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**Transfer of Meter Asset Manager Scheme: consultation on policy proposals
– response from National Grid Metering**

Thank you for your invitation of 05 October to comment on the proposals made regarding the transfer of the Meter Asset Manager scheme. We continue to believe that a MAM approval scheme is appropriate and broadly support the transfer and licence modifications outlined, but provide some additional comment on the future governance of the scheme as outlined in our full response below.

Question One

We believe retention of a MAM approval scheme is not only appropriate for gas metering but is potentially more so in a time of change such as the onset of smart metering to ensure that participants in the market possess and retain the required capabilities. Clearly, the close involvement of the HSE and other relevant industry bodies remains essential to the underlying purpose of the Scheme.

Question Two

We accept and support the rationale that it is more appropriate for the MAM approval scheme to be managed by the industry, rather than directly under Ofgem due to the largely technical nature of the MAM Scheme and activities. The maturity of the obligation would now seem to align with the requirements of gas suppliers to deliver services in a competent and effective manner.

Question Three

We broadly agree with the policy proposal of transferring the MAM approval scheme to the SPAA but would seek some clarity regarding the governance of the Scheme and the role of the SPA executive as the decision making body. Our preference would be for the MAMCoP panel to continue to act as the controlling body in respect of approval, ongoing management and resolution of technical issues. We would also suggest that the MAM Scheme Board should form the “expert group” you refer to, and would prefer the role of the SPA executive to be of a governance nature, rather than as a decision making body.

Question Four

The MAM Scheme is predominantly concerned with the more technical and engineering-led challenges of ensuring competency in all meter asset circumstances including more complex industrial and commercial sites, generally providing for less complicated domestic installations within this scope. Given that the SPAA as a body is predominantly viewed as commercial, with the dominant volume of meter assets being domestic, we believe mandating membership for non-domestic suppliers is needed to ensure all technical requirements continue to be provisioned for.

Question Five

Coordination of MAM scheme activities would seem appropriate through SPAA, given the existing governance arrangements, notwithstanding our comment regarding the role of the MAMCoP panel and Scheme Board. As regards the continuing auditing of the existing MAM approval scheme and adherence to the Code of Practice, we are concerned that implementation within SPAA by August 2012 represents a challenging timeframe. We would need assurance that SPAA could adequately arrange and procure any new audit appointment prior to the date of the Lloyds Register expiry. However, we accept that the funding of the scheme should be covered by the existing SPAA mechanism, with the cost of auditing activity remaining the responsibility of the applicant as part of maintaining MAM approval.

Question Six

Whilst satisfied that the proposed licence drafting is appropriate, we would point out that in respect of National Grid's Licence, the Gas Transporter Licence amendment should be a change to Standard Special Condition A10 (Provision and Return of Meters), following the switch off of Standard Licence Condition 8, and that the definition of the Supply Meter Installation is in Section M, paragraph 1.2 of the Uniform Network Code.

In summary, we would be prepared to support the proposal if the other modifications detailed are accepted. Please feel free to contact me if you have any questions on this response.

Yours sincerely,

By e-mail

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