

Date: 9 October 2017  
Our Ref: Oct17 ECCLRC

Graeme Dey MSP  
c/o Clerk to the Committee  
Room T3.40  
The Scottish Parliament  
Edinburgh  
EH99 1SP

Dear Graeme,

### **Data loggers**

I would like to thank you for the opportunity to give evidence to the Environment, Climate Change and Land Reform Committee on 12 September 2017. The Committee asked me to consider the possibility of rolling out data-loggers across the non-household water sector.

Data loggers allow for automated meter readings and provide customers with important information that can assist with consumption management and direct leakage reduction initiatives. Around two-thirds of businesses and public-sector organisations in Scotland currently have meters that can be fitted with a data-logger.

The non-household retail market opened in 2008. This has allowed businesses to choose different levels of price and service. Many businesses have favoured better services over price reductions. Larger users have typically seen the advantage of more current information about their water use and have required their licensed provider to install a data logger.

Since April 2012, business customers have been able to choose either their Licensed Provider or a contractor to provide data logging services. There are currently over 15 accredited data loggers' suppliers. All installers, whether a licensed provider or a third-party company, are required to sign up to, and be bound by, Scottish Water's terms and conditions. This ensures that all data-loggers are fitted conform to a minimum standard and do not interfere with the meter to which they are attached.

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The average annual cost of installing, maintaining and removing a full-function data logger is around £300<sup>1</sup> for each connection. As we discussed, data loggers can bring significant benefits to some high-volume customers. However, it is not clear that those with lower bills would benefit – it is unlikely that the savings on their bill would cover the annual costs of having a data logger in place.

Many small and medium-sized businesses currently enjoy price discounts and accept that their meter is read less frequently. We would not want to prevent a business taking such a decision. The poor quality of some mobile data connections in rural areas may also make the data-logging solution problematic.

There is competition between licensed providers and third-party companies to provide data logging services. Customers can make an informed choice whether a logger is appropriate in their circumstances. It seems to me that the current arrangements allow those best placed to understand customers' requirements to tailor services and meet each individual customer's need to a greater degree.

The Commission will promote and encourage the use of data loggers, whenever viable, and will keep current arrangements under review to ensure they are fit for purpose and continue delivering benefits to customers and the environment.

Please do not hesitate to contact me if you have any questions on the above.

Yours sincerely,

Alan D A Sutherland  
**Chief Executive**

<sup>1</sup> Radio data loggers are cheaper to install and quicker to read than conventional meters but have less scope to assist in water management as they still need to be read – usually by someone driving past the data logger with a reader.

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