

## Representation

### Draft Modification Report

#### 0487VS - Introduction of an Advanced Meter Reader (AMR) Service Provider (ASP) Identifier (ASP ID) and Advanced Meter Indicator

**Consultation close out date:** 06 November 2014

**Respond to:** enquiries@gasgovernance.co.uk

**Organisation:** EDF Energy

**Representative:** John Costa

**Date of Representation:** 06 November 2014

*The consultation is aimed at establishing if the content/effect of the variation have caused you to change a view that you previously expressed, or to take a view that you had not previously considered. Please note any representation received in respect of Modification 0487S will be carried forward should parties not wish to change their original representation.*

#### Do you support or oppose implementation?

Oppose

#### Please summarise (in one paragraph) the key reason(s) for your support/opposition.

We continue to believe this modification does not further the relevant objectives for the reasons stated in our previous response and below. That fact it has been varied to bolt on part of the enduring solution from UNC 0511 only reinforces our opinion further. As stated in our previous response suppliers will be spending time and money trying to comply with the “quick fix” of using the SMSO field (which was designed for delivery of Smart metering) and then changing their systems and processes again to migrate the data to the post Nexus enduring solution, which has yet to be fully developed. Having the changes in place for a short period involves shippers/suppliers making two sets of changes to support the same process - i.e. passing AMR/ASP information at install/ CoS (Change of supplier). This will incur extra cost and tie up resources during what will already be an extremely busy time with Smart Metering and Nexus change.

We have estimated that it will cost us c.£20k to comply with the first/ original part of this modification, which if applied across 10 suppliers could amount to £200k not taking into account any problems with time spent manually adjusting files. This is inefficient considering there is no evidence of the benefits of there being many AMR sites identified during this time. This is because Shippers/Suppliers can only update this data with Xoserve for the sites they still ship/supply. Adding on the costs of complying with the enduring solution, for which no implementation date has been identified, and the effort to move any SMSO ASP values to proper ASP values (new role code) as part of nexus, would more than double this. There will also be further work required to migrate the data following implementation of Nexus to remove SMSO and create the ASP file. This retrospective update

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is not understood, nor its impacts. We believe a UNC modification should be only implemented when a final solution has been developed and agreed by an industry workgroup.

For the interim changes to have any significant benefit (to meet or exceed costs) within the potential 6 months period before the enduring solution shippers/suppliers will need to do a retrospective update of any of those AMR devices they have installed, so that Xoserve has this information to share at CoS. Therefore a process is required for this information to be shared with the current shipper/supplier so they can update Xoserve where the installing shipper/supplier is no longer the shipper/supplier. However, there is no process documented for this so this modification is implementing a solution that is not been fully developed or proven to work in practice.

In summary, we continue to support the principle underlying the modification however believe the focus should be on developing a robust enduring solution which was originally taken from UNC 511, the post Nexus requirements. We do not believe varying this modification in this way is good industry practice or governance because it's a quick fix that ultimate might not work in practice and detracts and ties up resources from developing a proper enduring solution. We believe the two current and enduring solutions should have been separate modifications to be efficient as one can hold up the other or force a decision that is not ultimately the best solution.

### **Are there any new or additional issues that you believe should be recorded in the Modification Report?**

Implementing this modification could create a compliance risk for suppliers who may not be aware they have an AMR meter in place for the reasons stated above. It is not effective to introduce obligations and risks which suppliers cannot manage.

### **Self Governance Statement:**

We continue to believe the impact of this modification is not immaterial and therefore should not be subject to self-governance. We have estimated that it will cost us c.£20k to comply with the first/ original part of this modification which over 10 suppliers could amount to £200k not taking into account any problems with time spent manually adjusting our files. Adding on the costs of complying with the enduring solution and the effort to move any SMSO ASP values to proper ASP values (new role code) as part of nexus would more than double this. Rolling this cost assessment out across all suppliers could easily create £500k of implementation costs which we believe Ofgem should consider.

### **Relevant Objectives:**

If this proposal reduces the number of abortive site visits then we can see how it might facilitate relevant objective A11.1(d) competition amongst suppliers as stated in the DMR. However this has to be weighed up against the inefficient costs incurred from suppliers changing their systems and processes for a workaround which apart from being a short-term solution may impact on other system developments in readiness for Project Nexus or UNC511 as highlighted above. This will negatively impact objective F, Promotion of efficiency in the implementation and administration of the Code, with changes to Code when an efficient solution has not been effectively developed and agreed.

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For these reasons we do not believe that it better meets the relevant objectives.

**Impacts and Costs:**

We have estimated it would cost us £20k to comply with the first/ original part of this modification which is inefficient considering it could be obsolete within 6 months.

**Implementation:**

We continue to believe a minimum of 6 months lead time would be needed for the complete and tested implementation of this proposal.

**Legal Text:**

We notice the legal text has been amended to include references to UK Link manual for how this would work. However reviewing the manual this has not been updated to reflect how this modification would work in practice.

**Is there anything further you wish to be taken into account?**

We are not aware of an equivalent change for iGTs.