



Pooja Darbar  
Smarter Metering  
Ofgem  
9 Millbank  
London

18th September 2015

Dear Pooja,

Please find below our response to the Reforming suppliers' meter inspection obligations consultation.

First Utility has actively participated in the Meter Inspection Sub Group (MISG) and welcomes Ofgem's decision to consult on these changes. In an environment of rising regulatory driven costs particularly associated with the smart program we see this as the first of many industry changes that will ultimately lead to suppliers being able to reduce their tariffs in line with the DECC Impact Assessment of 2014.

Yours sincerely,

Jeremy Guard

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## Consultation Question Responses

CHAPTER: One

Question 1: Do you agree with our assessment of the need for reform?

Yes.

CHAPTER: Two

Question 1: Do you agree with the scope of our review?

Yes.

Question 2: Do you think we have focused on the right options for reform?

Yes.

CHAPTER: Three

Question 1: Are there any important impacts of reforming suppliers' meter inspection obligations that we have not identified?

Our view is no, whilst network companies might raise concerns regarding the impact of this change on their own inspection obligations, we believe the concerns are not material for the following reasons:

- Ofgem considered their concerns as part of their original decision making process for the BG derogation. The fact that Ofgem gave the derogation to BG (with such a large market share) indicates that Ofgem determined the Networks' concerns were not material.
- With the BG derogation in place, we understand that the networks have not been treating BG supply points (with a 5 year inspection regime) differently from other supplier supply points (with a 2 year inspection regime). This indicates that the network companies themselves do not consider the impact on their own inspection obligations to be material.

CHAPTER: Four

Question 1: Do you agree with our assessment of the options?

Yes.

Question 2: Do you have any evidence to support your views?

We have re-reviewed our Health and Safety, Theft detection and Billing accuracy obligations and believe that they provide sufficient clarity and incentive such that a repeal of the license condition would have no adverse impact for the customer.

CHAPTER: Five

Question 1: Do you think we have identified the consequent impacts of the preferred policy option?

Yes.

Question 2: Do you see any issues with our implementation approach?

No.