Post Implementation Update

Ability for Wholesalers to add meter reads (CPW087)

Meeting Name	Code Change Committee 22
Paper Number	CCC22_04
Meeting Date	11 December 2023
Purpose of Paper	Information
Classification	Public
Synopsis	This paper updates on the Post Implementation Review findings for CPW087.

RECOMMENDATION

The Code Change Committee is invited to:

- **NOTE** the findings outlined in this document.

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1 Change Overview

CPW087 was proposed by MOSL in March 2020. The problem statement noted that because Wholesalers were only able to submit Initial, Final, Temporary Disconnection, Reconnection and Pre-loaded reads into the Central Market Operating System (CMOS) and had to request Retailers (through various means) to upload other types of read on their behalf, many valid reads were either being delayed or not uploaded at all. The solution sought to introduce an efficient and standard process whereby Wholesalers would be permitted to submit a new type of meter read, a Wholesaler Read (W Read), via T105.W (Submit Meter Read) Data Transactions directly into CMOS. Retailers can ignore the W reads or adopt them as a Cyclic Read via a T105.R transaction (using the text comment field to label the read as a "Wholesaler Read") to allow the read to become active in CMOS and used in settlement. CPW087 was implemented in CMOS Release 9.0 on 6 November 2020.

A full account of CPW087, including the detailed case for change, proposed benefits and Trading Party views, is set out in the Final Recommendation Report (FRR). The Ofwat decision can be accessed here.

2 Post Implementation Review Background

A Post Implementation Review (PIR) was conducted by MOSL in November 2021 and the findings were presented to the Code Change Committee at its May 2022 meeting. The PIR highlighted that whilst more meter read data had entered the market, it was mainly by a subset of engaged trading parties rather than the market as whole. Due to the relatively low uptake across the market the CCC requested that MOSL provide an updated view of uptake at a later date.

3 Post Implementation Review Update

3.1 Wholesaler Reads in the Market

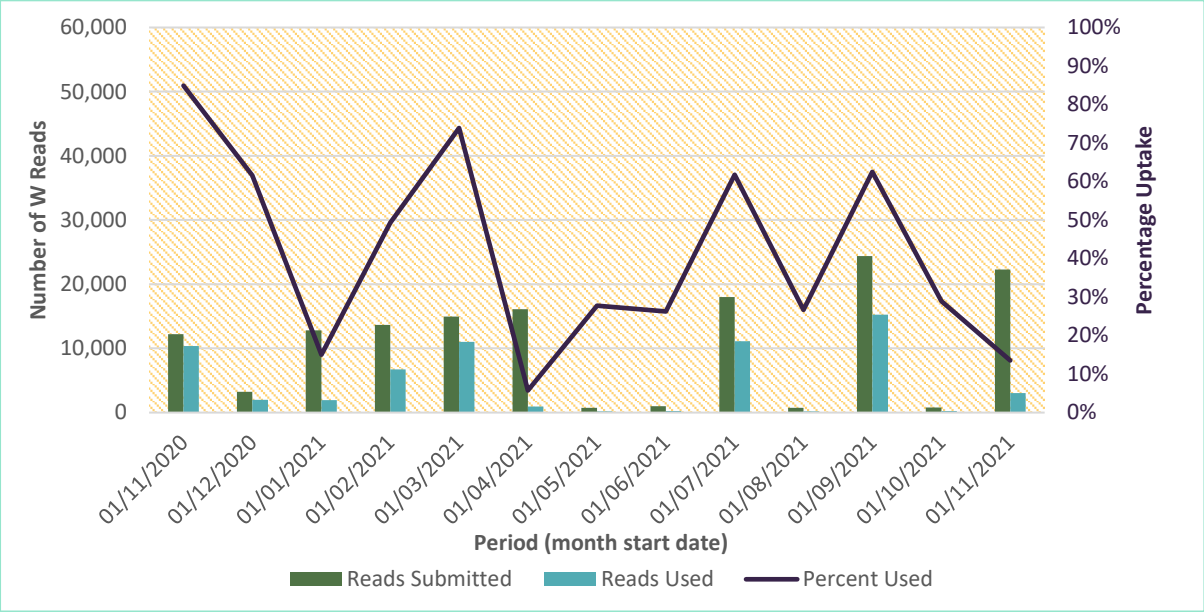

Figure 1: Temporal view of Wholesaler Reads in the market from November 2020 to November 2021

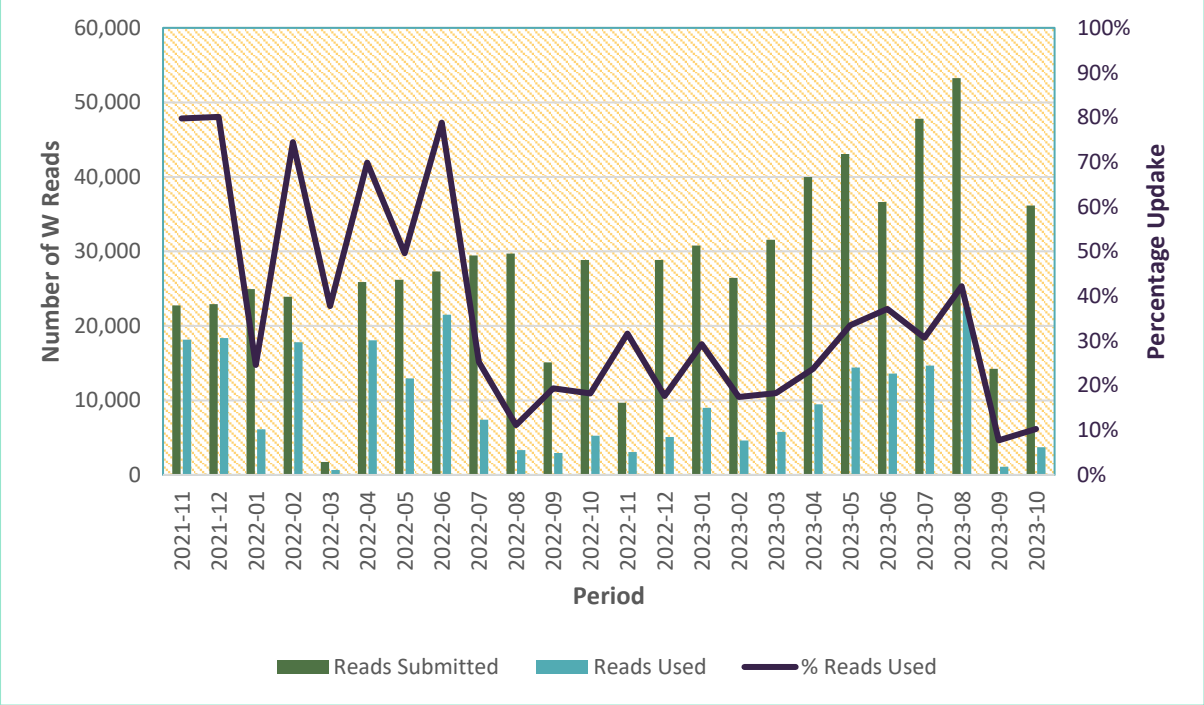

Figure 2: Temporal view of Wholesaler Reads in the market from November 2021 to October 2023

Figure 2 shows that since the PIR there has been a significant increase in the number of Wholesaler reads but fewer are being submitted by Retailers for use in settlement. However, a significant proportion of these additional reads have been submitted by just one wholesaler, Thames Water. Further analysis found that the majority of the reads submitted by Thames Water are monthly reads from SmartAMI meters.

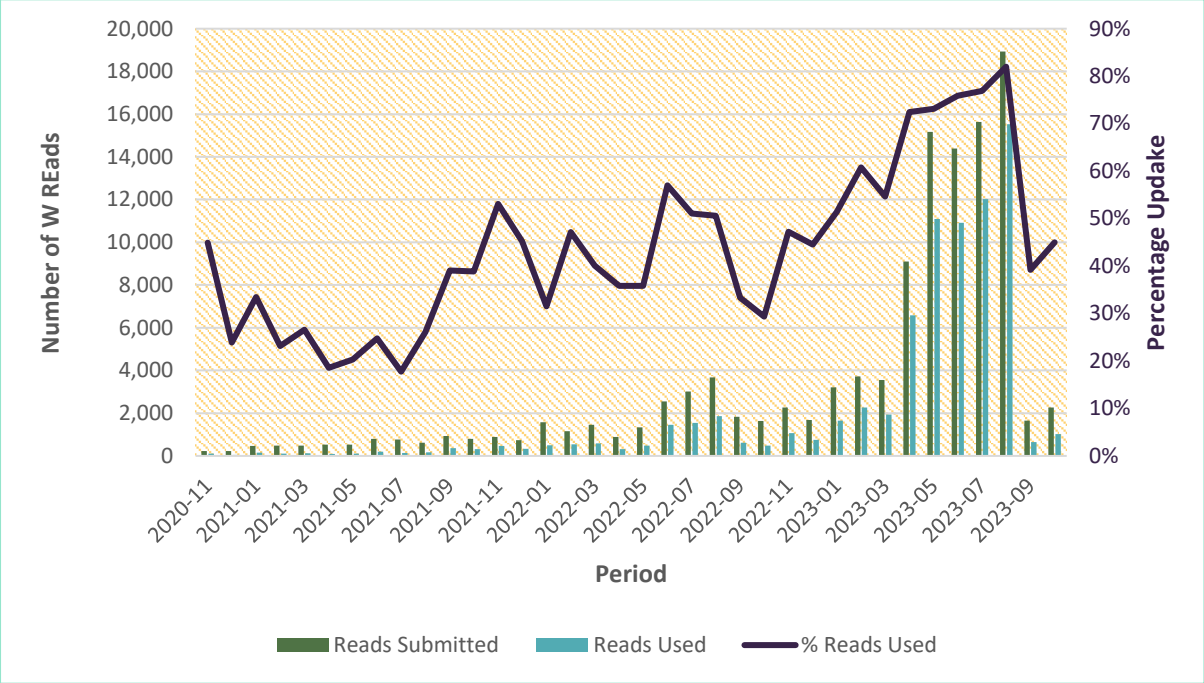

Figure 3: Temporal view of Wholesaler Reads in the market from November 2021 to October 2023 (excluding Thames Water)

Figure 3 shows that when the reads submitted by Thames Water are removed, the percentage of reads used increases significantly. There is a peak of reads submitted by Severn Trent from May to August 2023, which was due to the launch of a new data service.

3.2 Wholesaler Performance

Wholesaler ID	W Read Count	LUM[1]s resolved	% of W Reads used to resolve a LUM	W Reads per Meter	Total % uptake by Retailers	Underlying LUM Rate (%)[2]
THAMES-W	134106	751	1	0.7078	46	34
SOUTHEAST-W	1611	383	24	0.0325	40	34
NORTHUM-W	1522	16	1	0.0154	2	19
SOUTHERN-W	809	56	7	0.0154	10	15
YORKSHIRE-W	652	41	6	0.0051	10	8.1
AFFINITY-W	623	111	18	0.0098	30	19
SEVERN-W	607	264	43	0.0032	67	23
UNITED-W	449	192	43	0.0026	56	19
SOUTHWEST-W	213	1	0	0.0027	1	17
SUTTON-W	163	7	4	0.0138	11	14
PORTSMOUTH-W	140	10	7	0.0096	25	19
DWRCYMRU-W	12	0	0	0.0327	0	3.2
ANGLIAN-W	7	0	0	0.0001	0	10

Table 1: Wholesaler Read statistics by Retailer (min. requirement of one W Read received via a T105.W). Green to red colour gradient used to highlight high to low performance. (November 2020 to November 2021)

Wholesaler ID	W Read Count	LUMs resolved	% of W Reads used to resolve a LUM	W Reads per Meter	Total % uptake by Retailers	Underlying LUM Rate (%)[3]
THAMES-W	677973	2505	0.4	3.6796	33	2
SEVERN-W	82004	7093	8.6	0.4310	77	14
SOUTHEAST-W	7714	1447	18.8	0.1562	63	20
UNITED-W	6184	287	4.6	0.0366	49	14
SOUTHWEST-W	4453	21	0.5	0.0568	5	11
NORTHUM-W	4095	113	2.8	0.0435	21	11
AFFINITY-W	3907	218	5.6	0.0626	39	11
SOUTHERN-W	3650	57	1.6	0.0697	12	10
PORTSMOUTH-W	3198	9	0.3	0.2212	32	3
YORKSHIRE-W	2368	20	0.8	0.0146	24	5
SUTTON-W	978	4	0.4	0.0837	7	7
SOUTHSTAFF-W	211	6	2.8	0.0054	13	20
ANGLIAN-W	49	2	4.1	0.0004	37	7

Table 2: Wholesaler Read statistics by Retailer (min. requirement of one W Read received via a T105.W). Green to red colour gradient used to highlight high to low performance. (November 2021 to October 2023)

[1] LUM – Long Unread Meter (any meters associated with occupied premises that have not had a read entered into CMOS for 12 months)

[2] Approximate measure based on the % of total meters that were long unread in June 2021.

[3] Approximate measure based on the % of total meters that were long unread in October 2023

Thames Water has significantly reduced its underlying LUM rate, however given the percentage of W Reads used to resolve a LUM is 0.4% this would suggest that the use of W reads has been insignificant in this. Southeast Water whilst having a 20% LUM rate, have seen nearly 19% of the reads they provided being used to resolve a LUM. Since the last PIR, there has been a significant increase in the number of W reads that are being submitted by wholesalers. Excluding those submitted by Thames Water, there were 36,000 reads submitted in the last 2 years compared to 6,800 in the November 2020 to November 2021 period. Whilst there has not been a significant uptake of W reads by retailers, there still has been an increase. At the last review the average uptake was 23% but this risen to 31% during the period November 2021 to October 2023.

3.3 Retailer Performance

Retailer ID	W Reads used	W Reads received	% W Read Usage	LUMs resolved	W Reads received per meter	W Reads used per meter	Underlying LUM Rate (%)[2]
CASTLE-R	59187	109057	54.8%	1269	0.4098	0.2224	31
SEVERN-R	3363	4141	81.2%	360	0.0225	0.0183	22
WAVE-R	431	6793	6.3%	2	0.0311	0.0020	14
UNITED-R	253	391	64.7%	189	0.0026	0.0017	19
SAINSBURYS-R	6	276	2.2%	1	0.1433	0.0031	4
STONEGATE-R	4	186	2.2%	1	0.1658	0.0036	7.4
BT-R	3	237	1.3%	0	0.0711	0.0009	1.6
WHITBREAD-R	3	191	1.6%	2	0.2058	0.0032	2.8
FIRSTBW-R	2	645	0.3%	7	0.1684	0.0005	13
YORKSHIRE-R	2	281	0.7%	0	0.0026	0.0000	8.1
ADSM-R	1	227	0.4%	0	0.1189	0.0005	3.9

Table 3 Wholesaler Read statistics by Retailer (min. requirement of one W Read received via a T105.W). Green to red colour gradient used to highlight high to low performance. November 2020 to November 2021

Retailer ID	W Reads used	W Reads received	% W Read Usage	LUM's Resolved	W Reads received per meter	W Read used per meter	Underlying LUM Rate (%)[3]
ADSM-R	3	2619	0.1%	0	0.6988	0.0008	21.4
ARLAFOODS-R	46	85	54.1%	0	5.6667	3.0667	0
BSTREAM-R	1189	28267	4.2%	62	0.1532	0.0064	8
BT-R	330	1569	21.0%	7	0.4601	0.0968	0.59
CASTLE-R	189553	522452	36.3%	4365	2.2213	0.8059	18.1
CLEARBUS-R	0	9524	0.0%	0	0.7768	0.0000	10
CONSERVAQ-R	0	1231	0.0%	0	0.1004	0.0000	10
DAVIDLLOYD-R	38	210	18.1%	3	1.9626	0.3551	1
EVERFLOW-R	6330	48762	13.0%	83	0.6554	0.0851	7.3
FIRSTBW-R	2242	5133	43.7%	7	0.9202	0.4019	6.5
GREENEKING-R	643	2231	28.8%	3	1.3944	0.4019	0.6
HEINEKEN-R	38	75	50.7%	0	0.5000	0.2533	0
JLP-R	99	681	14.5%	0	1.5235	0.2215	0.2
KELLOGGS-R	3	12	25.0%	0	2.4000	0.6000	0
MARSTONS-R	132	287	46.0%	1	0.3196	0.1470	0.5
NCC-R	0	100	0.0%	0	0.3175	0.0000	11.1
SAINSBURYS-R	477	2464	19.4%	4	1.3553	0.2624	0.6
SEVERN-R	79981	93022	86.0%	6913	0.2905	0.2497	15.1
SMARTA-R	0	1033	0.0%	0	0.2650	0.0000	12.1
SOUTHWEST-R	0	9316	0.0%	1	0.0866	0.0000	13.5
STONEGATE-R	466	1678	27.8%	3	1.3598	0.3776	0.5
SUTTON-R	0	16396	0.0%	0	0.7687	0.0000	20.3
TWRC-R	0	349	0.0%	0	0.4390	0.0000	24.7
VWRL-R	6	275	2.2%	0	0.7412	0.0162	0
WATER2BUS-R	281	14596	1.9%	0	0.1502	0.0029	6.4
WATERSCAN-R	15	37	40.5%	1	0.1729	0.0701	5.6
WAVE-R	18465	33233	55.6%	181	0.1594	0.0886	8.5
WHITBREAD-R	266	985	27.0%	2	1.0512	0.2839	0.2
YUWATER-R	0	414	0.0%	0	0.6970	0.0000	25.3

Table 4 Wholesaler Read statistics by Retailer (min. requirement of one W Read received via a T105.W). Green to red colour gradient used to highlight high to low performance. November 2021 to October 2023

The main difference from the initial PIR is that a wider range of retailers are now receiving reads from wholesalers. This has resulted in 11,600 LUM's being resolved compared to 1,800 at the last review. However, several retailers are not

submitting the reads into CMOS for settlement[4], with nearly 40% of the retailers submitting less than 5% of the reads they have received.

4 Recommendation

The Code Change Committee is invited to:

- **NOTE** the findings outlined in this document.

[4] These reads may be being used for customer billing, but this information is not available within CMOS