

Pooja Darbar  
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Ofgem  
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London  
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Dear Pooja,

### **Reforming suppliers' metering inspection obligation**

Thank you for the invitation to respond to the above document. Good Energy is a fast-growing 100% renewable electricity supply company, offering value for money and award-winning customer service. An AIM-listed PLC, our mission is to support change in the energy market, address climate change and boost energy security.

#### Executive Summary

Good Energy is supportive of Ofgem's proposals, firstly as it will re-instate a level playing field between suppliers rather than favouring the dominant gas supplier which the current derogation does. Secondly, we believe based on the evidence that a risk based approach to meter inspection is both more efficient and more effective than a routine requirement to inspect meters at a periodic interval.

We have answered your specific questions with reference paragraph below, expanding where necessary.

### **Chapter 1**

#### **Q1. Do you agree with our assessment of the need for reform?**

We agree with Ofgem's assessment that reform is needed. The current arrangements are based around traditional dumb meters and the two way communications available for smart meters changes the way suppliers can monitor how meters are working. The development of the TRAS service in conjunction with Smart will also address detection of theft and help reduce instances of theft taking place. Finally we also agree that the derogation given to British Gas gives them a significant competitive advantage over other suppliers and any inspection obligation should apply across the industry and not one specific supplier.

### **Chapter 2**

#### **Q1. Do you agree with the scope of our review?**

We agree that the scope of the review should cover all types of meter. Customers are not obliged to accept a smart meter and there may be some instances where it is not possible to communicate with a smart meter once installed. We therefore think it right to include traditional dumb meters in scope.

#### **Q2. Do you think we have focused on the right options for reform?**

We are pleased to see that Ofgem is considering repealing the requirement for routine inspection and believe this is an appropriate option for consideration. If after consideration it is felt that some

level of routine inspection is required then we believe the time gap between inspections should be based on the evidence presented which may or may not be 5 years and may only be applied to a subset of meters, rather than all meters based on the perceived risk.

### Chapter 3

**Q1. Are there any important impacts of reforming suppliers' meter inspection obligations we have not identified?**

We feel Ofgem has identified the correct impacts of any reform. In particular we are concerned that the current arrangements where British Gas are operating a different regime to other suppliers is detrimental to competition for the reasons stated and clearly indicates that the current arrangements are over prescriptive if Ofgem accepted the evidence presented by British Gas in their derogation request.

### Chapter 4

**Q1. Do you agree with our assessment of the options?**

We are broadly in agreement with Ofgem's assessment. A majority of routine visual inspections do not identify any health & safety, theft or billing accuracy issues. It is more often concerns raised elsewhere that result in visits being arranged to confirm whether an issue has arisen.

We support the view that focusing on these areas rather than a blunt 2/5 year inspection cycle is a better way forward and could allow suppliers to innovate in meeting its objectives in these areas as well as improving the customer experience and reducing costs.

**Q2. Do you have any evidence to support your views?**

We have no evidence above and beyond that already presented by British Gas in their derogation application.

### Chapter 5

**Q1. Do you think we have identified the consequent impacts of the preferred policy option?**

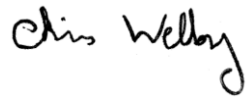
In addition to the consequent impacts listed, we believe it may be worth considering how meter history is transferred via the data transfer network. Under the current regime, suppliers have relied on their meter reading cycle to carry out their inspections and thus have not previously needed to know the inspection history, content with their assigned Data collector having the read history. It may be worth considering whether details of any risk profile or other relevant data around specific meters should be transferred between parties on a change of supplier, and what form that should take.

**Q2. Do you see any issues with our implementation approach?**

As the changes also require changes to codes as well as licence, then the timing of these changes need to be synchronised. The end result should also show a reduction in regulatory requirements and be more principle based. It should not be to prescribe a very rigid risk based approach, thus increasing regulatory complexity and removing the freedom of suppliers to innovate.

I hope you find this response useful. If you have any questions or require clarification, please do not hesitate to contact me.

Kind regards,



Chris Welby

Policy & Regulatory Affairs Director