## **Summary of Suggested Metering Validation**

EDF Energy believes that shippers should be incentivised to complete their own validation of meter readings, with the option that Xoserve provide metering validation as a user pays service. The reason for our view is as follows:

- We are keen to reduce individual shippers costs by ensuring that multiple levels of unnecessary validation are avoided, the cost of which will invariably have to be passed onto customers
- We are keen to reduce the need for shippers to work rejection files, which are likely to contain legitimate readings
- We believe that Xoserve should offer their validation services as an option for those who wish to take it up
- We would favour a step change away from the current filter failure regime as this will require significant adaptation when moving from the current SSP/LSP regime to the product 1-4 regime described in the documents. Over the last few years EDF Energy has completed a significant amount of data cleansing work and we would encourage others to complete similar activities and also advocate that following the introduction of Smart metering it should be easier to manage data quality issues.

## **Summary of our analysis**

- 0.2% of our portfolio have an AQ of 1 and increase to an AQ of more than 650 following submission of new meter reads during the AQ review, I believe we would require some sort of exception for AQs below a certain amount of usage
- Our analysis shows that the tolerances displayed in the strawman for GT periodic read validation for sites with AQs above 73,200 would not cause any exceptions for EDF Energy
- The tolerances for the market breaker scenario for SSPs would cause a number of unnecessary read rejections our analysis shows 0.3% of our domestic customer base AQ increases by >700% each year, this is typically sites which have between a low and average AQ initially. This analysis did not include sites which had an AQ of 1.

# **Comments for Ofgem**

I spent some time discussing our thoughts with Cesar Coelho. His main response was to pose the question around what level of risk the industry would carry as a result of our proposed regime. I also discussed how we should progress our view and Cesar preference was our proposal to be documented in the BRD as an alternative view so that the risks and benefits could be considered by Ofgem.

# Comments to the following documents produced Comments on BRD for Meter Read Submission and Processing and Settlement Arrangements for all Gas Meter Points 5.13

If reads do not pass these levels of validation but there is sufficient evidence to suggest that they are correct they should still be able to be passed to Xoserve. We believe there should be a note detailing the treatment of reads for sites where the AQ is 1.

### 5.14

Our view is that the GT should only complete the basic logic checks and not replicate the minimum shipper validation as documented in 5.13. It should be noted that we feel shippers should be able to choose to override all validation rather than putting in place new processes and system changes to check whether the reads fail Xoserve validation levels. For periodic reads it is unclear how read validation will work for threshold crossers and this is something that we feel requires further clarity.

#### 5.15

EDF Energy agree that there should be shipper submission performance statistics that should be monitored and reported on. We would go as far to say we believe there should be an industry group similar to the Electricity Performance Assurance Board where shippers should discuss these performances

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EDF Energy would like some clarity of the treatment of AQs, which are 1 as we have around 0.2% of our customer base which would fail the market breaker tolerances.