

Colin Sausman
Ofgem
9 Millbank
London
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26 April 2012

Dear Colin

Transfer of “Meter Asset Manager” approval rules: Statutory consultation on modifications to the gas supply licence and gas transporters licence

EDF Energy is one of the UK’s largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, combined heat and power plants, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

We welcome the opportunity to respond to this consultation and our response to the proposals set out in Ofgem’s paper is set out below. I confirm that we are happy for this letter to be published on Ofgem’s website.

An essential feature of the approval process is to protect customers by ensuring that any Meter Asset Manager (MAM) is fully compliant with all sections of the Meter Asset Manager Code of Practice (MAMCoP) and is able to meet its obligations in the areas of safety, system integrity, competency, and installation best practice. Therefore, we consider that a MAM approval scheme remains appropriate for gas metering.

EDF Energy is satisfied that the proposed modifications to the Gas Supply Licence and Gas Transporters Licence standard conditions give effect to the decision to transfer responsibility for the MAM approval scheme to the Supply Point Administration Agreement (SPAA). However, we do not understand where the financial and commercial benefits fall, and why Ofgem propose to make this change at the current time, particularly as we envisage that both the electricity and gas MAM approval schemes will transition across to Smart Energy Code (SEC) governance, once it has been established.

It is surprising that Ofgem propose to make this change at a time of significant MAM activity associated with the roll out of Smart Metering.

EDF Energy would like to understand if Ofgem will be the point of escalation in the event of a dispute between SPAA and MAMs? If this is not the case, then what arrangements are being put in place?

If the proposed transfer goes ahead EDF Energy accepts that it is prudent to also discuss the transfer of OAMI responsibilities to SPAA at a later date. It should be noted that SPAA is currently primarily a commercial governance group and not a technical body.

Should you wish to discuss any of the issues raised in our response or have any further questions, please do not hesitate to contact my colleague Tony Neville on 01293 898717, or myself.

Yours sincerely,

A handwritten signature in blue ink that reads "Paul Delamare".

Paul Delamare
Head of Downstream Policy and Regulation