



Response to Ofgem's consultation on Proposed licence modifications regarding the Switching Programme and Retail Code Consolidation

KEY POINTS

- We do not agree with the proposed, revised definition of "Metering Point" in the electricity distribution licence to reference a "unique account within the industry agreed registration system" because a "Metering Point" is a physical and electrical location (normally at the boundary of the distribution system and the customer's installation) and can only be changed through physical electrical work on site.
- Except for the point made above, we agree with the proposed modifications to the standard conditions of the electricity distribution licence.

Responses to consultation questions

Q3.1. Do you agree with the proposed standard licence condition modifications as drafted in Appendix 5 for the Electricity Distribution Licence?

1. We agree with the proposed licence modifications as drafted in Appendix 5 for the electricity distribution licence, except for the proposed, revised definition of “Metering Point”, which we address in our response to Q3.3.

Q3.2. Do you agree with the proposed standard licence condition modifications as drafted in Appendix 6 (a-d) for the Gas Transporter Licence?

2. We have no comments on this question as it is for the Gas Transporters.

Q3.3 Do you think the change to the definition of Metering Point to remove direct reference to the codes is suitable, and do you consider there to be any risks or unintended consequences that we should take into account for our decision?

3. We do not agree with the proposed, revised definition of “Metering Point” in the electricity distribution licence to reference a “unique account within the industry agreed registration system” because a “Metering Point” is a physical and electrical location (normally at the boundary of the distribution system and the customer’s installation) and can only be changed through physical electrical work on site.
4. Some examples of the use of “Metering Point” (emphasis added) that demonstrate that a “Metering Point” is a physical location are:
 - The definition of “Metering Point” in the electricity distribution licence includes the words “the point ... **at which a supply of electricity taken into or conveyed from the licensee’s Distribution System:** (a) is or is intended to be measured...” i.e. at a physical location;
 - “Metering Point” is used in the definition of “Designated Properties” in paragraphs 13A.6 (b) and (c) of Standard Licence Condition 13A of the electricity distribution licence by stating “...**and the Metering Point is located at the same substation**” i.e. at a physical location;
 - Appendix A to Standard Licence Condition 18 of the electricity distribution licence states, in paragraph A2, that the Metering Point Administration Service includes the service of maintaining a register that includes “the identity of the Electricity Supplier responsible under the Balancing and Settlement Code **for the Metering Point at such premises**” i.e. at a physical location;
 - The examples of Metering Points given in Schedule 8 to the Master Registration Agreement are predicated on the Metering Point being located in a premises i.e. at a physical location;
 - The definition of “Metering Point” in the Distribution Connection and Use of System Agreement includes the same words as the definition in the electricity distribution licence noted above so also relates to a physical location; and

- The definition of “De-energisation Works in the Distribution Connection and Use of System Agreement is **“(a) the movement of any switch, (b) the removal of any fuse or meter; or (c) the taking of any other physical works, to De-energise a ... Metering Point”** i.e. a “unique account within the industry agreed registration system” cannot be subject to physical works to de-energise it.

5. Consequently, we do not think the change to the definition of “Metering Point” to remove direct reference to the codes is suitable, as drafted.
6. We believe that direct reference to the codes is suitable and that there is a straight forward solution. Schedule 8 to the Master Registration Agreement should be imported into the Retail Energy Code in its entirety and the definition of “Metering Point” in the electricity distribution licence should simply be amended to reference that new Schedule to the Retail Energy Code, as follows:

Metering Point means the point, determined according to the principles and guidance given at Schedule ~~8X~~ of the ~~Master Registration Agreement~~**Retail Energy Code**, at which a supply of electricity taken into or conveyed from the licensee’s Distribution System:

- (a) is or is intended to be measured; or
- (b) where Metering Equipment has been removed, was or was intended to be measured; or
- (c) in the case of an Unmetered Supply, is treated as measured.

7. Similar, consequential amendments would have to be made to those industry codes and agreements that also reference the Master Registration Agreement in the definition of “Metering Point”.