



FLASH RESULTS FROM MOSL BOARD MEETING 27 APRIL

Business Progress Reporting

The Board reviewed the current 'red' status of the MOSL programme and noted that:

- The initial capability deployed on 4 April was being used and participant feedback had been largely positive, especially on the quality of the training
- The member participant test 'sandpit' environment was available and participants were familiarising themselves with the system, including setting up users and trialling transactions
- MEA was underway, with 32 applications and 7 application information returns received so far, three in draft form for initial review and guidance. The weekly 'surgery' calls with participants were being well received
- The status of three risks have been escalated:
 - *1.2 Participant readiness*
Due to the data protection issue currently stopping participants trial loading of data into the 'sandpit' environment and anecdotal feedback from a number of participants that their middleware (interface) providers are behind in their development.
 - *1.5 MOSL Readiness*
Due to the diversion of management attention from the market operator build activity to managing slippage of phase 1 release. Additional management resources are being recruited to recover this
 - *1.6 Participants failing to provide data in the right format, at the right time*
In the light of experiences of loading tariff data. As per the experience with tariff data, this is likely to be an iterative process with MOSL working with participants to resolve the issue and provide guidance notes on lessons that emerge; a process that worked well for tariffs.
- A plan is being developed for turning the programme back to 'amber' once the Systems Integration Testing (SIT) has been exited.
- A recovery plan is under development for User Acceptance Testing and will be shared at the next Board meeting on 10 May.
- CGI's Tim Gregory (UK President) and Tara McGeehan (Vice President, Energy, Utilities and Telecommunication) attended the board to:
 - Update on the status of the CMOS development programme
 - Review the lessons learned
 - Set out the programme management changes that have been made within CGI to catch up on lost time and deliver future milestones

The Board reinforced the importance of participants being properly supported and the service managed now that CMOS was operational in the 'sandpit'.

Developer Services

- The Board were pleased to note that the code change proposal from Thames Water in relation to Developer Services being suspended for 18 months from the codes had been recommended by the Interim Code Panel (ICP) to Ofwat for approval.

Bi-laterals

- The Board discussed a proposal put forward by Southern Water (on behalf of CIOs representing 12 participants) and supported by the Open Water Programme Management Group (PMG) for MOSL to support the market in agreeing and maintaining a common interface specification for system-to-system communications in relation to the Operational Terms as set out in the codes
- The Board noted that these requirements have previously not been within MOSL's scope and were the responsibility of individual wholesalers. The Board also noted the short timescales between now and the start of shadow market and was concerned to ensure that its involvement in the process at this late stage was not seen/perceived to be a reason why participants were not ready
- In the interests of the wider programme, the Board agreed to support the proposal, on the proviso that Southern Water, and the companies supporting them in raising this request, would resource and carry out the work
- A new risk will be raised on MOSL's risk register to reflect the Board's concern.

Data Protection

- Hazel Moffatt of DLA piper joined the meeting to discuss the data protection issue raised by participants
- The Board recognised that there is a policy question whether market participants should be able to use the data held in CMOS for marketing purposes, which is a matter for Government and has been raised with Defra for their consideration
- The Board welcomed the Water UK initiative to support the resolution of issues raised by wholesalers in relation to data and the acceptable use policy. MOSL will actively co-operate in this initiative and ensure the needs of new entrant retailers are not overlooked
- The Board advised that, to avoid delay to the programme, market participants should be asked to exclude or mask any protected personal data when uploading customer data to CMOS
- The Board agreed to review MOSL's policies and procedures in light of the new EU directive.

Market Entry Assurance

- The Board reviewed the criteria that MOSL will apply within the Market Entry Assurance process and Senior Counsel advice in respect to this.
- The Board recommended that specific guidance be issued to support the applications of new entrant retailers and wider, to all companies completing the documentation giving examples of the type of supporting evidence that will be expected
- The Board agreed to establish an independent appeals process.

Membership

- The Board reviewed three new applications, approving Independent Water Networks as a new entrant member
- In considering one of the rejections, the Board noted the contention between the current WSSL licensing process and MOSL's Articles of Association, which prohibit membership to associated companies of an existing member. The Board agreed to raise this with Ofwat
- The Board agreed to create an informal, non-voting category of membership for associated companies who cannot become members, until such time as the Articles are reviewed ahead of market opening.

Post-Board

- After the formal Board, there was a 'deep dive' review of the next 5 months of the programme leading up to the commencement of the Shadow Market.