

13 April 2023

To: digitalisation@ofgem.gov.uk

Consultation on Updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance

Sustainability First is a charity and think-tank focussed on social and environmental issues in energy and water. We have had significant involvement on the RIIO2 price controls and have also recently completed, jointly with CSE, a major multi-party project on the use of smart meter data for a public interest purpose (PIAG).

Our final report¹ included a specific recommendation that de-personalised (ie suitably aggregated or anonymised) smart meter data held by DNOs should be treated as Energy System Data and hence be subject to the “Presumed Open” requirements of the Data Best Practice guidance. We are therefore very supportive of this proposed change included in Ofgem’s latest consultation and welcome the acknowledgment that is given to the PIAG work. More generally we are supportive of the Data Best Practice Guidance as a response to the Energy Digitalisation Taskforce recommendations and the evident challenges of meeting net zero.

We have attached responses to some of the questions raised where our experience is relevant, including some further reflections on the specific decision around handling of smart meter data drawing on the wider research we undertook as part of PIAG.

We would be happy to discuss our thoughts further if that would be helpful.

Yours faithfully

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¹ The final report and supporting research papers are available at <https://www.smartenergydatapiag.org.uk/>

Response to Questions

Q10. Do you agree with our proposed position on treating aggregated smart meter consumption data as Energy System Data?

Yes - we agree with this position which is in line with the recommendations from our PIAG work. Given our previous work looking at the range of use cases we were pleased to see reference to the wide range of stakeholders that could benefit from access to this data as including “DESNZ, Ofgem, academics, organisations with an interest in localised energy consumption, and those organisations who undertake modelling of electricity demand and/or vulnerability.” We also recognise that there could be other routes for access to the data through the Smart Meter Data Repository (current concept trial) or through half-hourly settlement but these remain uncertain. There is therefore great merit in pursuing this opportunity for access to DNO smart meter data (which also has the benefit of linking to the network topology which is relevant for some use cases). However to obtain a national picture from DNO data concerted effort is needed on data standardisation.

We are also pleased to see Ofgem making clear that DNOs can resubmit their Privacy Plans to include this use of the data which we identified in our response to the Call for Input as the obvious way of overcoming potential concerns that we had heard being voiced and recognising that compliance with Data Best Practice is a regulated purpose.

Throughout our PIAG work we have looked to balance privacy issues with the wider public interest concerns and recognise that the level of aggregation of smart meter data is key in terms of privacy protection. We would expect that the level of aggregation / anonymisation that is needed for sharing / publishing this personal data will be greater than the DNOs have to undertake currently to access the data for regulated purposes such as running an economic and efficient network. For example, the DNOs typically hold consumption data at feeder level² and on rare occasions there may only be 1 or 2 customers on a feeder. In making this data more widely available we would expect the data to be further aggregated to deal with such situations.

Carrying out this further aggregation is in line with the Data Best Practice Guidance where privacy issues are identified as a result of Triage. However the question around what an appropriate level of aggregation / anonymisation would be remains a difficult one and one on which consumer groups and the Information Commissioner are likely to have views. While it is clearly right that this is ultimately a decision for the DNOs to take, there would be value in Ofgem facilitating such a discussion to help in balancing these competing public interest pressures. While “security” is clearly important (ref para 1.106) we see the policy question around the level of aggregation as being the greater challenge.

We have previously flagged our PIAG working paper on international experience³ on smart meter data. This work could usefully be updated but provides some helpful pointers to jurisdictions that have been more active in this space and how they have approached the challenge around levels of aggregation.

² <https://www.cse.org.uk/downloads/file/PIAG-phase-2-privacy-plans-annex.pdf>

³ https://www.smartenergydatapiag.org.uk/files/ugd/ea9deb_60f68c2dd60c46c99b99403f1a4bc55b.pdf

Ultimately we cannot see why aggregated smart meter data should be any more sensitive than aggregated data collected through monitoring equipment at a sub-station for example and DNOs might usefully think about these Data Assets in parallel.

Q11. What are your views on our position that this Data Asset should be published in a non-interoperable fashion by 14 October 2023, if the appropriate security controls are in place?

As noted above the challenge is in determining a level of aggregation that strikes the right balance between maximising the value of the data while ensuring that individual privacy is not breached. Reaching a considered view on this – including engaging with wider stakeholders – will take time. In terms of a phased approach it may make sense to recognise that initially DNOs will want to take a cautious approach with a high level of aggregation but that this could be improved over time (including as smart meter penetration increases).

Q12. What are your views on our proposal that DNOs collectively determine an interoperable methodology by 28 February 2024, for publishing aggregated smart meter consumption data?

We support the goal of moving to an interoperable methodology and for consistent treatment around privacy concerns. The task of arriving at common data formats and data standardisation, even if only for meta data, will require considerable commitment from the DNOs

Q13. What are your views on our proposal that licensees treat Data Assets associated with flexibility market operation as Presumed Open?

We support this proposal. It would be helpful to understand how Ofgem see this proposal tying in with the proposals around Distributed Flexibility. In our view it would seem to be an important stepping stone which might reduce the pressure for a more interventionist approach in the near term.