

## Trade Effluent Issues Committee Meeting 04 - Minutes

13<sup>th</sup> February 2018 | 10:30 – 16:00

8 Eastcheap, London, EC3R 8AJ

### MEMBERS PRESENT

Name	Role
Natasha Sinnett	Chair (MOSL)
Zainab Mohammed	Water Operations Lead (MOSL)
Chris Arnold	Market Analyst (MOSL)
Matthew Atkin	Wholesaler
Andrew Stringer	Wholesaler
Mark Needham	Wholesaler
Janet Bulbick	Retailer
Phil Sinclair	Retailer
Tony McHattie	Wholesaler
Patricia Quintana	Wholesaler
Jamie Mack	Retailer
Rob Barker	Retailer
Jamie Mack	Retailer
Evan Joanette	CCWater

### APOLOGIES

Name	Party
Ian Myers	Environment Agency
Carolina Zenklusen	Retailer

## OPEN SESSION

### 1. Welcomes and Introductions

- 1.1 The Chair began the meeting by welcoming the Committee.
- 1.2 The Committee welcomed the newly appointed Trade Effluent Issues Committee (TEIC) member Rob Barker to the meeting.

### 2. Minutes and Actions Update

- 2.1 The presenter gave an update on the status of the actions for the Committee. The following actions were closed.

*TEIC02\_03* - Committee members agreed to conduct a mini workshop to consider the Change Proposal in further detail and bring forward recommendations to the next TEIC meeting.

*TEIC 03\_01* - Update TEIC Terms of Reference and to add an additional paragraph to limit the market auditor's involvement in the Committee to matters relating to the market audit.

*TEIC03\_03* - Liaise with Ofwat to determine if the Open Water website can be used to host the flow chart developed in *TEIC03\_02*.

*TEIC03\_06* - Circulate Jargon Buster draft document of common terminology terms.

*TEIC03\_07* - Revised G/02 form to be circulated to members prior to February TEIC meeting

*TEIC03\_09* - Circulate slides from previous User Forum to Committee Members

*TEIC03\_10* - Contact the proposer of the temporary trade effluent consent form change to discuss whether they would be happy to send the current change proposal out for consultation.

- 2.2 The Committee **AGREED** to publish the minutes from meeting 03 without any amendments.

### 3. PWC – Feedback and Discussion

- 3.1 A representative from the market auditor gave an update. The presenter informed the Committee that the objectives of the presentation were to give an overview of the market audit, the risk assessment approach and the work currently conducted.

- 3.2 The presenter informed the Committee that overall 51 Trading Parties were visited as part of the market audit work and that the 1<sup>st</sup> year market audit work focused primarily on the market terms and the operational terms.
- 3.3 In determining the risk, the auditor weighed views from MOSL, PwC & Trading Parties. The presenter explained that Trading Party views were obtained via a questionnaire. Risks were scored against each area of the WRC and responses indicated that Trade Effluent was a high-risk area.
- 3.4 The presenter highlighted that the first-year audit was risk focused rather than compliance focused.
- 3.5 Audit feedback was discussed. The market auditor representative explained that they reported back to Trading Parties on an individual basis highlighting good practice and individual improvement areas. Committee members were informed that the market wide response will be issued soon.
- 3.6 The Committee were informed that in aggregate the auditor highlighted 127 good practices and 298 findings – 189 of which are market wide issues and 109 are individual to Trading Parties.
- 3.7 The presenter informed members that from the feedback they received Trade Effluent was consistently highlighted as the most difficult and unclear area of the WRC. The following areas were highlighted;
- There has been a drop in the number of trade effluent consent applications
  - The lack of standardization between Wholesaler portals is causing difficulties for Retailers
  - Some Retailers are rejecting short term consents due to the lack of margin
  - Some Retailers lack knowledge of trade effluent is impacting Wholesalers ability to process consents efficiently.
  - NHH customers are finding it difficult and onerous to apply for consents.

It was highlighted that if the above points were not addressed there was a risk that customers may illegally discharge.

- 3.8 The presenter recommended that the TEIC should endeavor to share good practice with Trading Parties.
- 3.9 The Chair expressed the view that the Committee were helping to address all of the primary concerns raised.
- 3.10 Training provisions were discussed. A Committee member highlighted that a lot of training was being undertaken but not enough emphasis was being put on it. The member suggested the establishment of an Open Water training programme might help consolidate and highlight the training taking place across the market. MOSL agreed to liaise with Open Water to discuss.

3.11 Committee members discussed the management of TEIC recommended Change Proposals. The Chair suggested that it might be useful to create a TEIC Change Proposal register to more effectively prioritize changes discussed at the Committee. MOSL agreed to create a register template for review by Committee members at the next meeting and add the Retailer SLA for Process G2 on it.

## TEIC04\_02

3.12 The presenter highlighted that Trading Party feedback indicated that the G/02 – Trade Effluent Discharge Notice is very lengthy, overcomplicated and contains many unnecessary fields for temporary/one-off discharges. The Chair informed the auditor that two change proposals are currently in development to address these concerns.

3.13 The presenter discussed technical issues with the Committee and highlighted feedback that the current CMOS structure does not allow the pairing of a DPID with more than 1 SPID. Additionally, the presenter highlighted that legacy data was still a source of issues for many Trading Parties.

3.14 A Committee member highlighted the need to not duplicate the work of other Committees. The Committee **AGREED** to share actions and minutes with the auditor and the market auditor agreed to share the scoping of the next market audit with the Committee at the appropriate time.

3.15 The timescales relating to the scoping of the next market audit and the implementation of the change proposals for a new G/02 form and the G/03 form for temporary Trade Effluent consents were discussed. A member highlighted that the solution for the G/02 and G/03 will not be implemented until after the next market audit.

## 4. G/02 Amendments

4.1 The presenter informed the Committee that the objective of the session was to agree the changes to the G/02 form.

4.2 The Chair informed the Committee that a specific proposer is needed to forward the change proposal and the proposal cannot be brought forward by the Committee as a whole. Patricia Quintana agreed to be the proposer of the change.

4.3 A Committee member informed members that approximately 75% of customers are self-serving i.e. completing the G/02 form by themselves. Members discussed the appropriate level of detail in the report, it was noted that from the NHH customer perspective having an easy to complete form was key, from a Wholesaler perspective compliance is key.

4.4 The Committee discussed the revised G/02 form. The key points from the discussion are below;

- Committee members discussed reordering the sections on the form so that all the Retailer sections were together. A Committee member expressed the view that whilst there may be costs associated with changing the structure of the form, for most Trading Parties this cost should be relatively minor in comparison to the current costs of resolving issues caused by poor responses of the G/02 form. Members suggested canvassing views on whether the restructuring of the form would be appropriate when the change is consulted upon.
- Committee members agreed all instances of 'should' are to be changed to 'must'
- Committee members agreed all references of please should be removed
- Committee members suggested adding a section to the form informing users that this form is only to be used for consents greater than six months in duration should be added.
- Numerous minor formatting amendments were suggested.

4.5 Individual sections of the form were then discussed and amendments suggested. MOSL agreed to make the required edits and circulate to members for review.

**TEIC04\_03**

4.6 Committee members discussed the need to have an easy to read list of hazardous substances that individuals completing the G/02 form can easily access. MOSL agreed to liaise with the environment agency to determine if anything could be put in place to facilitate this.

**TEIC04\_04**

## 5. Training

5.1 The presenter gave feedback from the survey circulated to attendees of the Trade Effluent training session. The responses indicated that attendees were interested in training sessions on Meter Networks, Establishing Charges and Tariffs, and Trade Effluent Operational Processes. Committee members discussed the need for further sessions on general metering issues and detailed billing scenarios. The Committee **AGREED** to consider a development plan of training in June.

5.2 The Committee discussed the need for clarity on the distinction between what is currently in CMOS and what Trading Parties want in CMOS and the need to appropriately monitor these.

5.3 A member of the Committee suggested that guidance documents should be developed for the G/01 form and the G/03 form (subject to approval).

5.4 A Committee member expressed the view that further controls should be specified for what Trading Parties can and cannot do. The member highlighted that honesty by committee members and the wider Trade Effluent community is key in specifying these controls and when further training is developed.

## 6. Temporary Consents

6.1 Committee members highlighted the need for consistency between the change relating to the revised G/02 form and the G/03 temporary consents change proposal. MOSL agreed to transfer the relevant sections from the updated G/02 form into the G/03 form before raising as a change proposal.

TEIC04\_05

6.2 MOSL agreed to draft consultation questions for the change for review by the Committee.

TEIC04\_06

6.3 The Chair asked Committee members to consider the drafting amendments to the market terms and CSD 0206 that accompanied the G/03 form change proposal circulated to members prior to the meeting. Members agreed that the drafting presented was not sufficient to clearly distinguish that temporary consents were only for discharges of less than 6 months and are to be billed as non-primary charges and 'full' consents were for periods of 6 months and greater and should be charged as primary charges. MOSL agreed to change the drafting to more clearly reflect this as part of TEIC04\_06.

6.4 To meet the agreed deadlines Committee members **AGREED** to hold a short meeting once drafting for the G/02 and G/03 forms were amended so that the change proposal could be sent for industry consultation by the Committee.

## 7. Part G SLA

7.1 The Chair suggested that the Part G SLAs that were agreed to be recommended to the Committee at the previous meeting should be revisited in light of the G/03 temporary consent change proposal. Committee member agreed to discuss this at the next meeting to finalise consultation documentation for the G/03 form.

## 8. Data Issues – Committee Members Feedback

8.1 The Chair asked members for specific data items that were causing issues with Committee members and differentiated these issues from problems with interpretations of the codes and knowledge of CMOS. The Chair expressed the view that the Committee had not raised any issues that satisfied this criterion.

8.2 A Committee member raised the following as potential data issues;

- Multi occupied sites
- Private water meters with domestic allowances
- Limitations of Sewerage Volume Adjustment Method (SVAM) = SUBTRACT to just meters with meter treatment type PRIVATETE.
- Calculated discharge maintenance.

The Chair expressed the view that the above points may be issues, however, they are not data issues as defined in 8.1.

8.3 The Chair informed the Committee that CMOS functionality issues will be discussed at the next Committee meeting. In preparation for the session the Chair requested that Committee members send in practical examples of issues that they were experiencing with Trade Effluent.

**TEIC04\_07**

## 9. AOB

9.1 Natasha Sinnet (NS) made a farewell speech to the Committee, as she will be stepping down as the chair of the Committee before the next meeting and informed members that the new chair will be a representative from MOSL.