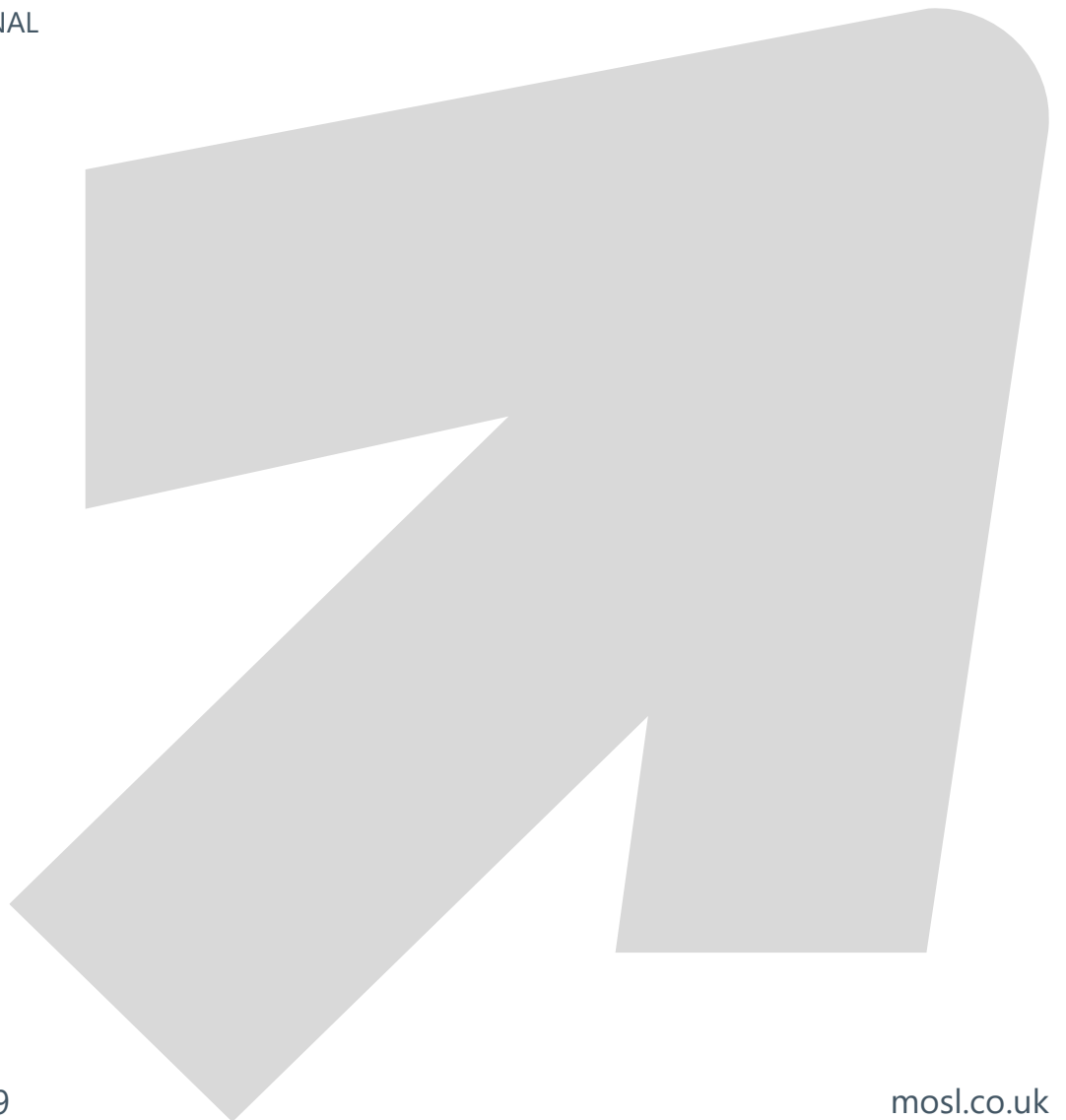


Performance Advisory Group (PAG) 40

Location: MS Teams

Date and time: 19 June 2024, 1000 - 1200

Status of minutes: FINAL



Meeting Minutes

Market attendees

Name	(Initial)	Role/Organisation	Name	(Initial)	Role/Organisation
Adam Boyns	AB	CCW (O)	Pam Nash	PN	C&C (O)
Andrew Smith	AS	Castle (R)	Peter Strain	PS	Castle (R)
Daniel Proctor	DP	Waterplus (R)	Paul Baker	PB	Business Stream (R)
David Morris	DM	Waterplus (R)	Paul Heron	PH	Castle (R)
Emily Jerrome	EJ	Water2Business (R)	Rebecca Gale	RG	Waterscan (R)
Gillian Bladen	GB	South West (W)	Robbie Smith	RS	Pennon (R)
Jon Fuller	JF	Wessex (W)	Shakima Fagan	SF	Everflow (R)
Jordanna Lo	JL	Business Stream (R)	Sian Forward	SFo	Northumbrian (W)
Julie-Ann Anderson	JAA	SES (W)	Shaun Kent	SK	Ofwat (O)
Karina Soulynha	KS	Southern (W)	Wendy Monk	WM	Wave (R)
Nichola Balfour	NB	Veolia (O)			

MOSL Attendees

Name	(Initial)	Role	Name	(Initial)	Role
Chris Dawson	CD	Chair	Lisa Connell	LC	Observer
Lisa-Ann Lott	LAL	Notes	Luke Coyle	LCo	Observer
Abby Jackson	AJ	Presenter	Oli Robins	OR	Observer
Adam Richardson	AR	Observer	Miles Robinson	MR	Presenter
Amy English	AE	Observer	Sam Webb	SW	Observer
Flo Monea	FM	Observer	Simon Bennett	SB	Observer
Huw Comerford	HC	Observer	Steve Formoy	SFr	Observer
Janet Judge	JJ	Observer			

1.	<p>Welcome & update</p>
	<p>CD welcomed all members to the meeting, confirmed the agenda and the workshop format of the meeting including how the detailed design approval reaches sign off.</p> <p>CD reminded attendees minutes and slides are all published on the MOSL website for review and comment via mpreform@mosl.co.uk noting the slide pack was circulated in advance on this occasion.</p> <p>CD ran through the high-level programme plan.</p> <p>AS enquired if the plan on a page is up to date as states March 2024 with the design phase for cyclic meter reads shown as mid-March to date with only a further two weeks to the end of the design phase.</p> <p>CD noted will update high-level programme plan in readiness for next meeting.</p> <p>AS noted would be useful on the plan to see what has been completed as part of that view.</p>
2.	<p>M01 Cyclic meter reads performed within SLA (biannual or monthly)</p>
	<p>AJ provided a recap of previous PAG discussions noting this is the second meeting containing cyclic meter reads.</p> <p>AJ noted the slide pack contains details of the influence and benefits sought from the new metrics and the behaviours the metrics are seeking to achieve.</p> <p>AJ highlighted the slide pack also contains the problem statements developed from reviewing current similar metrics within the existing MPF.</p> <p>AS enquired if the problem statements detailed in the slides are an exhaustive list and noted expected the list to contain access issues, control of assets etc.</p> <p>AS requested the exhaustive list of problem statements to be shared.</p> <p>AJ noted the problem statements relate to the high-level metric design as opposed to operational issues.</p>

AS noted the biggest challenges, in his view, are access and the ownership of the asset which represents a large proportion of skipped reads.

AJ noted current focus on overall design and financial tools and scenarios will be considered at future PAG meetings.

AJ provided an overview of the design of M01 noting it relates to cyclic reads performed within SLA for both biannual and monthly meters.

AJ highlighted had previously considered M19 the KPI focused on non-market meter reads and enquired once M01 agreed should this be replicated for non-market meters for simplicity and consistency.

AJ noted previously presented options for biannual reads and consensus was reached to utilise a seven-month timeframe.

AJ further noted proposed cyclic read metrics are similar to MPS 18 and MPS 19 from the current framework.

AJ began discussion on M01 noting report will include all market meters every month highlighting this differs from current MPS 18 and 19 which review from the last meter read taken or when the clock was last reset and count 200 BD for a biannual meter or 25BD for a monthly meter.

AJ noted in the new metric if one cyclic read is within the reporting window this will pass and if there is not a read it will fail and likely incur a financial penalty per failure.

AJ highlighted a target performance level would be set for this metric and would not expect this to be 100% performance as there will be a fail allowance as at present.

AJ noted considering presenting on a dashboard display as all meters versus passes e.g. if party has 10 meters and eight pass the SLA for the month performance would show as 80%

AJ further noted data slicing will be available to enable drill down into data to segment by biannual or monthly meters separately, whether the meter is vacant or occupied and whether the meter is internal or external.

AJ reviewed the SLAs noting options presented at previous PAG in April discussed the use of six months, seven months, eight months or nine months for the biannual meters and consensus view was seven months best and most credible option from a customer perspective as allows meter to be read twice yearly whilst providing flexibility to return to a meter should the first visit fail.

AJ noted consensus not reached on monthly meters as to whether calendar or business days should be utilised.

AJ provided an overview of the reporting windows for each of biannual and monthly reporting.

PS noted Scottish market were using 160 BD and have switched to 200 BD highlighting business days alters cost to serve given days are altered.

JL enquired if rejection time taken into consideration with the monthly cyclic reads.

AJ noted report will be run to allow for 10BD SLA to enter read and handle any rejections.

JL noted if entered on BD10 and then rejected would report as a failure.

SW noted currently no extra time for rejections only the 10BD and this will replicate that timeframe.

JL enquired if a meter transferred in, is the registered start or with new meters entered into the market and backdated is this taken into consideration e.g. if the start date of the meter is January but entered in June.

AJ noted query will be taken into account when reviewing scenarios for the metric.

WM noted agreement with PS not entirely certain consensus reached on seven months however enquired for the monthly reads how skipped reads are taken into account.

AR noted PAG feedback on different scenarios and asked attendees to consider how to balance between a simple metric and one which considers every case e.g. backdated meters as may be accommodated through setting target performance level lower than 100%.

AJ enquired if business days or calendar month should be used for the monthly metric running through examples of the metric using each option.

AJ highlighted if using 30 business days there is potential for overlap between reports and thus one meter read could become a pass for two months of reporting period even altering the timeframe to 23BD does not entirely preclude this from occurring.

AJ noted the use of calendar month prevents any kind of overlap and would promote one read every single month.

AJ further noted whilst calendar month does not allow for skipped reads the setting of target performance levels can take skipped reads into account by not anticipating 100% performance.

AS noted does not agree 7-month period for biannual reads.

AS further noted calendar month sensible and would create more flexibility for contractors to take meter read. However, need to understand how long available to resolve any skipped reads.

AS enquired if further opportunity to provide feedback at future meetings.

CD noted can provide feedback outside of the meeting by using mpfreform@mosl.co.uk and M01 will return at a future meeting.

AB thanked AJ for providing the slides in advance of the meeting for review.

AB noted calendar month most sensible as easily understood by customers. However, need to allow for skipped reads in the same manner as built into biannual reads.

AB further noted business days would enable a monthly read meter to become read every two months thus calendar month most logical.

GB agreed most simple approach to focus on calendar months and will need to understand how to schedule for the biannual reads given 7-month reporting.

PH noted need to take into account the wholesalers involvement in particular in regard to AMI rollout which will mostly effect the monthly reads.

CD noted wholesalers allow a month when a smart meter is not communicating to establish if it will come back online before changing if not working and this will need to be taken into consideration.

PH noted supportive of calendar months however need to take into account when wholesalers are exchanging meters.

JL agreed simple to explain to customers in particular as monthly meters normally larger customers and business days would allow reads to be skipped and only six reads instead of 12 reads.

SW noted feedback from PAG to add extra calendar month for the one month read and highlighted this provides two months to read a meter and returns to the potential for only six reads per year.

SW highlighted monthly meters are generally large volume customers and therefore need to be read more often.

SW further noted the market codes state for biannual reads meters must be read every 200 days or two reads per year.

SW highlighted target performance levels can be set to take into skipped reads and thus one read per calendar month is feasible.

AS enquired if the metric is applicable to wholesalers as well where there is an AMI meter enabled and what consideration has been given to the hard to read meters and what impact that will have on the metric.

AS noted may be penalised prior to be able to take action to make the meter readable especially as dependent on a third-party taking action e.g. wholesalers.

AJ noted designing the metric in the first instance for the majority of meters noting the majority will remain with retailers.

AS noted concern if responsibility changes to wholesalers when that will happen and to what extent and whether the likely impacts are being considered in designing the metric.

JJ noted are considering the metric from a wholesaler perspective and how this metric would be used for retailers moving forward.

CD highlighted National metering strategy reviewing hard to read meters alongside wholesaler rollout plans.

AR clarified there is a separate smart meter metric to hold wholesaler to account in a similar manner to retailers for reads.

AR noted AS' feedback and the need to consider the next 5-10 years from a code perspective and an Ofwat perspective highlighting need to have a flexible MPF to allow the standards to be varied.

AS noted concern AMI rollout will lead to a population of the hard to read meters being the only meters remaining with retailers and the metric will therefore lead to penalties.

	<p>AS also noted regional variation in regard to hard to read meters e.g. urban areas and enquired if MOSL had reviewed this in regard to the performance targets.</p> <p>AS highlighted need to consider cost of gaining a reading and how the population of meters will change.</p> <p>AR noted principle which underlie the charging framework to be consulted upon during July and feedback will be brought to PAG post consultation.</p> <p>EJ noted calendar months are simple for customers to understand however noted need to consider when reporting window ends should meter read be taken towards end of month.</p> <p>SW noted whilst reporting will be looking at full calendar month will not be run until more than 10 BD post the end of the month thus enabling reads to have been entered in time.</p> <p>CD summarised feedback noting calendar month considered to be simple and easy for customers to understand and need to consider how skipped reads are taken into account.</p>
<p>3.</p>	<p>M03 Lateness of overdue cyclic meter reads</p>
	<p>AJ highlighted M03 designed to review the handling of late or missed reads, where an SLA was missed and incentivising the read to be rectified or taken.</p> <p>AJ noted M01 is providing the monthly incentive as every meter is being checked every month and whenever the SLA is failed a penalty of some kind will be applied.</p> <p>AJ further noted at present reads checked at business day 200 if there is no read it fails and the penalty is incurred, the meter is then not checked for a further 200BD thus there is no incentive to rectify the problem promptly.</p> <p>AJ highlighted M03 designed with the idea M01 would measure the SLA and M03 would incentivise correcting late or missed reads however M01 does both and if M06 for transfer reads was copied there would be a daily financial penalty for lateness.</p> <p>AJ noted this would create double jeopardy as M01 contains a penalty per failure per month and M03 would be penalising the same thing.</p> <p>AJ further noted reviewing daily is too granular when considering the time parameters for cyclic reads in particular for biannual which will review a seven-month window with the report run every month thus a monthly incentive exists.</p>

GB enquired in relation to the biannual metric if a read is entered in August and another read entered in October would only the first read be counted in the seven-month period and would the second read start another seven-month window.

AJ confirmed the seven-month window restarts every month as each time the report is run it will review the previous seven months thus if a read is submitted in October the report is run on 10th November it would pass.

GB noted therefore if a biannual meter is read more often it would pass more than once in any six-month period.

AJ confirmed this would be the case as the report is looking for any one read in the seven-month window.

AS enquired what the retailer would be charged for each month if they have raised a Bilateral request or liaised with the customer to ask for access to gain a meter read and had not been able to read the meter.

AS noted M03 could be utilised to provide understanding of the population of meters which are taking to resolve e.g. open Bilaterals

AJ noted consideration is being given to the scenario when a Bilateral request has been raised against a meter and highlighted not anticipating target performance level to be set at 100%.

AS noted consideration should be given to the reporting of the metric in particular as 100% performance not anticipated.

AS further noted M03 could be utilised to provide details of the skipped reads e.g. where they are located, which retailer/wholesaler pairings are responsible etc to inform PAC when reviewing performance.

JL highlighted a failed visit is different to a skipped read and currently unable to identify this and recommended this should be considered within the calculation if the behaviour sought is to make an attempt to visit to take the actual read.

AJ summarised M03 should not be developed as another financial penalty for each day late however can be supporting metric to review skipped reads and those meters which are not being resolved.

PS noted correct reform would be to change CMOS to enable skipped reads to be able to be entered with a standardised set of skip codes.

	<p>JJ noted CMOS change can be considered by the Metering Committee however in regard to metrics within the reformed MPF relying on such a change would delay being able to implement the metric.</p> <p>JL noted metric attempting to drive behaviours to prevent long unread meters and could attract a penalty based on the age of the meter.</p>
<p>4.</p>	<p>Consultation 4 update</p>
	<p>MR provided an update on consultation four noting first pre-read document has been released detailing the process.</p> <p>MR noted the second document will be released w/c 24 June describing the principles used to determine the financial tools and the third will explain the metric to tool mapping.</p> <p>MR highlighted consultation will run from 8 July to 2 August.</p> <p>EJ enquired if webinars will be held.</p> <p>MR noted will utilise the July contract manager session to provide the webinar and this will be recorded.</p> <p>EJ noted the webinars are useful to have.</p> <p>AB noted would appreciate attending any webinars/contract managers meetings relating to consultation four.</p>
<p>5.</p>	<p>Upcoming PAG workshop(s) & AOB</p>
	<p>CD provided an overview of the upcoming PAG meetings to end of July.</p>