



Andrew MacFaul
Consultation Co-ordinator
Ofgem
9 Millbank
London SW1P 3GE

Dear Mr MacFaul,

Response to Ofgem regarding the 'SMART Metering Implementation Programme'

Please find attached responses prepared to the questions you require to be answered by the 28th September 2010.

I have prefixed my response with comments which I feel should be accounted for but for which there were no questions appropriate to answer or I feel the laying of additional emphasis is important.

Yours sincerely


MWA TECHNOLOGY



2 Wharton Street Industrial Estate, Nechells, BIRMINGHAM, West Midlands B7 5TR

t: +44 (0) 121 327 7771 f: +44 (0) 121 327 1117 e: info@mwatechnology.com www.mwatechnology.com

MWA TECHNOLOGY – Responses to the September 2010 answer phase

Initial comments

'SMART' Meter equipment.

There are already codes of practice and guidelines for the installation of equipment in Safety Zoned areas which include the method of installation at a best practice level. It has been noted already that the quality of installations being completed varies significantly and so does the cost and value. This is particularly noticeable in the AMR sector of the market. The process of visiting completed installations without notification, to check the quality, with the publication to the market of those companies who do not meet the standards, should be introduced now.

The ability to connect to the information system attached to or fixed to the meter must be mandatory and allowed for by the introduction of a "connection block or Pulse Splitter" which provides spare connections which take a standard phone / data plug. This will avoid the reworking of wiring and reduce costs overall.

Current equipment available enables the pulse output from the meter to be split and shared by three parties.

We have experience of meter operators being unwilling to replace non pulse enabled meters with meters giving a pulse output unless a "half hourly" meter is installed and a subscription made to the data service before a local access to the pulse output would be provided.

Direct access by the consumer to the meter pulse output should be permissible/mandatory.

Question 3: Do you have any comments on the proposed approach to ensuring customers have a positive experience of the smart meter rollout (including the required code of practice on installation and preventing unwelcome sales activity and upfront charging)?*

- Access arrangements and appointment times must be flexible to meet the needs of the occupier. This is particularly important for I & C customers as the changing to a more appropriate meter will involve loss of production / activity. Installers must leave a leaflet with their name and the name of their supervisor plus contact details.
- Specific and non replicable identity cards should be produced for this activity and must be shown before access and when handing the contact leaflet to the occupier in order they can verify the details of the person carrying out the work.

- The leaflet must include the meter details of both the removed and installed meter including the reading.
- No incentives for sales leads, marketing information or repair work should be given to any one who enters premises.

Question 6: Do you have any comments on the functional requirements for the smart metering system we have set out in the Functional Requirements Catalogue?*

- 3.6 Figure 1 A. We are unclear as to what constitute "Reads / Information". If this is volume information for Gas and KWh for electricity as for most meters at present then simple functionality from a pulse output to an add-on device is easily provided. The add-on device will talk to the IHD etc. is available now and at minimum cost. It is limited to one way communication, add-on to IHD.
- While temperature and pressure sensors could be included one has to question the robustness of the equipment. There would be a significant effect on energy bills should a fault / drift occur. It would be some time before detection and would bring about all the additional issues of changing out meters of the same production type.
- We are in agreement that a valve should be included in even the basic smart meter.
- While much discussion has centred on prepayment options the ability to stop gas at the meter in a post code or other geographical area in the event of localised flooding or water ingress into mains would help to mitigate the time and work content of the return of supply.
- In localised gas supply emergencies, the ability to remotely stop gas flow at the meter when below safe distribution pressures were being experienced may prevent a worse situation developing where air could enter the main, and in any case it would help reduce the time to reinstate supply.
- Early definition of what is required from the SMART meter of the future will help developers produce the volumes required and so minimise the installation of non standard meters currently being developed, produced and installed.
- If the definition is left to the market Ofgem will be responsible for the ever increasing cost of metering and metering activity with very little benefit being felt in the area of reduction or balancing of energy usage.
- The speedy definition of what is required is fundamental to the development of the systems for the IHD the WAN, LAN and most importantly the 'DataCommsCo' (DCC)

Question 7: Do you see any issues with the proposed approach to developing technical specifications for the smart metering system?*

- The purposes for the introduction of SMART Metering Technology are much bigger than competition in the provision of energy to consumers. It is a UK inc. / world issue and therefore must sit outside of the vagaries of "let the market decide".
- If Ofgem define quickly the requirements, because most SMART aspects are already available, then the role out programme will be easier to deliver.
- Interoperability will be overcome if Ofgem define the requirements and this will help prevent barriers to switching supplier.

- For manufacturers / meter suppliers the answer to the question, when will a SMART meter approval process be available which can manage the volume of new products. How long will the testing be and how does a company ensure its products are tested and approved quickly and no one jumps the queue.

Question 16: Do you have any comments on the proposals for requiring suppliers to deliver the rollout of smart meters (including the use of targets and potential future obligations on local coordination)?*

- We consider that in order to ensure a good customer experience all suppliers should co-ordinate installation in geographical areas so as to take the competition out of what is a logistic, management and customer relations activity.

Question 17: Do you have any comments on our implementation strategy? In particular, do you have any comments on the staged approach, with rollout starting before DCC services are available?*

- On the basis that most of the opportunities the 'FULLY SMART' meter offers will not be utilised for some years, if at all in many premises, The cost to the consumer can be staggered over the exercise by installing in the first instance "Simple SMART Meters" i.e. those with pulse output and an add-on devise.
- In the years ahead when the understanding of how many 'FULLY SMART' meters are required and where, additional stages can be introduced.

Question 18: Do you have any other suggestions on how the rollout could be brought forward? If so, do you have any evidence on how such measures would impact on the time, cost and risk associated with the programme?*

- Arrange for the accounting processes for the depreciation / write off to be changed for the existing meters in such a way as to ensure financial stability coupled with honesty.
- To provide for the purchase of SMART meters to be accommodated in the most appropriate way within the Price Control Review time table.
- If you define a first purpose as to encourage consumers to use less energy and visibility of usage contributes to this, then declare that all meters installed / exchanged from now on, October 2010 must, as a minimum have a pulse output and an add-on devise to remotely display energy usage.

Question 19: The proposed timeline set out for agreement of the technical specifications is very dependent on industry expertise. Do you think that the technical specifications can be agreed more quickly than the plan currently assumes and, if so, how?*

- If consensus is required for the development criteria to be set then the time line is probably insufficient, individuals may not work to the design brought about in consensus and therefore direction would be required to bring the outsiders in to line. This all takes time.
- If direction in specification is provided by Ofgem from the start then it will avoid the production of different specifications and will speed up the process.

Question 20: Do you have any comments on our proposed governance and management principles or on how they can best be delivered in the context of this programme?*

- A centralist approach to the complexities of managing the introduction of SMART Meters will focus the minds of the Suppliers who are not as cooperative in introducing

Licence requirements.

- As part of the management of the process by Ofgem of the introduction of SMART meters of what ever style we would encourage Ofgem to partner meter manufacturers / meter suppliers and to encourage them to feed back the numbers of SMART meters supplied. In this way Ofgem will have source information to refute any smoke and mirror information received from else where in the market.