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## Wholesale Retail Code Change Proposal – Ref CPW123

<b>Modification proposal</b>	Wholesale Retail Code Change Proposal – CPW123 – Improved codes for 'remote read types'
<b>Decision</b>	The Authority has decided to approve this Change Proposal
<b>Publication date</b>	8 November 2021
<b>Implementation date</b>	13 May 2022

### Background

CSD 0202 (Meter Read submission: process) sets out four Meter Read Methods<sup>1</sup> which detail the method used to obtain the Meter Read value that is being submitted into the Central Systems (CMOS). The Meter Read Methods are: visual, customer, remote, and estimated.

CSD 0202 details that a Meter Read Method of 'remote' indicates that the Meter Read was obtained by means of an electronic outreader (e.g. touchpad), an AMR (automatic meter reader), a smart meter or Advanced Metering Infrastructure (AMI) or a data logging device. The associated Data Item that Trading Parties must submit, D3038 ('Remote Read Type'), provides five valid remote read types:

- Touch Read,
- 1-Way Radio (1WRAD),
- 2-Way Radio (2WRAD),
- GPRS, and
- Other.

### The issue

The Final Report details that the current provisions relating to remote read types do not accurately describe the additional metering facilities that are now available in the

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<sup>1</sup> Unless otherwise specified, the terms used in this document are those defined in the Wholesale Retail Code (WRC) as approved by this document and the Market Arrangements Code.

market. This proposal has therefore been developed to amend the read types to ensure they are more reflective of the metering options available.

The Final Report sets out two issues identified by the Proposer relating to the inaccuracy of remote read types:

- 1WRAD and 2WRAD – The benefits of this distinction are unclear as 1WRAD and 2 WRAD are both Automatic Meter Reading (AMR) devices and there are many different types of AMR meters in the market. It is stated that the distinction could result in additional investigatory work for meter reading organisations.
- Identifying smart meters – it is not currently possible to identify smart meters. This issue is becoming increasingly significant as Wholesalers look to replace their meter stock with AMI meters. There are currently inconsistencies within the Central System regarding how remote reads provided by smart meters are recorded. It is stated that this issue should be addressed to provide Retailers with greater visibility of meter types so as to better understand the services they can offer to customers. Retailers are also said to need visibility of smart meters as this information can feed into their metering strategy – for example, it may prove more cost effective to use a data service rather than for these meters to be included in their meter reading contracts.

## The Change Proposal<sup>2</sup>

Amend Data Item D3038 ('Remote Read Flag') in CSD 0301 to revise the valid remote read types. The revised remote read types are proposed to be:

<b>New remote meter read type code</b>	<b>Description</b>	<b>Current remote meter read type code</b>
Outreader	Other technology that can be connected to a meter and provide a facility for the remote collection of meter readings such as remote registers and camera reading systems.	Other
Touch	Meter reading data is captured by a hand-held device in very close proximity to a wired touch pad fitted remotely from the water meter.	Touch Read

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<sup>2</sup> The proposal and accompanying documentation is available on the MOSL website at <https://www.mosl.co.uk/market-codes/change#scroll-track-a-change>

AMR	data capture from a meter using walk-by or drive-by methods with an electronic interface unit in close proximity to the meter.	1WRAD and 2WRAD
Smart AMI	Advanced Metering Infrastructure: data capture from a meter using a fixed network radio infrastructure (Smart Metering). The radio infrastructure can be either a private or public network such as cellular communications	GPRS
Wi-fi	Emerging technology is available that takes advantage of the customers wi-fi to collect data from water devices or devices that are connected to water meters.	New remote read type
Dumb	A meter that cannot be read remotely.	New remote read type
Other	Any meter type that does not match one of the other definitions.	New remote read type

Respective amendments have also been proposed to CSD 0202 to ensure that the relevant code subsidiary documents are aligned.

The updates to D3038 will allow Trading Parties to identify more accurately the type of meter on site. Consequentially, Data Item D3037 ('Remote Read Flag'), which has valid sub-sets of 'can be read remotely' and 'cannot be read remotely', will no longer be required and it is therefore proposed that this is removed.

An amendment is proposed to change Data Item D3039 from ('Outreader ID') to ('Remote Serial Number') so that this Data Item can be used to indicate the relevant technology serial number to allow data collection from the device.

Two housekeeping amendments have also been proposed to CSD 0301, these include:

1. D5018 – The allowable length is being increased from eight to nine as one of the options 'Not Known' is nine characters. This is in line with current functionality so there is no CMOS impact.
2. T132.R – Correction of a typographical error in the description - 'date' replaced with 'data'.

## Industry consultation and assessment

An industry consultation on the proposed amendments opened on 21 June 2021 and closed on 9 July 2021. There were 14 respondents 10 Wholesalers, 3 Retailers and the Customer Representative from the Consumer Council for Water (CCW).

All respondents agreed that the remote read types required updating to reflect the meters in the market. All respondents also agreed with the proposed mapping of the existing data types to the new fields.

12 respondents (eight Wholesalers, three Retailers and CCW) said that they agreed with the proposed solution, however two Wholesalers did not agree. Of the respondents that did not agree, one agreed with the proposal except for the removal of D3037 ('Remote Read Flag'). The other thought that the 'Other Field' should be renamed to 'Outreader' rather than being removed and did not agree that a logger fitted to a 'dumb' meter should be classified as AMR.

Respondents were asked to consider the impact of a remote read type being incorrect. Wholesalers generally agreed that the impacts would largely be for Retailers, including that they might not be able to accurately bill their customers based on consumption. One Wholesaler respondent suggested that if the remote read type is incorrect this could result in unnecessary site visits. Of the Retailer respondents, one did not consider that there were any impacts because there are no smart meters in its portfolio. Another Retailer highlighted that meter reading costs vary from contractor to contractor and thought that this was the main impact, other than customer issues including accurate billing. One Retailer also considered that an incorrect remote read type could result in unnecessary site visits. CCW said that it did not have clear complaints evidence to demonstrate a detrimental customer impact but highlighted the importance that efforts continue to be made to resolve any issues that might contribute to inaccurate customer billing.

Regarding the potential customer impacts, one Wholesaler considered that the proposal would provide better visibility of its assets to Retailers, allowing them to submit reads and therefore should provide greater confidence around invoicing. Another Wholesaler considered that accurate and transparent remote read types should increase the ability for Retailers to obtain Meter Reads, which should result in more accurate billing for customers. This respondent thought that the reduction in manual reads could also decrease Retailer costs. Two Wholesalers suggested that the anticipated reduction in the cost to serve for Retailers should be reflected in customer bills. Retailer respondents anticipated improved billing accuracy and improved availability of data for customers, including clearer descriptions of which type of meter they have. CCW thought that the proposal could have positive impacts for customers if the risks of meters going unread are decreased and more data regarding customer meter types is available to them.

In relation to implementation costs, the majority of respondents thought these would be none or negligible. Some Wholesaler respondents anticipated that they would incur some IT costs but considered that these would be low.

Respondents were asked specifically about the following - their replies are summarised in the table below:

Question	Summary of replies
Removal of 'other' remote read type	Most respondents thought that this remote read type code should be retained. Seven Trading Party respondents thought that it could be useful to account for future technological developments. CCW also suggested that it might be useful if there is meter reading technology which does not accurately fit into the proposed remote read types.
Any additional data field types necessary?	The majority of respondents did not consider that there should be any additional fields. Two respondents did however make suggestions which included whether the remote device is Retailer or Wholesaler owned and another recommended a separate field added indicating whether the meter has a pulse output and is capable of having a data logger attached to it or not.
Use of Data Items - D3039 ('Outreader ID') and D3015 and D3016 ('logger information')	The majority of Wholesaler respondents confirmed that they do not use these fields. Three did use D3039 to record for example, the secondary serial number for AMR meter reading. One Wholesaler also said that it uses D3015 for data loggers it owns. One Retailer said that it passes the information from these Data Items to its meter readers.
Removal of D3037 ('Remote Read Flag')	Most respondents did not consider that removal would have an impact. Nine respondents agreed with removal, four (three Wholesalers and one Retailer) did not agree. The main reason for disagreement was the systems costs associated with removal. Four Wholesalers indicated that they would need to make some system changes which would incur costs, these costs were not specified. Of the three Retailer respondents, one did not anticipate any impact, another anticipated no significant impacts. The other Retailer respondent said that removal would impact how it handles the legacy remote read flag which is already in its system.

### Proposer's view

The Final Report states that the proposer fully supports this change and all the themes developed. It is stated that "the proposal has been enhanced as a result of the

consultation and new fields have been added for 'dumb' meters and for 'wi-fi' enabled communications that MOSL are aware several Trading Parties are actively working on. In addition, the solution has been developed to remove the Remote Read Flag Data Item."

### **View of the metering committee**

The metering committee considered that this change will provide more accurate recording of consumption which gives customers confidence in their bill and they can budget accordingly (which should enable bills to be settled in a timelier manner). The committee also considered that the proposed amendments would allow consideration to be given to how much water is being used and encourage customers to introduce more effective processes to save water and reduce their bills.

The committee voted unanimously to recommend this change to Panel for approval.

### **Panel recommendation**

The Panel considered this proposal at its meeting on 31 August 2021. It recommended, by unanimous decision, that the Authority approve this proposal. This recommendation has been made on the basis of improving the principles of efficiency, transparency and simplicity, cost effectiveness and security<sup>3</sup>. The recommended date of implementation is 13 May 2022.

The Panel agreed that the meter read type codes need to be updated to reflect meters that are currently active in the market, and that in doing so, a contributory factor to meters not being read would be mitigated.

One Panel Member expressed concern regarding the quality of data that would be input by Trading Parties following implementation. Although it was agreed that this was not within the scope of the proposal but could be highlighted to the future strategic panel for monitoring.

### **Our decision and reasons for our decision**

We have considered the issues raised by the proposal and the supporting documentation provided in the Panel's Final Report and have decided to approve the proposal. We have concluded that the implementation of CPW123 will better facilitate

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<sup>3</sup> Note that the Panel's recommendation was made prior to implementation of [CPW040/CPW0121](#) on 1 September 2021 which introduced revised principles of the Market Arrangements Code and Wholesale Retail Code.

the principles and objectives of the Wholesale Retail Code detailed in Schedule 1 Part 1 Objectives, Principles and Definitions, and is consistent with our statutory duties.

We consider the proposal furthers the **primary principle** as it has been developed and will operate in a manner which best seeks to protect and promote the interests of existing and future customers. Updating the remote read types within the WRC will provide more accurate market data and information, which the consultation responses indicate will facilitate more efficient meter reading. This in turn may contribute towards improved billing accuracy for customers and potentially better service offerings as a result of the ability for Retailers to identify smart meters. Through the efficiencies that can be achieved in relation to meter reading, this proposal additionally furthers the **supporting principle of efficiency**.

It is evident from the consultation responses that there are currently numerous approaches to use of remote read type codes and that some of these are not used. This proposal provides clarity as to when the various remote read types should be used therefore the proposal can be seen to also advance the **supporting principle of transparency and clarity**.

The proposal advances the **supporting principle of proportionality** as the amendments are proportionate to address the identified issues. The consultation additionally highlighted that for the majority of respondents the implementation costs would be none or low, therefore the costs to implement appear to be proportionate to the benefits that can be achieved for customers.

## **Decision notice**

In accordance with paragraph 6.3.7 of the Market Arrangements Code, the Authority approves this Change Proposal.

**Georgina Mills**  
**Director, Business Retail Market**