

By e-mail

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Dear Rachel,

**SWITCHING PROGRAMME AND RETAIL CODE CONSOLIDATION**  
**A RESPONSE BY THE MAMCoP MANAGEMENT BOARD**

The Meter Asset Manager Code of Practice (MAMCoP) and Approved Meter Installer Code of Practice (AMICoP) are specifically referred to within the Consultation as candidates for consolidation into the Retail Energy Code (REC). This response is provided on behalf of the MAMCoP Management Board that is convened under SPAA. Each MAM company has also been encouraged to respond directly to Ofgem.

**Background to the existing AMI and MAM codes**

The Codes were introduced on the recommendation of HSE and IGEM as a pre-condition to the liberalisation of competition in gas metering. The Codes support the performance of obligations resting upon Gas Transporters that arise from the Gas Act. The Codes link with approvals that may be granted by Gas Transporters for installers and operators to connect meters to the end of the gas networks. Registration under the Codes was initially managed by Ofgem.

The Gas Supplier Licence places obligations on Gas Suppliers for a meter to be installed by a person who is “approved” (or that the installation must be inspected by an “approved meter installer” within a 20-working day period). An “approved meter installer” is one who is approved under the AMICoP scheme. In April 2017, the AMICoP registration transferred from Ofgem to governance under SPAA.

The MAMCoP was first published in 2005, administered by Ofgem and advised by an industry expert panel. The gas supplier and transporter licences put obligations on licensees to use accredited MAMs. An independent Registration Agent assesses MAMs’ compliance for accreditation to be awarded and retained. Governance of the MAMCoP transferred to SPAA in August 2012 and is now maintained by a Management Board comprising representatives of registered MAMs and other industry experts, i.e. Gas Safe, IGEM, HSE, AMO, GDNs, xoserve, etc.

In addition to setting out requirements for safety and technical competence, the Codes provide guidance on best practice to carry out meter installation and management services. They also include requirements to comply with the RGMA Baseline to ensure that metering data supports the retail and settlement processes.

There are currently 53 registered MAMs and 126 registrations under the AMI scheme. The market is diverse with a wide range of companies varying from large supplier affiliated operators to small, niche providers.

A key element of registration (and continued accreditation) under the Codes is the periodic, independent audit of operators, including an observation of field operations and an audit of policies and processes. The considered observations of the auditors are provided to the MAMCoP Management Board to identify learning opportunities and potential changes to ways of working.

The MAMCoP Management Board meets regularly to discuss matters of interest, safety concerns, training and accreditation of operatives and to consider proposals for changes to the Code. Any party can submit a change proposal which is then managed using a formal change process administered by the secretariat. Changes can be implemented swiftly if appropriate, taking into account the time required for operators to amend processes or work instructions in order to achieve auditable compliance.

### **General comments**

There is no established mechanism for consulting with AMIs as a collective body although many such installers are associated with or closely related to MAM businesses. The MAMCoP Management Board has received presentations on the programme and this consultation and the context and content has been discussed. The responses here reflect those discussions.

The MAMCoP Board considered the options that migrate the Codes into the REC and also the possibility that MAMCoP and AMICoP might be 'lifted' from the main body of the SPAA and be set up with a separate governance outside the REC. If the Codes are placed outside the REC the options might be to structure a group to govern the gas Codes or to consolidate all metering codes under a dual fuel or even multi utility arrangement. As the options are described at a very high-level it has not been possible to establish consensus. However, we have noted Ofgem's preference (articulated in paragraphs 4.67-4.71) that all the metering codes should be consolidated and included in the REC. We note that a further review of the governance of the metering codes and their destination is under consideration. We believe there is value in developing and thought-testing alternative governance models and we would be keen to participate in such a review.

We have not responded to all of the questions within the consultation as many of them are outside the remit of MAMCoP. We offer here responses to questions 4.7 to 4.11.

#### ***Question 4.7: Do you agree that the requirements currently held in SPAA Schedule 22 and the RGMA Baseline related to gas meter agent appointments and MDD should be mandatory for domestic and non-domestic suppliers? If not, why not?***

- We agree that it would be helpful to extend mandatory compliance with the RGMA baseline so that it applies to all suppliers, i.e. to include non-domestic suppliers. The existing framework requires domestic suppliers to establish in their contractual arrangements obligations upon MAMs to comply with the RGMA baseline and in practice many already apply this requirement across the whole market.

#### ***Question 4.8: Do you agree with our preferred option for governance of agent appointments and MDD, outlined as option 3 above?***

- We agree that the opportunity to harmonise the arrangements appears attractive. In practice this proposal has only a limited effect upon the participants in the gas market as it is predominantly a 'lift and shift' from SPAA to REC (albeit, including the change identified in response to Q4.7).

#### ***Question 4.9: Do you support our proposal for consolidating the metering CoPs into the REC?***

- MAMs recognise the potential benefits that could ultimately arise through consolidation of metering Codes. These might include better alignment of auditing and registration processes and also an

opportunity to 'pick the best' features of the current gas and electricity regimes. However, it will be necessary to ensure there is a robust and technically diligent governance process to manage the migration towards a more unified Code. As suggested elsewhere in the proposals, the migration should be tackled in logical steps, allowing the establishment of any new governance and change-making bodies to be proven before tackling changes to technical codes.

**Question 4.10: Do you think MEMs should be parties to the REC?**

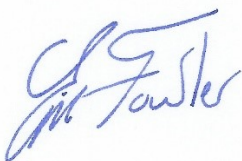
- MAMs recognise the importance of performance assurance for timeliness and accuracy of data provision and the usefulness of establishing clear lines for accountability. The Metering Codes, wherever governed, should require specific performance by Metering Equipment Managers (MEMs) in respect of data management to support the energy retail and switching processes. MAMs recognise the appetite for an obligation on them to accede to the relevant parts of the REC, i.e. those concerning metering data and agent appointments. We note that such arrangements currently exist in the electricity metering regime where electricity meter operators accredited under MOCOCoPA are required to accede to the relevant parts of the BSC.
- We note that there is potentially some overlap or interaction between this proposal and that suggested in the clauses preceding question 4.7 of the consultation, i.e. if MEMs must be REC parties and subject to direct enforcement under REC then it may not be necessary for suppliers to also have the same requirements detailed in their contracts with MEMs. We believe this is the point made in clause 4.58.
- If MEMs are subject to the REC then the proposed Performance Assurance Board (PAB) should include a MEM representative and the REC Board should have a facility to include a representative of MEMs (recognising that the representative may not be required to attend for REC business that does not involve metering related matters).
- The arrangements for accession must allow for the fact that MEMs will vary in size and scope of their operations. The requirements should take into account the administrative burden upon a candidate MEM so that it does not create an unreasonable barrier to entry or continued operations.

**Question 4.11: Do you think changes to the Metering Schedule(s) of the REC should be progressed through the REC Change Panel only, or should there be an additional MEM Panel?**

- If Metering Codes are brought under the governance of the REC then there should be a dedicated structure (MEM Panel) to manage these technical codes. The MEM Codes primarily describe technical or safety related requirements. Specialist skills and knowledge are required to ensure performance and the same skills and knowledge are essential to review any proposed changes. The REC should thus be configured with a 'Technical Section' and 'Schedules' and this group of clauses would be maintained by a technical change board convened by the MAM Panel. A technical change board, drawn from experts with relevant knowledge and qualifications, should be able to accept or decline proposed changes following due process; it should not be required to refer these to the REC Change Panel unless there are consequential changes to other clauses within the REC.

We would be pleased to engage in the development of more detailed proposal and to participate in any further reviews.

Yours sincerely,



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