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Smart Meter Implementation Team
Department of Energy and Climate Change
Room 103,
55 Whitehall
London
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01 June 2012

Dear Sirs,

Re. Smart Metering Implementation Programme: Consultation on the Data Access and privacy (05 April 2012). Reference: URN: 12D/024.

Please see set out below ElectraLink's response to "Smart Metering Implementation Programme Data access and privacy". In accordance with our central role as service provider of the Data Transfer Service to the GB electricity market we have focussed our response on those areas most closely aligned with our experience, knowledge and core competencies.

ElectraLink agrees with DECC that a clear and auditable security and privacy policy is central to gaining and maintaining consumer confidence in the Smart Meter Implementation Programme (SMIP). However, in order to realise the full benefits of the SMIP, it is essential to also ensure that appropriate access to data is enabled, that future uses are not precluded and that the appropriate checks for access are designed to be undertaken in a cost effective manner.

One option to simplify the DNOs' access to smart metering data is for them to procure collective services through an authorised third party who would be able to perform the various aggregation and access verification steps on their behalf, thus reducing the cost of duplicating such systems across multiple network operators.

We also note that there is no distinction between the rights of consumers and customers on privacy of data, and given that these will be different, we feel that this is an oversight that needs to be properly addressed. Additionally we also note that there is no discussion on the access to control functionality in customers' properties enabled in or through the Smart Meter. We would recommend that a separate consultation is carried out for this matter.

Yours sincerely

Stuart Lacey

Chief Executive Officer

ElectraLink Ltd

Questions and Responses

1. *Do you have any comments on the arrangements for consumer access to data through the in-home display, Home Area Network or supplier? Do you foresee any problems with any of these mechanisms? If so, how could any problems be overcome?*

There is a correlation between the customer who pays the bill and the consumers within the property, which does not seem to have been discussed. Are there potential examples where consumers might not want the bill payer to have their detailed consumption information, e.g. landlords having information about their tenants' activities?

2. *Is there a need for any additional arrangements to enable consumers easily to access their own energy consumption data directly from their supplier, free of charge and in a common format?*

No comment

3. *Do you have any comments on the overall balance and workability of the proposals for supplier access to data?*

No comment

4. *Do you agree with the proposed approach to defining supplier regulated duties, and that suppliers should be able to access monthly (or less granular) energy consumption data for these purposes without customer consent? Would the proposed approach restrict suppliers from undertaking any essential activity, or present any other problems?*

No comment

5. *Do you agree with the proposal to enable suppliers to access daily (or less granular) energy consumption data, and use this for any purpose except marketing, provided that the customer is made aware of this and given the opportunity to opt out? What would be the implications for consumers and competition of this approach?*

No comment

6. *Do you agree with the proposal to require suppliers to obtain explicit (opt-in) consent from the customer in order to access half-hourly energy consumption data?*

No comment

7. *Do you agree with the proposal to require suppliers to obtain explicit (opt-in) consent from the customer in order to use energy consumption data for marketing purposes? Do you agree with the proposed definition of marketing, and in particular, that free advice should be excluded from the proposed definition?*

No comment

8. *Do you agree with the Government's proposed exceptions to the basic framework for supplier access to data – to accommodate theft detection and prevention, accurate billing, customer queries and trials? Are there any other important uses of energy consumption data that need to be covered in exceptions to the basic framework?*

No comment

9. *Do you agree with the proposal to require suppliers to explain clearly to customers what energy consumption data will be accessed, for which purposes, and the choices that customers have about this, and to provide annual reminders to their customers about this?*

No comment

10. *Do you agree with the proposed approach to the way in which suppliers should facilitate opt-out and opt-in choice mechanisms?*

No comment

11. *Do you agree with the proposed use of licence conditions to implement requirements relating to supplier access to data? Would any of the detailed arrangements, or any additional measures, be more effectively set out elsewhere, for example in an industry code, a standalone code of practice or guidance?*

No comment

12. *Do you agree that the licence conditions as drafted would effectively implement the proposed policy approach to supplier access to data? Do any specific areas of the draft licence conditions need amendment or clarification?*

No comment

13. *Is there a need for any consequential changes to existing licence conditions or codes to ensure that the proposed requirements on suppliers work as intended?*

No comment

14. *Do you have any comments on the proposed approach to timing of implementation of proposals relating to supplier access to data?*

No comment

15. Do you agree with the proposal to allow network operators to access half-hourly energy consumption data, without customer consent, for the purposes of developing and maintaining efficient, co-ordinated and economical systems for the distribution of electricity and gas, if they have had plans for aggregation approved? To what extent would this approach address potential consumer concerns about privacy in relation to network operator access to data?

We believe that ensuring that DNOs have access to half hourly consumption data with appropriate levels of aggregation is the right approach. This needs to be achieved in as cost effective manner, so as to eliminate where possible duplicate IT investments by each network operator. For instance the DNOs may wish to procure a collective service to perform such aggregation and access verification on their behalf so as to reduce their overall costs and ensure consistency of processing. ElectraLink would be well placed through both our ownership by the DNOs, and our experience of IT service procurement and operation to undertake such a requirement if the need arises.

16. If network operators' plans for aggregation have not yet been submitted or approved, do you agree that the proposed framework for supplier access to data should also apply to network operators? Would any alternative approach be more effective?

The suggested approach expecting network companies to keep track of consents through suppliers, and, for instance, managing this activity through the change of supplier process looks inefficient and may well prove expensive, particularly as this will need to be done by each network operator. Alternatively as described above, they may seek to undertake this activity through an authorised third party such as ElectraLink, which will help limit the cost impacts of this process.

17. Do you agree with the proposed approach to implementation of requirements relating to network operator access to data? What would be the practical implications of the proposed approach to implementation, and how could any problems be overcome?

As stated above, we are concerned that each network operator implementing systems to maintain records of individual customer consents is inefficient, and may be expensive and impractical. It may be possible for the network operators to collectively procure a system to maintain these records and administer appropriate access, and this would go some way to limiting the expense but even so this still may be difficult and expensive. An approach where the majority of use cases have been pre approved on a national basis, might help limit the extent of the requirements for individual consents.

18. Do you agree that the licence conditions as drafted (including the proposed amendment to supply licence condition 22) would effectively implement the proposed policy approach to network operator access to data? Do any specific areas of the draft licence conditions need amendment or clarification?

No comment

19. Is there a need for any consequential changes to existing licence conditions or codes to ensure that the proposed requirements on network operators work as intended?

No comment

20. Do you agree that technical data (such as electricity quality and voltage readings) which does not show energy consumption data should be outside the scope of the Government's data access and privacy framework?

No comment

21. Do you agree with the proposal to require third parties to take steps to verify that the request for third party services has come from the individual living in the premises in question?

We are concerned that the question as to whether or not the customer has the right to share consumer information needs to be addressed. This approach also raises the question of whether or not a consumer is allowed to represent the customer in these areas too.

22. Do you agree that the Customer Identification Number (CIN) process would enable third parties adequately to demonstrate verification of the individual consumer? Which of the two CIN models described is preferable? Would any alternative approach be more effective?

As in question 21 above, we are not certain that consumer and customer can be treated as being interchangeable.

23. Do you agree with the proposal to require third parties wishing to access data via the DCC to self-certify that where it is required, customer consent has been properly obtained?

Whilst agreeing with the need to balance cost effective access with the need for security, this approach does seem very weak, and is likely to need very robust audit trails and assurance, if consumer confidence is not to be lost. This is particularly true as new entrant third parties are likely to be encouraged, and there is a risk that commercial advantage could be gained by their not strictly following this requirement, and that such misuse might take a long time to become apparent. If this approach is followed, then there will certainly need to be strong requirements on the audit trail of approvals and assurance process to ensure appropriate compliance.

24. Do you agree with the proposal to require third parties to provide annual reminders to customers from whom they are collecting data on an ongoing basis?

No comment

25. Do you agree with the proposed use of the Smart Energy Code to set out requirements relating to third party access to data?

No comment

26. Do you have any comments on the proposed option of the SEC Panel arranging an independent audit function to check third party compliance with data access requirements? Would any alternative approach be more effective?

No comment

27. Is there a need for any specific arrangements to enable non-domestic customers to allow third parties to access their data? Should such arrangements apply only to opted-in smart meters or more widely?

No comment

28. What would be the advantages and disadvantages of applying the data access framework proposed for domestic customers equally to the non-domestic sector? Should this apply only to opted-in smart meters or more widely?

No comment

29. Is there a need for any additional obligations to ensure that network operators can gain access to non-domestic customers' energy consumption data and other data, even where meters are opted out of the DCC, or in the case of advanced meters? What would be the practical challenges in facilitating such access?

We believe that opted out meters will represent an important piece of the information required by network operators, and that the incorporation of their readings into the aggregated data will be very valuable, and that provision of this information to the network operators in a standard form, for instance as a message across the DTN is the right approach.

30. Is there a need for any form of information obligation on suppliers to ensure that non-domestic consumers are aware of the potential for particular choices to limit their ability to access their own data or share this with third parties?

No comment