. A minority of TEIC members also considered it a good idea to think about different stratifications of the 60-days standard; however, as this was not agreed by the majority of present Committee Members, this type of measurement would not be recommended to the MPC.
- 7.6 MOSL presented step 3 of process G4 which relates to the distribution of sampling results. Committee members discussed whether there is value in keeping this measurement. A number of points were discussed, including:
- the longevity of the sample review process;
  - the review process itself and associated lab procedures;
  - the different systems used by Wholesalers for testing samples; and
  - the difficulty for Retailers to explain to customers that only some sampling results contribute towards charge calculation.

7.7 The committee **AGREED** to recommend this measurement to the MPC.

MOSL invited the TEIC to consider whether any other standards should be recommended to the MPC regarding trade effluent services.

7.8 The committee discussed the potential benefits of having two OPS 60-days standards measuring the completion of consent forms processing; one for temporary consents and the other for longer-term consents. A committee member suggested that this separation of measurement may be better for customers and eventually speed up the turnaround of temporary consents. The CCWater representative stated that this separation could also provide valuable information for customers in driving their own businesses and projects. The Chair asked members if the temporary request is less/more complex than a longer-term consent and if there was no difference in complexity whether there was a reason to monitor them separately.

7.9 The committee did not agree to recommend a monitoring of temporary consents separate to non-temporary consents in the 60-days OPS standard.

7.10 MOSL stated that an update to the TEIC recommendation paper would be made, to reflect discussions at the committee meeting, and then circulated with members for review. If TEIC members' comments are not substantive, the paper will be sent to the MPC; otherwise, members' views will be brought back for discussion at a future TEIC meeting.

## 8. [Any Other Business \(AOB\)](#)

8.1 There was no further business and the Chair concluded the meeting.