Making a positive difference
for energy consumers

All interested parties in relation
to the Feed-in Tariff (FIT)
biennial meter verification
requirements

Email: REDevelopment@ofgem.gov.uk

Date: 7 May 2021

Dear Stakeholder,

Feed-in Tariff (FIT) scheme: Consultation on the use of photographic evidence for biennial meter verification

We are writing to inform you that we are seeking views on changes we propose to make to the acceptable methodologies used by Licensees to demonstrate compliance with the FIT biennial meter verification requirements.

We invite stakeholders to provide feedback on the proposed changes. The closing date for providing comment is 7 June 2021.

Why have we published this consultation?

Licensees are required by the Standard Licence Conditions (SLCs) to take all reasonable steps to verify generation and export meter readings at least once every two years. Our expectation has been that licensees would do this by physically reading meters or via the use of Automated Meter Reads (AMR).

With the Covid-19 pandemic and restrictions on access to people's homes, our approach to Biennial Meter Verification has evolved to ensure that this condition of the SLCs can continue to be met but with safety as our utmost priority. We have permitted the temporary use of photographic evidence in lieu of a physical inspection during the period in which government guidance on social distancing is in place in order to protect consumers while enabling their FIT payments to continue.

In this consultation, we propose to permit generator submitted photographic evidence to continue to be used as a method of biennial meter verification under the FIT scheme following the lifting of Covid-19 restrictions. Only original electronic photographs will be acceptable. This will be a fourth method of verification[1] and would apply equally to meters with and without automatic meter readers. This proposal is limited to use under the FIT scheme only.

Input requested

In appendix 1 we set out our proposal in more detail. When providing comment please consider the following questions:

- Question one: Do you agree with our proposal to not allow photographic evidence to be used for two consecutive biennial verifications of meter readings? If not, what would you propose and for what reason?

- Question two: Do you agree with our proposal to require all meters to be verified using photographic evidence?

- Question three: Do you agree with this proposal to encourage generators to take all reasonable steps to submit photographs of the meter's serial number? If not, are there other methods you would propose to allow the generator to demonstrate the photograph of the meter reading shows the correct meter?

- Question four: Do you agree that generators should submit a declaration along with the photograph of the meter read? Do you agree with the requirements included in our proposed declaration? Alternatively, are there other methods you would propose to provide further assurance of the validity of the photographic evidence?

- Question five: Do you agree that the authenticity checks listed are reasonable and feasible? Are there any other checks that could be included?

- Question six: Do you agree that photographic evidence should only be collected electronically? Do you agree that photographic evidence submitted using a supplier's App should be acceptable? Are there any additional controls that should be considered where evidence is submitted via a supplier's App?

[1] Existing methods of verification are explained in Chapter 7 of the "Feed-in Tariffs: Guidance for Licensed Electricity Suppliers (Version 13)"
https://www.ofgem.gov.uk/system/files/docs/2020/09/guidance_for_suppliers_v13.pdf

- Question seven: Do you have any other comments or suggestions regarding our proposed guidelines for generator submitted photographic evidence?

- Question eight: Do you agree with the proposed approach to switching? Alternatively, are there other approaches you would propose?

How to respond

Responses should be marked 'Feed-in Tariff (FIT) scheme: Consultation on the use of photographic evidence for biennial meter verification' and sent to: REDevelopment@ofgem.gov.uk.

If you would like to discuss the proposals ahead of sending your response, please email: REDevelopment@ofgem.gov.uk.

Please be aware that this is not a consultation on changes to the legislation underpinning the FIT biennial meter verification requirements, but on the methodologies that suppliers may use to demonstrate compliance with these requirements.

Next steps

Once we have considered the responses to this consultation we will publish a brief decision and make any necessary changes to the "Feed-in Tariffs: Guidance for Licensed Electricity Suppliers".

Yours faithfully,

FIT Policy Team

Appendix 1: Proposal on the use of photographic evidence for biennial meter verification

Why is Biennial Meter Verification important?

FIT meters measure the amount of electricity generated and exported from an accredited FIT installation. It is these readings that are used to calculate payments made by FIT licensees to generators. The majority of meters used in the FIT scheme are physically read by the generator, who then submits a meter reading to their licensee to receive payment. In the case of almost all multi-site generators, the meters are read remotely.

The requirement to verify meters at least once every two years ensures that payments accurately reflect the amount of electricity that has been generated and exported. It is also a counter-fraud measure. By verifying that the meter readings submitted by generators are accurate, the licensee has confidence that the payments they are making are accurate. The costs of FIT payments made by licensees are borne by all consumers, so it is therefore vitally important that all payments are accurate.

Approach to photographic evidence during the Covid-19 restrictions

We are taking a pragmatic approach to biennial meter verification compliance during the Covid-19 restrictions to ensure that companies are not afraid to do the right thing for their customers. Our focus is to ensure that companies protect consumers from immediate harm, particularly vulnerable customers or where customers are at risk of going off supply. We expect suppliers to follow Government guidance on social distancing and Covid-19 more generally.

The use of clear photographic evidence in lieu of a physical inspection for the purpose of biennial meter verification during the period in which government guidance on social distancing is in place is consistent with protecting consumers whilst enabling their FIT payments to continue where they are due.

Approach to photographic evidence following the lifting of Covid-19 restrictions

Following the lifting of Covid-19 restrictions, we propose to allow the ongoing use of photographic evidence for biennial meter verification. Only original electronic photographs will be acceptable. We do not consider that photographic evidence in isolation will sufficiently demonstrate the generation or export of an installation for biennial meter verification purposes and so this will be subject to the controls detailed below.

Control one - Frequency

There is a risk that generators could submit photographs which do not accurately represent the meter readings of the meter which is being verified in order to claim for generation and/or export that has not occurred.

We propose that generator submitted photographic evidence cannot be used for two consecutive biennial verifications of meter readings. This condition has been proposed to deter and detect fraudulent activity.

Question one: Do you agree with our proposal to not allow photographic evidence to be used for two consecutive biennial verifications of meter readings? If not, what would you propose and for what reason?

Where photographic evidence is used, all meters associated with the eligible installation (generation and, where relevant, export) must be verified using this method where possible. Where this is not possible and some, but not all, meters are verified using this method, the next biennial verification cannot use photographic evidence for any meters associated with the eligible installation. This condition has been proposed to simplify administration and to minimise the risk that a meter is verified using this method more than once every four years.

Question two: Do you agree with our proposal to require all meters associated with an eligible installation to be verified using photographic evidence?

We will monitor compliance with the frequency control. We expect suppliers to keep accurate records of which meters have been verified using photographic evidence and which have been verified by physical inspection and to produce such records to Ofgem (or our auditors) upon request.

Control two – Composition of the photograph

We propose that the generator should submit a date and time stamped photograph showing the meter display and the serial number of the meter; wherever possible this should be in the same photograph as the meter read. This is to help the Licensee verify the date of the reading and to identify whether the photograph of the meter read is showing the correct meter. The date and time stamp should be available within the file metadata.

We acknowledge it may not always be possible to photograph the serial number of the meter depending on its location. In these cases, we propose that the generator submit photographic evidence to demonstrate that that is the case.

The FIT Licensee must retain the photographic evidence and produce them to Ofgem and/or Ofgem's appointed auditors on request.

Question three: Do you agree with this proposal to require generators to take all reasonable steps to submit photographs of the meter's serial number? If not, are there other methods you would propose to allow the generator to demonstrate the photograph of the meter reading shows the correct meter?

Control three - Declaration

In order to provide further assurance that the photograph of the meter read shows the correct meter, has not been edited so as to manipulate the data shown and has been taken on the date the generator claims, we propose that the generator must submit a declaration to confirm these details. This declaration can either be in written form (eg post, email or fax) or via an electronic declaration, as long as there is an auditable trail of the response.

The FIT Licensee must attach a copy of the declaration in the 'Documents' section of the FIT Generator account on the CFR.

Question four: Do you agree that generators should submit a declaration along with the photograph of the meter read? Do you agree with the requirements included in our proposed declaration (please see appendix 2)? Alternatively, are there other methods you would propose to provide further assurance of the validity of the photographic evidence?

Control four – FIT Licensee assurance

We propose that the supplier must put in place procedures to manage risk against fraudulent activity and update their fraud prevention strategy accordingly. For example, this could include software/processes to detect whether the photograph has been edited, or guidelines for how generators should take and submit photographs. We anticipate that suppliers processes would include (but are not limited to):

- Checking file metadata to confirm the date the photograph was created

- Checking any locational data available within the metadata corresponds with the installation location.
- Conducting checks against historical data
- Conducting tolerance checks

Question five: Do you agree that the authenticity checks listed are reasonable and feasible? Are there any other checks that could be included?

Means of submitting photographic evidence

We anticipate that suppliers opting to use the photographic evidence methodology above will, in the majority of cases, collect the evidence from the generator by email. Collecting photographic evidence by post or fax will not be permitted as the controls discussed above, in particular in control four, cannot be conducted.

We understand that suppliers may wish to develop their own apps to collect photographic evidence. We propose to permit photographic evidence collected via a supplier's app provided it enables the supplier to meet the controls set out above.

Question six: Do you agree that photographic evidence should only be collected electronically? Do you agree that photographic evidence submitted using a supplier's app should be acceptable? Are there any additional controls that should be considered where evidence is submitted via a supplier's app?

Question seven: Do you have any other comments or suggestions regarding our proposed guidelines for generator submitted photographic evidence?

Switching

Where a FIT generator switches FIT Licensee, we propose requiring the old FIT Licensee to confirm to the new FIT Licensee whether the previous biennial meter verification was met using generator submitted photographic evidence or not. Where the previous biennial meter verification was met using generator submitted photographic evidence, the new FIT Licensee must use one of the other methods of biennial verification[2].

Question eight: Do you agree with the proposed approach to switching? Alternatively, are there other approaches you would propose?

[2] All methods permitted for use in biennial meter verification are detailed in Chapter 7 of the 'Feed-in Tariffs: Guidance for Licensed Electricity Suppliers'

Appendix 2 – Proposed new appendix to be added into the "Feed-in Tariffs: Guidance for Licensed Electricity Suppliers"

We propose the following section would be included as best practice in a new appendix to the "Feed-in Tariffs: Guidance for Licensed Electricity Suppliers" after appendix 7[3].

1.1. FIT Licensees' obligations include taking all reasonable steps to verify generation and/or export meter readings once every two years. This provides extra assurance on eligible output before making FIT payments. Where FIT Licensees are fulfilling this obligation with generator provided photographic evidence, they should have consideration of the following areas of best practice.

Circumstances where photographic evidence is allowable

1.2. Generator submitted photographic evidence can only be used as a method of verification where the preceding biennial meter reading verification was undertaken by that FIT Licensee using one of the following methods[4]:

Method One: Physically reading meters
Method Two: Using historical data to corroborate submitted meter readings
Method Three: Auditing systems to ensure no changes have been made to the system.

1.3. Photographic evidence can therefore be used a maximum of once every four years, alternating with another means of verification, and must not be the first method used by a FIT Licensee following accreditation.

Photograph

1.4. The photograph must be submitted electronically.

1.5. The photograph must clearly show the meter reading on the meter display.

1.6. The photograph should include the serial number of the meter. Where it is not possible to include the serial number in the same photograph as the meter reading, the generator should submit a separate photograph which does include the serial number. If it is not possible to photograph the meter serial number at all (eg because it is obscured

[3] https://www.ofgem.gov.uk/system/files/docs/2020/09/guidance_for_suppliers_v13.pdf
[4] Best practice for each method is available in Appendix four, five and six of the 'Feed-in Tariffs: Guidance for Licensed Electricity Suppliers'.

by a wall), then photographs should be submitted of the meter on all sides showing that it is not possible to view the meter serial number.

1.7. The FIT Licensee must retain the photographic evidence and produce them to Ofgem and/or Ofgem's appointed auditors on request.

1.8. If there is any doubt about the authenticity of a submitted photograph then it should not be accepted. If the licensee believes that the photograph may have been deliberately edited to alter the meter reading, then they should contact our counter-fraud team at counterfraud@ofgem.gov.uk for further guidance.

Generator declaration

1.9. When submitting photographic evidence, generators must also submit a declaration to confirm:

a. the date at which the photograph was taken;
b. that the photograph shows the reading of the meter for which the verification is required; and
c. that the photograph has not been edited so as to change any information displayed on the meter or relating to the meter, such as the serial number.

1.10. This declaration can either be in written form (eg post, email or fax) or via an electronic declaration, as long as there is an auditable trail of the response.

1.11. The FIT Licensee must attach a copy of the declaration in the 'Documents' section of the FIT Generator account on the CFR.

FIT Licensee assurance

1.12. FIT Licensees are responsible for putting in place procedures to manage risk against fraudulent activity. For example this could include software/processes to detect whether the photograph has been edited, or guidelines for how generators should take and submit photographs. We anticipate that suppliers' processes would include (but are not limited to):

- Checking file metadata to confirm the date the photograph was created
- Checking any locational data available within the metadata corresponds with the installation location.
- Conducting checks against historical data
- Conducting tolerance checks

Notification to Ofgem of withholding of payments

1.13. FIT Licensees should notify us of all installations which they wish to be placed under investigation and have payments withheld because meter verifications have not been completed. They should provide this information to us on or before the last day of the month. It is the FIT Licensee's responsibility to ensure the verification takes place before the two year point.