

Your ref COM/MET/ELE/109

Our ref RA/THS

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Dear Claire

URGENT METERING SERVICES

Thank you for your letter of 6 December 2002 and for the opportunity to comment on the draft "Urgent Metering Services (UMetS)" document. Please note that I am providing this response on behalf of both Northern Electric Distribution Ltd (NEDL) and Yorkshire Electricity Distribution plc (YEDL).

Whilst we note that Ofgem have not yet published the promised clarification of their interpretation of the SLC 36B obligation, we would strongly reaffirm our own view on this that has previously been expressed by Peter Newman as a member of the Emergency Services Expert Group. We do not believe that SLC 36B requires a distributor automatically to provide emergency metering services: the licence obligation is to offer terms on request and, if such terms are declined, there is no further obligation. The need for a prior agreement is important, not least because DNOs have no direct rights of access to meters, even in emergency situations – such rights belong to suppliers but can be conferred by them on their appointed agents.

It is questionable, also, whether even the obligation to offer terms should apply in situations where an alternative MAM has been appointed. We believe that the list of activities in SLC 36B paragraph 1(b) describes the components of a single service (MAM) rather than separate services which can be taken selectively. Hence we believe that a "non-host DNO" appointed as MAM should pick up responsibility for all these elements and should not be allowed to "cherry-pick". By the same token, we believe that suppliers should bear an obligation to procure MAM services on a "24 hours a day" basis. We do not believe that different MAMs can be appointed to cover different time periods: this would merely exacerbate the existing difficulty that arises from the uncertainty over ownership of, and responsibility for, the metering installation (ie cables, switches etc as well as the meter), and consequential loss of clarity in respect of safety and legal liability issues, where a "non-host DNO" is appointed as MAM.

Having said this, I should like to emphasise that NEDL and YEDL always attend site when calls received at their respective Safety and Faults Information Centres (SFICs) either do not enable SFIC staff to identify the nature of the fault, or else give rise to safety concerns associated with suspected meter faults. We would propose to continue to do this, subject to provision of a suitable mechanism for cost recovery where metering problems are ultimately confirmed and we are not the MAM. It should be borne in mind in this connection that, under the new Electricity Safety, Quality and Continuity Regulations (ESQCR), electrical safety is not the concern of DNOs alone. Regulation 24 says that a distributor *or meter operator* must ensure that *each item of his equipment on a customer's premises* is suitable for its purpose and installed and, as far as reasonably practicable, maintained so as to prevent danger. Ultimately it is a supplier's responsibility, under the Electricity Act, to keep any meter provided by him to any customer in proper order at his own expense.

Nevertheless, in the interests of customer service, both NEDL and YEDL would be willing to enter voluntarily into a commercial agreement with all suppliers to use "reasonable endeavours" to deal with metering problems encountered when following up "no supply" calls received by their SFICs. We would envisage defining a "base" service involving replacement, on a "reasonable endeavours" basis, with a standard credit meter in all cases. We would be prepared to offer this to all suppliers operating within our distribution services areas, on an "excluded service" basis, and the terms on which such a service would be provided could most readily be included as an addendum to the DUoSA. Provision of anything above the "base" service would be entirely at our own discretion and subject to commercial agreement, since it would be unreasonable, for example, to expect us as DNOs to be *au fait* with all the currently-emerging metering technologies (especially those associated with prepayment) that are available to suppliers.

Whilst we agree that a single visit to remedy a fault is desirable, we would stress that this is impossible to guarantee – hence our emphasis on "reasonable endeavours". It is entirely possible to conceive of circumstances in which the only proper (ie safe) way to deal with a meter fault might be to de-energise the supply – for example, a "no supply" caused by a meter fault might be the first manifestation of a customer's overloading or misusing his supply installation: Regulation 26(3) of the ESQCR would require a DNO to de-energise immediately (ie without the notice specified for non-safety critical situations) if this could be justified on safety grounds. Re-energisation would then take place only when the stipulated remedial measures had been taken by the consumer to the DNO's satisfaction. In such a situation, the relevant MAM would be able to rectify the meter fault himself as part of this remedial process.

In addition, we believe that the MAM should be responsible for follow-up inspections and monitoring of metering equipment and tails where a safety notice in respect of such equipment has been issued under Regulation 26(1) of the ESQCR. Even if a DNO were able to restore supply immediately following a meter fault caused by overload, there should be no expectation on the customer's part that the emergency repair would result in additional supply capacity being available. If the customer should balk at seeking a requisite increase in supply capacity from the DNO, we believe that the supplier and/or MAM should have responsibility for persuading him to do so.

We would make the following additional points with regard to the draft UmetS document:

- Consideration will need to be given to the document's applicability to "inset" networks;
- In the absence of an obligation to provide emergency services, we do not believe that any form of accreditation should be necessary for DNOs. A DNO providing such services voluntarily under a commercial agreement would be the agent of another party, who would bear the responsibility to ensure that the work was done properly.
- The statement in Section 2 of the document that suppliers may pass on their obligations under the Act to their metering agents or to a DNO should be amended to avoid any inference that responsibilities can be abrogated by suppliers – they can contract for the provision of services to meet their obligations, but cannot avoid responsibility for delivery of those obligations.

I hope that you will find these comments helpful in progressing this important matter to a satisfactory conclusion. If you would like to discuss any of the points made in this letter, please do not hesitate to contact me on the telephone number at the head of this letter.

Yours sincerely

TONY SHARP
Regulation Manager