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Sent via email to smartermarkets@ofgem.gov.uk

18th September 2015

Energy UK's response to Ofgem's consultation on reforming suppliers' meter inspection obligations

Dear Pooja,

Energy UK is the trade association for the energy industry. Energy UK has over 80 companies as members that together cover the broad range of energy providers and supplies and include companies of all sizes working in all forms of gas and electricity supply and energy networks. Energy UK members generate more than 90% of UK electricity, provide light and heat to some 26 million homes and last year invested £10 billion in the British economy.

Energy UK strongly believes in promoting competitive energy markets that produce good outcomes for consumers. In this context, we are committed to working with government, regulators, consumer groups and our members to develop reforms which enhance consumer trust and effective engagement. At the same time, Energy UK believes in a stable and predictable regulatory regime that fosters innovation, market entry and growth, bringing benefits to consumers and helping provide the certainty that is needed to encourage investment and enhance the competitiveness of the UK economy.

These high-level principles underpin Energy UK's response to Ofgem's consultation on reforming suppliers' meter inspection obligations. This is a high-level industry view; Energy UK's members may hold different views on particular aspects of the consultation or specific issues.

Energy UK welcomes Ofgem's decision to consult on reforming suppliers' meter inspection obligations. It is, however, important that the safety and protection of customers, other householders and industry staff is of paramount importance and central to Ofgem's considerations. Energy UK's members look forward to working with Ofgem to discuss how best to take forward meter inspection reform.

As noted in the Ofgem consultation document, the Department of Energy and Climate Change's (DECC) smart meter roll-out business case identifies significant benefits associated with avoiding site visits for smart meters. Reviewing and reforming Supply Licence Conditions (SLC) 12.8 – 12.16 for gas and SLCs 12.14-12.16 for electricity is a crucial step in helping to realise the full benefits of the smart meter rollout.

Furthermore, we believe the decision to review suppliers' meter inspection licence obligations is in line with the principles of better regulation. Reforming the obligations also supports Ofgem's commitment to

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minimising the direct and indirect costs imposed on customers and its long-term ambition to transition to a more principles-based approach to regulation. We note that other regulations and policies, including existing health and safety regulations, SLC 12A and SLC 21B provide proportionate customer protection in terms of customer safety, theft detection and billing accuracy.

We anticipate that our members will respond directly to the specific questions set out in the consultation with their views on Ofgem's preferred option (repealing the obligations) and approach to implementation. This includes if and how Ofgem could help facilitate the sharing of information on past meter inspections between parties upon change of supplier to help prioritise future inspections and protect the interests and safety of consumers.

I hope you find our comments helpful. Should you require any more information please do not hesitate to contact me directly on 020 7747 2965 or at daniel.alchin@energy-uk.org.uk. Energy UK and our members are always willing to discuss with Ofgem ways in which we can work together for the benefit of consumers and the industry.

Yours sincerely,

Daniel Alchin
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Energy UK