

Minutes of the Metering Committee Meeting 41

20 August 2024 | 09:30 – 12:30

Via MS Teams

Status of the Minutes: Approved

MEMBERS PRESENT

Spencer Mattia	SM	Chair*	James Mackenzie	JM	Customer Representative Member Alternate
Richard Barton	RB	Retailer Member	Michelle Thompson	MT	Wholesaler Member
Paul Heron	PH	Retailer Member	Kevin McCalliskey	KM	Wholesaler Member
Claire Stanness	CS	Retailer Member	Rosie Rand	RR	Wholesaler Member
Sindiso Bango-Dube	SBD	Retailer Member	Mitchell Yeoman-Boldry	MYB	Wholesaler Member
Jordanna Lo	JL	Retail Member Alternate	Angela Brown	AB	Wholesaler Member
Steve Formoy	SF	MOSL Affiliate Member*	Alex Cowie	AC	Committee Secretary

**Non-Voting Members of the Committee*

OTHER ATTENDEES

Chris Dawson	CD	MOSL Presenter	Martin Hall	MH	MOSL Presenter
Simon Bennett	SB	MOSL Presenter	Liz Darcy	LD	MOSL Observer
Rummana Patel	RP	DEFRA Observer	Thomas Taylor	TT	Southern Water Observer

Adrian Smith	AS	MOSL Observer	Tom Daborn	TD	MOSL Observer
Olivia Bletsoe	OB	MOSL Observer	Abu Rashid	AR	MOSL Observer

APOLOGIES

Mark Doherty	MD	Retailer Member	Christina Blackwell	CB	Customer Representative Member
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1. Welcome, Apologies and Compliance

- 1.1. The Chair welcomed everyone to the Metering Committee (“Committee”) meeting and noted that apologies had been received from MD and CB. JM would be acting as alternate for CB, and JL was stepping in for MD. The Chair also welcomed RP and TT to the meeting as observers.
- 1.2. The Chair reminded members that, in line with section 5.7 of the Market Arrangements Code (“MAC”), they were to act impartially and not in the interest or as a representative of any organisation or individual.
- 1.3. It was confirmed that the meeting was quorate.

2. Minutes and Actions from Previous Meetings

- 2.1. The Committee noted that the minutes of the Metering Committee meeting held on 16 July 2024 would be approved as an accurate record of the meeting ex-Committee, provided there were no comments by close of business on 23 August 2024.
- 2.2. The Committee noted that there were no actions to close.
- 2.3. The Committee noted an update on the following action, which would remain open: A29_02.

3. Granular Data Sharing Process Update

- 3.1. The Committee welcomed an update on the progress of the project looking to develop a granular data sharing process for the non-household market, which was one of the key actions arising from the National Metering Strategy.
- 3.2. MH provided an overview of the progress of this work, as outlined in paper MC41_02 which had been circulated in advance of the meeting.
- 3.3. CD noted that a report on the feedback received from the data sharing request for information recently undertaken was expected to be published before the end of the month.
- 3.4. The Committee discussed the update, raising the following key points:

MT joined the meeting.

- The challenge of getting a solution in place by April 2025 was highlighted and it was noted that it would be beneficial for the project team to consider running a pilot scheme to test the solution with a small number of trading parties and/or a small number of test smart meters on a trial basis.

ACTION MC41_01

- The potential benefits to the market of having a single standardised process for granular data sharing, which would provide significant reductions in cost and complexity were highlighted. Additionally, the potential benefits of being able to use smart meter reads on transfer and being able to get billing and settlement right from the outset were noted.
- The importance of ensuring that retailer processes for receiving data were looked at as part of the assessment of the preferred data sharing mechanism and standardised process was emphasised and RB, CS and SBD volunteered their organisations to be part of the project teams planned visits to understand the processes that they have in place. MYB also volunteered to facilitate a visit to his organisation as part of the further wholesaler site visits.
- A Committee member noted that there had been some abstentions at the Code Change Committee in relation to the recommendation of CPW142 'Wholesaler Smart Meter Reads' to Ofwat for approval and asked whether there were any risks arising if

CPW142 was not approved. One retailer member commented that a number of processes would be built awaiting the implementation of CPW142. The Metering Programme team noted the potential interaction with metrics being developed under the Market Performance Framework (“MPF”) Reform programme and that the recommendation on the granular data sharing mechanism would have to take into account Ofwat’s decision on CPW142 and work regardless of the outcome of that decision. It was also noted that while the Metering Programme team would not be able to provide information on the likely outcome of Ofwat’s decision on CPW142, they would reach out to Ofwat and to try and understand if there was any risk to the implementation timeline for CPW142, noting that Ofwat had until 11 October 2024 to issue its decision under the current timeline.

ACTION MC41_02

- On the interaction between a data sharing mechanism and CMOS, a wholesaler member noted that their organisation was already providing one read a month into CMOS for smart meters in the form of a W read in addition to providing granular consumption data to retailers in a spreadsheet.
- It was noted that there were increasing levels of customer interest in direct access to consumption data and that this was something that the project team would need to take into account in the design of the proposed granular data sharing mechanism along with the potential GDPR implications of allowing customers or third parties access to the data.
- A Committee member noted that it would be important to consider where read validation would occur and how this would interact with any granular data sharing hub and queried whether it would also be worth looking at CMOS validation parameters as part of this work. In this context it was noted that CMOS validation parameters were planned to be looked at as part of the CPW128 Post-Implementation Review.
- It was noted that there might be some benefit to forming working groups of Committee members to assist with elements of the granular data sharing mechanism work, and the work of other actions arising from the National Metering Strategy between Committee meetings and it was noted that the Strategic Metering Programme team would take this away for consideration.

ACTION MC41_03

3.5. The Chair thanked MH for his presentation.

4. PR24 Draft Determinations

4.1. The Committee noted an update from MH on the Strategic Panel and MOSL responses to the PR24 draft determination consultation. MH particularly highlighted the challenges within the draft determinations in terms of smart meter roll outs and the potential impact of the single unit rate used for smart meter funding calculations.

4.2. The Committee briefly discussed and reflected on the update noting that there were widespread concerns around how funding for smart meter roll outs had been allocated.

4.3. The Chair thanked MH for the update.

RP and MH left the meeting.

5. National Metering Strategy Update

5.1. The Committee welcomed an update from CD on the progress of the follow-on actions/workstreams being taken forward as part of the National Metering Strategy.

5.2. CD outlined the areas for action identified in the national metering strategy which broadly related to smart meter roll outs, reading smart meters, sharing data, other smart criteria and addressing issues with existing meters and other work.

5.3. In particular CD highlighted the following activity:

- In relation to the action on developing guidance for smart metering larger, the current thinking was that this can be done through highlighting the importance of not prioritising easy to locate and smaller meters over larger, difficult or long unread meters through market communications and direct trading party engagement.
- On the action to report on wholesalers' rollout plans, work has been progressed with a dashboard planned to be published towards the end of the year – further detail would be brought to the Committee for discussion.
- On the action to ensure the appropriate metrics in the MPF to support asset data is being entered into CMOS are in place, there is ongoing engagement and the current view

was that metrics M11 – M14 would assist in this area, with M14 looking at the proportion of meters with credible GIS coordinates.

- On the action to consider whether the existing guidance is sufficient or further support is required, when communicating smart meter roll out plans with customers, some amendments have and are being made to Operational Terms processes to facilitate better communication between wholesalers and retailers and contact has been made with the Chair of the RWG Planned and Unplanned Events Subgroup.
- On actions relating to progressing the change in read responsibilities from retailers to wholesalers under CPW142 ‘Wholesaler Smart Meter Reads’ and reviewing the ability of CMOS to cope with increased read volumes and encouraging a higher frequency of meter reads (i.e. monthly) to be entered into CMOS to support accurate settlement, it was noted that CPW142 was with Ofwat for decision and work on the granular data sharing mechanism and other work was ongoing to consider CMOS capacity issues.
- In relation to an action looking at the impact on economics of scale for meter reading as more smart meters are rolled out, it was noted that an initial meeting with Pelican had been arranged to discuss thoughts on how unit costs of reading traditional meters may increase. Further engagement would also be undertaken with other companies. It was noted that there was currently no consideration on the impact of smart meter rollout on allowances for reading traditional meters under the REC and that there would be a need to flag this to Ofwat for their consideration in their next review of the REC.
- In relation to earning lessons from other sectors, a report had been commissioned by Ofwat on how to deal with household and non-household data from smart meters which the Strategic Metering Programme team were engaged with.

5.4. CD also noted that the actions relating to data sharing were being picked up by the granular data sharing mechanism workstream and that the action relating to the development of defining continuous flow was now complete following the publication of the Committee’s Continuous Flow Definition and Guidance document.

5.5. The Committee discussed the update, raising the following key points:

- It would be important to monitor the impact of smart meter roll outs of the cost of meter reading services as there would be a significant impact on the cost of meter

reading services due to decreasing economies of scale. With regard to this issue it was noted that the Metering Programme team would look to pick up with Ofwat on how the stranded meter issue and the impact on meter reading costs would be addressed.

- The risk of hard to read and long unread meters being missed as part of smart meter roll outs was noted and a question was raised as to whether the Market Performance Framework (“MPF”) Reform programme would include some kind of assurance scheme to allow retailers and wholesalers to indicate they had done all they can to find and read a meter and that they were not impacted by fines for a failure to read. While the plan for the MPF Reform programme to take into account open bilateral requests was noted, it was observed that in some instances a retailer would open a bilateral that would get closed by the wholesaler who had done everything within its power address the issue without being able to resolve it and that they would then close down the request. It was observed that in such circumstances it would not be right to raise a bilateral request again and that it would be beneficial for the MPF Reform programme to take this into account. It was noted that the MPF Reform programme would need to give consideration to how instances where the closing of the bilateral request loop does not actually resolve the issue should be addressed.
- Similarly, a potential gap in the Codes process was noted in relation to temporary building supplies, where meters were installed in a readable location and subsequently became inaccessible as a result of buildings being raised over them.

5.6. The Chair thanked CD for his update.

6. QSP11: New Connections

6.1. The Committee noted an update from PH on the progress of QSP11 ‘New Connections’.

6.2. PH outlined the problem the QSP was attempting to address, noting the findings of the Market Improvement Fund Data Cleanse Report, which found that, the number of in-flight new connections had been steadily growing, with a build-up of poor-quality SPIDs in the market dataset and the results of a Request for Information (RFI) issued by MOSL where 75 per cent of trading parties said that the new connections process does not work effectively, and 71 per cent said that they are incurring additional costs through inefficiencies within the process.

6.3. PH outlined a number of areas that were being or had been considered by the QSP, notably:

- Reviewing the New Connections Data Capture Form to ensure all items are requested.
- Looking to work with the Data Assurance Programme and RWG Eligibility Subgroup on the question of the eligibility of temporary building supplies.
- Developing a wholesaler to retailer handover pack good practice guide.
- Looking at a potential future Toolbox Talk for Developer to Wholesaler Self-lay and Developers Education.

6.4. PH noted that whether new wording should be added to the Business Terms around new connections data capture should be added but the QSP had decided not to take this forward as they viewed the wording as already being sufficiently clear.

6.5. PH raised a specific request for views from the Committee in relation to the work of the QSP, which was whether a SPID should be created when the meter is fitted, or when the customer moves in.

6.6. The Committee discussed the question of whether a SPID should be created when the meter is fitted, or when the customer moves in, noting the following points:

- While recognising that there were significant issues with the current process and that address data for new connections was very poor, there was general consensus among wholesaler members of the Committee that the SPID should be created when the meter was fitted.
- One wholesaler member observed that while the SPID should be created when the meter was fitted, the meter should not be fitted until it is connected to the supply for water balance purposes. They also observed the potential issues with waiting until the premises was occupied before creating the SPID in terms of the risks of unidentified leakage.
- Retailer members were generally of the view that the SPID should be created when the customer moves in, noting that the existing process was causing significant issues due to issues finding and reading the meters and the huge cost to serve associated with them. It was also noted that by the time a meter was found the premises would often have become residential.

- All Committee members were of the view that the current new connections process was not fit for purpose and would benefit from a standardised approach, noting the difficulties arising from multiple different approaches.
- On Committee member questioned whether it would be beneficial to adopt the same process as used in the Scottish market, where the retailer manages the developer from the start right through to the new connection being made. It was noted that to do this in the English and Welsh non-household market would be a huge change from the current process.

6.7. PH and SB noted the variation in opinion between different groups of Committee members and that they would take this away to continue to engage with wholesaler members to try and understand where there is currently good practice and how this could be incorporated into any standardised process supported by good practice guidance. Similarly, the QSP would continue to engage with wholesalers and retailers and explore whether there was a way to find agreement on changes to the existing rules in order to address what was widely recognised as a significant pain point in the market.

6.8. The thanked PH for his update.

7. QSP22: x10 Meters

7.1. The Committee noted an update from CS on the progress of QSP22 and initial findings.

7.2. CS outlined the problem the QSP was trying to address, which was broadly that several meters of 150mm in size and above within the market require their consumption to be multiplied by 10 (x10 meters). There are just over 1000 meters 150mm and over in CMOS with some meter types having a mixture of x10 and not x10. This may mean settlement is incorrect and customers may get incorrect bills. CS noted that the QSP is therefore looking to improve the data within CMOS and help trading parties spot x10 meters.

7.3. CS highlighted the work ongoing which included reviewing CMOS Data –relating to the 1,059 meters 150mm and above and comparing serial numbers and suppliers' data. CS noted that the QSP were looking to produce an educational document for the market and to gather and share retailer experiences.

7.4. The Committee discussed the update, raising the following key points:

- One of the core issues was that x10 meters appeared to be recorded very differently in CMOS and the approach to recording x10 meters required standardisation.
- The QSP22 project team intended to look at 80ml x10 meters once its review of 150ml x10 meters was complete. In this context RB noted that a member of his team had been doing some work to look at x10 meters and that he would link him into the work of the QSP.

7.5. The QSP should ~~look to consider~~ developing a linked toolbox talk on x10 meters as well as, or instead of, a good practice document at the appropriate time ~~once the project is complete~~.

ACTION MC41_04

7.6. CS noted a point raised around how to address issues where misidentification of a x10 meter had caused a settlement impact and noted that she would look to book in calls with other retailers to see how they had addressed this with and that the QSP would look to incorporate whether a standard practice guidance document could be produced as part of its work.

7.7. The Chair thanked CS for her update and her ongoing work on the project.

8. Tabled Updates

8.1. The Committee noted the Tabled Updates paper circulated in advance of the meeting detailing progress on the Committee's workstreams and metering-related projects.

8.2. SB highlighted that the first round of toolbox talks developed under QSP23 would go live shortly.

9. AOB incl. Reflections on the Meeting

9.1. The Committee reflected on the meeting.

9.2. There being no further business, the Chair closed the meeting.