By email only
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Dear Chris

Feed-in Tariffs Scheme: Use of automatic meter readers for biennial meter verification – consultation on proposed changes to guidance

Thank you for the opportunity to comment on your proposals to amend Ofgem's guidance in relation to the Feed-in Tariffs Scheme and for arranging the industry round table discussion of the issues involved. I and my colleague found the meeting to be particularly helpful. This response is not confidential.

In summary, we are in favour of the changes proposed, given that they will allow Licensees the option to validate meter readings without visiting premises to view the generation meter register. Whilst we anticipate that Licensees will wish to adopt the proposed new measures over time, their adoption should not be driven by an artificial timetable. Our support therefore comes with the caveat that should Licensees wish to continue to visit premises to fulfil the validation obligation in the short term (for technical or capability reasons, for example) they will not be expected to also put in place arrangements for alternative validation if access is not obtained.

Answers to the individual questions in the consultation are given in the attached annex. Should you have questions about any aspect of our response please contact me.

Yours sincerely

Gerald Jago
Regulation

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Annex

Feed-in Tariffs Scheme: Use of automatic meter readers for biennial meter verification – consultation on proposed changes to guidance

Question one: do you agree with our proposal to allow the use of AMR data for biennial meter verification? Please provide evidence to support your answer.

We agree that Licensees should have the flexibility to be able to use any or all of the alternative means of verification suggested, including AMR data; and we would expect that all suppliers would wish in time to move to alternative verification for AMRs.

Question two: do you agree with the methods of verification and sample size we have proposed? If not, what would you propose and for what reason?

We have reservations in relation to forced use of an alternative means, particularly in the short term, where physical inspection has not been possible. The reservations are largely to do with the potential difficulties in setting up the suggested alternatives and associated processes:

- auditing generators' systems and processes to ensure they remain compliant: this could be detailed and quite onerous, particularly if any form of access is required. In the first instance we would have to ascertain the meter configuration to ensure it falls within the definition of AMR given in the consultation (linked components); and then set up an audit process;

- use of historical data sourced directly from the meter service provider (MSP) to corroborate meter readings: there are no meter operators meeting the commonly accepted definition of a meter operator providing this information at present. As discussed at the industry meeting therefore how would the independence of the MSP be guaranteed?

Whilst none of these is insurmountable, they involve practical developments and issues of responsibility in relation to who should be required to establish the processes (generator or Licensee). These would take time to resolve and at the very least, therefore, there should be a period of transition. The issues may in any case be more appropriately and expediently agreed in co-operation between generator and Licensee, if necessary forming a part of the contract terms and outlining a course of events should the preferred method fail.

An issue worth noting is that using historical data only would not identify whether the meter had been installed correctly (such that it records correctly) in the first instance. There may be a case therefore for considering whether all AMRs should have an initial inspection before being able to move to alternative methods of validation. Coupled with the 5 per cent continuing physical inspection suggested, this would give greater regulatory confidence.

Question three: do you agree with the security measures proposed? Are there any other security measures you think are required?

We agree with the proposals, provided there is adequate provision for resetting clocks.

Question four: do you agree with our proposals regarding standardisation of installation and commissioning, methods of communication and data models? If not, what alternatives would you suggest?

We would accept MCS/ROOFIT as an appropriate standard.

At the meeting arranged to discuss the proposals Ofgem suggested that it would not be necessary to specify a particular data model standard. This was challenged and I believe we have sympathy with that challenge as suppliers require clarity.

I understand that DLMS/COSEM is not currently the standard for AMR.

Question five: do you think that our proposals for monitoring and fault finding are suitable? If not, what further guidance would you suggest?

Paragraph 6.4 of the consultation notes that it would be the responsibility of licensees to satisfy themselves that suitably appropriate levels of monitoring and anomaly detection are in place before using AMR data.

We believe that there should be a consistent approach by Licensees and therefore that guidance from Ofgem would be essential.

Question six: what methods would you propose as alternatives to physically reading non-AMR meters?

As discussed at the meeting, we would support photographic and date-stamped evidence, provided it would be possible to clearly identify the serial number along with the meter reading; we would also need to be able to rely on the time stamping. However, this may not on its own eliminate problems of access.

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