

Review of the Market Performance Standards and Operational Performance Standards

A consultation by the Market Performance Committee

09 October 2017

Executive summary

The Market Performance Committee (the Committee) is a committee of the Panel. The Committee assists the Panel in the administration of the Market Performance Framework (CSD0002) which includes monitoring the compliance of Trading Parties, the market operator and the effectiveness of overall market performance arrangements.

As required by CSD0002, the Committee is conducting a review into the appropriateness of the Market Performance Standards (MPS), Operational Performance Standards (OPS) and associated charges.

The Committee has conducted a high-level review of the MPS and OPS. This review has been limited due to:

- The time allowed within the code for conducting the review
- A lack of evidence being available, due to only being seven months into the market, to conduct a comprehensive review of the charging mechanism or to propose an alternative mechanism
- A number of defects affecting the reporting of MPS which limit the ability of the Committee to draw conclusions around market performance

Following its initial review, the Committee proposes that for 2018/19:

With regards to the performance standards

- The MPS are restructured to improve transparency, reduce complexity and ensure reported failures accurately reflect Trading Party performance
- MPS and OPS are amended such that all standards only have a single SLA and apply in a single scenario
- The deletion and replacement of two MPS
- Three additional standards are included in the OPS on disconnections, trade effluent and VOA BA references.

With regards to MPS charging

- MPS charges are due to become effective from April 18 in accordance with the codes. No amendment will be made to this without strong evidence.
- The MPS charge levels are not altered or amended, and the cap remains as stated within the codes.
- All MPS charges are credited to the market operator as a result of the proposed changes to standards

With regards to OPS charging and underperformance

- Charges are not introduced for the OPS
- The OPS are included in the performance resolution process

The Committee recommends that a further review of the MPS and OPS takes place at a later date when more quantitative data and evidence is available. This review should include all charging mechanisms and the appropriateness of the levels of charge.

Feedback to this consultation will inform the recommendation of the Committee to the Panel on changes to performance standards in December 2017.

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1. This consultation

This consultation seeks the views of Trading Parties and other interested stakeholders on the recommendations of the Committee around the performance standards and the charging arrangements.

It is envisaged that the likely outcome of this review will be a code change to CSD0002 and potentially other code subsidiary documents. The Committee intends to replace the existing standards framework from April 2018 with an updated version which includes the proposed changes as set out in this consultation.

Feedback from this consultation will inform the development of the recommendation from the Committee to the Panel and any associated code change proposals. The Committee intends that any Change Proposal(s) would be raised in December 2017 alongside its formal recommendation to the Panel.

This consultation document should be read in conjunction with [Defining the Approach to the Standards Review](#) and [CSD0002](#).

Responding to this consultation

The Committee welcomes responses to this consultation by no later than **12.00 on 27 October 2017**.

All questions require a “yes/no” answer. Respondents should provide their rationale and/or any relevant evidence.

Responses to this consultation can be provided [online](#).

Alternatively, you can email your response to Panelsecretariat@mosl.co.uk. You can also submit your response by post to:

Market Performance Committee,
c.o. MOSL,
16 High Holborn,
London. WC1V 6BX

Please use the [response form](#) if you choose to respond by email or post.

The Committee is seeking to understand views on the following questions:

With regards to performance standards

Q1. Do you agree that each performance standard should have a single set of measures?

Please provide your rationale and/or evidence.

Q2. Do you agree that the success criteria for each MPS should align to SLAs in the code, and where a measure is not included in the code, one should be added?

Please provide your rationale and/or evidence.

Q3. Do you support changing the structure of the standards such that failure of a single task is reported as a single failure?

Please provide your rationale and/or evidence.

Q4. Do you agree that MPS 6A and MPS 6B should be changed to be measured based on the expected date for a meter read?

Please provide your rationale and/or evidence.

Q5. Do you agree that no additional measures should currently be added to the MPS over and above the changes already proposed?

Please provide your rationale and/or evidence.

Q6a. Do you agree that three additional standards should be introduced to the OPS on the deregistration, VOA BA referencing and trade effluent processes?

Please provide your rationale and/or evidence.

Q6b. Do you think that there are any additional standards that should be introduced to the OPS, and if so what activities should be measured?

Please provide your rationale and/or evidence.

With regards to MPS charges

Q7. Do you agree that no changes should be made to the code to prevent MPS charging commencing in April 2018?

Please provide your rationale and/or evidence.

Q8. Do you agree that the level of the cap should remain unchanged for 2018/19?

Please provide your rationale and/or evidence.

Q9. Do you agree that the level of MPS charges should remain unchanged?

Please provide your rationale and/or evidence.

Q10. Do you agree that a zero charge should replace no charge?

Please provide your rationale and/or evidence.

Q11. Do you agree that all MPS charges should currently be market operator credited?

Please provide your rationale and/or evidence.

Q12. Do you agree with the current mechanism for distribution of charges as set out in the MAC?

Please provide your rationale and/or evidence.

With regards to OPS charges and underperformance

Q13. Do you agree that performance charges should not be introduced for the OPS for 2018/19?

Please provide your rationale and/or evidence.

Q14. Do you agree that OPS data should be submitted by wholesalers on a monthly basis?

Please provide your rationale and/or evidence.

Q15. Do you agree that OPS should be included within the performance resolution process?

Please provide your rationale and/or evidence.

If you would like the information you have provided to be treated as confidential, please indicate which parts of the response should be treated as confidential and the reasons for this.

2. Background

The Market Performance Framework

The Market Performance Framework (CSD0002) seeks to provide “confidence to Trading Parties and the Market Operator that they and their peers are complying with their obligations; that risks to the Central Systems are being managed; and that the performance of the market is being continually improved to ensure its orderly operation” (CSD0002 Section 1.1.1).

Central to this framework are the two sets of standards for measuring Trading Parties’ performance:

- **Market performance standards (MPS)** – measuring performance against standards in the market terms and CSDs; and
- **Operational performance standards (OPS)** – measuring performance against standards in the operational terms.

Currently, the MPS measure both retailer and wholesaler performance, whilst the OPS solely measure wholesaler performance.

Peer comparison charts of the MPS and OPS are published on the MOSL website on a monthly and quarterly basis respectively. This reporting enables all Trading Parties to compare their performance with that of their peers.

Performance against the MPS is also monitored by MOSL as part of the performance resolution process established in CSD0002.

The Committee notes that the MPS reporting has had several defects to date which has affected the ability of retailers, wholesalers and MOSL to draw meaningful conclusions about performance.

Review of the MPS and OPS

There is an initial suspension period for MPS charges during 2017/18. During this first year, under the market codes, the Panel is required to oversee a review of the MPS and OPS. The scope of the review must be agreed no later than 6 months following Go Live and the review must be concluded no later than 9 months from the commencement of the market. The scope of the review of the performance standards was agreed by the Panel on 26 September 2017.

To support the Panel in meeting this obligation the Panel has tasked the Market Performance Committee (the Committee) with undertaking a review of the MPS, OPS and associated charges. The Committee is independently chaired and consists of four retailer members and four wholesaler members.

The Committee is conducting the review and preparing recommendations for the Panel on changes to the performance standards and associated charging regime. This consultation is a key part of the review and responses will feed into its recommendation to the Panel.

3. Scope of review

The questions considered in this review, as required in CSD0002 (3.2.4 and 4.2.2), are:

On the performance standards, whether:

- Any of the existing measures be amended or removed
- Any additional MPS or OPS be introduced
- Persistent underperformance against the OPS trigger the performance resolution process

On MPS charges, whether:

- Trading Parties be required to commence payment of MPS charges immediately upon the conclusion of the Initial Suspension Period or at some alternative date
- The level at which the MPS charges are capped for each Trading Party is appropriate
- The levels of MPS charges remain as set out in CSD0002 or be amended
- Any MPS Charge payable by one Trading Party should be credited to another Trading Party

On OPS charges, whether:

- Performance charges should be introduced and applied in relation to any failure to meet the OPS
- In any circumstances, any charge relating to a failure to meet an OPS payable by one Trading Party be credited to another Trading Party

Review limitations

The Committee considers the code obligated scope to cover the most pressing and important areas for the review. Noting this, the Committee has not added any additional items into the scope of the review.

Given the time available for this initial review and the risks of making major changes without due consideration or evidence, the review to date has been light touch and pragmatic. The review has necessitated a focused approach incorporating a relatively small number of assessment criteria which the Committee sets out in Section 4.

The Committee discussed a number of areas around performance charges but did not take them forward at this time. This included consideration of:

- Applying a unit rate charging mechanism based upon the number of days an activity was late
- Changing the form of the measures so that charges are triggered after a percentage threshold of failure has been breached
- How market operator credited charges are distributed between Trading Parties or if they are used for the benefit of the market
- The proportionality of the level of charge for wholesaler and retailers based on their relative margins and funding mechanisms
- The level of the cap on performance charges, which is based on the Scottish market, when considering the different retail margins in England and Scotland

This does not rule out future changes as more information and evidence becomes available with time.

4. Approach

The aim of the review is to ensure that there is a consistent framework of performance standards which support the orderly operation of the market and encourage timely delivery of the most important market processes.

In developing its approach for conducting this review, the Committee considered both the objectives of the Market Performance Framework and the objectives and principles of the codes (as defined in Schedule 1 Part 1 of the Wholesale Contract).

For more information on the approach to this consultation, please read [Defining the Approach to the Standards Review](#).

Assessment criteria

The Committee developed four key assessment criteria which it applied consistently across all standards whilst considering the questions identified in the scope for the review.

1. Whether the standard(s) measure the areas judged to be of the greatest market impact

The package of performance standards should be proportionate to the level of market risk and as such should focus on the areas with the most significant risk.

The Committee has considered whether each performance standard covers at least one of the areas where underperformance could have the greatest market impact, specifically:

- Services impacting the customer;
- The accuracy of Wholesaler and Retailer settlement;
- The efficiency of the switching process;
- Enabling effective registration and deregistration; and
- The quality of market data.

2. Whether the standard(s) measure if retailers and wholesalers are meeting their obligations

It is important that the obligations which the Trading Parties must deliver are also the standards by which they are assessed to be compliant. The Committee has considered whether:

- The MPS and OPS align to specific obligations and as such measure compliance.

3. Whether the standard(s) are transparent

The transparency of standards is important when considering their effectiveness in driving desired behaviour and enabling peer-comparison. The Committee has considered how transparent each standard is, noting that the following limit the ability of the standards to be concise, clearly expressed, well-structured and/or readily accessible:

- The complexity of the standards, particularly regarding standards where multiple timescales relate to the same measure;
- The way in which the standards are articulated; and
- The number of the standards.

4. Whether charging mitigates and manages non-compliance

The purpose of implementing charges for underperformance is to increase the incentive for Trading Parties to meet their obligations. However, it is important that the level of charge is not disproportionate to the consequences of not meeting the obligation.

The Committee has considered, in the time available, the extent to which in principle:

- The market performance charges provide sufficient incentives;
- The charges should apply consistently for all measures; and/or
- The data is available for the Committee to undertake analysis of the value of the disbenefit caused by underperformance.

5. Assessment of standards

The Committee has assessed the MPS and OPS against the assessment criteria outlined in Section 4. The output of the assessment is presented in this section.

1. Whether the standard(s) measure the areas judged to be of the greatest market impact

- Every standard in the current MPS and OPS cover at least one area of significant market impact.

2. Whether the standard(s) measure if retailers and wholesalers are meeting their obligations

- Most MPS success criteria do not align to SLAs within the code. Three of the current MPS relating to partial registrations (MPS 1D, MPS 1E and MPS 1F) do not have code obligated SLAs.
- All the OPS measures align to the market codes.

3. Whether the standard(s) are transparent

- Four of the MPS relating to new connection notifications (MPS 2A and MPS 2B) and late meter read submissions (MPS 5A and MPS 5B) have multiple timescales applying at each level:
- All the OPS have single timescales applying at each level.
- It is not always clear for the MPS as to how the measure is calculated.
- The OPS are clear in how they are calculated.
- The overall number of MPS and OPS seems proportionate.

4. Whether charging mitigates and manages non-compliance

- The current level of charges mitigates the risk to the market of non-compliance.
- Reputational impact can be as much as an incentive for Trading Parties as the financial impact of charges.
- The charges apply consistently across the MPS.
- The data is not available for the Committee to evaluate the value of impact of underperformance.

6. Proposed changes to performance standards

The new proposed MPS are set out in Appendix A. These standards have been developed based on the recommendations set out in this section. Appendix B describes in detail the proposed changes to the current MPS.

The Committee recommends introducing these changes from April 2018.

None of the proposed changes materially impact the scale of market performance charges.

The Committee considered whether:

- Any of the existing measures should be amended or removed
 - Any additional MPS or OPS should be introduced
 - Persistent underperformance against the OPS should trigger the Performance Resolution process (this is addressed in section 8)
-

Changes to existing measures

The Committee has considered whether any measures should be amended or removed as part of its review and has made a number of recommendations.

Recommendation 1: Each performance standard should only measure a single discrete activity

Five measures across the MPS and OPS include either multiple SLAs or different activities within a single performance standard. This increases complexity and reduces the transparency and consistency of the standards.

The Committee discussed this issue and thought that mixing more than one activity in a measure meant that the performance against the two activities could not be clearly identified and that it was important that it was clear what was the cause of any performance failures.

The Committee therefore recommends that where this is the case, the standards should be separated out to ensure that each standard is clear and that the format of the standards are consistent across the framework.

This would affect the following standards:

- MPS 2A and MPS 2B relating to new connections
These two standards each include two SLAs based upon whether it is a wholesaler or accredited entity carrying out the new connection. The Committee proposes separating these out into two discrete standards to allow more transparent reporting of performance.
- MPS 5A and MPS 5B relating to wholesaler late meter read submissions
These two standards each include two SLAs based upon whether it is a wholesaler or accredited entity activity and each include an additional SLA for if it is a private meter being read. The Committee proposes separating these standards out into five standards
 1. For initial and final reads by wholesalers – 5 business days (BD)
 2. For initial and final reads by accredited entities – 8 BD
 3. For disconnection reads by wholesalers – 2 BD
 4. For disconnection reads by accredited entities – 2 BD
 5. For initial and final reads on private meters by wholesalers – 10 BD

- OPS1a relating to temporary disconnections
This standard includes two separate SLAs for standard and non-standard disconnections. The Committee recommends separating this standard into two standards.

Q1. Do you agree that each performance standard should have a single set of measures?

Please provide your rationale and/or evidence.

Recommendation 2: Each performance standard should align to the market code

Whilst all OPS success criteria align to the SLA timescales set out in the market code, most of the MPS success criteria are different to the SLAs set out in the market codes. This creates a lack of consistency between the required level of performance, as stated in the code, and the level of performance being measured and reported.

The Committee thought that it was inconsistent that the success criteria for the MPS and OPS did not match the SLAs set out in the codes and that it would be clearer for all Trading Parties if they aligned.

The Committee proposes that the success criteria for each MPS and OPS should align to the SLAs set out within the market codes. Where there is no code obligated SLA, the Committee proposes that an SLA is added into the code as defined in the MPS. Where the SLA timescale in the code is shorter than that being measured in the MPS, the success criteria for the MPS will be updated to reflect the market code and a zero MPS charge will be applied. This will ensure the MPS clearly link to the market code SLAs in all cases.

Applying these principles would change 23 MPS, as set out in Appendix B, and add one SLA into the code. No OPS would be affected.

An SLA would be added into the market code for the following standard:

- MPS 1D relating to partial registration
Receipt by the Market Operator from the Retailer of a T132.R (Submit Core Customer Data) within ten (10) BD of the Market Operator sending a T107.M (Notify Connection Complete) to the Retailer, unless the Customer Name Data Item is already populated.

Q2. Do you agree that the success criteria for each MPS should align to SLAs in the code, and where a measure is not included in the code, one should be added?

Please provide your rationale and/or evidence.

Recommendation 3: Failure of a single activity should be reported as a single failure

Currently the MPS include multiple standards for the same activity, where it is only the timescale that is different. For example, MPS 1A, MPS 1B and MPS 1C all measure how long it takes a retailer to submit a partial registration transaction to the market operator, the only difference between the standards is that MPS 1A applies a measure of 10 BD, MPS 1B is 15 BD and MPS 1C is 40 BD.

This means that if, in the above example, a retailer submits the transaction after 50 BD it will be reported to have failed three standards although it is one transaction (and one activity). This overstates the number of tasks a Trading Party is failing.

The Committee proposes restructuring the standards to improve the accuracy of reporting such that multiple timescales are applied against a single standard as shown on the next page.

MPS	Success criteria	Level 1	Level 2	Level 3
		Code SLA	Applies after	Applies after
MPS 1	Receipt by the Market Operator from the Retailer of a T103.R (Submit Partial Registration Application / Rejection) within five (5) BD of the Market Operator sending a T102.M (Notify New SPID) to the Retailer.	5 BD	10 BD	15 BD

All of the proposed MPS would follow the example set out above. This method of presentation ensures that a single activity is only reported as a single failure, whilst the additional timescales can be applied through the charging mechanism.

For each standard, a single failure would be reported but the level of charge incurred will be the cumulative value of all charges up to the level of failure. For example, for MPS 1, if a retailer submits the transaction (T103.R) 20 business days after the Market Operator sends its transaction (T102.M), this will constitute one reported failure but will incur a level 1, level 2 and level 3 charge (£0 + £25 + £15 = £40).

This recommendation will only affect the way in which performance is reported, it will not affect the level of charges that apply. The level of charges will remain as stated in CSD0002.

Applying this principle changes 20 MPS in the way they are presented (see Appendix B), but it does not affect what is measured or the success criteria timescales applied. No OPS would be affected.

Q3. Do you support changing the structure of the standards such that failure of a single task is reported as a single failure?

Please provide your rationale and/or evidence.

Recommendation 4: Performance standards and charges should incentivise desired market behaviours

MPS 6A and MPS 6B measure how late a wholesaler meter read is based upon when the meter read was submitted. The Committee found that this creates a perverse incentive for wholesalers not to submit a meter read to avoid a charge. In addition, it is inconsistent with the associated measures for retailers.

Retailers are incentivised to submit meter reads under MPS 8A and MPS 8B because these are calculated on when the meter read is expected rather than when it is submitted.

To incentivise wholesalers to submit meter reads, even if they are late, the Committee proposes that MPS 6A and MPS 6B are replaced by measures based on the expected date of a meter read. This would be consistent with the measure for retailers.

Applying this principle changes two MPS (MPS 6A and MPS 6B). No OPS would be affected.

Q4. Do you agree that MPS 6A and MPS 6B should be changed to be measured based on the expected date for a meter read?

Please provide your rationale and/or evidence.

Removing or adding performance standards

The Committee has considered the totality of the package of performance standards and the extent to which they measure the key market impacting processes.

Each standard within the MPS and OPS measures an activity that has a significant impact on the market and as such the Committee concluded that none should be removed.

Recommendation 5: No additional measures should currently be added to the MPS

The Committee considers that the MPS cover the activities of the greatest market impact, namely:

- Services impacting the customer
- The accuracy of settlement
- The efficiency of the switching process
- Enabling effective registration and deregistration

The Committee notes that measures around data quality could be a helpful addition. However, in such early days of the market, further quantitative information and engagement with the industry will be required to develop these measures.

The Committee currently proposes no additions to the MPS in relation to data quality.

Q5. Do you agree that no additional measures should currently be added to the MPS over and above the changes already proposed?

Please provide your rationale and/or evidence.

Recommendation 6: Three additional measures should be added to the OPS

With regards to the OPS, the Committee thought that there were three areas and specific process steps where underperformance could have a high market impact, where no measures were included or further measures could be valuable for the orderly operation of the market.

The Committee also notes that whilst the operational code is silent on Trade Effluent, it is an important process for Trading Parties, and as such an important area to measure performance, and as such merits a performance standard.

The three proposed steps for which there would be a new OPS are set out below.

Process	Step for which standard could be introduced
Deregistration (C6 step 4)	The Wholesaler shall notify the Retailer of its findings of the investigation and confirm if the Deregistration of the Supply Point or removal of a Service Component is to proceed within twenty (20) Business Days of its receipt of a materially complete Form C/03 from the Retailer.
VOA BA Reference (C7 step 4)	The Wholesaler shall notify the Retailer of findings of the investigation and confirm if the change to the Third Party Reference is to proceed within twenty (20) Business Days of its receipt of the Retailer's request.
Trade effluent (G2 step 6)	Unless a referral under Step 4 has been necessary, the Wholesaler shall provide a non-binding indicative decision on the application notice or other request (Form G/02) within thirty (30) Business Days from its receipt.

Q6a. Do you agree that three additional standards should be introduced to the OPS on the deregistration, VOA BA referencing and trade effluent processes?

Please provide your rationale and/or evidence.

Q6b. Do you think that there are any additional standards that should be introduced to the OPS, and if so what activities should be measured?

Please provide your rationale and/or evidence.

7. MPS charges

All MPS currently have associated charges for underperformance based upon three levels of charge. The overall value of MPS charges for a retailer or wholesaler in a month is capped at 0.15% of their primary charges.

The Committee considered whether:

- The levels of MPS Charges should remain as set out in the Market Performance Framework or be amended
 - The level at which the MPS Charges are capped for each Trading Party is appropriate
 - Trading Parties should be required to commence payment of MPS charges immediately upon the conclusion of the Initial Suspension Period or at some alternative date
 - Any MPS Charge payable by one Trading Party should be credited to another Trading Party
-

Commencement of charges

Recommendation 7: No changes are made in the code to prevent charging from commencing in April 2018.

It is intended that financial charges (Market Performance Standard Charges) will be levied on Trading Parties who fail to comply with the MPS. The code sets out an initial suspension period on these charges which ends on 31 March 2018. As such, charges will come into effect on 1 April 2018 unless there is a clear and material issue that justifies further suspension of any charge introduction.

The Committee discussed the commencement of the MPS charges, including:

- The fact that MPS are founded on the principle that performance charges will be applied from this date and without a non-zero charge the incentive to perform as required under the codes is limited to a reputational impact
- Whether the proposed changes to the MPS would mean that Trading Parties should have a longer period of time to understand the impact of the MPS before charges are levied
- The impact of defects in the MPS reports and whether this would influence Trading Parties ability to meet the MPS

The Committee notes that charges should not be levied on incorrect data. MOSL is committed to ensuring that all MPS and OPS reporting is accurate and fit for purpose before charging is introduced. There will be an assurance process on performance reporting during the last quarter of this financial year, the findings of which will be shared with the Panel.

The Committee found that, while the proposed new MPS look quite different to the current ones, the fundamentals of what they measure are not materially different and there is no change to the actual level of the Charges. As such, the Committee recommends that charging should start on 1 April 2018 and that no change to the code wording is made to prevent this.

Q7. Do you agree that no changes should be made to the code to prevent MPS charging commencing in April 2018?

Please provide your rationale and/or evidence.

Capping of charges

Recommendation 8: The level of the cap for MPS should remain unchanged

Performance charges are currently capped each month at 0.15% of a Trading Party's primary charges, which is equivalent to the cap set under the market code in Scotland.

The Committee found that sufficient evidence is not yet available for it to undertake a review of the viability of the cap or to propose an alternative.

The Committee has discussed that when evidence is available, it will be important to consider:

- The proportionality of the level of charge for wholesaler and retailers based on their relative margins and funding mechanisms
- The comparability of the level of the cap on performance charges with Scotland, where different retail margins apply in England and Scotland
- Alternative methods for limiting charges, such as applying thresholds for underperformance before charges apply

The Committee concluded that, at this time, the level of the cap should remain unchanged, unless and until there is more evidence to support revision.

Q8. Do you agree that the level of the cap should remain unchanged for 2018/19?

Please provide your rationale and/or evidence.

The level of charges

Recommendation 9: The level of MPS charges should remain unchanged

As with the overall cap on MPS charges, the current charges for each standard are based on the charges in the Scottish market.

The Committee is not aware of any evidence that supports a change at this point. Therefore, the Committee proposes that the level of MPS charges remain unchanged at this stage.

Q9. Do you agree that the level of MPS charges should remain unchanged?

Please provide your rationale and/or evidence.

Recommendation 10: A zero charge should replace no charge

The Committee has discussed at length whether charges should be applied at the moment a success criteria is breached to drive the right behaviour. All the MPS except one have no charges applying at the first point of failure (i.e. level 1).

The Committee recommends that additional charges are not introduced where there are not currently charges as this would change the level of charging.

The Committee proposes that where it is currently stated that there is 'no charge' that this is restated as a 'zero charge' to ensure flexibility for further reviews in the future.

Q10. Do you agree that a zero charge should replace no charge?

Please provide your rationale and/or evidence.

Crediting of charges

Recommendation 11: All charges should currently be market operator credited

CSD0002 states whether each penalty payment is credited to the market operator (market operator credited), for distribution between Trading Parties as per the Market Arrangements Code, or whether it is paid to another retailer (retailer credited).

There were two MPS measures that were retailer credited and all others were market operator credited. The Committee has proposed under Recommendation 4 that these two measures (MPS 6A and MPS 6B) are changed to ensure that wholesalers are incentivised to submit late meter reads as retailers are under (current) MPS 8A and MPS 8B. This means that all charges in the new proposed MPS measures will be market operator credited.

The Committee proposes that unless a specific detriment to individual retailers (either water and/or sewerage retailers) can be identified then the crediting of performance charges should remain unchanged and be credited to the market operator.

The evidence has not yet been available for the Committee to undertake analysis of the financial impact of underperformance against the MPS on another party.

As such, and taking into account Recommendation 4, the Committee recommends that all charges are currently credited to the market operator.

The Committee proposes to maintain the concept of retailer credited charges for potential use at a later date.

Q11. Do you agree that all MPS charges should currently be market operator credited?

Please provide your rationale and/or evidence.

Recommendation 12: Consideration should be given to the annual distribution of market operator credited MPS charges

The mechanism for distributing market operator credited MPS charges is set out in the Market Arrangements Code. It is outside of the Committee's delegated authority from the Panel and as such not strictly within the scope of this review.

However, the Committee notes that currently under the Market Arrangements Code, all market operator credited charges are redistributed across retailers and wholesalers at the end of the financial year based on their market shares. This is not the only option. In Scotland, for example, these funds are used by the market operator to finance initiatives of benefit to the market.

The Committee would like to understand the views of Trading Parties on the distribution and/or use of market operator credit charges. If amendments are considered desirable then the Committee would advise the Panel of the views of respondents, whilst noting that there is no requirement to address this at the same time as the anticipated Change Proposal resulting from this review.

Q12. Do you agree with the current mechanism for distribution of charges as set out in the MAC?

Please provide your rationale and/or evidence.

8. OPS charges and underperformance

The OPS do not currently have associated performance charges for underperformance.

The Committee considered whether:

- Performance charges should be introduced and be applied in relation to any failure to meet the OPS
 - In any circumstances any charge relating to a failure to meet an OPS payable by one Trading Party should be credited to another Trading Party; and
 - Persistent underperformance against the OPS should trigger the Performance Resolution process.
-

Recommendation 13: No charges should be currently introduced for underperformance against the OPS

Wholesalers are responsible for reporting the OPS to MOSL on a quarterly basis. This information is then consolidated by MOSL and a peer comparison report and data extract is made available.

The process relies on all wholesalers monitoring and reporting the OPS using the same approach. To charge Trading Parties on information which is collated from numerous individual parties rather than sourced from the central system introduces risks around consistency and interpretation.

To ensure the required consistency in the data to enable it to be used to confidently leverage charges, independent audit of the information and standardised processes are likely to be required to provide confidence and assurance to all Trading Parties that they are being charged using a robust mechanism.

This will be costly for wholesalers and the Committee concluded that it could be disproportionate to the benefit gained or risk forgone. Further consideration of the potential to introduce OPS charging should be considered at the next review of the performance standards.

The Committee proposes that performance charges are not introduced or applied in relation to any failure to meet the OPS for 2018/19.

Q13. Do you agree that performance charges should not be introduced for the OPS?

Please provide your rationale and/or evidence.

As no OPS charges are proposed as part of this review, the Committee found the consideration of how potential OPS charges could be credited to be not applicable at this time.

Recommendation 14: Wholesalers should submit OPS data on a monthly basis

Wholesalers currently monitor and collect OPS performance information monthly. This information is then provided to MOSL on a quarterly basis. A peer comparison report is then produced for all wholesalers.

More frequent submission of OPS data by wholesalers will allow more frequent comparison without increasing the burden on wholesalers as they are currently collecting this information monthly.

The Committee recommends that wholesalers should submit OPS data each month to allow more frequent comparison of performance under the operational terms.

Q14. Do you agree that OPS data should be submitted by wholesalers on a monthly basis?

Please provide your rationale and/or evidence.

Recommendation 15: OPS should be included within the performance resolution process

Currently the OPS are not included within the performance resolution process set out in CSD0002. This process is administered by MOSL whereby if, currently under the MPS, a Trading Party has three consecutive months of underperformance, MOSL will review if a performance rectification plan would help improve performance. MOSL provides more information on this process in its [policy statement](#).

The Committee notes that:

- OPS data is provided by each individual wholesaler and as such lacks the level of assurance gained from using central system transactions
- The performance resolution process is only applied by MOSL for areas of material underperformance
- MOSL engages with Trading Parties throughout the process to understand drivers for reported underperformance

Considering the above, the Committee proposes that the OPS should be included within the performance resolution process to provide for a structured process for addressing underperformance against the OPS.

Q15. Do you agree that OPS should be included within the performance resolution process?

Please provide your rationale and/or evidence.

9. Next steps for the review and implementation of the recommended changes

The Committee sets out the next steps for the review below.

This review will culminate in a change proposal which will be considered by the Panel in December 2017.

Date	Activity
27 October	<ul style="list-style-type: none"> • Consultation closes
01 November Committee meeting	<ul style="list-style-type: none"> • The Committee will consider and incorporate consultation responses from Trading Parties and Ofwat.
29 November Committee meeting	<ul style="list-style-type: none"> • The Committee will compile the review of the performance standards, including the above activities, for Panel review. • The Committee will compile a draft code change proposal for any changes recommended as part of the review.
12 December Panel meeting	<ul style="list-style-type: none"> • The Panel will review and approve the review of the performance standards by the Committee. • Recommend a code change proposal for any changes that have been recommended as part of the review.

Implementation of change to the standards

To implement changes as a result of this review will require a change to the market codes, and in particular CSD0002. The Committee will develop a Change Proposal which will go to the Panel alongside its recommendation in December.

The Committee has consulted MOSL on the likely time and cost of implementing the potential outcome of this review.

MOSL is currently reviewing how it is reporting on MPS and OPS. It currently uses its primary service provider to produce these reports, however moving forward MOSL is looking at taking greater control of this activity. This would reduce the reliance on pre-scheduled releases, enabling it to be more responsive to any required changes.

Any recommendations from the Committee will be conditional on received assurances from MOSL that the reporting is fit for purpose. The Committee will seek these assurances prior to approval of any modification to the market codes. MOSL will provide the Committee with details of how it will implement the changes during November 2017 and this will be considered by the Committee in developing its recommendation to the Panel.

Appendix A - The proposed MPS

A level 1 charge will apply if the Trading Party exceeds the Code SLA and as such does not meet the success criteria. At all levels, a charge will apply if a Trading Party exceeds the stated number of days.

For each standard, the level of charge incurred will be the cumulative value of all charges up to the level of failure. For example, for MPS 1, if a retailer submits the transaction (T103.R) 20 business days after the Market Operator sends its transaction (T102.M), this will include a level 1, level 2 and level 3 charge (£0 + £25 + £15 = £40).

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 1	Partial Registration	Receipt by the Market Operator from the Retailer of a T103.R (Submit Partial Registration Application / Rejection) within five (5) BD of the Market Operator sending a T102.M (Notify New SPID) to the Retailer.	MPS 1A/B/C	5 BD	£0	10 BD	£25	15 BD	£15	Every 40 BD	£25
MPS 2	Partial Registration	Receipt by the Market Operator from the Retailer of a T132.R (Submit Core Customer Data) within ten (10) BD of the Market Operator sending a T107.M (Notify Connection Complete) to the Retailer, unless the Customer Name Data Item is already populated.	MPS 1D/E/F	10 BD	£25	15 BD	£15	Every 40 BD	£25		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 3	New Connection Notifications	<p>Receipt by the Market Operator of a T107.W (Submit Notification of Connection Complete) within five (5) BD of the Effective From Date contained within the transaction, for activities undertaken by the Wholesaler.</p> <p>This applies to the “New” connection type only, and not to “Gap Site” or “Entry Change of Use”.</p>	MPS 2A/B	5 BD	£25	9 BD	£15				
MPS 4	New Connection Notifications	<p>Receipt by the Market Operator of a T107.W (Submit Notification of Connection Complete) within eight (8) BD of the Effective From Date contained within the transaction, for activities undertaken by an Accredited Entity.</p> <p>This applies to the “New” connection type only, and not to “Gap Site” or “Entry Change of Use”.</p>	MPS 2A/B	8 BD	£25	12 BD	£15				

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 5	Connection Notifications for Gap Site or Entry Change of Use	<p>Receipt by the Market Operator from the Wholesaler of a T107.W (Submit Notification of Connection Complete) within ten (10) BD of the Market Operator sending a T102.M (Notify New SPID) to the Wholesaler.</p> <p>This applies only to T102.M transactions with “Gap Site” or “entry Change of Use” connection type, but not the “New” Connection type.</p>	MPS 3A	10 BD	£0	15 BD	£40				
MPS 6	Disconnection / Reconnection	<p>The T115.W (Declare Disconnection/Reconnection/Deregistration) is received by the Market Operator within two (2) BD of the Effective From Date contained within the transaction.</p> <p>This standard only applies in the case of a Temporary Disconnection or Reconnection.</p> <p>This standard does not apply in the case of a Permanent Disconnection or Deregistration.</p>	MPS 4A/B	2 BD	£0	5 BD	£25	10 BD	£15		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 7	Late Meter Read submission	The T104.W (Submit Meter Details) or T105.W (Submit Meter Read) or T117.W (Submit Meter Exchange) is received by the Market Operator within five (5) BD of the Meter Read Date contained within the transaction in respect of I and F reads, for activities undertaken by the Wholesaler. This standard applies for meters with a Meter Treatment type of Potable, Non-Potable or Sewerage.	MPS 5A/B	5 BD	£25	13 BD	£15				
MPS 8	Late Meter Read submission	The T104.W (Submit Meter Details) or T105.W (Submit Meter Read) or T117.W (Submit Meter Exchange) is received by the Market Operator within eight (8) BD of the Meter Read Date contained within the transaction in respect of I and F reads, for activities undertaken by an Accredited Entity. This standard applies for meters with a Meter Treatment type of Potable, Non-Potable or Sewerage.	MPS 5A/B	8 BD	£25	16 BD	£15				

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 9	Late Meter Read submission	The T104.W (Submit Meter Details) or T105.W (Submit Meter Read) or T117.W (Submit Meter Exchange) is received by the Market Operator within ten (10) BD of the Meter Read Date contained within the transaction in respect of I and F reads for a meter with a Meter Treatment type of Private water or Private Trade Effluent.	MPS 5A/B	10 BD	£0	15 BD	£25	23 BD	£15		
MPS 10	Late Meter Read submission	The T104.W (Submit Meter Details) or T105.W (Submit Meter Read) or T117.W (Submit Meter Exchange) is received by the Market Operator within two (2) BD of the Meter Read Date contained within the transaction in respect of X and Y reads, for activities undertaken by a Wholesaler. This standard applies for meters with a Meter Treatment type of Potable, Non-Potable, Sewerage, Private Water or Private Trade Effluent.	MPS 5A/B	2 BD	£0	5 BD	£25	13 BD	£15		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 11	Late Meter Read submission	The T104.W (Submit Meter Details) or T105.W (Submit Meter Read) or T117.W (Submit Meter Exchange) is received by the Market Operator within two (2) BD of the Meter Read Date contained within the transaction in respect of X and Y reads, for activities undertaken by an Accredited Entity. This standard applies for meters with a Meter Treatment type of Potable, Non-Potable, Sewerage, Private Water or Private Trade Effluent.	MPS 5A/B	2 BD	£0	5 BD	£25	13 BD	£15		
MPS 12	Late Meter Read submission	The T105.W (Submit Meter Read) is received by the Market Operator within five (5) BD of the Meter Read Date contained within the transaction in respect of Cyclic reads for Non-Market Meters. This standard applies for meters with a Meter Treatment type of Potable or Non-Potable.	MPS 5C/D	5 BD	£0	13 BD	£10	60 BD	£15		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 13	Missed Meter Read	<p>In respect of Regular Cyclic Reads, a Twice-Yearly Read Meter is read within one hundred and forty (140) BD (excluding periods of vacancy) of the later of:</p> <ul style="list-style-type: none"> - the Go Live Date; or - the last Meter Read Date for that meter; or - the date of submission of an Initial Read; or - the date upon which the last Market Performance Charge (if any) was applied in respect of this measure for this meter; or - the last Registration Start Date for the relevant Supply Point (except where the Supply Point was last registered by way of a Volume Transfer) <p>This standard applies for Non-Market meters with a Meter Treatment type of Potable or Non-Potable.</p>	MPS 6A	140 BD	£0	160 BD	£40				

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 14	Missed Meter Read	<p>In respect of Regular Cyclic Reads, a monthly Read Meter is read within twenty-five (25) BD (excluding periods of vacancy) of the later of:</p> <ul style="list-style-type: none"> - the Go Live Date; or - the last Meter Read Date for that meter; or - the date of submission of an Initial Read; or - the date upon which the last Market Performance Charge (if any) was applied in respect of this measure for this meter; or - the last Registration Start Date for the relevant Supply Point (except where the Supply Point was last registered by way of a Volume Transfer) <p>This standard applies for Non-Market meters with a Meter Treatment type of Potable or Non-Potable.</p>	MPS 6B	25 BD	£0	40 BD	£40				
MPS 15	Late Meter Read submission	<p>The T105.R (Submit Meter Read) is received by the Market Operator within five (5) BD of the Meter Read Date contained within the transaction in respect of a Regular Cyclic Read. This standard applies for all Meter Treatment types except Cross-Border Meters.</p>	MPS 7A/B/C	5 BD	£0	10 BD	£10	60 BD	£15		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 16	Late Meter Read submission	The T105.R (Submit Meter Read) is received by the Market Operator within five (5) BD of the Meter Read Date contained within the transaction in respect of a Transfer Read. This standard applies for all Meter Treatment types except Cross-Border Meters.	MPS 7A/B/C	5 BD	£0	10 BD	£10	60 BD	£15		
MPS 17	Missed Meter Read	The Meter Read Date within the T105.R (Submit Meter Read) received by the Market Operator is within two (2) BD of the latest Registration Start Date submitted via a T108.R (Transfer Registration Application) transaction for the associated Supply Point in respect of Transfer Reads. This standard applies for all Meter Treatment types except Cross-Border Meters.	MPS 7D/E	2 BD	£0	5 BD	£25	10 BD	£15		

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 18	Missed Meter Read	<p>In respect of Regular Cyclic Reads, a Twice-Yearly Read Meter is read within one hundred and forty (140) BD (excluding periods of vacancy) of the later of:</p> <ul style="list-style-type: none"> - the Go Live Date; or - the last Meter Read Date for that meter; or - the date of submission of an Initial Read; or - the date upon which the last Market Performance Charge (if any) was applied in respect of this measure for this meter; or - the last Registration Start Date for the relevant Supply Point (except where the Supply Point was last registered by way of a Volume Transfer) 	MPS 8A	140 BD	£0	160 BD	£40				

MPS	Process	Success criteria	Current MPS	Level 1		Level 2		Level 3		Level 4	
				Code SLA	Charge	Applies after	Charge	Applies after	Charge	Applies after	Charge
MPS 19	Missed Meter Read	In respect of Regular Cyclic Reads, a monthly Read Meter is read within twenty-five (25) BD (excluding periods of vacancy) of the later of: - the Go Live Date; or - the last Meter Read Date for that meter; or - the date of submission of an Initial Read; or - the date upon which the last Market Performance Charge (if any) was applied in respect of this measure for this meter; or - the last Registration Start Date for the relevant Supply Point (except where the Supply Point was last registered by way of a Volume Transfer)	MPS 8B	25 BD	£0	40 BD	£40				

Appendix B - Changes to the MPS in detail

This section contains the detailed changes to each MPS. All the proposed changes have been built into an updated set of MPS in Appendix A.

Current MPS	Nature of change	Detail
MPS 1A	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from ten (10) BD to five (5) BD to align with the obligation set out in CSD0101. This new success criteria will replace MPS 1A, MPS 1B, and MPS 1C.
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after ten (10) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 1B	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from fifteen (15) BD to five (5) BD to align with the obligation set out in CSD0101. This new success criteria will replace MPS 1A, MPS 1B, and MPS 1C.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after fifteen (15) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 1C	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from forty (40) BD to five (5) BD to align with the obligation set out in CSD0101. This new success criteria will replace MPS 1A, MPS 1B, and MPS 1C.
	2. Only one standard should measure one task	2. A reoccurring level 2 charge will continue to be applied every forty (40) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 1D	No change to the standard	The time period within the success criteria will remain ten (10) BD and an equivalent SLA will be added to CSD0101.
MPS 1E	1. Aligning performance standards to the market code	1. This standard will be removed as MPS 1D will align to CSD0101.

Current MPS	Nature of change	Detail
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after fifteen (15) BD, however, this will no longer be a separate standard for reporting purposes
MPS 1F	1. Aligning performance standards to the market code	1. This standard will be removed as MPS 1D will align to CSD0101.
	2. Only one standard should measure one task	2. A reoccurring level 2 charge will continue to be applied every forty (40) BD, however, this will no longer be a separate standard for reporting purposes
MPS 2A	1. Ensuring each performance standard has a single set of SLAs	1. Different SLAs have been set in CSD0101 for activities being undertaken by Wholesalers and Accredited Entities. These two SLAs have been split into two standards.
MPS 2B	1. Aligning performance standards to the market code	1. This standard will be removed as MPS 2A will align to CSD0101.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after nine (9) BD for Wholesaler activities and twelve (12) BD for Accredited Entities, however, this will no longer be a separate standard for reporting purposes.
MPS 3A	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from fifteen (15) BD to ten (10) BD to align with the obligation set out in CSD0101. This new success criteria will replace MPS 3A.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after fifteen (15) BD, however, this will no longer be a separate standard for reporting purposes.

Current MPS	Nature of change	Detail
MPS 4A	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from five (5) BD to two (2) BD to align with the obligation set out in CSD0104. This new success criteria will replace MPS 4A and MPS 4B.
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after five (5) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 4B	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from ten (10) BD to two (2) BD to align with the obligation set out in CSD0104. This new success criteria will replace MPS 4A and MPS 4B.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after ten (10) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 5A	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from five (5) BD for activities undertaken by a Wholesaler and eight (8) BD for activities undertaken by an Accredited Entity to five (5) BD for I and F reads by a Wholesaler, eight (8) BD for all I and F reads by an Accredited Entity, and two (2) BD for all X and Y reads except for Private Water and Private Trade Effluent Meter Treatment types. Additionally, the time period within the success criteria has been changed from fifteen (15) BD for I,F,X,Y reads, for Private Water and Private Trade Effluent Meter Treatment types, to ten (10) BD. This new success criteria will replace MPS 5A and MPS 5B.
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after five (5) BD for activities undertaken by a Wholesaler and eight (8) BD for activities undertaken by an Accredited Entity for all Meter Treatment types except Private Water and Private Trade Effluent. Additionally, a level 2 charge will continue to be applied after fifteen (15) BD for I,F,X,Y reads, for Private Water and Private Trade Effluent Meter Treatment types.

Current MPS	Nature of change	Detail
	3. Ensuring each performance standard has a single set of SLAs	<p>3. Different SLAs have been set in CSD0202 for activities being undertaken by Wholesalers and Accredited Entities. Additionally, there are different SLAs for I and F reads, X and Y reads, and various Meter Treatment types. As such this standard has been split into five different standards covering:</p> <ul style="list-style-type: none"> • I and F reads by a wholesaler for a meter with a Meter Treatment type of Potable, Non-Potable or Sewerage; and • X and Y reads by a wholesaler for a meter with a Meter Treatment type of Potable, Non-Potable or Sewerage; and • I and F reads by an Accredited Entity for a meter with a Meter Treatment type of Potable, Non-Potable or Sewerage; and • X and Y reads by an Accredited Entity for a meter with a Meter Treatment type of Potable, Non-Potable or Sewerage; and • I,F,X and Y reads by a Wholesaler for a meter with a Meter Treatment type of Private Water or Private Trade Effluent; and
MPS 5B	1. Aligning performance standards to the market code	<p>1. The time period within the success criteria has been changed from thirteen (13) BD for activities undertaken by a Wholesaler and sixteen (16) BD for activities undertaken by an Accredited Entity to five (5) BD for I and F reads by a Wholesaler, eight (8) BD for all I and F reads by an Accredited Entity, and two (2) BD for all X and Y reads except for Private Water and Private Trade Effluent Meter Treatment types. Additionally, the time period within the success criteria has been changed from twenty-three (23) BD for I,F,X,Y reads, for Private Water and Private Trade Effluent Meter Treatment types, to ten (10) BD. This new success criteria will replace MPS 5A and MPS 5B.</p>
	2. Only one standard should measure one task	<p>2. A level 3 charge will continue to be applied after thirteen (13) BD for activities undertaken by a Wholesaler and sixteen (16) BD for activities undertaken by an Accredited Entity for Meter Treatment types except Private Water and Private Trade Effluent. Additionally, a level 3 charge will continue to be applied after twenty-three (23) BD for I,F,X,Y reads, for Private Water and Private Trade Effluent Meter Treatment types.</p>
MPS 5C	1. Aligning performance standards to the market code	<p>1. The time period within the success criteria has been changed from thirteen (13) BD to five (5) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 5C and MPS 5D.</p>

Current MPS	Nature of change	Detail
	2. Only one standard should measure one task	2. A level 1 charge will continue to be applied after thirteen (13) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 5D	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from sixty (60) BD to five (5) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 5C and MPS 5D.
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after sixty (60) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 6A	1. Performance standards and charges should not drive perverse behaviours	1. MPS 6A measures timeliness based on when a transaction is received rather than when it is expected. In order to avoid incentivising Wholesalers to not submit meter reads, this standard has been replaced by a Wholesaler version of MPS 8A, which measures performance based on the expected date of meter reads.
	2. Aligning performance standards to the market code	2. The time period within the success criteria (for MPS 8A) has been changed from one hundred and sixty (160) BD to one hundred and forty (140) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 6A. A recurring level 3 charge will be applied every one hundred and sixty (160) BD.
MPS 6B	1. Performance standards and charges should not drive perverse behaviours	1. MPS 6B measures timeliness based on when a transaction is received rather than when it is expected. In order to avoid incentivising Wholesalers to not submit meter reads, this standard has been replaced by a Wholesaler version of MPS 8B, which measures performance based on the expected date of meter reads.
	2. Aligning performance standards to the market code	2. The time period within the success criteria (for MPS 8B) has been changed from forty (40) BD to twenty-five (25) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 6B. A recurring level 3 charge will be applied after every forty (40) BD.

Current MPS	Nature of change	Detail
MPS 7A	1. Aligning performance standards to the market code	1. The SLA for visual or remote transfer reads will be changed in CSD0202 to five (5) BD, to align to the SLA for cyclic reads. The time period within the success criteria has been changed from ten (10) BD to five (5) BD to align with this obligation set out in CSD0202. This new success criteria will replace MPS 7A, MPS 7B and MPS 7C.
	2. Only one standard should measure one task	2. A level 1 charge will continue to be applied after ten (10) BD, however, this will no longer be a separate standard for reporting purposes. Transfer reads and cyclic reads will be measured under two different standards to be able to identify the performance for each read type
MPS 7B	1. Aligning performance standards to the market code	1. The SLA for visual or remote transfer reads will be changed in CSD0202 to five (5) BD, to align to the SLA for cyclic reads. With the alignment of the SLAs in CSD0202, this standard will be removed as there is no reason to apply a separate standard for Regular Cyclic Reads with a Meter Read Method of "Customer".
	2. Only one standard should measure one task	2. A level 1 charge will continue to be applied after ten (10) BD, as set out for MPS 7A. Transfer reads and cyclic reads will be measured under two different standards to be able to identify the performance for each read type
MPS 7C	1. Aligning performance standards to the market code	1. The SLA for visual or remote transfer reads will be changed in CSD0202 to five (5) BD, to align to the SLA for cyclic reads. The time period within the success criteria has been changed from sixty (60) BD to five (5) BD to align with this obligation set out in CSD0202. This new success criteria will replace MPS 7A, MPS 7B and MPS 7C.
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after sixty (60) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 7D	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from five (5) BD to two (2) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 7D and MPS 7E.

Current MPS	Nature of change	Detail
	2. Only one standard should measure one task	2. A level 2 charge will continue to be applied after five (5) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 7E	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from ten (10) BD to two (2) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 7D and MPS 7E.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after ten (10) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 8A	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from one hundred and sixty (160) BD to one hundred and forty (140) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 8A.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after one hundred and sixty (160) BD, however, this will no longer be a separate standard for reporting purposes.
MPS 8B	1. Aligning performance standards to the market code	1. The time period within the success criteria has been changed from forty (40) BD to twenty-five (25) BD to align with the obligation set out in CSD0202. This new success criteria will replace MPS 8B.
	2. Only one standard should measure one task	2. A level 3 charge will continue to be applied after forty (40) BD, however, this will no longer be a separate standard for reporting purposes.