



Gap Site Incentive Scheme

Table of Contents

Purpose.....	3
Key principles	3
Responsibilities	3
Procedure	3
Challenging a payment.....	4
Erroneous applications.....	5
Duplicate applications	5
Year one allowance.....	5
Further information.....	6
Nomenclature	6
Definitions.....	6

Purpose

In response to Ofwat's directives and as part of our PR19 commitment we have introduced a gap site incentive scheme which will enable us to accurately account for consumption and continually improve data in the non-household market.

The following guidance provides supplementary information about the gap site incentive scheme documented in our Wholesale Tariff Document and Wholesale Service Offering. These arrangements apply where we offer a financial incentive in relation to gap sites that are identified by you, and you seek to claim an incentive payment in respect of the successful registration of that gap site in the market.

Key principles

- This scheme will be compliant and consistent with the Gap Site Incentive Scheme published on the MOSL website.
- Charges must be fair, transparent and effectively communicated to our stakeholders.
- Charges must not show undue preference or undue discrimination to any stakeholder.

Responsibilities

We will review this scheme annually at a minimum and in line with any changes that may be made to the Gap Site Incentive Scheme Guide published on the MOSL website and/or the market codes.

Procedure

To participate in our gap site incentive scheme you must be eligible. For information regarding eligibility as well as any restrictions, please refer to our Wholesale Service Offering where this is explained in detail.

When submitting your application under the C3 process you must complete all mandatory fields. Where you are unable to do so, you must explain the reason(s) why. If we do not receive all mandatory information to process your application successfully, or substantive reasoning explaining why mandatory information has not been provided, we will defer the application for 10 business days to request this information from you. If you do not provide this information and the permitted deferral period has elapsed the case will be rejected. We will then treat this as a wholesaler led gap site application and allocate the SPID(s) to you. You will therefore not be able to resubmit the original application and we will not make any initial payment or other allowances to you.

In addition to the above, we require further information to support your application dependent on whether the site is metered or unmetered. This is detailed below.

Supply	Data Item	Requirement
Metered	Meter serial number	Mandatory
	Meter reading	Mandatory

	Meter read date	Mandatory
	Meter location notes	Mandatory
	Meter GIS X & Y co-ordinates	Mandatory
	Date and timestamped photographs	Mandatory
	Meter manufacturer	Optional but preferred
	Meter size	Optional but preferred
Unmetered	How you have determined the supply is not metered	Mandatory
	Possible meter installation location	Optional but preferred
	Nature of the business	Mandatory
	Number of full-time employees	Mandatory
	Date and timestamped photographs	Mandatory

For the meter location notes, we ask that this is provided in line with the [RWG Standardising Meter Location Free Descriptor Good Practice Guide](#). Examples of preferred photos include but are not limited to showing the meter face with the meter serial number and a legible read, and where the meter pit is in context of the surroundings. We strongly encourage you to provide any other supplementary information found during your investigation. The photographs and supplementary information should be supplied as an attachment when submitting the C3.

In situations where any of the above cannot be provided we request that you provide reasoning on why it can't be provided. We will then review our internal systems to seek the missing information. Where this information cannot be located or where we require further information from you, we will defer the application for 10 business days and state what information we need and why. If you do not provide this information and the permitted deferral period has elapsed the case will be rejected. We will then treat this as a wholesaler led gap site application and allocate the SPID(s) to you. You will therefore not be able to resubmit the original application and we will not make any initial payment or other allowances to you.

If you are making an application for a site with an unmeasured supply, examples of a preferred photo include but are not limited to, showing the premise and providing evidence of the address. Where you have found that it can be metered, please share the possible meter installation location with us in your attached evidence. Where you are unable to confirm if the site can be metered, we will undertake a survey to confirm whether a meter can be installed in line with our [Metering Policy](#). If we are unable to install a meter then we will proceed with the process and place the SPID(s) on one of our Business Assessed tariffs detailed in our [Wholesale Tariff Document](#). Should any investigations find that the site is metered, we may recoup some or all payments made to you in accordance with this scheme.

Challenging a payment

If you wish to challenge the initial payment received, you must do so within 10 business days. We will respond to your challenge within 10 business days resulting in one of two possible outcomes, the original payment is correct and will stand, or we support your challenge and will

calculate and make a revised initial payment to you in accordance with the terms of the scheme in our Wholesale Service Offering.

If you wish to challenge the year one allowance, you must do so within 10 business days of receiving notification of the allowance. We will respond to your challenge within 10 business days resulting in one of two possible outcomes, the original allowance is correct and will stand, or we support your challenge and will calculate and make a revised year one allowance to you in accordance with the terms of the scheme in our Wholesale Service Offering.

Erroneous applications

We consider an application erroneous where we can clearly identify the premises as being registered in Central Market Operator System (CMOS) without the need to perform a site visit. You must perform your due diligence and research prior to applying for a gap site incentive. If we then recognise this to be erroneous, we may charge a fee for the administration costs we have incurred in dealing with this application.

Duplicate applications

An application is considered a duplicate when either another retailer has already applied or we have already identified the site through our wholesaler led process. Where we receive duplicate applications from retailers for the same potential gap site, we will only make an initial payment to the first successful request made.

We will publish our duplicate register on the MOSL SharePoint facility which will display all the gap sites in progress including wholesaler led and those submitted by other retailers. This will be updated once a week to ensure transparency and accuracy.

In the unlikely event that your application is found to be a duplicate of an application that has been missed from the duplicate register, we will honour the initial payment but we will not provide a year one allowance to you.

Year one allowance

We will apply a 50% allowance against your first year's water and/or wastewater primary charges minus the value of the initial payment, this will be subject to the conditions outlined in our Wholesale Service Offering. This will include VAT where applicable and will be managed in accordance with HMRC guidelines. Where you fail to meet any of the conditions you may not receive the year one allowance, or you may only receive a partial allowance depending on the circumstances and the outcome of any investigation we have undertaken on each individual application.

If at any stage, we identify any intentional erroneous behaviour which influences the year one allowance transaction to you, we will investigate further, and we will recover from you part or all of the year one allowance where applicable.

If we identify a supply point which has been previously deregistered in error from the market, this will not be deemed an eligible gap site under this policy if recognised within 40 business days of the erroneous deregistration.

Where a premises has successfully been identified as a gap site but is flagged in the market as vacant, you will be entitled to the initial payment, but we will not make an allowance payment based upon volumetric usage of water and/or wastewater.

Where the year one allowance is due and the amount of the allowance is less than or equal to the initial payment that we have made to you, we will not provide an allowance.

When we calculate the year one allowance, we will deduct any other outstanding allowance(s) that have been issued or that you may be due for the associated 12-month period. If we receive a request for a further allowance(s) from you after the initial 12-month period but relating to the previous qualifying 12 months, we will review this and either proceed with the allowance or reject this on the basis we have already provided you with this within the year one allowance payment. We will also review on a case by case basis any specific adjustments that need to be made that may have an impact on the year one allowance being granted.

For any gap site application that involves the use of water for building works, this will not qualify for the year one allowance payment.

Further information

If you have a concern about any issues relating to our gap site incentive scheme performance or management arrangements, or you have a question about this scheme you can contact the Contracts & Account Management team.

Nomenclature

- Where the word 'you' is used this in reference to our stakeholders.
- Where the word 'we' or 'us' is used this in reference to TWUL Wholesale Market Services.

Definitions

- **Wholesale Service Offering** - Setting out the operational arrangements between TWUL
- Wholesale and licensed retailers in connection with the provision of water and wastewater services.
- **Central Market Operator System** – The central information database and charges engine operated by the market operator MOSL.
- **Wholesale Tariff Document** – The document required under the Wholesale-Retail Code that contains all the pertinent information for our primary charges, non-primary charges and any associated terms and conditions.
- **Wholesale Retail Code** – The code of that name issued by the Authority under sections 66DA and 117F of the Water Industry Act 1991 including, without limitation, the Wholesale Contract, the Business Terms, the Operational Terms and the Market Terms and any Approved Change from time to time

- **C3** – Application in respect of Gap Sites proposed by the Retailer.
- **Retailer Wholesaler Group Gap Site Incentive Scheme Good Practice Guide** – Sets out the arrangements which apply where the Wholesaler offers a financial incentive in relation to gap sites that are identified by the Retailer and that Retailer seeks to claim an incentive payment in respect of the successful registration of that gap site in the market.
- **Allowance** – A volumetric adjustment applied to the measured consumption of your customer to reduce the chargeable volume for water and/or wastewater services due to firefighting, leakage, non-return to sewer or not having surface water feeding to sewer.
- **Building Works** – Refers to any renovation works to any existing premise which is already connected to the water and sewer systems, or for new builds/building sites where there may be an existing connection, or which may require an additional connection, but the premises are not yet metered.