

Duncan Mills  
Regulatory Economist  
GB Markets  
Ofgem  
9 Millbank  
London  
SW1P 3GE  
[duncan.mills@ofgem.gov.uk](mailto:duncan.mills@ofgem.gov.uk)

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Your Ref: Ofgem doc 244/07

Dear Duncan

**Gas Post-Emergency Metering Services (PEMS) - open letter consultation**

energywatch welcomes the opportunity to respond to the issues raised in the letter. This response is non-confidential and we are happy for it to be published on the Ofgem website.

It is critical that gas supplies are restored to consumers, particularly vulnerable consumers, as soon as possible after an emergency event (we note that these events tend to be relatively rare). This may mean that the network engineer in attendance should, if needed, install a new meter. We agree with Ofgem that gas distribution network (DN) operators can provide PEMS to consumers as an immediate solution. This avoids the need for a second, or subsequent, visit by the supplier's meter provider, creating additional inconvenience for the consumer. We also agree that PEMS is covered in the definition of 'permitted purpose' in DN licences.

While suppliers and DNs may already have contractual arrangements in place for PEMS, we welcome the issue of guidelines to underline the removal of consumer detriment as early as possible and the like-for-like replacement and proper treatment of replaced meters. We also welcome Ofgem's commitment to review arrangements in future and, if necessary, to introduce licence obligations to support the provision of PEMS by DNs.

We believe that DNs can provide non-discriminatory, low cost PEMS to all suppliers in their distribution areas. Even if PEMS is offered on a competitive basis in future by third parties, DNs should still be in a position to provide a backstop service should the consumer be off supply and the competitive service has failed. We note the emphasis in the guidelines on good communication between DNs and suppliers when an emergency event occurs which requires the provision of PEMS. It is critical to the effective operation of PEMS, on the few occasions that emergencies occur, that consumers' details are recorded accurately and in a timely manner. Good data management and accuracy avoids further inconvenience to consumers if there needs to be a follow up action to the replacement of a meter.

We are currently taking part in discussions on the DCUSA proposal which seeks to provide arrangements for emergency metering services in electricity (UMETS). We believe that Ofgem should monitor the DCUSA process carefully and ensure that, if the industry is unable to agree on service provision which adequately meets the needs of consumers, especially the vulnerable, that Ofgem should consider issuing updated UMETs guidelines. This is in full recognition that competition in electricity metering services is somewhat more advanced than in gas and that it would be preferable for the industry to meet its responsibilities to consumers without regulatory intervention.

Going forward, we will continue to keep these issues under review as and when they are raised, always considering the possible impact on consumers.

We would appreciate being kept informed of the progress of the consultation and any related issues to enable us to comment as the need arises.

If you do wish to discuss our response further please do not hesitate to contact me on 0191 2212072.

Yours sincerely

Carole Pitkeathley  
Head of Regulatory Affairs