
Technical Panel Meeting, 10th December 2009

Minute

Attendees

Brian Saunders (BS) - CMA (Chair)
David Nicol (DN) - CMA
James Bream (JB) - Business Stream
Jessie McLeman (JMCL) - Scottish Water
Amanda Murray (AMM) – CMA (TP Secretary)
Alastair Ross (AR) – Satec
Paul Howbold (PH) - Commission

Apologies

Kevin Ensell (KE) - Osprey

1. Minute

The minute of the meetings of 22nd October 2009 and 12th November 2009 were approved.

2. Actions and Administrative Update

AMM provided an update on the action log.

Action 068 was ongoing, and CMA had requested IP addresses from each of the Market Participants in order to get an FTP link established for transfer of documents.

Action 082 was ongoing, and Osprey will continue working on providing an updated document for the next TP meeting in February.

BS asked the Commission for clarity in their response to defining bad debt. Was the intention to steer the TP away from providing input as it was not appropriate, or was it to invite the TP to pick this action up? PH stated that the initial view of the Commission had been that this was not a TP matter, however this view had changed and the Commission would now welcome input from the TP on defining bad debt. AMM to advise Osprey of this in order that they can include this work as part of their existing action AP082.

AMM confirmed that no new Commission Changes had been introduced or implemented since the last TP meeting.

AMM confirmed that there had been three bulletins, namely BU058, BU059 and BU060, issued by the CMA since the last TP Meeting. There had been no new Guidance Notes issued since the last TP meeting.

There were two proposed TP meeting dates in addition to those noted at the last meeting. TP were invited to review these dates with a view to approving at the next TP Meeting in February 2010.

AP086 ALL

3. Change Proposals in Progress

MCCP037 – Smart Meter Reads

Business Stream requested that this be re-introduced for TP consideration as the Commission had now confirmed that there were no legal issues in relation to the 1980 Act. JMCL stated that the proposal should be amended to reflect an agreement from all members of the TP that the proposal relates to automatic meter reading (AMR) and not to smart meter reads as Scottish Water does not own any smart meters. JB commented that both terms are commonly interchanged within the industry which may have caused some confusion, but that he would be happy to amend the proposal to reflect the suggestion from Scottish Water in relation to AMR's rather than Smart Meters. This was accepted by the group.

AP087 Business Stream

JMCL further clarified that Scottish Water do have electromagnetic meters that can log and transmit readings, and that if this proposal was to be accepted then there was a clear risk to the Market as no precautions were in place to validate the accuracy of these meter reads.

JMCL stated that Scottish Water would also need clarity around the reading type being submitted, along with safeguards to be put in place to ensure physical checks were carried out, especially where there were two devices at a meter, to confirm the register of the meter and the reading received remained in sync. Work would need to be undertaken to understand how varying types of readings could be clarified when participants were submitting readings, and suggested clear definitions should be scoped.

JB advised there are no clear definitions in the market today for these types of meters and would be happy to write a definition. In relation to identifying new read types, this would take considerable time and Business Stream were keen to push forward with this proposal, possibly with an interim solution while new read types were developed.

JMCL queried where the transmission was remote; could the existing system capability cater for this being classified as a remote rather than physical meter?

DN confirmed that there was not an existing classification for remote readings, and stated that a new read type could be initiated, however would take time to develop. CMA asked whether the TP would look to include this type of read in the interim, utilising the "C" and "U" read types to differentiate. JMCL reiterated the issue of safeguarding against inaccurate meter reads being present, and offered to work with Business Stream to compile some parameters to safeguard or minimise the risk should this proposal move forward.

JB advised that getting this information in the system would benefit everyone and therefore is not keen to wait until a new read type can be put forward. JMCL did not want to hold up the process, but wanted to ensure that any implementation was done correctly.

BS took the opportunity to summarise the debate stating that there was a desire to use AMR's, but there was concern around the accuracy of some, and also clarity was required on whether remote reads could be identified when submitted via the Central System. BS asked how quickly the Market would be in a position to do this, and if a temporary work

around was put in place, would it be sufficiently robust. Alternatively, would Participants want to look at a more robust solution from the outset?

DN stated that although the introduction of this new type of read would introduce a new class of error, it would also wipe out the issue of human error which is currently occurring. JMCL looked to ensure that the appropriate checks would be required on electricity smart meters.

BS stated that the CMA's position would be that were the market willing to accept the risks associated with the introduction of AMR's, then the CMA would adapt and make it useable, and continue to work with the market to develop something more robust.

Discussion ensued relating to whether the Market Code allowed for remote meter reads to be accepted as a valid meter reading. JMCL agreed to review further.

AMM suggested that this MCCP would require two work flows which could be run in parallel, JB should drive the process work required to implement the Proposal and JMCL offered to look at drafting up safeguard proposals. DN offered to work with Business Stream on drafting a process for implementation of the Proposal.

AP088
Business Stream / Scottish Water / CMA

PH stated that the Commission were eager for this work to proceed.

MCCP039 –CSD0205 Burst Meter Accuracy

DN provided some background and comments from the CMA's perspective, addressing user concerns and how they could be addressed by this proposal. JMCL stated that whilst the CMA proposals were not the ideal or preferred method, Scottish Water thought it was a pragmatic solution. JMCL agreed that the process needs to be set out and defined. JMCL queried whether the work involved was on a scale with the work on re-assessed charges. DN confirmed that the CMA does not believe it to be of the scale of re-assessed charges.

TP were asked to confirm their agreement with the proposal to include Burst Meter Accuracy in the existing process for fire fighting. TP unanimously approved this way forward. AMM to forward the approved Proposal to the Commission for consultation and approval.

AP089 CMA

BS suggested the CMA produce a naming convention in order to move the process of how the above would be implemented forward. DN confirmed that he would work through the RF proposals, and arrange a meeting (or conference call) to progress. DN stated that TP members would be invited to provide input which would be co-ordinated by the CMA, and forwarded to the Commission for approval.

MCCP040 –Transfer Cancellations by Outgoing LP

In the absence of Osprey – members were invited to discuss the proposal. AMM highlighted that the key issue from previous meeting had been the timeframe for bad debt and the 90 days was seen as potentially extensive.

JB re-iterated that Business Stream were of the view that 90 days was excessive and was not good for the market as a whole. JB suggested that there could be an option to hold. AR suggested the LP's take the discussion off line and produce a paper to bring back to next TP meeting.

4. New Change Proposals

AMM introduced the paper on New Change Proposals. Individual sponsors then spoke on each new Change Proposal.

MCCP042 –Changes to Meter Reading for Complex Networks

JB introduced this proposal which looks for central co-ordination of meter reads for complex networks. Business Stream has proposed this takes place via the top level LP who would co-ordinate readings back into the Central System.

JMcL highlighted the requirement for back off agreements in relation to co-ordination, along with potential liabilities. Discussion took place on how the Market would deal with any changes, and also looking at how the Market could get the best out of the System as it is.

JMcL also commented that the liability in the Wholesale Services Agreement would need to be backed off with LPs undertaking the readings. It was confirmed that there were approximately 1700 meter networks with ~3000 meters. The Group recognised the need for further work, and the TP was asked to provide guidance on whether there is merit in working further on the proposal. PH confirmed the Commission's steer would be to look at the CMA's suggestion to utilise existing mechanisms with more process around them.

JMcL stated Scottish Water's view is to use the existing approach, i.e. to ensure the readings are submitted, but to take any process issues, which need to be addressed back to the Metering Issues Working Group and try and flesh out the process further.

Business Stream agreed to withdraw this Proposal until further development work was carried out.

MCCP043 –Change to Customer Read Submission Timescales

JB introduced this Business Stream Proposal stating that the current 2 day requirement to submit customer read submissions was unachievable, and requested that reads be brought in line with other reads at 4 days.

JMcL queried what the rationale had been at the outset, but no one in the group was certain. JMcL further stated that statistics on readings and also leakage could be improved if the proposal was approved.

PH stated that the Commission has two concerns with this proposal. The first is one of creating piecemeal work in changing this metric in advance of any Group work on the general review of performance metrics. The second was clarity on what the benefits of moving from two to four days would be. JB agreed to take the Proposal away and provide further detail on the benefits of progressing this Proposal.

OCCP026 –Burst Allowance Process & Allowance Request Form

JMcL confirmed that this OCCP was in line with M CCP039 and looked at implications of changes to the Operational Code to mirror the work required on the M CCP039. This was a proposed addition to the OC, along with a new form which would assist in processing any applications. JMcL further clarified that the information in the form related to what was being requested of LPs at present.

DN confirmed that MC change would be required to reflect timescales to have all information in place. It was thought that this will be roughly 10 days before RF.

JB queried whether Customer Reads are excluded from this process as there is no mention of it in the process documentation, however was specifically excluded on the proposed pro forma. JMcL agreed to confirm whether customer reads were excluded, and if they were, to provide an explanation as to why they were excluded. **AP090 Scottish Water**

DN asked if there was currently a process for meter accuracy tests. JMcL advised that there is currently no process set out for this. JMcL stated that a process is in place for estimating if a meter is found to be inaccurate.

TP were asked to confirm their approval of the above process. This was approved pending confirmation on customer read point above. TP requested that it be noted that the meter accuracy process is not covered by this proposal, and may need a similar process where meter found to be inaccurate.

OCCP027 –Improving Information Capture in the Disconnection Process

JB introduced this proposal. Business Stream is looking to capture additional information in one form rather than a number of emails. JMcL suggested that the proposed process is helpful, however may need additional work, both on the document, and where it is likely to sit. PH suggested someone from the Commission (possibly Mark Nolan) would contact James to discuss the Commission's view on where this Process would sit. Business Stream and Scottish Water agreed to take the Proposal away and do some further work and bring back to next meeting. All LPs were invited to join any discussions on this Proposal.

AP091 ALL

5. Forward Plans

AMM presented the Issues list with supporting document for TP information. It was highlighted that there was an update section in the supporting word document which would detail changes from previous documents at each TP meeting.

Due to current activity in relation to RF, AMM advised that all documentation in this section was under review. DN provided some background on the current AWA issue and advised that a document would be available next week which would be circulated to TP members; however it was likely that there would be limited time to review. TP members were minded to provide feedback as soon as possible, but no later than Friday 18th December.

6. Participant Performance

AMM confirmed that the Performance Statistics were produced quarterly, and that Quarter 1 and Quarter 2 were produced at the last TP meeting, and that Quarter 3 would be produced at the next TP meeting.

7. Any Other Business

Meter Capacity Threshold

AMM stated that recent analysis by the CMA on settlement runs had identified a number of readings that were being rejected by the Central Systems, due to the figures being above the maximum threshold capacity allowed for a specific meter size. The CMA reviewed these rejections and found that all were incorrectly rejected as the readings were accurate.

AMM advised that the CMA had temporarily increased the meter capacity threshold to allow rejected reads to be re-submitted. The CMA would bring a proposal to the next TP meeting looking to make this increase permanent. JMCL stated that Scottish Water would require further information to understand any associated risks in more detail.

Settlement Calendar

AMM advised that the CMA was proposing to bring forward the running of two Settlement Runs during the Christmas period, and that an email would be issued with details. Market Participants were asked to confirm their acceptance of these once they had had an opportunity to assess any impact on their business.

There being no other business, the meeting was closed.

Actions

Action	Subject	Update
<i>From the minute of meeting of 20th August 2009</i>		
Action 068 CMA	BS requested their report under the MDS via FTP rather than CD. AMM undertook to clarify this was possible, and if yes to action.	Ongoing
Action 076 CMA	CMA to raise IA on the ability to add additional meter read type into the Central System	Ongoing
<i>From the minute of the meeting of 22nd October 2009</i>		
Action 082 Osprey	KE to develop M CCP040 further with a view to flushing out the proposal and implications further.	Ongoing
<i>From the minute of the meeting of 10th December 2009</i>		
Action 086 ALL	TP members were asked to consider the proposed additional meeting dates for 2010 and confirm acceptance at the next TP meeting.	
Action 087 Business	Business Stream to amend M CCP037 to clarify	

Action	Subject	Update
Stream	terminology. Smart Meter Reads to become Automatic Meter Reads (AMR's).	
Action 088 Business Stream / Scottish Water / CMA	Develop M CCP037 further with a view to providing additional detail at next TP meeting. Business Stream / CMA to drive process work on how this could be managed, and Scottish Water to produce some parameters to take account of the risk / minimise the risk of allowing AMR's to be accepted.	
AP089 CMA	AMM to forward approved M CCP039 to Commission for consultation / approval.	
AP090 Scottish Water	JMcL to clarify whether Customer Reads are excluded from OCCP026, and if yes, provide clarification on why this is the case.	
AP091 ALL	OCCP027 Business Stream to drive off line meeting with Market Participants to further develop this OCCP with a view to providing more detailed paper at the next TP meeting.	