

Minutes of Panel Meeting 09

23rd August 2017 | 10:30 – 15:30

Held at ETC Venues, 51-53 Hatton Garden, Clerkenwell, London, EC1N 8HN

Status of the Minutes: Final

MEMBERS PRESENT

Margaret Beels	MBi	Chair	Howard Smith	HS	Panel Member (Wholesaler)
Dan Mason	DM	Affiliated Panel Member (Ofwat)	Dylan Freeman	DF	Panel Member (Wholesaler)
Chris Scoggins	CS	Affiliated Panel Member (MOSL)	Trevor Nelson	TN	Panel Member (Unassociated Retailer)
Elsa Wye	EW	Panel Member (Independent)	Julian Tranter	JT	Alternate Panel Member (Wholesaler)
Helyn Mensah	HM	Panel Member (Independent)	Richard Moore	RMr	Panel Member (Unassociated Retailer)
Nigel Sisman	NSi	Panel Member (Independent)	Christina Blackwell	CB	Affiliated Panel Member (CCWater)
Wendy Monk	WM	Panel Member (Associated Retailer)	Adam Richardson	ARi	Panel Secretary
Mike Brindle	MBr	Panel Member (Associated Retailer)			

OTHER ATTENDEES

Rebecca Mottram	RMt	Presenter (MOSL)	Zainab Mohammed	ZM	Presenter (MOSL)
Abu Rashid	ARa	Presenter (MOSL)	Mihai Ciurba	MC	Presenter (MOSL)
Natasha Sinnet	NS	Observer (MOSL)	Oscar McLaughlin	OMc	Presenter (MOSL)
Antione Schmidt	AS	Observer (Thames Water)	John Vinson	JV	Observer (Alternate Independent Panel Member)

APOLOGIES

Simon Wilshire	Panel Member (Associated Retailer)

1. Welcome and Introductions

Purpose: For Information

- 1.1. The Chair began by welcoming the Panel to its ninth meeting.
- 1.2. The Chair welcomed a new Panel Member, Christina Blackwell of CCWater, who would be joining the Panel as an Affiliated Panel Member, and invited her to introduce herself to the Panel.
- 1.3. The Chair also welcomed Julian Tranter as an Alternate for Mark Holloway.
- 1.4. The Chair requested that if Panel Members cannot attend meetings, they endeavour to send Alternates in their place. If Panel Members were having difficulty with this then they should speak to the secretariat in good time who would do their best to help identify an alternate.

2. Minutes and Outstanding Actions

Purpose: For Decision

2.1. Minutes

- 2.2. MOSL highlighted that no comments were received from Panel Member in advance of the meeting.
- 2.3. The Panel **AGREED** upon the accuracy of the minutes and for the final minutes to be published on the MOSL website.

2.4. Actions

- 2.5. MOSL provided an update with regards to the escalation of the implementation costs for *WRC003: Alignment with draft Exit Regulations implementation costs* as part of closing action A08_07. MOSL stated that when this Change Proposal was raised to Interim Code Panel (ICP) in 2016 as it had been intended to be included in the Post-Vendor Map in 2015, but the ICP did not recommend approval to the Authority in time for this to happen. As the Change Proposal was not included as part of the Post-Vendor Map, the cost for its implementation was an additional charge within CMOS Release 3.0.
- 2.6. The Panel **AGREED** to close actions A07_04, A07_05, A08_01, A08_03, A08_04, A08_05, A08_07, A08_08, A08_09 and A08_11 from previous meetings, based on the update provided by the Chair.

3. Update from Ofwat

Purpose: For Information

- 3.1. Dan Mason from Ofwat provided an update to the Panel.
- 3.2. Six Recommendation Reports were issued to Authority following the July 2017 meeting. Of these, 5 were technical amendments associated with the detailed operation of systems and processes (CPW014-17 and 20). Ofwat stated that its decision regarding these 5 Change Proposal would likely be published at the end of August 2017, with the other non-system affecting Change Proposal (CPW018) decision published by the end of September 2017 or early October 2017.
- 3.3. Ofwat stated that it is considering changes to the application process with regards to self-supply and invited the Panel to provide any views it may have on the process. It also stated that MOSL and Ofwat

were currently working together on a Change Proposal to align the license application process with the Market Entry Assurance Process. This will be submitted to the Panel at a future meeting. Ofwat stated that MOSL and Ofwat were also considering a further Change Proposal with regards to creating a clearly defined process for Urgent Change Proposals.

- 3.4. An issue had been raised with Ofwat by a Trading Party concerning another Trading Party's systems automatically rejecting customer switches for outstanding payment that is not aligned with the definition of bad debt in the code. The Trading Party concerned is aware of the issue and is rectifying the problem, but Ofwat confirmed it is working with MOSL to check this remains an isolated incident.
- 3.5. Ofwat provided an update with regards to the licensing simplification project, and noted that the project is still ongoing and has not yet gone out for consultation.
- 3.6. Ofwat confirmed that it is still considering holding a credit workshop but wanted it to be worthwhile and useful. It invited Panel Members to provide views on the issues that such a workshop should cover. Ofwat confirmed that the workshop will seek to provide clarity with Trading Parties in relation to interpretation of the codes.
- 3.7. A Panel Member requested Ofwat clarified a point raised at a previous Panel meeting with regards to price transparency. Ofwat stated there is an issue with customers engaging the water market as it is often difficult to consider the different services offered by Retailers. The purpose of the price transparency project is to engage with the water industry and seek to address this issue.
- 3.8. The Panel **NOTED** the presentation from Ofwat.

4. Update from MOSL

Purpose: For Information

- 4.1. Chris Scoggins Chief Executive of MOSL provided an update on the key activities at MOSL since the previous Panel meeting.
- 4.2. The board nominations process for the Wholesaler representative has commenced and further updates will be provided in due course. The Retailer nomination will be discussed under item 6.
- 4.3. MOSL provided an update with regards to MOSL's strategic review. The purpose of the review was to ensure that members' priorities are being addressed in the development of MOSL's business plan and budget. MOSL also stated that it will be requesting feedback from member company CEOs with regards to MOSL's performance within the first few months of market operation, as well as asking how MOSL can add value to member companies and their end customers.
- 4.4. It was noted that MOSL had published its first quarterly market report on 3rd August 2017 which reflected the first three months of the non-household retail market, including market activity, emerging market issues and the changes considered by the Panel.
- 4.5. MOSL confirmed that CMOS Release 3.0 is due for deployment into MPS2 on 2nd September 2017 and then into the production environment later that month.

- 4.6. MOSL also confirmed that the new User Forum will have its first meeting on 14th September 2017 and every month thereafter. The platform will be available to all Trading Parties that wish to discuss relevant updates and will likely focus on market issues as they arise.
- 4.7. It was noted that following feedback of the Market Performance Committee, MOSL had published a policy on what data will be published and guidelines for publishing data, which was now available on the MOSL website.
- 4.8. A Panel Member raised a question with regards to Supply Point switching and queried whether the size of each customer could be determined from analysis of the market data. An action was raised for MOSL to analyse the data in the Market Dataset and present its findings to the Panel at a future date.

ACTION 09_01

- 4.9. MOSL also announced that three new Trading Parties had entered the market on 10th August 2017, following acceptance of their membership by MOSL and MOSL's execution of their Accession Agreement. The Trading Parties are: Icosa Water Services (Wholesale), Icosa Water Services (Retail) and Cambrian Utilities.
- 4.10. The Panel **NOTED** the presentation from MOSL.

5. Change Report

Purpose: For Information

- 5.1. MOSL provided a monthly update to the Panel on the status and progress of current in-flight Change Proposals and highlighted the key changes to the report since the previous meeting, including the addition of the new Gantt Chart in Appendix 1. MOSL stated that the purpose of this Gantt Chart was to simplify the Change Report and allow its users to fully understand how long each in-flight Change Proposal had been in each stage of the Change Process and offer a forward view of change.
- 5.2. The Panel requested that a further breakdown of costs associated to the assessment and implementation of changes be included in the report for future releases, as well as Change Proposal names being displayed alongside the relevant Change Proposal references in Appendix 2.

ACTION 09_02

- 5.3. The Panel **NOTED** the contents of this paper.

6. Draft Recommendation Report: CPM004 – Board Nomination Process Extension

Purpose: For Decision

- 6.1. MOSL provided an overview of Change Proposal CPM004. This proposal sought to extend the board nomination process from six (6) months to twelve (12) months.

The Chair stated that this Change Proposal would simply extend the nomination period for a Retailer Member to the Board, while further legal advice is sought on the conflict between the obligations set

out in MOSL's Articles of Association and the Market Arrangements Code (MAC). This may require several months to complete. This Change Proposal would allow more time for a solution to be devised.

- 6.1 The Chair further stated that without this change, failure to complete the nomination by 30 September would constitute a breach of the MAC.
- 6.2 A Panel Member questioned whether the MAC could be amended to align with the provisions of the Articles of Association. The Chair stated that this may be a possible solution and would be discussed when obtaining the additional legal advice.
- 6.3 The Panel
 - Unanimously **AGREED** to recommend the implementation of CPM004 to the Authority for approval; and
 - Unanimously **AGREED** to recommend to the Authority the implementation date on:
 - 15th September 2017 if Authority approval is received by 8th September 2017; or
 - 3 Working Days after the Authority approval, if received after 8th September 2017.

7. Initial Written Assessment: CPM003 – Revised MIMP Committee Composition

Purpose: For Decision

- 7.1. MOSL presented the case for the CPM003. This proposal sought to rework the provisions of the Market Incident Management Plan (MIMP) Committee as specified in Schedule 11 of the MAC in order to better suit the requirements of running a market incident. In particular, the Change Proposal sought to introduce a subgroup of the Committee, which would be delegated responsibility to manage a market incident.
- 7.2. The Chair suggested that each market incident may be different and that the composition of the subgroup needs to be flexible to ensure the subgroup members have the correct specialist knowledge to manage the incident.
- 7.3. A Panel Member stated that the transparency of the interactions between the subgroup and MOSL was not made clear in the change. MOSL clarified that this information would be specified in the MIMP Committee Terms of Reference (ToR), which would be published outside of the MAC. This would enable the Panel to amend the ToR as it sees fit.
- 7.4. A Panel Member questioned the wording of the Change Proposal and stated that the Panel was not delegating authority to the subgroup, but rather defining a structure for the subgroup.
- 7.5. A Panel Member stated that it was difficult to agree to the ToR for the subgroup before the Change Proposal is sent out for consultation. However, the draft ToR was useful for Panel Members to understand the purpose and structure of the Committee.
- 7.6. The Panel raised concerns with certain parts of the proposed amendments to Schedule 11 of the MAC, in particular paragraphs 5 and 7. The Panel requested that paragraph 5 be amended to, "The Panel

shall determine terms of reference for the Market Incident Management Plan Committee *and any subgroup*. The terms of reference shall include provisions regarding the membership of the Committee.” and that the final sentence in paragraph 7, “Such sub-group shall be comprised of no more than three (3) Trading Party members, who shall be appointed by the Market Incident Management Plan Committee.” be omitted.

- 7.7. The Panel agreed that CPM003 should be submitted for Industry Consultation subject to minor amendments to the drafting as highlighted above alongside a consultation note that outlines the high-level principles by which the MIMP Committee and its subgroup will operate.
- 7.8. The Panel **AGREED** to submit CPM003 for Industry Consultation.

8. Assessment Update: CPW019 – Alternative Eligible Credit Support

Purpose: For Information

- 8.1. MOSL provided a verbal update that set out the progress of the assessment of the change which proposes to clarify the range of alternative eligible credit options.
- 8.2. MOSL stated that Trading Parties seemed to be observing the progress of CPW019 and what the Panel ultimately chooses to do, before making any business decisions. It was also noted that an informative piece regarding insurance is being drafted by insurance experts and will be circulated to the Panel as part of the assessment pack to be considered at a future Panel meeting.
- 8.3. The Panel Secretariat stated that an appropriate way forward would be for the Proposer of CPW019 to clarify exactly what the issue is they are trying to resolve, but it may take time to gain absolute clarity of the nature of the change. The Panel Secretariat suggested that the Proposer be given an opportunity to amend the Change Proposal and make its purpose and objectives clearer. It was also noted that the Proposer had asked that the Change Proposal be assessed by a Working Group.
- 8.4. Panel Members stated that they were minded not to progress the change to Working Group as MOSL was already conducting assessment work which would be shared at a future meeting.
- 8.5. The Authority stated that an opportunity should be given to the Proposer to fully clarify the intent of CPW019, before the September 2017 meeting.
- 8.6. Panel Members discussed whether the Change Proposal should be submitted for Industry Consultation, with some Panel Members stating that they had concerns with consulting about specific red-lining. Other Panel Members stated that, if CPW019 is not consulted on, there should be a clear basis and reasonable justification as to why not.
- 8.7. An Observer felt that the Panel do not need to consult on every change that is submitted to it, as Panel Members were appointed as representatives of the industry. The Observer felt that a Change Proposal should only be consulted on if the Panel cannot agree amongst themselves the way forward.
- 8.8. The Chair stated that the process of consultation is to inform the Panel on wider industry views on a proposed change. The Chair suggested an approach whereby the Proposer would be invited to submit a revised Change Proposal, and to make clear the intent and purpose behind it.

- 8.9. The Panel Secretariat further advised that due to the commercial impacts on Trading Parties proposed by this Change Proposal this change may benefit from being consulted on with industry.
- 8.10. The Panel agreed to hold an extraordinary Panel teleconference meeting on 7th September 2017 at 13:30. The sole topic of discussion at this meeting will be to determine the next stage of the process for CPW019, such as whether an Industry Consultation should be issued, in advance of the September Panel meeting when a decision would be made.
- 8.11. The Panel **NOTED** the verbal update.
- 8.12. The Panel **AGREED** to hold a teleconference meeting on 7th September 2017 to discuss CPW019.

9. Draft Recommendation Report: CPW012 – Flags on D1 Settlement

Purpose: For Decision

- 9.1. MOSL presented an overview of Change Proposal CPW012 that sought to add flags in the disaggregated report part 1 of the settlement reports which would clarify which estimation method was used to calculate estimated volume.
- 9.2. MOSL provided a summary of the results of the Industry Consultation that was issued on 29th June 2017 and highlighted that in total, 8 responses (6 Wholesalers and 2 Retailer) had been received.
- 9.3. MOSL advised that the central systems implementation costs had been received from the Detailed Impact Assessment from its Service Provider, CGI. The cost of implementing CPW012 would be £108,600.
- 9.4. MOSL invited Panel Members to consider whether CPW012 should be recommended to the Authority for approval or rejection, based on the concerns raised by Trading Parties and the high costs associated to implementation of the change.
- 9.5. Panel Members questioned the need for this change and stated that, although CPW012 was a change which would increase usability of the settlement reports, it was not a priority and that Panel Members needed to base their decision on the costs and benefits associated with the change, and the level of support from Trading Parties.
- 9.6. Panel Members discussed that given the costs of implementing CPW012 in CMOS, alongside the additional costs for Trading Parties to align their own systems, they would not be in support of recommending the Change Proposal to the Authority.
- 9.7. The Panel Secretariat reminded the Panel that it must consider the Objectives and Principles of the Wholesale Retail Code (WRC) when making its recommendation to the Authority.
- 9.8. The Panel stated that the proportionality, simplicity and cost effectiveness Principles of the WRC were adversely affected by this Change Proposal. However, the Panel agreed that if a further change was raised in the future related to settlement reporting, then CPW012 could be reconsidered by the Panel to bundle in with the other Change Proposal.
- 9.9. A Panel Member suggested whether the Proposer could pay the implementation costs of CPW012, thus increasing the cost effectiveness of the Change Proposal. It was stated that this idea would be

conveyed to the Proposer and that it was their decision on whether they would approach the Panel with another Change Proposal (similar to CPW012) but one which they would fund the implementation costs of.

- 9.10. The Panel unanimously **AGREED** to recommend CPW012 to the Authority for rejection.
- 9.11. If the Authority decided to approve CPW012, the Panel unanimously **AGREED** to recommend to the Authority the implementation date of:
- 3rd March 2018 if Authority approval is received by 31st October 2017; or
 - September 2018 if Authority approval is received after 31st October 2017.

10. Draft Recommendation Report: CPW013 – Meter Reading Validation

Purpose: For Decision

- 10.1. MOSL presented an overview of Change Proposal, which sought to amend the volume validation tests in CMOS, as outlined in CSD 0203: Meter Read Submission: Validation.
- 10.2. MOSL provided a summary of the assessment of the Change Proposal conducted by its Working Group and summarised the responses received in the Working Group consultation. It was noted that in total, 10 responses were received (6 Wholesalers and 4 Retailers).
- 10.3. MOSL highlighted that the Service Provider, CGI, had estimated the cost of implementation of the change to be in the range of medium to high (£50k-100K).
- 10.4. A Panel Member questioned the effect of the change on data quality, as this had been a concern stated by Trading Parties in the consultation responses.
- 10.5. A Panel Member stated that the paper did not draw out the case for validation. MOSL highlighted the analysis pieces that had been conducted and observed that some reads in the central databases could only have been inserted if they have been forced in as re-reads, i.e. they had initially failed the volume validation tests.
- 10.6. A Panel Member questioned the large number of cases where no water consumption took place in occupied premises and stated that they would like to see more evidence of this happening to validate the authenticity.
- 10.7. MOSL highlighted that the solution proposed meant that Trading Parties will have fewer rejected reads to validate and therefore could potentially investigate the rejections more efficiently. It was noted that the solution could be reversed to current configuration if it was deemed bad data was easily entering the central databases.
- 10.8. A Panel Member highlighted that a better solution could be to improve the upstream process when collecting reads and re-reads, rather than the solution proposed.
- 10.9. A Panel Member stated that they were not comfortable with relaxation of the validation rules so early on the market.

- 10.10. The Chair highlighted that it may be worth the investment to add flexibility into the system to flex the validation rules. The Panel Secretary highlighted that the Panel could amend the solution to make it configurable.
- 10.11. A Panel Member questioned why the views of the Panel had changed since the first time the proposal was submitted to the Panel; at that time, Panel Members were in support of the change. A Panel Member responded stating that a strong enough case for the change had not been made in the Draft Recommendation Report.
- 10.12. It was highlighted that from a transition point of view the rejection rates in Scotland are very similar. Panel Members questioned why 27-29% of rejection rates was acceptable.
- 10.13. MOSL stated that discussions at the Working Group were that Trading Parties should have already conducted their own checks before submitting readings to CMOS; therefore, the proposed change offers a more intelligent approach to validation and ensures that those reads which have been rejected by CMOS can be investigated properly.
- 10.14. Panel Members discussed the option of making the solution configurable so that the validation tests could be amended or reverted to the original tests without a need for a code change.
- 10.15. The Panel agreed to lift the validation tests out of CSD 0203 completely, with a paragraph in the code document describing the tests and their location.
- 10.16. The Panel also agreed that monitoring should be carried out by the Market Performance Committee (MPC) over the next 4-5 months and if there are any concerns identified in the monitoring piece, then the MPC should report back with any proposed validation parameter reconfiguration.

ACTION 09_03

- 10.17. The Panel agreed that the parameters included in the CPW013 Draft Recommendation Report would be the defaults to apply at first implementation should the monitoring work conducted by the MPC not conclude any alternative be implemented under the proposed governance.
- 10.18. The Panel **AGREED** to recommend the implementation of CPW013 to the Authority for approval – subject to amendments in the way the solution is reflected in the market codes, and on agreement to revisit tolerances applied in the meter reading validation tests before the change is implemented; and
- 10.19. The Panel **AGREED** to recommend to the Authority the implementation date of:
- 3rd March 2018 if Authority approval is received by 31st October 2017; and
 - September 2018 if Authority approval is received by 30th April 2018.

11. SPID Versioning

Purpose: For Decision

- 11.1. MOSL presented the paper for “SPID versioning” that set out the concept identified its current implementation in CMOS and set out options which are available as a consequence of CMOS not fully supporting different versions of a SPID.

- 11.2. A Panel Member questioned why SPID versioning existed and why a SPID could simply not be 'un-deregistered'. MOSL stated that this functionality is not supported in CMOS, as there is a risk of data corruption if 'un-deregistration' was allowed.
- 11.3. A Panel Member questioned why SPID versioning was not fully supported if it is specified in the codes. MOSL stated that there are no actual requirement for SPID versioning in the codes and therefore the functionality had not been encompassed in the development undertaken by CGI.
- 11.4. A Panel Member stated that they are currently facing issues pairing to Water Only Companies (WOCs) and that if SPID versioning is not fully implemented, there will be more operational issues.
- 11.5. A Panel Member queried the cost of implementing SPID version fully into CMOS. MOSL stated that it was difficult to quantify at this stage, as there are many other costs which are not directly related to SPID versioning but would need to be considered if it was implemented.
- 11.6. Panel Members questioned whether 'un-deregistering' a SPID could be an alternative, less costly solution to SPID versioning. MOSL stated that it plans to discuss SPID versioning at the next Operations and Release Working Group (ORWG) meeting, which is scheduled for 12th September 2017, and will return to present an update to the Panel at a future Panel meeting.
- 11.7. A Panel Member requested MOSL investigate the background and intent behind SPID versioning.

ACTION 09_04

- 11.8. The Panel **NOTED** the presentation from MOSL.
- 11.9. The Panel **AGREED** the proposed way forward.

12. Trade Effluent Issues Committee Terms of Reference

Purpose: For Decision

- 12.1. MOSL presented a case for a Trade Effluent Issues Committee (TEIC) to be established, as well as the TEIC Terms of Reference (ToR).
- 12.2. MOSL stated that a number of Trade Effluent issues had been identified following market Go-Live and that there was a need to set up an expert group of both Wholesalers and Retailers to look at market facing issues in the first year of the open market. MOSL further stated that it was likely there would additional areas of work that may be discovered as the market develops.
- 12.3. A Panel Member stated that there are known issues in the market and there have been some customer complaints with regards Trade Effluent services, including temporary consents. Another Panel Member highlighted that Trade Effluent is a very specialist area and it would be beneficial to set up a time-limited group of specialists to tackle Trade Effluent related issues as they arise. The CC Water affiliated member noted that CC Water had received complaints about the arrangements for handling Trade Effluent post market opening.
- 12.4. A Panel Member questioned whether the Committee could be time-limited to 12 months. The Chair stated that the Panel could extend the period of the Committee as it saw fit.

- 12.5. Panel Members discussed the TEIC ToR and suggested that the table in section 1 of the ToR be omitted and replaced with a paragraph outlining the 12-month lifecycle of the Committee.
- 12.6. The Panel agreed in principle to the set-up of the Committee, and requested a revised ToR be brought to the September 2017 meeting. In addition, the Committee should provide a report to the November 2017 Panel meeting setting out its approach and proposed work plan. The Panel also suggested that the Committee draw up a list of issues it will endeavour to address in its tenure to provide in its November 2017 update.
- 12.7. The Panel requested that MOSL returns to the September 2017 Panel meeting with an amended version of the TEIC ToR, as well as an update on the nominations received for the Committee.
- 12.8. The Panel **AGREED** the contents of this paper, subject to some minor amendments.
- 12.9. The Panel **AGREED** to set up a Trade Effluent Issues Committee and publish on the MOSL website.

13. Panel 3-Month Review of Working Practices – Summary of Feedback

Purpose: For Discussion

- 13.1. The Panel Secretariat thanked members of the Panel who had provided feedback to the Panel 3-month review.
- 13.2. As the meeting was short on time, the Chair suggested that this agenda item be deferred to the next Panel meeting.
- 13.3. The Panel Secretariat raised the issue of submitting Panel papers 10 Business Days before Panel meetings, and suggested that the Panel consider revising this timescale to 5 Business Days as it would be more workable in relation to completing actions from the previous Panel meeting.
- 13.4. The Chair invited the Panel Secretariat to put forward alternative arrangements for the Panel paper day.
- 13.5. The Panel **DEFERRED** discussion of the presentation to the September 2017 Panel meeting.

14. Monthly Committee Updates

Purpose: For Information

- 14.1. This paper set out monthly updates on the activities of the Panel Committees since the July 2017 Panel meeting. Additionally, the Chair invited each of the Chairs of the Panel Committees to provide an update on their respective Committees.
- 14.2. The Chair of the Market Performance Committee (MPC) stated that the focus of the group over the coming months was the review of the Market Performance Standards and that work is proceeding, albeit somewhat behind schedule. The Chair stated that the Committee will submit a paper to the Panel at the September Panel meeting, containing information on how it will conduct its review of performance standards as well as request the Panel to delegate responsibility to the Committee to conduct the consultation for a Change Proposal that it is currently working on, in order to submit a further paper to the Panel in December 2017.

- 14.3. The Chair of the Trading Disputes Committee (TDC) provided an update on the previous discussions that took place at the July 2017 TDC meeting, as the August 2017 TDC meeting had been cancelled due to no Trading Disputes being raised. The Chair stated that a statement regarding what the codes state in relation to the transfer of liability in Supply Point transfer had been published on MOSL's website. A small change was sought to the TDC terms of reference in relation to conflict of interest, adding another circumstance.
- 14.4. The Chair of the GDPR Issues Committee informed the Panel that the Committee is continuing work on the proposed solution and that the lawyers have raised several matters for further consideration by the Committee. The Chair stated that the Committee will request to consult on the proposed solution before the end of November 2017.
- 14.5. The Panel **NOTED** the contents of the paper, notably with regards to the need to find replacement TDC and MPC Members.
- 14.6. The Panel **AGREED** to the amendment made to the TDC Terms of Reference, as set out in Appendix A of the paper.

15. Industry Technology Committee

Purpose: For Information

- 15.1. As the meeting was short on time, the Chair suggested that this agenda item be deferred.
- 15.2. The Panel **DEFERRED** discussion of the presentation to a future Panel meeting.

16. Market Risk Assessment and Audit update from the Market Auditor

Purpose: For Information

- 16.1. This verbal presentation from the Market Auditor summarised the feedback from the Trading Party survey which was being undertaken by the auditor, as well as a review of the processes behind its market risk assessment and profiling.
- 16.2. The Market Auditor highlighted the fact that every Trading Party had responded to the questionnaire, with a total count of 52 Trading Parties. Analysis of the responses revealed three main themes prevalent across all responses. These were: risks to data quality, bilateral processes and clarity in industry processes.
- 16.3. The Market Auditor observed that the majority of Trading Parties were making conscious decisions to reduce risk to their processes. Another key result was that Trade Effluent processes was an area that required a high level of change from most Trading Parties in order to be compliant with the Operational Terms. Thus, Trade Effluent scored highly on the risk assessment conducted by the Auditor.
- 16.4. The Market Auditor stated that these key areas are being used to guide discussions when it conducts site visits and that their audit will distinguish between company level issues and market wide issues. The Auditor also stated that other themes can be drawn from its reports, such as Trading Parties believing certain areas of the code could be improved or radically altered.

16.5. The Market Auditor stated that its Trading Party site visits were underway and would be completed by mid-October. It suggested that it may be helpful for it to return to the October 2017 Panel meeting to present further findings.

16.6. The Panel **NOTED** the presentation.

17. Any Other Business (AOB)

Purpose: For Information/Decision

17.1. There was no further business and the Chair closed the meeting.

Actions:

A09_01: MOSL to analyse the data in the Market Dataset with regards to size of customers in switching and present its findings to the Panel at a future date.

A09_02: MOSL to provide a further breakdown of costs associated to the assessment and implementation of changes in the Change Report, as well as Change Proposal names to be displayed alongside the relevant Change Proposal references.

A09_03: MPC to carry out a monitoring behaviour piece over the next 4-5 months a subsequent report with any parameter reconfiguration if concerns are raised.

A09_04: MOSL to investigate the true background and intent behind SPID versioning.

The next Panel meeting is scheduled for: **26th September, 10:30 – 15:30, at:
Holborn Bars, Holborn, London, EC1N 2NQ**

The nearest tube stations are Chancery Lane, Farringdon and Holborn.