

Response received by email on Wednesday 16th December

Hi

Please find below my feedback in relation to the consultation as detailed.

Consultation on the Final Proposals for Reforming the Supplier's Meter Inspection Obligations

Gas and electricity suppliers currently have a licence obligation to inspect their customers' meters at least every two years unless Ofgem consents to other arrangements. Ofgem is currently proposing to repeal the two-yearly meter inspection licence condition and is undertaking a final consultation of the decision before implementation. It considers that repealing the two-yearly meter inspection licence condition in its entirety from the gas and electricity supply licences remains the most proportionate and effective option for meeting the policy objectives and consumer outcomes. The modifications will come into effect on 1st April 2016 if approved.

Currently, gas and electricity suppliers to inspect their customers' meters and must:

- check for evidence of deterioration that might affect the safety or proper functioning of the meter,
- check for evidence of tampering or theft, and
- take a physical meter reading to ensure accurate customer bills.

In late 2014, Ofgem published its corporate strategy which commits to regulating in a way that minimises the direct and indirect costs imposed on consumers and industry. It was decided that the rollout of smart meters will reduce the need for suppliers to visit consumer premises to read meters as the meters will be capable of sending consumption information wirelessly to suppliers negating the need for visits.

We are concerned with regard to the risk of billing inaccuracy for consumers with traditional meters. Such a development will rely on the meter reading being provided by consumers themselves. We do not believe that this is an adequate substitute for a physical meter read taken by a trained meter operator (as required by the current meter inspection licence requirements). Self-reads could be inaccurate due to faults with the meter or misreading by consumers. This concern has been raised previously with Ofgem. This was supported by evidence of consumer complaints on bills, including large back-bills. It was argued that the shock for consumers who had been billed on estimated readings for a long period would be particularly impactful at the point of traditional meter exchange during the smart meter rollout.

There is also a health and safety risk relating to removing the requirement of a biennial visit as any onsite inspections will fall to building managers/occupiers who are not trained to detect deterioration, proper functioning of the meter or identify evidence of tampering or theft.

Many thanks

Internal Only

Kind regards

Melanie

Melanie Kendall-Reid, LLB (Hons.) FCMI.
Compliance Director

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