



# Consultation Response

By email to [smartmetering@decc.gsi.gov.uk](mailto:smartmetering@decc.gsi.gov.uk)

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Smart Metering Implementation Programme  
Department of Energy and Climate Change  
55 Whitehall  
London SW1A 2EY

## **ELEXON's response to DECC's consultation on smart metering data access and privacy**

We welcome the opportunity to respond to DECC's consultation on the Smart Metering Programme's approach to privacy and data access. The proposals provide some long awaited conclusions regarding the principles for data access. There will be consequential amendments required to the BSC to support this approach as the BSC currently states that the Registrant (normally the Supplier) owns data from metering equipment. Additionally ELEXON and the BSC Panel will need to be able to be provided with consumption information to support its work in maintaining accuracy in Settlement.

We have provided responses to specific questions below but have the following comments with regards to the use of data from smart meters for Settlement purposes.

### ***Continuation of profiling for Non Half Hourly settled customers***

The introduction of smart metering will provide the opportunity for more regular and accurate meter readings for customer billing and other uses. As consumption data will not be collected half hourly, ELEXON will need to maintain its profiling arrangements to ensure that the settlement arrangements for Great Britain continue to operate for the benefit of the industry and consumers.

Profiling requires access to a small, but representative, sample of customers and their half hourly data (currently approximately 2,500 customers). In the future this sample may need to expand to maintain the accuracy of the settlement of these customers, particularly if there is a need to accommodate new profiles to reflect changing patterns of usage arising from smart metering. It is important that the profiling service is not diminished through inaccessibility to data. We believe that access should continue to be obtained through Suppliers recruiting customers for the sample.

### ***Evolution of settlement arrangements***

As you are aware, work is underway by ELEXON and the Profiling and Settlement Review Group (PSRG) on reviewing the profiling and settlement arrangements. Current focus is on the 'short to medium' term accuracy, equitability and



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robustness of the settlement arrangements. We are currently conducting an exercise to work out the impact of smart meters on customers' consumptions (and/or patterns) and whether the profiling arrangements need to change (perhaps radically) to be able to accurately reflect these. This is to ensure there remains an equitable allocation of energy and hence costs to Suppliers (and therefore consumers). The consultation recognises that settlement arrangements may evolve, however it is unclear how changes to the data access rules to support any changes to the settlement arrangements would be reflected or enabled through regulatory processes?

## ***Capture of data on dual/multiple registers***

We believe the wording of the draft Licence Conditions is potentially open to different interpretations where Electricity Smart Metering Systems have been configured to record consumption on time of use registers (e.g. separate registers for night-time and day-time consumption). In this context the proposed restrictions on Electricity Consumption Data that relate to "a period of less than one month" or "a period of less than a day" could be interpreted differently by different Suppliers. Our answer to question 12 below provides more explanation of this.

If you would like to discuss any areas of our response, please contact me on 020 7380 4337, or by email at [chris.rowell@elexon.co.uk](mailto:chris.rowell@elexon.co.uk).

Yours sincerely

**Chris Rowell**  
**Smart Programme Director**



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## A consultation on Data Access and Privacy

### Supplier Access to Data

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

We welcome the clarity on the approach to the access of customer meter data by Suppliers. We believe that further clarity is needed with regards to the interpretation of the frequency and granularity of data collected (please see our response to question 12).

ELEXON is currently working with the industry on the future of settlement arrangements, including exploring the potential for moving to half hourly settlement, greater variety in profiling and reflecting varied time of use offerings in settlement. The data access regime needs to be flexible to allow for changes to data access where a benefit has been demonstrated from using more granular data to improve the existing arrangements. It is not clear what the mechanism will be for assessing and implementing changes to the data access rules.

#### *Existing BSC rules regarding metering data*

On the face of it, the current BSC rules governing ownership of metering data (Section L, (paragraph 5)) are inconsistent with the proposed SEC data access rules. At present of the BSC currently provides that the Registrants of the Metering Systems (effectively the Suppliers), own the metering data. In turn, Suppliers must provide access to, and authorise the use of metering data, to and by specified third parties for purposes connected to the BSC. It will be necessary to continue to allow for this access to and use of metering data to support the settlement processes.

Thus, we consider that it is likely that the BSC will need to be amended to remove any potential conflicts with the proposed rules for supplier access to smart data. Similarly, we also believe that the SEC data access rules must take appropriate account of the data access and use requirements of the BSC.

The nature of the precise changes required will, in part, depend on whether data access rules will apply to non - domestic customers as well as domestic customers and whether the rules apply to non - smart metering (those customers who continue to have 'dumb' metering or advanced metering, and therefore their metering is not captured by the SEC or SMETS). We will need to meet with DECC to discuss the arrangements and therefore allow us to draft the BSC changes.

#### Question 4: Do you agree with the proposed approach to defining supplier regulated duties,



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**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?**

Yes, we would agree that data collected which is an aggregate of the daily or monthly consumption, per register, would allow suppliers to meet their existing obligations as they have managed with this level of data to date. However we would hope that consumers will see the benefit of sharing more granular data, otherwise the Programme's benefits may be diminished.

**Question 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?**

We have a question regarding the wording of the licence condition, please see our response to question 12.

**Question 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?**

We have no comment on this proposal below we note one of the requirements for Settlement.

## ***HH data required for Settlement Profiles***

To support settlement arrangements, there is a need to access a representative sample of customers and their half hourly (HH) data for profiling purposes. Currently this sample is approx. 2,500 customers but in future this may need to expand to maintain the accuracy of the settlement of these customers and hence ensure an accurate allocation of costs to BSC Parties (and ultimately consumers). Profiles may need to change due to changes in customer behaviour, e.g. because of simply introducing the smart meter, uptake of micro-generation, emergence of Electric Vehicles, Demand Side Response, smart grid and other technological advances.

We note that suppliers should be able to continue to source HH data to support the profiling requirements for settlement from non half hourly domestic customers. However we also believe, in future, this profiling research work could be captured under the banner of 'trials' as described in section 3 of the consultation.

**Question 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,**



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**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?**

Yes, we agree that trial data should be available and the basis for opt-in for trials for use of half hourly data.

**Question 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?**

Yes, we believe transparency in how data is used is an important principle to ensure consumers understand what is happening to their data.

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

We note that there may be potential issues with opt-in and further consideration is required on how this is managed on a Change of Supplier and Change of Tenancy. How do you ensure the person opting is the customer (online or signed consent forms?). It may be possible for suppliers to use a CIN or equivalent? The consultation suggests that the DCC is not expected to verify what granularity the registered supplier is entitled to but there should be some way to periodically check compliance with the data access regime, this could be under the SEC (we note the SEC consultation describes some options for DCC to run rudimentary checks to ensure third parties are entitled to access data).

## ***Shared Metering***

There may need to be additional checks in place where shared metering is in place. For example, does the landlord make a decision on data access, if not how is consent granted for consumers behind a shared metering point?

## ***Data Access governance***

Whilst the licence will establish high level obligations we suspect the SEC will need to handle issues around rules and processes relating to access to data.

**Question 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**



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## industry code, a standalone code of practice or guidance?

We would agree that to give full effect to the supplier (and other user) access the requirements and obligations should be spread across the wider smart governance. High level obligations sit well in licences as do powers to deal with material breaches. However there is a level of detail regarding data access processes associated with security of equipment, use of DCC and compliance which will need to sit in the SEC (or a subsidiary document to the SEC).

Guidance can be useful, however, this should not be used instead of formal obligations relating to access to smart metering and rules relating to use of DCC. There will remain a need to manage compliance with the data access rules and processes that should allow the SEC Panel to take appropriate mitigating action. To do this, the rules need to be captured somewhere in the SEC.

### *BSC references to data access*

Assuming requirements relating to data access for domestic customers are captured in licences, we will need to ensure the BSC does not conflict with this. However for non domestic metering not captured by the SEC the existing data access rules set out in the BSC should remain.

## **Question 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?**

The licence conditions as drafted place specific restrictions on Electricity Consumption Data that relate to “a period of less than one month” or “a period of less than a day”. We believe that these phrases are potentially ambiguous in cases where an electricity smart metering system has been configured to record multiple tariff registers, and that therefore additional clarification would be helpful.

To illustrate the potential issues, consider a Supplier who wishes to record separate totals for day-time and night-time consumption, in order to identify those Domestic Customers who could save money by switching to an Economy 7 type tariff (with a lower charge for night-time consumption). In order to do this, they intend to configure their customers’ meters as follows:

- The Tariff Switching Table (SMETS section 5.5.2.31) will be configured to ensure that night-time and day-time consumption are recorded on different tariff registers; and
- The Billing Calendar (SMETS section 5.5.2.4) will be configured to ensure that a snapshot of each tariff register is captured in the Billing Data Log every sixty calendar days. These snapshots will then be retrieved by the Supplier, and used both for billing purposes, and to



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identify those customers who could save money by switching tariffs.

We believe it is clear from the draft licence condition that the Supplier is using Electricity Consumption Data for a purpose outside the scope of paragraph 4, and would therefore be required to give notice under paragraph 12. But we believe it is potentially unclear whether the Supplier is using Electricity Consumption Data that relates to “a period of less than one month” (which would require additional notice under paragraph 7):

- It could be argued that each snapshot relates to a period of 60 days, which is not less than one month;
- Alternatively, it could be argued that the individual tariff readings relate to shorter time blocks within the sixty-day period that are less than one month in total duration. For example, the night-time consumption data represents the total consumption over sixty ‘seven-hour’ periods, equating to a total period of 420 hours (albeit spread over 60 days), which could be seen as “a period of less than one month”.

Similar ambiguities may arise in relation to daily data. For example, we believe there could be different interpretations of whether the total peak time (16:00-19:00) consumption over a week is Electricity Consumption Data relating to “a period of less than a day”.

To give Suppliers certainty about their obligations in this important area, we think it would be prudent to refine the wording of the licence condition to either define the granularity as ‘daily per register’ (if this is the intention) or clarify what can be collected for registers that are active for smaller than 24 hour time periods.

## **Question 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?**

Yes, we will need to review Section L of the BSC which describes existing BSC obligations and rights with regard to Suppliers’ ownership of their customers’ meter data and the impact of the proposed requirements.

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

Yes, it would be prudent to make amendments to the BSC data access rules in parallel with the changes to the data access rules for smart to ensure there is no conflict between the licence and codes.





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## Network Operator Access to Data

**Question 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?**

Yes, assuming there are no privacy impacts. However we would like to understand how and when such aggregation would occur, as we understand that, at present, neither the DCC nor the DNO has the means to aggregate the HH meter data.

**Question 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?**

Yes, it would seem sensible to apply similar data access rights if no viable alternative for obtaining aggregated HH values is identified.

**Question 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?**

Yes, however requirements from smart metering systems should be clearly set out in the broader governance of the SEC.

## Third Party Access to Data

**Question 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?**

Yes, where the data access is provided through the smart metering infrastructure (via DCC), third parties should be required to sign up to the SEC and provide the necessary assurance they can operate with DCC systems and in accordance with their rights under the SEC and without posing an unnecessary security risk. The SEC Panel should retain rights to audit SEC Parties on their systems and processes for





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data access as part of a wider assurance regime.

**Question 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?**

We agree that use of CINs would add an additional level of assurance that Parties are accessing the correct metering systems. To ensure this is not open to abuse the CIN regime should be securely managed by DCC and new CINs issued for any new users, prior to access being provided .

**Question 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?**

Yes, this seems more practical than DCC attempting to store customer information to verify data access. However it must be recognised that this poses a risk to the Programme in the event that an errant new party (or even for example an investigative journalist) accessed data they were not permitted to from consumers metering systems after becoming a signatory to the DCC. The fallout from a perceived lack of control may undermine the success of the programme.

The question therefore arises as to when third parties can access data. To mitigate for the risk of an errant third party abusing data access rights the SEC envisages certain entry process testing and potential validation of new entrants. Additionally the SEC could allow for controlled entry of new participants, initially limiting access to metering systems for a period of time. Also the SEC Panel should conduct audits/checks on Parties to ensure their compliance. This can go some way to addressing the potential for data misuse.

**Question 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?**

Yes, this seems consistent with Supplier's obligations regarding data access.

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

Yes, the SEC should provide the procedures and assurance required for managing third party access to data. It should also contain a wider set of processes that can be applied to provide assurance that all



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DCC users are complying with their obligations relating to data access.

**Question 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?**

Yes, this is an important power that can be exercised flexibly by the SEC Panel to confirm compliance. The Panel should be able to exercise this power across all users of DCC service users not just third parties.

## Non Domestic Sector

**Question 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?**

It would seem prudent to ensure that, where access is via the DCC, the same assurance is applied to third party users as for those accessing domestic customers. Outside of the DCC, there will be commercial agreements between third parties and users regarding data access.

**Question 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?**

We would question what the Programme is seeking to mitigate against by applying the same rules in the non domestic sector as the domestic sector. The non domestic market is already moving towards advanced metering which is capable of recording and communicating highly granular values. It is unclear that there is any issue with how data is used, however there may be a need to ensure customers can access their data if requested.

### *BSC rights and obligations regarding data access*

The BSC will need to be amended if data access rules are introduced for non domestic customers. This may also have a bearing on proposals to move non domestic customers onto half hourly settlement.

**Question 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**



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## the practical challenges in facilitating such access?

We would note where a case has been made to access such data, that the same access rights should apply. However it should be recognised that there is a cost associated with collecting and providing this data. If networks require data over and above the current reporting they receive, this is likely to need to be implemented under existing codes and agreements. The existing change mechanisms can be used to allow for data access to be provided, subject to approval. These can also address the way that costs are recovered for data provision.

For more information on our response, please contact:

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