

Metering Committee Terms of Reference v1.0

The Metering Committee has been established by the Panel in accordance with Sections 5.2.1 (o) and Schedule 12 of the Market Arrangements Code (MAC).

Unless otherwise stated, words and expressions that are used in the Terms of Reference (ToR) shall have the meanings and application attributed to them under the MAC and Wholesale Retail Code (WRC).

Changes to the ToR can be proposed to the Panel at any time. All changes to the ToR will be voted on, in line with the Panel operating procedures.

1. Overview

The Strategic Metering Review is focused on identifying issues that are impacting the availability of accurate and timely consumption information in the NHH Market and defining a series of corrective actions.

Work through 2020 has identified an extensive programme covering short, medium and long-term projects starting in April 2021. In addition, a series of 7 quick-start projects have been identified which are due to start from January 2021.

2. Objectives and Principles

The purpose of the Metering Committee is to oversee and inform the areas of work on improving the metering arrangements set out in the market codes.

The objectives of the Metering Committee are to:

- Support MOSL and the Panel in prioritising improvement work under the strategic metering review;
- Carry out required investigation and evidence gathering from trading parties and others;
- Engage with third parties on areas of innovation as necessary; and
- Make recommendation on identified code Change Proposals to the Panel.

The Committee shall comply with the Objectives and Principles of the Codes, set out in Schedule 1, Part 1 of the Wholesale Retail Code.

3. Role and Functions

The Panel has delegated the following functions to the Committee:

- Monitoring the progress of the Strategic Metering Review;
- Providing input on the prioritisation or re-prioritisation of improvement work as the review progresses;
- Provide expert advice on the current metering arrangements and any proposed changes;
- Provide detailed and expert impact assessment on the current and proposed metering arrangements;
- Provide detailed and expert reports to the Panel and/or the Authority; and
- Make recommendations to the Panel on any related changes to the market codes.

4. Membership

4.1 Chair and Secretary

The Market Operator shall appoint the independent Chair of the Metering Committee (who may be an employee of MOSL), subject to prior consultation with the Panel. The Chair's role will be to chair meetings, facilitate discussions, and encourage consensus but shall have no casting vote.

The Metering Committee shall have a Secretary who shall be a person provided by the Market Operator. They will be responsible for taking the minutes, agreeing and circulating agendas, scheduling meetings and producing the papers and reports, on behalf of the Committee. The Secretary will also attend meetings to support the activities of the Committee and advise on the market Codes and change control matters.

The Secretary will neither vote nor be a member of the Committee.

4.2 Voting Members

The Metering Committee shall comprise 9 voting members of four (4) wholesalers, four (4) retailers and one (1) Customer Representative member appointed by CCWater. Members will comprise a pool of experts with experience of Metering and Settlement; and retailers may include both Associated and Unassociated.

Each Metering Committee Member shall act impartially and independently of the interests of their employer and of any person or class of persons, in exercising the functions under Schedule 12 of the MAC.

Before being appointed as a Metering Committee Member, each Member shall provide a Member confirmation to the Market Operator that they agree to being a Metering Committee Member. Members must also provide a letter from their employer agreeing that they may act as a Metering Committee Member, in accordance with Schedule 5.7.1 of the MAC.

4.3 Non-Voting Members

The following non-voting members are entitled to attend, to speak but not vote at the Metering Committee meeting:

- The Chair;
- The Market Operator;
- An observer representing Ofwat; and
- A Panel Sponsor, if appointed by the Panel.

The Metering Committee Chair may invite any individual to attend a meeting of the Metering Committee in order to speak to particular items on the agenda, but they shall have no vote in the Committee.

4.4 Alternates

If a Metering Committee Member cannot attend, the Member may propose an Alternate. The Alternate can be any individual notified to the Secretary in good time before the meeting. Alternates should possess sufficient knowledge and expertise to act as a Member.

Subject to the approval of the Metering Committee Chair, the Alternate may attend the meeting and vote and speak as a Member.

A person appointed as an Alternate is bound by the provisions of the code and this ToR. Alternates must act impartially, in the best interests of the market and should not be representative of or have regard to the interests of anybody or person, including the Metering Committee Member that appointed them.

If an Alternate attends a meeting as well as their standing Metering Committee Member, he or she attends only as an Observer and will have no voting rights.

5. Quorum and Decision Making

No business is to occur at the meeting unless a quorum is present. A quorum is a minimum of at least five (5) voting Metering Committee Members of which two (2) shall be Wholesalers and two (2) shall be Retailers.

Metering Committee Members must inform the Secretary if they or their Alternate is unable to attend at least five (5) Business Days prior to the meeting.

If a Quorum of Metering Committee Members has not confirmed attendance, the Metering Committee Chair may determine that the meeting should be cancelled, and a notification be issued to Metering Committee Members no later than five (5) Business Days prior to the meeting. The meeting will be deemed as cancelled if no Metering Committee Members has notified the Secretary that he or she objects to the cancellation, not later than three (3) Business Days before the meeting.

If a meeting of the Metering Committee Members is convened, and a quorum is not present within one hour, the meeting will be adjourned and re-scheduled by the Secretary at the earliest convenience.

A meeting shall be quorate if the necessary members are present in person at the meeting or are contactable by telephone conference call.

5.1 Voting Procedure

Votes will not be attributable to individual Members. Any decision made by the Metering Committee shall be decided by a simple majority of voting Members

When voting on any one decision, each Metering Committee Member shall be entitled to exercise one (1) vote.

6. Secretariat

The Market Operator will provide Secretariat services and appoint the Metering Committee Secretary. The Secretary will neither vote nor be a member of the Committee. The Secretary is the officer of the Committee that is responsible for its administration. The Secretary must have integrity and must not only be, but also be seen to be, impartial and free from proximity to vested interests. The work of the Secretary encompasses:

- Convening of Metering Committee meetings, provision of relevant papers and materials and taking minutes of meetings;
- Maintaining registers of Committee Members, interests, contracts and agreements;
- Communicating with the Panel, Trading Parties and Ofwat on behalf of the Metering Committee;
- Management and administration of the Committee Member appointment processes; and
- Supporting the Metering Committee Chair in ensuring compliance with regulations and obligations by Committee and Panel Members (and the Committee and Panel as a whole).

7. Proceedings of the Meeting

7.1 Frequency of Meetings

The Metering Committee will meet as and when required, but meetings may be cancelled if there is insufficient business on the agreement of the Metering Committee Chair. In such cases, the Secretary will notify Members (and confirm on the website) that the meeting is cancelled not later than five (5) Business Days prior to the meeting. The meeting will be deemed as cancelled if no Metering Committee Member has notified the Secretary that he or she objects to the cancellation, not later than three (3) Business Days before the meeting.

Additional meetings may be held at such a time and place as notified to the members by the Secretary, in accordance with these ToR.

Unless otherwise decided by the Panel, the Secretary shall convene the Metering Committee meetings by giving notice via email at least five (5) Business Days prior to the proposed meeting, accompanied by publishing an agenda and any non-confidential papers on the website, as necessary. A copy of such notice and papers shall also be sent to any Alternate appointed.

The custom practice is that there will be no late papers issued outside of the agreed meeting notice period. From time to time, there may however be a need for additional matters or late papers, and the approach will be agreed by the Chair on a case by case basis. The Secretary will provide notice to the Committee members and the other persons entitled to receive notice, as soon as reasonably practical. Late papers will only be considered upon the agreement of Metering Committee members.

7.2 Urgent Meetings

Where the Secretary, with the agreement of the Committee Chair, is of the opinion that an urgent meeting is required, the five (5) Business Day notice period shall be waived.

The Secretary will notify Committee Members by email and/or telephone as soon as reasonably practical prior to the calling of an urgent meeting.

7.3 Meetings via Teleconference

A meeting of the Metering Committee may consist of a tele- or video-conference between members. A Committee member taking part in such a conference or telephone call is deemed to be present in person and is entitled to vote and be counted in the quorum accordingly.

7.4 Minutes of Meetings

The Secretary shall minute the discussions and resolutions of the meetings, including the names of those in attendance. Draft minutes will be circulated to Metering Committee Members as soon as reasonably practical after the meeting, where approval will be sought at the next meeting. Following Metering Committee Members approval, the minutes will be published on the Market Operator's website.

To facilitate transparency, the Secretary may, at the discretion of the Committee Chair, publish a Headline Report listing the decisions within three (3) Business Days of the meeting. The Metering Committee has delegated authority to the Committee Chair to approve the Headline report.

The Secretary will also provide regular updates to the Panel on the activities of the Metering Committee, in the form of a monthly (or otherwise agreed) Committee Report, as determined by the Panel and agreed by the Metering Committee Chair.

7.5 Recording and Broadcasting

For transparency, audio and/or video recording may be made of Metering Committee meetings. Additionally, the open session of committee meetings may be broadcast by webinar. The agreed policy regarding recording and webinar broadcasting is as approved by the Panel and published on the Market Operator website.

8. Transparency and Confidentiality

The Metering Committee meetings are open and public. While custom practice will be to allow any person to attend the open session of Metering Committee meetings, provided that the Secretary is notified, and prior consent of the Metering Committee Chair is required (and that such approval will not be unreasonably withheld), exceptions may apply which call for a closed meeting session. Such exclusions include where confidential information will be considered shall be held in confidence.

There is a preference of all agenda items to be taken in open sessions where at all possible.

In the event of closed session papers, the necessary paperwork will be circulated to Metering Committee Members and will not be published on the Market Operator's website.

9. Conflict of Interest

Metering Committee Members shall declare in advance any actual or perceived conflict of interest.

In the event of any conflict of interest is declared by a Metering Committee Member, the Member shall notify the Secretary for the matter to be discussed at the next appropriate Metering Committee meeting. At the Metering Committee meeting, the Members shall decide the most appropriate course of action.

10. Expenses

Any Metering Committee Member who is not employed by the Market Operator can claim reasonable expenses incurred in attending meetings or otherwise conducting business. The agreed Panel and Committee Expenses Policy is published on the Market Operator's website.

11. External Communication

Metering Committee Members may be approached by members of the press or requested to speak at public events either on behalf of the Metering Committee or in personal capacity. The agreed Communication Policy is as approved by the Panel and published on the Market Operator's website.

Appendix A – Outline programme of work




MOSL
WATER OPERATOR SERVICES LTD

Quick-start programme

- ◆ Projects starting in early 2021

1. Access and sharing of existing consumption data in the Market
2. Improved process for customer meter reads
3. Read rejections next steps following initial work
4. Read frequencies – is there a case for change
5. Evaluation of opportunities for standardised skip codes
6. How to read meters that are difficult to read
7. Improved meter technology codes (remote read type)

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Short term draft programme in priority order

Ref	Title
S10	Improve core data quality & ownership/visibility (define standards)
S1	Meter read responsibilities & frequency
M6	Speed of asset repair/replacement
S2	Review of MPF Incentives (e.g. meter read and inoperable asset)
M7	Meter reading standards
M1	Metering standards (installation, sizing, technology, etc.)
S4	Market wide view of Smart metering roll-out programmes and a model benefits case
S8	Improve operational data capture for damaged/failing assets (Bilaterals)
S5	AMR reader standardisation
M2	Developing a segregated approach
S9	Classification of SPIDs to support tailored approach (e.g. hazardous location)
S11	Standardise and centralise skip codes
S6	Innovative ways to capture asset information

Strategic Metering Review

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To promote, challenge and lead the operation and evolution of the market for the benefit of business water customers

Medium term draft programme in priority order



Ref	Title
M3	Sharing of non-settlement consumption data
M9	Define the metering technology strategy for the market
M5	Consider cyclic estimates from Retailers (with appropriate skip codes)
M4	Explore who can raise a Bilateral
M10	Review of CMOS data model
M8	Model meter reading contract
S12	Review Yearly Volume Estimates (YVE)

Strategic Metering Review

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Long term draft programme in priority order



L1	Review the market model regarding ownership and responsibilities
L2	Review Price Control planning approach to drive asset health and technology
L3	Full AMR / Smart meter roll-Out

Strategic Metering Review

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To promote, challenge and lead the operation and evolution of the market for the benefit of business water customers