

MARKET CODE CHANGE PROPOSAL FINAL REPORT			
Operational Code Change Proposal Ref	MCCP010	Version Number	Version 1.3
Title of the change	Customer Own Reads		
Proposer	Business Stream		
Decision	Approved		
Date and circumstance	Scheduled Technical Panel Meeting 21/02/2008		
Attendees	Voting: Scottish Water, Business Stream, Satec Non-voting: CMA, Commission		
Vote	Majority Voting For: Business Stream, Satec Against: Scottish Water		
Proposed Implementation Date	The next release of the Market Code following approval by the Commission.		
Comments from the meeting	<p>The vote was not unanimous; SW voted against and intend to write to the Commission</p> <p>The discussion points from the unapproved minute of meeting are listed below:</p> <ul style="list-style-type: none"> • The change to use COR would have no impact on the calculation of the Wholesale Charges. • The change to use COR would mean the CMA would have to amend the performance reporting reports; this impact had not been evaluated but was not expected to be onerous. • SW noted that environmental saving was not a decision criterion. SW was concerned that customer read may not reflect the actual usage. SW was concerned about the possible impact on its leakage work and revenue. SW put forward an alternative which was for LPs to provide reads on a quarterly basis; the remaining eight to be COR. • Satec suggested that the paper be accepted with a review after four months of operation. • The Chair noted that in his experience large customers do not abuse their role when providing their own reads. • The Chair noted that SW had not presented a case that the change prevents them from carrying out their statutory obligations. 		

<p>Post Meeting Comments</p>	<p>After the meeting the TP Secretary identified an issue with the proposed legal wording. The concern was the need to improve the wording that prevented LPs from bunching readings into adjacent months. The wording presented to the TP (stating a minimum of 5 months between readings) could not be applied to the scenarios where the LP carried out more than two readings in the year.</p> <p>The TP Secretary drafted an amendment to the original amendment:</p> <ul style="list-style-type: none"> • The maximum separation of seven months was chosen instead of the theoretical six months to prevent de minimus failures being reported via the performance monitoring system. For instance readings carried out on 6th May and 11th October would fail the six month test; • The “To avoid doubt” and “but only” were removed they detracted from the main text. <p>The amendment is shown below.</p> <p><i>In relation to Monthly Read Meters for all Supply Points for which it is Registered, each Licensed Provider shall carry out or procure that its agent shall carry out a Regular Cyclical Read and submit this to the CMA once a Month in accordance with CSD 0202 (Meter Read Submission: Process). The Licensed Provider shall be entitled to arrange for Customer Reads to be carried out (instead of the Licensed Provider or its agent carrying out a Regular Cyclical Read) on up to ten (10) occasions in any calendar year per Supply Point and in accordance with CSD 0202 (Meter Read Submission: Process). Where more than two (2) customer reads are submitted in a calendar year, the Licensed Provider (or agent) reads shall be separated by no more than seven (7) months.</i></p> <p>The TP Secretary contacted Business Stream and Satec (who had previously voted for the proposal) to discuss the matter. The TP Secretary did not contact Scottish Water as they had confirmed earlier that day that they were sending their objections to the proposal in writing to the Commission.</p> <p>Business Steam formally confirmed their agreement by email; Satec confirmed their agreement by telephone.</p> <p>The proposed wording of Market Code Section 5.9.4(i) is set out in the MCCP form itself.</p>
<p>Associated Change Form</p>	<p>MCCP-010 Customer Reads v1.2a</p>
<p>Report prepared by</p>	<p>TP Secretary</p>
<p>Date of Report</p>	<p>07/03/2008</p>