

Paul Newman

Subject: Response to consultation

Dear Consultation Team,

With reference to the invitation for comments and views on the Electricity Distribution Price Control Review, Initial consultation document published on 28 Mar 2008, Siemens Metering Services has the following response.

Declaration of interest:

SES is a leading independent (ie not owned by a utility) provider of metering services, covering millions of homes on behalf of all of major Suppliers in UK. The experience gained by knocking on 120,000 doors every day together with Siemens' outstanding strengths as a technology leader places us as an enthusiastic supporter of smart metering and a strong believer in the ability of the open competitive market to provide high-quality solutions at the lowest cost.

Comments:

SES notes Ofgem's assertion in section 2.44 that it is "committed to a competitive market for metering in which each energy supplier decides on the metering arrangements to make on behalf of its customers", that Ofgem "does not consider that regulatory arrangements should be designed to encourage DNOs to play a role in delivering smart meters" and that the extent of their involvement should be governed by their success in competing against other meter operators". SES strongly supports this general approach and is confident that it will continue to drive better prices, improved service, and new technology into the energy market.

SES believes equally strongly therefore that the metering needs of energy suppliers should be regularly and fairly tendered, and should not devolved through grey channels to sister organisations within the same trading groups, which might give the appearance that the one-sided guarantee of local baseload business was distorting regional markets in energy services to competing suppliers.

Martin Pollock
Marketing Director
Siemens Energy Services
Woodyard Lane, off Lambourne Drive
Wollaton, Nottingham NG8 1GB United Kingdom