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Dear Colleague

Thank you for the opportunity to respond to this consultation. We are pleased that Ofgem is proactively looking at ways to reduce the administrative burden faced by FIT licensees and also to make the provision of meter readings more convenient for our customers. We also welcome Ofgem's work to consider whether there are easier ways in which to verify non-AMR meters.

We believe there is also a good case to examine how smart meters may be utilised in this area, although we note that this won't be possible under the current technical specification for the smart roll-out project.

The attached Annex sets out our answers to the questions in the consultation. If you would like to discuss this further, then please feel free to contact me.

Yours sincerely

Josh Henderson Regulation Analyst



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.

SSE agrees that the guidance should be amended to allow for the use of AMR data. The issue of obtaining meter readings has been one which has challenged SSE in the past and which we continue to find a huge administrative burden, particularly in cases where access has proven difficult. We welcome Ofgem's approach to proactively considering this problem.

While there is obvious benefit in allowing the use of AMRs for meter verification, we consider that Licensees should be able to choose how to deal with the issue of meter verification in order to ensure the most effective method is available for each particular customer. We therefore welcome that Ofgem has stated that suppliers can continue to approach meter verification though alternative options such as physical reads.

It is our understanding that it is fundamentally a decision by generators whether or not to use the relevant technology. As such they would incur the direct costs of choosing AMRs and the cost of having them installed and maintained.

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?

In Ofgem's consultation paper, it is stated that 20 instances of incorrect meter readings have occurred in 300 000 attempts. This accounts for around 0.007% of installations. On that basis, we would suggest that a 5% sample may be disproportionately large to the perceived risk. SSE would suggest that a sample of 1% is sufficient to meet the risk identified and would minimise the burden of work.

In relation to the methods of verification considered, we agree that each method has its own merit and we agree that licensees should have the choice as to how to approach verification, rather than designating only one option. In particular, we welcome the option to continue with the physical reading of meters where it is still identified as the most effective means of obtaining verification, even if this may appear as requiring the most effort. We support the consultation being reflective of where a Licensees structure may still make this option preferable.

Question three: Do you agree with the security measures proposed in this section? Are there any other security measures you think are required? If so, please provide reasoning and evidence to support your proposal.

SSE agrees that the security measures proposed are sufficient given the minimal risk of hacking identified.



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?

SSE agrees with the proposed standardisation in these areas.

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

Yes.

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

We agree that having the opportunity to reduce the cost burden of the scheme should be used when possible. This makes the work simpler and is also better value for customers.

We do not immediately see an alternative for non-AMR meters other than having physical readings obtained. The licence stipulates that we carry out an inspection of electricity meters every 2 years and that this would include AMR meters. However, if instances of abuse have been very low and with the absence of any malevolence, then there may be a reasonable opportunity to reduce the frequency of installations needing to be visited and checked.