



Transfer Read Survey

Opening date: 3 November 2022

Closing date: 23 November 2022

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



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2. Executive Summary

As part of its business plan commitments MOSL is conducting a Strategic Metering Review which is being led by MOSL and supported by the [Metering Committee](#). The Metering Committee identified a series of 14 quick-start projects of corrective actions which began in January 2021 (more information can be found [here](#)). Included in the review is a quick start project by the Metering Committee looking at how to increase the number of actual meter reads during the transfer process. Presently the accuracy of the transfer process and final customer invoices are being affected by a high number of estimated reads. This consultation is exploring the reasons for this.

According to the [Customer Code of Practice](#) (CCP) Retailers have six weeks to issue a final bill to a Non-Household Customer. If the outgoing Retailer issues a final bill based on an estimate and later obtains an actual read, [CSD 0105: 'Error Rectification and Retrospective Amendments'](#) allows for CMOS data to be corrected if agreed by both trading parties. However, the Retailer can only refund excess payments but not charge for under payments after a final bill is issued.

[CSD 0002 \(Market Performance Framework\)](#) defines the processes, methods and incentives designed to support the delivery of satisfactory performance levels by Trading Parties against a set of key performance indicators and obligations. The current process of submitting a transfer read according to CSD 0002 (Table 1: Market Performance Charges) allows Retailers 7 business days (BDs) from the Registration Start Date, to capture the actual Transfer read and a further 8 BDs to submit that Transfer read. In total, the meter read must be submitted within 15 BDs of the Registration Start Date.

This consultation is seeking to inform the Metering Committee's understanding of the Transfer process and the use of estimated reads by obtaining information on why estimated Transfer reads are increasingly being submitted early instead of using the full use of the 8-day period to obtain an actual read. To improve the transfer process for customers and the market, it is important to use actual meter reads rather than estimated reads.

3. What is the issue?

On 1st of April 2020 [CPW078: 'Priority Performance Regime Changes for April 2020'](#) was implemented into the codes. This change sought to enhance the effectiveness of the Market Performance Standards (MPS) regime by increasing the level of the monthly cap applied to charges and amending MPS 3, 4, 12, 15, 16, 17 and 18. This change allowed Retailers additional time to capture the Transfer read and further time to submit the read into the market. The intention was to drive up the number of actual meter reads on transfer. Section 3 below shows that this extra time is not being used. Therefore, this consultation seeks to understand why the extra time is not being used to obtain actual meter reads.

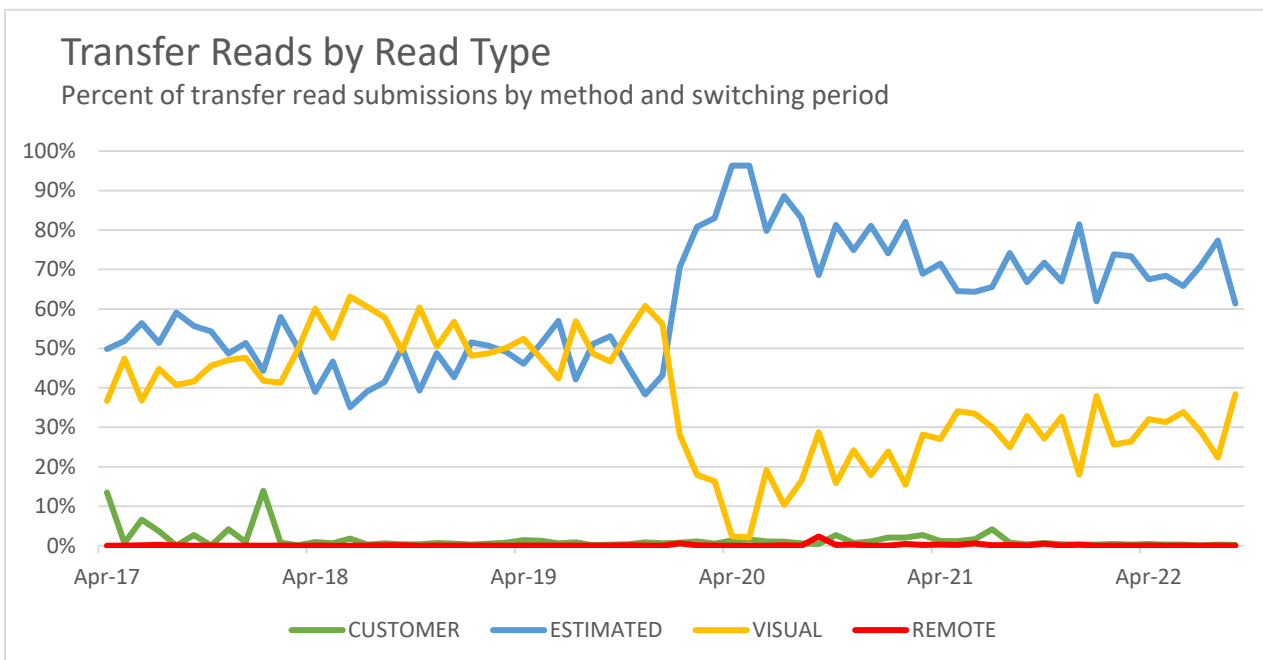
4. Assessment of the problem

Data that was obtained from CMOS before and after CPW078 was implemented has confirmed that Trading Parties have not taken up the additional time provided to both read and submit an actual transfer reading but increasingly opt for an estimated read instead.

Table 1: Percentages of estimated transfer read comparison

	Actual	Estimates
1/4/17 to 31/03/2020 (Pre CPW078)	50%	50%
1/4/2020 to 30/09/2022 (Post CPW078)	27%	73%

The above table illustrates how many estimated and actual transfers reads have been submitted since market opening. The percentages above also show an increase in estimated transfer reads since April 2020. While this decrease in actual reads corresponds with CPW078, it also corresponds with the UK government lockdown measures between 2020 and 2021 during the COVID-19 pandemic which affected the market as they were restrictions to accessing premises to obtain meter readings. The following chart shows a step change in estimated reads from January 2020 i.e., two months before the first COVID-19 lockdown restrictions came into effect.



Time Period	Actual	Estimates
1/4/17 to 31/03/2020	Mean= 32	Mean=66
	Median= 2	Median= 6
1/4/2020 to 30/09/2022	Mean=13	Mean=22
	Median=4	Median=2

Table 2: Number of days between transfer date and submitting transfer read (mean/ median)

The table above illustrates the average number of days it took for an estimated transfer read to be added. The figures indicate that estimated transfer reads have been submitted earlier since CPW078 was implemented. Actual reads figures have not significantly changed but they are now within the MPS standard. The Metering Committee is seeking to understand the reasons for this.

Table 3: speed of submitting estimated transfer reads

Time Period	Within 5 BDs of transfer	Between 6 BDs to 8 BDs	More than 8 BDs
1/4/17 to 31/03/2020	42.5%	20.3%	37.2%
1/4/2020 to 30/09/2022	67.4%	13.9%	18.7%

The table above illustrates the difference between estimated reads being added within the 5-business days (BDs) period compared to between 6 BDs to 8 BDs or 8BDs+.The data shows the highest proportion of estimated transfer reads being added is within the first 5 BDs, even though the market codes allow actual transfer reads to be submitted within 15 BDs of the transfer.

5. Next Steps

The Metering Committee requests Trading Parties to respond to this consultation, and responses can be submitted via the [online web form](#) on the MOSL [consultation page](#) by 6pm on 23 November 2022. The Panel Secretariat will confirm receipt of responses to the email address provided in responses. MOSL will share the consultation responses with the Strategic Metering Review’s Metering Committee to review current processes and where they can be improved to obtain more actual reads. If you require any assistance, please contact the Panel Secretariat at codechange@mosl.co.uk.

6. Consultation Questions

This section lists the consultation questions. The questions below have been numbered accordingly and are optional, however, respondents are encouraged to provide as much feedback as possible and the response boxes will expand as required.

1. Name?
2. Email address?
3. Current Employer?
4. Please describe your process for taking a Meter Reading during the transfer process?
5. Are you aware of the code change CPW078 which came into play on 1st April 2020 (Reference MPS17)?
6. Have you made use of the extended timeframe for submitting an actual transfer read as implemented by CPW078 (Yes/No)?
7. If no, what would you need to enable you to achieve visual actual reads in the required time?
8. What is your process for challenging Transfer reads with another Trading Party?
9. Are you aware of [CSD 0105](#) (2.5.8) other Trading Party agreement retrospective amendment and how its alignment links to the [Customer Protection Code of Practice](#)? Please refer to paragraph 2 of the executive summary.
10. If no what would increase the awareness of the above?
11. In your view, how should the transfer read process change to benefit customers?
12. Do you have any other comments?
13. Are any parts of your response confidential?
14. If so, please state which question(s). If you have marked any parts of your response as confidential
15. Please state if you are happy for it to be shared with the Strategic Panel, Code Change Committee and Metering Committee in a closed session. Confidential responses will be shared with Ofwat.