
Data Sharing in a Digital Future: Consumer Consent

Executive Summary

1.1 We aim to give domestic and microbusiness consumers the ability to share their energy data securely with trusted market participants who can provide them energy services to lower their bills as well as their carbon footprint. By empowering consumers to share their energy data we can create a just, cost-effective net zero transition with consumers at its heart.

Alongside data protection regulations, we have three objectives to meet in assessing how best to empower consumers to share their data easily and securely with trusted market participants.

- Improve consumer trust in data-sharing services.
- Improve access to personal data across the sector.
- Develop a consent process or mechanism.

There are merits to the immediacy, user-convenience, and scalability of a purely technically focused solution, as suggested by the Energy Digitalisation taskforce's report.¹ However, consumer trust can be easily eroded without a conscious effort to centre the human experience, which is a situation that should be avoided in the energy sector.

Our research and engagement thus far have led us to three proposals:

¹ [Energy Digitalisation Taskforce Report 2021 \(PDF\)](#)

- A single technical solution to obtain consent, such as a consent dashboard. This proposal builds on the Energy Digitalisation Taskforce’s recommendation to deliver a technical consent solution.²
- A set of principles outlining a consistent way for trusted market participants to obtain consent, such as Data Best Practice.³
- An industry-developed code of conduct outlining a consistent way for trusted participants to obtain consent, such as the Confidence Code.⁴

This Call for Input is seeking views on different options. Next steps will be a formal consultation before solution development. We seek to balance the necessity of streamlining and improving Consumer Consent while seeking to minimise regulatory burden. Our decision will meet consumers’ privacy rights whilst allowing them to benefit from new services offered as part of the net zero transition.

There is no current single standardised process for obtaining consent to share consumer energy data. The aim of overhauling the mechanisms by which the energy industry obtains and manages Consumer Consent are twofold. Firstly, consent can unlock energy data which is not readily available through other mechanisms – allowing innovation and development of new flexible options to bring the energy system into a net zero future.

Secondly, and more importantly, energy system consumers produce and own their data. Consumer energy data and any benefit from it must accrue to the consumers, as well as the wider energy system and the public good. Consumer trust in the energy sector is paramount, and a robust solution for obtaining informed consent holds a key role in this.

² [Delivering a Digitalised Energy System - Energy Systems Catapult](#)

³ [Decision on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance | Ofgem](#)

⁴ [Revised Ofgem Confidence Code: December 2017 | Ofgem](#)

To propel the changes needed to achieve digitalisation across the energy sector, Ofgem have worked in close partnership with the Department for Energy Security and Net Zero ('Government') and Innovate UK ('IUK'). In 2022, the partnership commissioned the Energy Digitalisation Taskforce ('the taskforce') report which made a series of actionable recommendations based on the vision laid out in the Energy Digitalisation Strategy. A joint response to the report in July 2022 committed to further examining Consumer Consent and considering appropriate next steps. This is expanded upon in the second chapter, under 'Wider Context and Current Deployment'.

There are multiple examples of successful Consumer Consent solutions – such as the UK's Open Banking,⁵ the European Commission's Common Reference Model,⁶ Australia's Consumer Data Right⁷ or the USA's 'Green Button' initiative.⁸ These have shown how data, shared through consent, can support the four pillars of the energy transition, namely Digitalisation, Decentralisation, Decarbonisation, and Democratisation.⁹

Clear, system-wide consent processes will put control of data into the hands of consumers and reduce barriers for them to participate in the envisioned future. It will be a critical enabler in maximising the value of flexibility markets and allowing the system to balance the intermittency of renewable generation which will replace carbon-intensive generation.

Finally, we call on interested parties to offer their thoughts on the three proposals. We would also welcome alternative thinking or proposals from a

⁵ [What is open banking? – Open Banking](#)

⁶ [Commission adopts new implementing act to improve access to metering and consumption data](#)

⁷ [What is CDR? | Consumer Data Right](#)

⁸ [Green Button | Department of Energy](#)

⁹ [Dancing with complexity: Making sense of decarbonisation, decentralisation, digitalisation and democratisation](#)

diverse range of contributors. This includes thoughts that go beyond the specific questions we are asking, and from stakeholders who might not usually respond to a Call for Input.

Summary of Chapters

This document will cover the context behind our Call for Input and our starting principles, how a new solution for consent could deliver benefits, and a presentation of the options that we are seeking input on.

Chapter One, Setting the Scene

- Here we discuss what Consumer Consent is and what an Open Banking approach to energy would achieve and could look like. We then describe a set of principles that any changes to consumer data sharing should follow. We also examine the broader digital landscape in which consent solutions have been implemented to address the competing needs for change for the consumer, the industry, innovators, and government.

Chapter Two, How Data Sharing Can Help Consumers and Decarbonise the Energy System

- Here we consider the envisaged benefits of an enhanced data sharing ecosystem for consumers and the energy system as a whole. This follows four themes – retail specialisation, energy system flexibility, greater competition, and finally on the benefits to consumer trust and engagement. We ask questions on the priority of the use cases referenced, and whether a consent solution would enable the improvements described in the four use cases.

Chapter Three, A Principles-Based Approach to Consumer Data

- We outline the different options being considered to enable consumer data sharing. We then take the principles and objectives outlined earlier in the document and use them as a guide to test our proposed options against a

set of criteria. We present our analysis on each option and reasons for scoring. We ask questions on the suitability of these different options and what the ideal option would be.

Chapter Four, Conclusion

- We conclude our proposals and findings for you to consider.

Appendix

- This collects the questions that are asked throughout the document in a single place, along with any other additional information for the reader's reference.

Call for Input process and how to respond

In this Call for Input, we put forward a view that, to allow consumers to fully benefit from the net zero transition, consumers will need to meaningfully give, manage, and revoke consent to share their data with an increasing number of energy sector actors both old and new. Giving consumers a standardised way to easily share and revoke their energy data consent securely, with trusted market participants who can provide them energy services to lower their bills, as well as their carbon footprint.

Through this Call for Input, we aim to convene a conversation with all interested stakeholders on this topic to understand whether facilitation or policy intervention is required to help make this vision a reality.

We request that stakeholders send us their responses by 5pm on 26 January 2024 via our email: digitalisation@ofgem.gov.uk. We plan to produce a consultation document building on the findings of this Call for Input in the Spring of 2024, setting out our proposed decisions for improving Consumer Consent processes in the energy sector. A summary of our intended timeline is shown below.

Winter 2023/2024	Spring 2024	Late 2024
Stakeholder responses published and analysed. Specific option and governance model developed on basis of CFI.	Consumer engagement through Behavioural Insights Team. Consultation on specific option and governance model. Stakeholder responses published and analysed.	Consultation decision. Our approach to Consumer Consent is implemented.

Current state of play and ongoing government work

The UK government has made a commitment to reach net zero carbon emissions by 2050.¹⁰ Digitalisation is a key enabler for achieving net zero, as detailed in our Energy Digitalisation Strategy with government and IUK.¹¹ In its most recent carbon budget, the Climate Change Committee described digitalisation as ‘fundamental to the operation of a net zero economy’.¹² We are committed to digitalising the energy sector and unlocking the value of both consumer data and energy system data.

The energy sector is changing, and we believe that a robust consent solution is required to enable a net zero future with consumers at its heart. We believe this sharing of data to be integral to building a fully digitalised, decarbonised, and flexible energy system. Access to consumer data will enable the development of new products and services, provide enhanced visibility for system operation, and ultimately contribute to lower costs for all consumers. This improved transparency and clarity over consent will also improve trust, which will improve engagement.

¹⁰ [2022/23 Ofgem Forward Work Programme | Ofgem](#)

¹¹ [Digitalising our energy system for net zero: strategy and action plan 2021 | GOV.UK](#)

¹² [The Sixth Carbon Budget - The UK's path to Net Zero \(PDF\)](#) box 9.3, p.404

We want energy consumers to have the ability to share their energy data with third-party providers, such as demand-side response service providers (DSRSPs), original equipment manufacturers and others in a secure and convenient manner. This way, consumers can access a variety of new energy products and services that suit their needs and preferences. We want to emulate the concept of Open Banking to empower consumers and also enable innovation and competition in the energy sector, as new market participants can offer more personalised and efficient solutions to consumers. Similar to Open Banking, open data sharing in energy is based on the principle that consumers own their data and have the right to decide how and with whom they share it. This legal right is enshrined in UK GDPR, however this option lacks convenience and consistent application, precluding many consumers.

Other legal bases for accessing personal data exist, such as the Data Protection Act 2018,¹³ and notably data protection regimes and legislation such as the Data Access and Privacy Framework, which allows DNO access to smart meter data providing it is anonymised and used only for regulated purposes.¹⁴ However, the Information Commissioner's Office recognises¹⁵ that consent uniquely "offers individuals real choice and control" over how industry uses their data and is therefore a powerful tool in building trust between consumers and organisations.

The taskforce's report¹⁶ highlighted the importance of giving consumers the ability to provide consent simply and meaningfully for data access and proposed that the government and regulator deliver an automated consent solution for smart meter consumption data. The taskforce recommended the development of

¹³ [Data Protection Act 2018](#)

¹⁴ [Data protection and smart meter data - Open Energy](#)

¹⁵ [What is valid consent? | ICO](#)

¹⁶ [Delivering a Digitalised Energy System - Energy Systems Catapult](#)

a solution which enables customers to manage data access consent in a consistent way, so to facilitate customer data access and manage complexity for customers.

Ofgem, government and IUK committed to exploring consent solutions further in their joint response to EDiT with IUK commissioning Zühlke's Consumer Energy Data Consent Project to explore the consumer journey.¹⁷ Further work from Baringa was commissioned by IUK (see Appendix 3 – Baringa stakeholder workshop) to test thinking with external stakeholders including industry, government, and innovators on how a consent solution could function or operate. The full report from this workshop can be found in annex one. Industry has also responded and begun to explore the technical challenge, with the Retail Code Company's (RECCo's) Open Data & Consumer Consent project, which is currently in its Beta phase.¹⁸

As part of their recent Call for Evidence on innovation in the energy retail market,¹⁹ the Department for Energy and Net Zero asked about the potential for consumers to benefit from better use of data, and relevant responses have been shared with Ofgem. Many respondents identified better use of, and increased access to, consumer consumption data as a key enabler of innovation, whilst the importance of appropriate consent was also highlighted. We will continue working closely with government as our work on Consumer Consent progresses.

However, there is still more that the energy system could do to fully utilise consumer data, resulting in a gain for consumers, industry, and government. We believe the complex multitude of consent options evolved by industry and the restricted access to consumers energy data to be the reason this data is not

¹⁷ [The Consumer Energy Data Consent Project](#)

¹⁸ [We're working towards open data principles for the Retail Energy Code - Retail Energy Code Company](#)

¹⁹ [Towards a more innovative energy retail market: a call for evidence - GOV.UK](#)

being used to its full benefit. To overcome this issue, we believe that a streamlined solution that provides the consent of consumers is necessary.

1. Setting the scene

What is Consumer Consent?

1.1 Consumer Consent is where a consumer agrees to share their data for a particular purpose. This consent should be fully informed, for a specific purpose, and revocable. Consent allows a third party to access personal data from a specific source. Sharing energy data securely with trusted market participants can provide consumers with energy services that lower their bills as well as their carbon footprint. This includes consumption data, tariff data, and more.

1.2 Within this call for evidence, we intend to put forward a framework for obtaining consent in the energy sector that models the success of Open Banking, leveraging opportunities whilst protecting consumers (see Box 1

Box 1: Open Banking). This approach would mean consumers can easily access reliable, personalised energy services, precisely tailored to their specific circumstances, and delivered securely and confidentially. To provide tailored advice and services, companies need to know how consumers use their energy. Currently, this process is complex and requires consumers to do a lot of the legwork.

1.3 Access to this data would likely be driven by application programming interfaces (APIs). Coupled with robust authentication and authorisation controls, APIs allow companies to seamlessly share information privately and securely, without consumers having to reveal their password or any unnecessary information. This is the same technology that tells an Uber driver who and where their next passenger is, or lets online shoppers make secure payments online through a company such as PayPal.

1.4 Among many other potential use cases, these services could also utilise consumer data to find the best tariff to save money and lower emissions based on user preferences. Consumers could also connect with DSRSPs to get paid to

provide flexibility when the grid is under pressure, such as the Electricity System Operator's Demand Flexibility Service (DFS).²⁰ Government is already taking forward proposals on this via the Smart and Secure Electricity System (SSES) programme.²¹ Flexibility and demand-side response (DSR) benefits are explained further in the next chapter (under the Energy system flexibility section).

1.5 All of this requires a policy solution that can safeguard consumers whilst delivering all the benefits. We set out our proposals for policy solutions in the final chapter of this document and will consult on governance in Spring 2024.

Box 1: Open Banking

²⁰ [Demand Flexibility Service \(DFS\) | ESO](#)

²¹ [Delivering a smart and secure electricity system: the interoperability and cyber security of energy smart appliances and remote load control - GOV.UK](#)

Following an in-depth investigation into the competitiveness of the UK retail banking sector, the Competition and Markets Agency (CMA) ordered a solution known as 'Open Banking.' This meant that the banking sector had to provide customers the ability to securely share their current account data via standardised and open APIs with trusted third parties, without the need to disclose their online credentials.

This meant that consumers and businesses could use digital comparison tools to receive personalised advice on the most suitable current account for their needs. It also supported applications which allowed customers to view all their payment accounts in one location. Open Banking also facilitated 'sweeping' services that could automatically transfer funds into and out of a consumer's current account, ensuring that bank overdraft fees are avoided, and a better interest rate is applied to current account balances.

Many of the most beneficial use cases for consumer data in Open Banking were not apparent from the start,²² which shows that there can be significant unanticipated benefits when leveraging the creativity and resources of market forces.

Principles for Consumer Consent

1.6 The taskforce report highlighted the importance of consumers being able to provide consent simply and confidently for data access and proposed that government and the regulator develop a simple consent solution. This makes up the core of our approach for an enhanced data sharing ecosystem for energy.

1.7 An enhanced data sharing ecosystem would be a valuable tool for consumers and a necessary step to address the existing lack of transparency and control for consumers. Even where consumers continue to use data driven services such as social media, they can express concern about how their data is collected and used. They desire transparency and control over their data. It should be easy to opt in or opt out of a consent solution for sharing energy related data with suppliers and granting third party access. Trust is challenging when handling personal data, so individuals should feel in control when granting consent.

²² [The Power of Open Banking: Exploring the Next Wave of Use Cases \(PDF\)](#)

1.8 In our joint response to the taskforce recommendation, we committed to exploring opportunities to further examine the development of a technical solution and consider appropriate next steps. Our aim is to seek to address this move to an enhanced data sharing ecosystem. Our objectives are to develop a consent solution that enables consumers to share their energy data simply and securely with relevant service providers and third parties, while also making it easy to revoke consent – promoting transparency and empowering consumers in the energy sector. This includes developing a process for sharing personal data, improving access to this data across the sector, and improving consumer trust in data sharing services.

1.9 To develop this thinking, we have set out five principles to ensure consumer protection is at the heart of these objectives. These principles aim to strike a balance between consumer empowerment, data privacy and trust, unlocking the potential benefits that consumer data can bring to consumers, the industry and government, for the public good. Any consent solution will be compliant with existing data protection obligations, including UKGDPR.

- **Consumers should be able to trust that data sharing is safe and secure.** Improve consumer trust in data sharing services by empowering consumers to share their data in a trusted market with robust security measures. Implementing a single technical solution for accessing this data could foster greater consumer participation and trust in a digitalised system.
- **Companies need to clearly outline the value and benefits of data sharing in a way that all consumers can understand.** Ensure the value is clear so that consumers are engaged to share their data confidently and understand why it benefits them.
- **It should be clear to consumers what they are giving consent for, and to whom – this needs to be explained upfront and not hidden in legalistic language or fine print.** Make certain that transparency and

control is given to consumers of the use of their data by using clear language and avoiding complicated terms and conditions. Providing clear and transparent information about how the data will be used and who will have access to it and giving them the control and choice to withdraw consent when they choose. This should include an explanation of why certain data is being requested.

- **The process should also be accessible for all, and not leave the digitally excluded behind.** Ensuring inclusivity and accessibility with a simple service that is fair for the digitally excluded, who will also be able to manage their consent preferences with increased transparency.
- **The consent solution should have the capability for cross-sector operation with potential to benefit consumers within and beyond the energy sector.** Improve access to personal data across the sector by promoting widespread adoption based upon value across multiple industries beyond the traditional energy sector. Enabling data driven insights to create innovative solutions, improve service delivery and promote sustainable practices, whilst maintaining limits on how the energy data can be used as per UK GDPR law.

Questions for input

1. Yes/No: Do you agree that a Consumer Consent solution is required as per the taskforce's recommendation?
2. Could you please provide any reasons why the current methods for obtaining consent from a consumer might be ineffective or inefficient?
3. Do you believe that consumers are sufficiently motivated to engage with the consent solutions proposed in this Call for Input? Please elaborate on your answer.

Wider context and current deployment

1.10 In this chapter we examine the broader digital landscape in which consent solutions have been effectively implemented to address the competing need for change for the energy consumer, the industry, innovators, academia, and government regulators.

1.11 Consent solutions have already been established in the UK as evidenced by the implementation of Open Banking (see

Box 1: Open **Banking**). Open Banking was supported by legislation, however in this instance Ofgem already has extensive powers and we will be formulating our own policy stance for sharing energy data. We acknowledge that consent solutions already exist – we are proposing, for the first time, a single consent solution for the GB energy consumer.

1.12 In addition to this, at the end of June 2023, over 33 million smart and advanced meters were in homes and small businesses across Great Britain; fifty-eight percent of all meters are now smart or advanced meters, with 30.3 million operating in smart mode.

1.13 Ofgem has begun other internal policy thinking on how we can capitalise on the smart meter rollout, with regulatory reforms like Market Half Hourly

Settlement (MHHS). Ofgem has modified SLC 47 of the electricity supply licence to introduce a new framework for sharing customers' consumption data under MHHS. This will be deployed in 2025 and is expected to lead to significant benefits for consumers and the energy system as a whole through exposing energy suppliers to the true cost of supply, therefore incentivising them to help their customers shift their consumption to times when electricity is cheaper to generate or transport.

1.14 This year Ofgem revised its Data Best Practice Guidance. Energy network companies who are licensed under the RII0-2 price controls are required to comply with this guidance when they are preparing and updating their Digitalisation Strategy and Digitalisation Action Plan. This forms part of our standards for data and digitalisation. Ofgem have taken the position to class aggregated smart meter data as energy system data and therefore triaged on a presumed open basis. This was confirmed in the August decision on Data Best Practice Guidance.²³

1.15 This trend to increasing digital complexity will be supported and developed through the Future Systems and Network Regulation decision and upcoming price controls.²⁴ Developed to ensure that our regulation of networks enables a transformation of the energy system in the coming decades, as well as continuing to ensure efficient operation and management of all networks.

1.16 In Table 1 below, we examine the broader UK ecosystem where solutions for consent have already been established. We look at various sectors to determine not only the presence of solutions, but also the successful operation

²³ [Decision on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance](#)

²⁴ [Consultation on frameworks for future systems and network regulation: enabling an energy system for the future | Ofgem](#)

and proven reliability. By looking at these effectively implemented solutions we can explore viability and best practices for adoption.

1.17 In Table 2 we examine further afield, looking to the European Commission and worldwide where solutions for consent have already been established, and look at further best practice that could inform our approach.

Table 1: Existing digital solutions for consumers to give consent to share their data in the UK.

Organisation	Type	Remit	Success measures
UK's largest banks ²⁵	Open data sharing through Open Banking 2018	Secure data sharing with third parties through the use of APIs. Banks can share consumers' financial data with authorised providers, granting them read-only access to data such as spending transactions and regular payments. They can access it all directly, provided consumers have given consent via their bank's mobile or online banking app.	UK Open Banking has led consumers to benefit from increased competition, enhanced innovation, and robust security measures. It currently has over 7 million users.
Department of Work and Pensions ²⁶	Open Data Portal 2013	Six benefits from four different governmental bodies have now been simplified into one payment – Universal Credit.	With consumers providing 'once-and-done' consent, they are saving time, payments are more accurate and – for government – fraudulent claims and costly errors are reduced.
Department for Science and Innovation Technology	Digital Framework ²⁷	A set of standards for businesses, employers, landlords and consumer groups that allows them to verify identities by enabling digital identities	Potentially saving consumers and businesses time and money by enabling them to securely prove things about themselves, such as who they are or what their age is,

²⁵ [Open Banking](#)

²⁶ [Universal Credit: What Universal Credit is - GOV.UK](#)

²⁷ [Enabling the use of digital identities in the UK - GOV.UK](#)

	2023 (currently in beta)	to be reused, whilst providing assurance of privacy and security.	without having to repeatedly present physical documents.
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Table 2: Existing digital solutions for consumers to give consent to share their data worldwide.

Organisation	Type	Remit	Success measures
European Commission ²⁸	Common Reference Model (CRM) 2023	The CRM is a set of guidelines for providing access to smart meter consumption data, and for the required exchange of information between market players. The Commission's aim is for consumers to be able to obtain easy access to their consumption data and provide consent for their data to be utilised by industry and third parties alike.	They aim to provide protections for consumers, while simultaneously empowering them by making them active participants in the energy transition.
Consumer Data Right (CDR), ²⁹ Australia	Open data portal 2020	Legislative reform which allows banks, financial organisations, telecommunications, and the energy industry to access and share consumer data via secure automated data technology through consumers' consent. Designed to give consumers greater choice and control through a simple, easy-to-use process. CDR allows consumers to access data in a usable form and to direct a business to securely transfer that	CDR can be used to improve consumers' ability to compare and switch between products and services. This is to encourage competition between service providers, leading not only to better prices for customers but to more innovative products and services.

²⁸ [Commission adopts new implementing act to improve access to metering and consumption data](#)

²⁹ [Homepage | Consumer Data Right](#)

		data to an accredited data recipient.	
The Green Button, ³⁰ USA	Open data portal 2012	The Green Button initiative required voluntary adoption by utilities and companies of a consensus industry standard, which would enable and incentivise innovators and entrepreneurs to build new applications, products and services which will improve the consumer's experience of the energy sector.	Enables consumers to digitally manage consumption and costs, meet reporting requirements, and support decarbonisation efforts. It has been adopted by over 50 suppliers, which ensures that over 60 million properties are able to access a standardised dataset of their own energy consumption data.

1.18 The above examples provide a clear picture of a digital landscape that is developing nationally and globally, and one with which the UK energy sector must keep pace. The global economy is evolving, increasing its utilisation of data, and enhancing its data sharing capabilities. National emissions targets mean the energy sector needs to be a part of this evolution more than most. The Consumer Consent solution we are proposing is integral to a digital system that enables our net zero targets.

³⁰ [The Green Button - the standardized way to get your energy usage data.](#)

2. How data sharing can benefit consumers and help decarbonise the energy system

Introduction

2.1 The four key pillars³¹ of the energy transition are digitalisation, decentralisation, decarbonisation, and democratisation. A Consumer Consent solution providing streamlined access to valuable data, increased transparency, and consumer empowerment will incentivise a significant change in the energy industry and advance all four of the above pillars.

- **Digitalisation:** through streamlined access to Consumer Consent, the energy industry can develop more targeted digital products and services for consumers.
- **Decentralisation:** if a consumer chooses to engage with decentralised flexibility markets – historically a centralised supply-side issue³² – they could earn money and lower their carbon footprint by adjusting their energy use.
- **Decarbonisation:** improved access to consumer data is a key enabler for a net zero economy.³³
- **Democratisation:** consumers should feel empowered to have more say over their participation in the energy system, and empowerment through consent improves their ability to do so.

2.2 It is important that the use cases for improved Consumer Consent processes shared in this Call for Input reflect the benefits that a consent solution could provide to the whole sector – the consumer, industry, and government. The use

³¹ [Dancing with complexity: Making sense of decarbonisation, decentralisation, digitalisation and democratisation](#)

³² [Introduction to energy system flexibility | ESO](#) p.2

³³ [The Sixth Carbon Budget - The UK's path to Net Zero \(PDF\)](#) box 9.3, p.404

cases are wide-ranging (the examples we set out are illustrative, rather than exhaustive) and significant in the UK's efforts to decarbonise, to enhance innovation and to improve consumer trust.

2.3 The four use cases that will be described below are retail specialisation, energy system flexibility, reduced barriers to market entry for increased competition, and consumer empowerment, protection, and trust. There will likely be a much wider range of use cases than these, many of which could be difficult to identify at this stage.

Retail specialisation

2.4 In the GB energy market, consumers have the option to share their energy data with third party providers to gain access to new products and services. However, through a previous stakeholder engagement workshop (Appendix 3 – Baringa stakeholder workshop), we found that third party providers currently struggle to obtain consent from consumers due to a lack of standardised methods to obtain consent, a lack of consumer trust and 'consent fatigue'.³⁴

2.5 A consent solution which simplifies the process for the consumer could improve consumer engagement with third party providers, ultimately increasing the number and quality of products and services available to consumers through the retail market, increasing not only their trust in providing their consent but their participation in the energy system. These new products and services will entice further consumers, thus creating a positive feedback, as seen in Open Banking.³⁵

2.6 A consent solution where consumers could feel empowered to provide consent to the third parties they choose, or a framework by which third parties

³⁴ See here for ICO consent fatigue reference: [When can we rely on legitimate interests? | ICO](#)

³⁵ [UK reaches 7 million Open Banking users milestone – Open Banking](#)

could obtain consent in a more streamlined manner, could enable the development of a new connection between the consumer and the energy industry. The energy system currently contains consumers contracted to simple tariff structures, and with technology and data such as energy smart appliances and smart meters that are not being utilised to their full potential. In order to manage complexity for consumers, it is necessary to create a solution which enables consumers to manage their own data access consent in a consistent manner. Consumers should have the ability to provide consent confidently, whilst clearly understanding who has access to their data, and for what reason. This is fundamental for innovators to unlock new, net zero business models that are dependent on consumer data, and to avoid a potential collapse of trust.

2.7 These initiatives could increase efficiency in the supply and consumption of energy, such as innovative energy storage solutions or increased grid flexibility. It could also increase competition by creating new products that challenge market norms and consumer loyalties. These impacts, combined, could lower bills in the process, potentially turning consumers into engaged energy system participants.

2.8 A consent solution has the capacity to provide standardised access to granular consumption data, tariff data and energy smart appliance (ESA³⁶) data, amongst other datasets. Currently, third party innovators need to use a scattered approach to gaining consent to this data. By introducing a standardised approach to acquire it (and a standardised format for the data itself), suppliers and third-party innovators could offer bespoke products and services to consumers based on consumption data, switch deals based on ESAs

³⁶ [Energy smart appliance programme - a flexible and low CO2 energy system | BSI](#)

at their property, more competitive time-of-use tariffs (TOUs³⁷), and access to DSR³⁸ markets far more efficiently and on a larger scale.

2.9 Innovators could be able to use ESA data to provide offers based on specific consumer behaviour, and even provide consumers bundled services that take energy consumption into account– such as ‘heat as a service’, more attractive tariffs connected to DSR, or financing models for low carbon technology.

2.10 In summary, sharing consumer data with third parties can lead to the development of new products and services. However, obtaining consent is a challenge due to non-standardised methods, lack of trust, and ‘consent fatigue’. A streamlined consent solution could enhance consumer engagement and transform passive and disengaged consumers into active participants in the energy system that benefit from the broader net zero transition. A standardised approach to acquiring consumer data could also enable companies to offer bespoke products more efficiently.

Energy system flexibility

2.11 One of the more groundbreaking shifts taking place during the energy transition is the increased deployment of flexibility from energy assets, particularly the growing use of decentralised energy resources to provide this flexibility. Flexibility is expected to play a key role in the energy sector’s transition to net zero, by helping to balance the challenges of increasingly intermittent supply and increasing electricity demand.

2.12 DSR is one form of flexibility which will be key in enabling demand to better correspond with supply. Consumers that want to save money will be able to provide demand reduction or even be paid to use surplus electricity. This can

³⁷ [Time of use tariffs: all you need to know - Energy Saving Trust](#)

³⁸ [Demand-side response \(DSR\) | ESO](#)

provide more options to balance the grid and reduce the need for non-renewable sources of energy, allowing consumers to directly participate in a net zero transition.

2.13 Flexibility is essential for unlocking the full value of energy smart appliances (ESAs) to consumers, such as electric vehicle charge-points, heat-pumps and batteries. Equally, ESAs and the flexibility they provide will reduce peak demand on the system when the sector transitions to intermittent renewable energy sources; through this we could expect to see the proliferation of new products and services.

2.14 To enable the broad uptake of ESAs, government is exploring key questions around tariff interoperability, licensing conditions and ESA standards.³⁹ For the full benefits of ESAs to be realised, consumers require a simple way to provide, review and update their consent to share ESA data with suppliers and other actors. For each of these components, there will be a need to establish an appropriate approach to gathering and managing consent.

2.15 Tariff interoperability will allow consumers to easily change tariffs and will require data standards and various technical solutions. Time of use (TOU) tariffs will be an enabler for DSR. By aligning cheaper unit rate charges to times of abundant energy production and network off-peak periods, TOUs can financially reward consumers who contribute to peak demand reduction. Consumers with ESAs will be incentivised to participate in DSR via TOUs, as these consumers will be able to adjust their consumption patterns in response to signals and financially benefit.

³⁹ [Delivering a smart and secure electricity system: Government response to the 2022 consultation on interoperability and cyber security of energy smart appliances and remote load control \(PDF\)](#)

2.16 Industry actors such as ESA manufacturers and DSRSPs currently cannot easily access the tariff information that is required to support DSR. As such, the 2023 government response to the 'Delivering a smart, secure energy system' consultation confirmed the intention to require energy suppliers to standardise TOU data into a common format that is accessible to third parties.⁴⁰

2.17 A consent solution which provides consumers with the information they need to easily control their consent would improve this experience, not only to provide a lawful basis for processing the information, but to ensure that consumers have transparency and simplicity in understanding with whom they have shared their tariff data.

2.1 DSRSPs will optimise energy consumption on behalf of consumers, providing savings on their energy bills, and providing valuable flexibility to the system. These organisations will need to be able to control and manage consumer devices and may need to process personal data to fulfil their service obligations. This will require that organisations have a lawful basis for processing personal data under UK GDPR, for which consent will likely be the preferred option. DSRSPs may also request consent on behalf of other organisations to share personal data to enable goods and services on the consumer's behalf. This sharing of personal data with other parties needs to be clearly communicated to consumers through simple, easy to read, contractual obligations.

2.19 As the GB DSR market becomes increasingly dynamic and complex, consumers will need to be able to provide consent to share data in a simple and transparent way. A consent solution that ensures common approaches would support this outcome and contribute to increasing consumer confidence with DSRSPs and flexibility as a whole.

2.20 Government is working to create ESA standards that will ensure that devices are interoperable and have appropriate cybersecurity, data privacy and grid stability requirements. This will primarily apply to manufacturers. It recommends that ESAs, subject to consent, utilise consumer data to complete tasks (such as matching the short-term availability of intermittent renewable energy generation sources), but the new standard does not specify how to retrieve this consent. A Consumer Consent solution could provide the specificity needed to ensure that all parties are utilising a common approach that supports interoperability across the sector.

2.21 The potential for flexibility in the energy market is dependent on enabling straightforward access to as much valuable data as possible. Automatic Asset Registration (AAR⁴¹) would be a process to improve visibility of small-scale domestic assets (including solar panels, EVs and battery storage) to network companies. While asset installers are legally required to register such assets with DNOs, only 40% of these assets are currently being registered and therefore visible. In 2022, the Government launched the £2m AAR innovation competition to support the development of solutions to automatically register such assets and to develop a central asset register to collect, store and communicate data. This will help streamline processes, avoid duplication of datasets and create a smooth process for installers and consumers to register assets. Currently, small-scale energy assets in households or smaller businesses such as heat pumps, electric vehicle charge points, solar panels, and batteries, do not have a simple, central, automatically updated register. Although there has not been an official commitment from government to invest in AAR in the market, AAR could provide a simple, central, and automatic register that the owners of these assets can use

⁴¹ [Automatic Asset Registration Programme: successful projects - GOV.UK](#)

to access innovative services and understand more about their energy consumption at a granular level.

2.22 For AAR to be technically feasible, specific personal datasets – such as MPANs – will need to be processed, and in some cases could be stored in the Central Asset Register for the purposes of value-add services if consent is obtained. MPAN data is critical to registering an asset at a specific location, offering more information than, for example, postcode data. MPANs also provide vital connection information, as the first two digits of an MPAN describe the Distribution Network Operator (DNO) network on which the asset sits.⁴²

2.23 Similarly, serial numbers are unique and assigned by a manufacturer to a device to help manufacturers organise and keep track of their products (for example, tracking assets that may need repairing or replacing). A serial number is information which may be personal data where it relates to an identifiable natural person by direct or indirect reference.^{43,44,45} Accessing the serial number is necessary for data processing purposes to register the device, to enable communications access to the device through the equipment manufacturer, and to infer the energy power level of the asset. As aforementioned, the Information Commissioner’s Office recognises⁴⁶ that consent uniquely “offers individuals real choice and control” over how industry uses their data and is therefore an influential tool in building trust between consumers and organisation

2.24 In summary, this section sets out the importance of a consent solution for enabling flexibility. With consent, companies can assist consumers in optimising

⁴² [Information Commissioner’s Office response to PFs \(PDF\)](#)

⁴³ [Art. 4 GDPR – Definitions - General Data Protection Regulation \(GDPR\)](#)

⁴⁴ [Use of electricity meter and gas meter personal data collected through the Energy Price Guarantee scheme in Great Britain and Northern Ireland: privacy notice - GOV.UK](#)

⁴⁵ [Can we identify an individual indirectly from the information we have \(together with other available information\)? | ICO](#)

⁴⁶ [What is valid consent? | ICO](#)

their energy consumption, resulting in cost savings and increased system flexibility. This flexibility can be unlocked at a more granular level through ESAs, and is further enabled by increased asset visibility. Such asset visibility could be provided by AAR, which requires access to personal data, making consent the optimal choice to establish trust between consumers and organisations. A standardised mechanism or process for all of this consent – for third parties, ESAs and the Automatic Asset Registration – would help increase efficiency and accelerate the growth of energy system flexibility.

Reduced barriers to market entry and increased competition

2.25 As the economic regulator for the energy sector, Ofgem is responsible for ensuring that competition within the energy market remains fair so that it may work in the best interest of current and future consumers. Reducing barriers to market entry for innovators and disruptors is a common approach taken by regulators to promote competition.⁴⁷ On the path to net zero, innovative technologies and business models could help the UK achieve a successful energy transition.^{48,49} We consider that an enhanced consent solution would reduce barriers to market entry for innovators and disruptors that require consumer energy data for their business models, thereby increasing competition and making a healthier energy market.

2.26 With improved access to consumer data, innovators will have the necessary information to introduce new products and services to the market, providing consumers with services that are not present in today's market, while contributing to healthy market competition. Without an effective and simple consent solution, third party innovators have difficulty accessing this data, and

⁴⁷ [Ofgem breaks down barriers so competition can work better for energy consumers | Ofgem](#)

⁴⁸ [Energy Digitalisation Taskforce Report 2021 \(PDF\)](#) p.23

⁴⁹ [The Sixth Carbon Budget - The UK's path to Net Zero \(PDF\)](#) p.402

are reliant on aggregated data to develop products and services. These products and services could deliver on consumer needs better if they had more granularity.

2.27 If consumers are offered a means to provide or withdraw consent simply and confidently, they could provide these innovators the consent they need to tailor these products and services for the market, easing their path to successful market entry. These products and services could use granular information about energy consumption and offer products based on consumer needs – such as ‘heat as a service’, more attractive tariffs connected to demand-side response, or financing models for low carbon technology such as solar panels or electric vehicles. The availability of data could attract non-energy companies to enter the market, increasing overall competition and consumer choice.

2.28 The work these organisations do to acquire this consent is still theirs to action; however, with a single technical solution, or framework in place for the innovators to utilise, the barrier to market entry is reduced.

Consumer empowerment, protection, and trust

2.29 The inflationary pressures of COVID-19, coupled with Russia’s invasion of Ukraine, created an unprecedented challenge for the energy sector. Public trust in energy suppliers has declined,^{50,51} and it will require work and consideration to return the public’s trust to pre-pandemic levels and above. There is an opportunity to empower consumers to become active participants who can make savings by producing their own power or shifting consumption – that can help balance the grid – and by increasing both their energy efficiency and improving the suitability of their tariff.

⁵⁰ [How badly did 2022 affect the public image of energy suppliers? | YouGov](#)

⁵¹ [Ofgem Consumer Tracking Research](#)

2.30 Through being active participants, consumers will have wide-ranging options to improve their energy system experience. Rather than feeling the effects that the energy system's peaks and troughs deliver, regardless of supplier or location, they will be provided with increased opportunity to change their supplier to one that better suits their consumption status and energy assets, one that could invest in new innovations, or provide multiple products or services within a better value bundle.

2.31 This is all based upon the empowerment of consumers. By managing their own consent through a clear and simple method, consumers can better understand who gets to use their energy data and for what end, and their options for opting in or out. This transparency will hopefully lead to better trust in the energy sector.

2.32 The final benefit is for vulnerable consumers, particularly those in financial difficulty. With improved consent solutions in place, there may be methods by which an individual or household's consumption pattern could be examined if the pattern shows a significant decline beyond seasonal or other normal fluctuations.⁵² However, as it's an opt-in service where consent can be withdrawn at any time, consumers will retain autonomy over their data and privacy.

2.33 By providing this data, suppliers could passively monitor usage, where an abnormal decline would trigger a process that reaches out to the consumer to check if they are struggling financially. If confirmed, the supplier can propose the consumer be added to an initiative that offers more targeted support.

⁵² [UKRN: Making better use of data to identify customers in vulnerable situations follow up report \(PDF\)](#)

2.34 There is also scope for energy companies and water companies sharing data so to reinforce the power of the data,⁵³ whilst improving the experience for vulnerable consumers. The data consumers choose to share will be up to them, however the data could be saved – within a profile, for example – so that if they do choose to share, they can do so with a click of a button, making the process uncomplicated and swift.

Questions for input

4. Do you agree that the four use cases referenced are high priority use cases? Can you describe any other high priority use cases?

5. Do you believe that a new Consumer Consent solution would enable the improvements to the energy system described in the four use cases? If not, could you please elaborate?

⁵³ [UKRN: Making better use of data identifying customers in vulnerable situations \(PDF\)](#)

⁵⁴ This consists of a trust framework, data preparation mechanism, and a data sharing mechanism. See Chapter 6 of [Future Systems and Network Regulation: Framework Decision Overview | Ofgem](#)

3. A principles-based approach to consumer data

Objectives and measures based on our principles

3.1 Our objectives and principles for a Consumer Consent solution were set out earlier in the document (paragraph 1.9). This chapter will restate and use them as a test against which to present and evaluate our different options.

3.2 Our overall objective is to develop a consent solution that enables consumers to share their energy data simply and securely with relevant service providers and third parties, whilst promoting transparency and empowering consumers in the energy sector. This means that any option will need to credibly deliver a means to share personal data that:

- improves access to data for third parties and
- improves consumer trust in the process.

3.3 The five principles detailed earlier in the document set the bar that a consent solution needs to meet in order to deliver for consumers. This is summarised in Box 2 below.

Box 2: Principles for consumer data consent

- Consumers should be able to trust that data sharing is safe and secure.
- Companies need to clearly outline the value and benefits of data sharing in a way that all consumers can understand.
- It should be clear to consumers what they are giving consent for – this needs to be explained upfront and not hidden in legalistic language or fine print.
- The process should also be accessible for all, and not leave the digitally excluded behind.

- The consent solution should have the capability for cross-sector operation with potential to benefit consumers within and beyond the energy sector.

Any consent solution will be compliant with data protection obligations under UKGDPR and will accommodate the 7 UK GDPR principles within our assessment criteria.

3.4 By implementing this consent solution, consumers will have direct control and understanding over their energy data and could build more trust between them and their suppliers. The sector could also increase efficiency through data-driven insights that create innovative solutions, improve service delivery, and promote sustainable practices.

Different options for Consumer Consent

Option 1	A single technical solution such as a Consumer Consent dashboard.
Option 2	A set of principles and guidelines outlining a consistent way for trusted market participants to obtain consent, akin to Data Best Practice.
Option 3	A voluntary industry-developed code outlining a consistent way for trusted market participants to obtain consent, akin to the Confidence Code.

Energy Data

Option One:

A single technical solution such as a Consumer Consent dashboard.

3.5 The first option is a single technical solution, mandated by Ofgem to be built and adopted by the industry for consumers to use to provide or withdraw consent with an easy-to-use, opt-in and opt-out mechanism.

3.6 The taskforce report highlighted the importance of consumers being able to provide consent simply and confidently for data access and proposed that government and the regulator develop a simple unified consent solution, such as a dashboard. The industry's approaches to managing consent may risk becoming diffused when developed without a singular source to drive common approaches.

3.7 Ofgem would lead in identifying a delivery partner to develop a technical solution, and also the underpinning consent processes. The regulator would act as a product owner on behalf of consumers, with the delivery partner delivering the technical solution for suppliers to adopt. The adoption of the consent management would then be integrated into relevant licenses and codes to ensure companies must use the technical solution when interacting with consumers on consent.

3.8 Further exploratory work through a formal consultation will need to be done to ascertain who will own the finished technical solution and who will act as the operator, with Ofgem or another organisation providing governance, having established and agreed a framework. We will determine how this will integrate into existing codes and licence conditions and will also explore the technical design and conceptual solution.

3.9 Benefits of option one

- The development of a technical solution was a key recommendation of the taskforce and provides Ofgem with a high level of assurance that the project objectives have been met.
- A technical solution puts control in the hands of the consumer, allowing them to easily manage their consent preference in one place.
- There are already established technical solutions like dashboards, such as in the pensions industry, making it a recognisable and engaging concept

for consumers. It could also improve accessibility for the digitally disadvantaged in a digitalised system, as it will be a single platform, removing the need for users to navigate individual privacy policies and consent processes. This familiarity, and simplicity of a single platform, could help avoid consent fatigue and confusion.

- The process of an easy opt-in and opt-out mechanism, the time it will save consumers and the reduced complexity of not having to read multiple terms and conditions could increase participation for the digitally disadvantaged in a digitalised system and reduce their vulnerability.
- A technical solution ensures a consistent and standardised approach to obtaining consent. This will, in turn, improve data standardisation and interoperability through the same mechanisms as our Data Sharing Infrastructure work.⁵⁴
- Consultancy firm Zühlke have already devised a conceptual solution, and RECCo are in the beta phases of developing an open data portal to share code information, so we know a mechanism can be created.
- A centralised portal could offer easier accessibility of data to services or organisations concerned with vulnerable consumers. Local authorities would be able to identify fuel poor homes, for example. Consumers that could be eligible for a social tariff from broadband providers for reduced cost Wi-Fi, for example, would be more easily identifiable to utility companies.
- A technical solution will fully support energy smart appliance data processing as detailed in our use case discussion earlier in chapter two of this document.

⁵⁴ This consists of a trust framework, data preparation mechanism, and a data sharing mechanism. See Chapter 6 of [Future Systems and Network Regulation: Framework Decision Overview | Ofgem](#)

3.10 Risks of option one

- There is a risk that development and implementation of a technical solution may take considerable time. Furthermore, we are yet to ascertain who will own and govern the solution, and how it should be funded, all of which will require planning. A cost-benefit analysis will need to be undertaken to assess the implementation and running costs of this option.
- For consumers to feel fully engaged, having a technical solution for consent is beneficial for the digitally excluded, but for the digitally unmotivated, it would require significant education and buy-in. This will necessitate a communications campaign, likely with third party involvement from consumer advocacy groups.
- Whilst the concept of a technical solution, such as a dashboard, may be familiar to some, the benefits of using one may not be clear to others. Without full information on why they should give consent, some consumers may choose not to. Consumers could disengage without significant consumer motivation to share their data, and whether the incentives are strong enough to counter the risks remains unknown. The eventual solution will not be adopted without consumer willingness. However, this would apply to all three options we are proposing, not just the technical solution.
- Unlike Open Banking, where there was a clear mandate from government following a market investigation,⁵⁵ this change would have a direction from the taskforce recommendations and policy set by Ofgem for the purposes of proactive innovation. This may take longer to get our policy and strategy and the industry and other regulators aligned to support. We will set this out in our consultation document in the Spring of 2024.

⁵⁵ [Retail banking market investigation - GOV.UK](#)

- Consideration should also be given to the fact that, even though the technical solution will not hold any data, apart from the initial consent data, it will present a cyber risk as a single location. This will necessitate robust cyber protections, both for security and to reassure consumers.
- There is a monopoly risk to having a single technical solution that would need to be monitored and regulated where necessary.

Option Two:

A set of principles outlining a consistent way for trusted market participants to obtain consent.

3.11 The second option is for the industry to deliver the consent solution by interpreting a mandated set of principles and guidelines.

3.12 This would mean that Ofgem, in consultation with the industry and consumer groups, develops a framework of principles with supporting guidance that describe the core requirements for acquiring, securely maintaining, and processing the withdrawal of consent at any time. This would be designed to ensure that energy data is used effectively for the benefit of consumers, stakeholders, and the public interest. In complying with this guidance, organisations could enable the full benefits of energy data to be unlocked for the common good. This set of principles could operate in a similar way to Ofgem's Data Best Practice.

3.13 Benefits for option two

- A set of principles provides room for flexibility and customisation to meet differing customer needs and requirements. This option is less prescriptive, and the extra flexibility may make the standards more future proof as it can be adapted to reflect changes in technology and thinking.

- The successful implementation of Data Best Practice in networks shows that a set of principles is a tried and tested approach for government and the industry to regulate and follow, respectively.
- Data Best Practice guidance has demonstrated that mandated principles can establish working practices on data handling, security and privacy to ensure that consumers' personal information is safeguarded.
- Option two would also remove the onus from the industry to create an interoperable solution, as the set of principles for the industry to follow will be set by Ofgem and/or government. Option two (as well as option one) will fully support consent for energy smart appliance data processing.
- Development and implementation of a technical solution would need significant resourcing in terms of software development, infrastructure set-up and the ongoing maintenance required. After the initial resource needed to draft a mandated set of principles, this could prove to be less costly to implement and maintain. A set of principles could be more adaptable than having to make significant changes to a technical solution, as technology, data privacy and consumer expectations are continually evolving.

3.14 Risks of option two

- Having a decentralised route, although quicker to implement, may take more time and resource to regulate as we will need to ensure the compliance and consistent standardisation of multiple actors.
- By choosing a non-technical solution or non-automated process this could increase the risk of human error leading to a higher compliance risk. It could also increase the administrative burden for the industry to administer.

- It could lead to less consumer empowerment as the industry's solution may not necessarily be consumer-facing, and a Consumer Consent process could be harder to communicate to customers. Customers could not as easily see who has control of their data and withdraw consent, as with the dashboard.
- If the consent solution is delivered by suppliers independently, the customer's relationship with them could impact how willing they may be to give consent. In some cases, this could be positive, but in other cases consumers may lack trust or faith in their supplier.

Option Three:

A voluntary industry-developed code outlining a consistent way for trusted market participants to obtain consent.

3.15 Instead of a technical solution or set of principles, the industry could adopt a voluntary industry-developed code. This would involve establishing a mutually agreed upon common standard set of processes for the industry to voluntarily adhere to. This would be industry-led, with collaboration between companies the driver to create standards for sharing consumer data.

3.16 In this model, suppliers, aggregators, and load-controlling entities develop discrete processes that allow consent to be captured and permit ongoing access to consumer data to registered third parties. This could resemble the Confidence Code⁵⁶ which is a voluntary code of practice for domestic energy Price Comparison Websites (PCWs). It sets out the minimum requirements that a PCW must meet in order to become, and remain, accredited by Ofgem. The Confidence Code requires that its members follow key principles, providing

⁵⁶ [Revised Ofgem Confidence Code: December 2017 | Ofgem](#)

reassurance to consumers about the independence, transparency, accuracy, and reliability of PCWs.

3.17 Benefits for option three

- The main benefit of the voluntary code is its capability and scope to graduate towards the end product of either option one or option two. It has the scope to be a technical solution a framework of principles, or something else entirely.
- An industry code should require limited regulatory intervention, as industry would be required to develop the necessary solution. This option could encourage the industry to collaborate and develop more cohesion across organisations.
- As with option two, the consumer-supplier relationship is already established. In other words, consumers know their suppliers, but those same consumers may not have directly interacted with Ofgem before, for example. The likelihood of consumer buy-in, trust and engagement are potentially higher with this option. Though this could also be considered a risk if they do not trust their supplier.
- A cost-benefit analysis will need to be completed but a voluntary solution of this nature, we expect, would reduce monitoring costs and be a cost-effective option for billpayers.
- This could be considered a more risk averse or low-risk choice that has more of a test-and-learn approach, which may help address barriers as they emerge.

3.18 Risks of option three

- The biggest risk without a technical solution or a mandated set of principles is that many different processes could be developed with a lack of a standardised approach. This could cause consumer confusion and fatigue and an inconsistent user experience. Furthermore, this option does

not require interoperability, therefore if a standardised mechanism were to be implemented in the future, pre-existing work in 'siloes' by individual companies could result in less flexibility to implement this new mechanism, and it would likely decrease consumer trust and engagement in the process.

- With a voluntary code for the industry to adhere to, we cannot guarantee buy-in from all in the industry, which could make it less impactful. This option could also make it difficult for Ofgem to have oversight of governance and consumer treatment. This could result in limited accountability to Ofgem and reduce the regulator's ability to take corrective action, should practices not be followed correctly.
- This option could cause a lack of definition in the policy and regulatory framework that underpins the required solutions, and that clarifies roles and responsibilities within the energy sector. As a result, the lack of authority from Ofgem to enforce this could not prevent service providers who control access to third parties from limiting data sharing to preferred parties.
- This option could stifle innovation and place barriers to entry for startups or new market entrants. This could also be caused because each supplier may have a different risk appetite with regards to existing data protection legislation, and, as a result, may not share data in the same way.
- This option, unlike option one or two is unlikely to include consent for energy smart appliances due to the likelihood of unstandardised data collection across the industry, and the concomitant complexities of data processing.
- Similar to option two, using a non-technical solution or non-automated process increases the risk of human error.

Options analysis/testing

3.19 Each option was qualitatively assessed against both the project objectives and a set of eight critical success factors (CSFs). This qualitative assessment determined which of the options is preferred. Below is a breakdown of why we chose each CSF, followed by an overview of each option's chosen scores. Please note – the weighting for all critical success factors is equal, and they are scored from one to five, five being the maximum (see Table 3).

3.20 The CSFs are split in two, the first section based upon the solution's impacts and interactions with the consumer, and the second section upon the process of developing and maintaining the solution. There are four factors measured within the impacts and interactions with the consumer:

1. Consumer Empowerment
2. Predicted Consumer Engagement
3. Consumer Protection and Trust
4. Accessibility

3.21 This solution needs to be developed with consumers in mind. The Energy Digitalisation Taskforce's report on Delivering a Digitalised Energy System states that the drive behind a Consumer Consent solution is "to facilitate customer data access and manage complexity for customers." This is why half of the CSFs are based upon how the three options impact consumers.

3.22 We believe these four factors best demonstrate the impacts and interactions we're aiming for this new solution to have upon consumers. To begin with, we want consumers to engage with the chosen solution, and we need the solution to be accessible to as many consumers as possible. Once they are engaged and able to access the solution, we want the chosen solution to provide consumers with increased empowerment within the energy system, while ensuring their data is protected, with the end goal of increasing their trust in the energy system.

3.23 The four factors within the solution development and maintenance section are:

1. Value for Money
2. Speed of Implementation
3. Consistency of Output
4. Sustainability and Adaptability

3.24 The second half of the CSFs are based on the pros and cons of each option's development and maintenance. These can be broken down to four terms – cost, consistency, speed, and sustainability. Value for money and speed of implementation are important for any initiative involving government, the industry, or the consumer. However, with the current cost of living crisis and the urgency of net zero, it is essential these two factors are sufficiently met to meet the needs of the challenges posed, at least cost. Below, we will expand upon the other two factors to qualify their selection – consistency and sustainability.

3.25 The consistency and quality of the selected option is important for its longevity and uptake. We require a consent solution that can solve multiple problems at once, whilst increasing trust in the energy system and providing innovative opportunities. It would be possible to produce a simplistic and short-term solution that solves the project objectives when providing a consent solution, however the product's consistency and quality will instil confidence in consumers, the industry, and government that the necessary work has been done to ensure this solution is trustworthy and long-term.

3.26 This leads into the second factor justification – sustainability. The chosen option must be sustainable and adaptable. The UK is transitioning to a digitalised system capable of achieving net zero, and there are innovations yet to be launched that have the capability to transform the energy system. The solution's sustainability and adaptability within this transformative time is essential to its long-term success. It may be that the chosen solution becomes foundational for

future industrial or governmental initiatives or additional energy data could be acquired given the appropriate consent. The potential for the chosen solution needs to be greater than the original output, and for this it requires sustainability and adaptability.

Please note – this is an initial analysis which will be further informed by the responses to this Call for Input and cost-benefit analyses.

Box 3: Options Analysis

Options Analysis		Option 1	Option 2	Option 3
Critical Success Factors	Assessment Against Project Objectives	5	4	3
	Consumer Empowerment (esp. Digitally Excluded)	5	3	3
	Value for Money	3	3	4
	Speed of Implementation	2	4	4
	Predicted Consumer Engagement	4	3	2
	Consistency of Output (& Interoperability)	5	4	2
	Consumer Protection (& Trust)	3	4	3
	Accessibility	4	2	3
	Sustainability & Adaptability	4	4	3
Totals:		35	31	27

3.27 Scoring – Option One

- Assessment Against Project Objectives: A technical solution was the taskforce report’s suggested solution. It achieves all the project objectives.
- Consumer Empowerment: Option one has the highest score for consumer empowerment as the product provides the consumer with a single location to determine all consent preferences. The easily digestible nature of the product provides consumers with control over their preferences,

empowering them to make preference changes whenever and wherever they want.

- **Value for Money:** This initial analysis has been developed on preliminary assessments of cost and speed of implementation. A full cost-benefit analysis will follow in due course. However, we expect the initial planning and development, procurement, and maintenance of option one to make it the most expensive of the three options.
- **Speed of Implementation:** We also expect option one to take the most time to complete. This is primarily due to the expected timescales for the development and procurement phases of a digital dashboard.
- **Consumer Engagement:** We expect the consumer engagement to be higher for option one as it is easily digestible and avoids complex legal language that a set of principles or an industry-developed framework may contain.
- **Consistency of Output:** Option one is an industry-wide, standardised platform. It would be consistent across the whole industry; therefore, it scored the maximum for this factor. The standardisation of option one also enables interoperability, as it would not be a siloed project, but a universal platform built with the industry's input.
- **Consumer Protection & Trust:** We expect consumers to find the nature and simplicity of the technical solution reassuring. With access to their consent information in one place, and the ability to ensure their data sharing is under their control, we expect their trust in data sharing to improve. However, it is important that the finalised product is of excellent quality. Unlike option two and – depending on the industry's approach – option three, the technical solution is less flexible (option two, as a framework, can be amended as and when it is strictly necessary), therefore if any technical issues are discovered, this could significantly impact consumer trust. Although the technical solution could be updated,

it is important to instil trust in the new system as early as possible, as any changes to the app will require an engaged and customer-focused process in order to maintain consumer trust. In parallel with the creation of the technical solution, Ofgem will support the industry in developing a governance framework to ensure consumer trust and probity.

- **Accessibility:** The technical solution would be designed to be accessible for all. However, the digitally excluded will require tailored assistance, therefore its accessibility score is below the maximum. The technical solution will be designed to be as simple as possible, showing users a yes/no format, and maximising the use of clear and plain language for consent to third parties for data sharing.
- **Sustainability & Adaptability:** The industry-wide technical solution is the only option of the three which guarantees a standardised approach from the industry. There is potential for both options two and three to lead to siloed approaches to consent, rather than a singular solution. Additionally, the digital technical solution can be updated with any necessary technological or systemic changes. We expect that a standardised digital approach, adopted industry-wide is one that will be most sustainable and easily adaptable.

3.28 Scoring – Option Two

- **Assessment Against Project Objectives:** The framework for option two has not yet been written. Therefore, we cannot confirm that the project objectives will be met in their entirety. We do, however, expect that the framework will improve access to personal data across the sector and ensure the development of a Consumer Consent process. Further work is required in order for us to expect an improvement in consumer trust as set out in the objectives.

- **Consumer Empowerment:** Option two is a process that the industry will follow to retrieve consent from their existing or prospective customers. Although the framework will be written to achieve the project objectives – that is to improve consumer trust – it does not guarantee consumer empowerment. It does, however, put a process in place that provides consumers with a set process by which consent is retrieved, increasing predictability.
- **Value for Money:** Although we expect option one to be the most expensive of the three options, the product delivered is one that guarantees the project objectives, providing high value. We expect option two to be a relatively resource-heavy endeavour, with a detailed framework to be developed. Additionally, the product does not guarantee the project objectives. However, we do expect the product to be less expensive than option one, therefore achieving the same value score.
- **Speed of Implementation:** We expect the speed of implementation for option two to be shorter than that of option one. Although this option will require high resourcing for the writing of the framework, it does not require the creation of a technical solution, in addition to the procurement and governance of a technical solution.
- **Predicted Consumer Engagement:** The expected consumer engagement for option two is lower than that of option one due to the lack of a guaranteed consumer interface. Option two will improve the processes in place for consent retrieval and management, however – for the average consumer – it is unlikely to be as easily digestible a product as option one.
- **Consistency of Output:** Option two has a high consistency of output and has the potential for interoperability. It is a single framework; therefore, its directive is standardised, without siloing individual organisations. Although, in theory, the framework should be easy to amend for

interoperability purposes, we expect it to have more bureaucratic barriers than updating a technical solution.

- **Consumer Protection & Trust:** As a framework, option two could provide documented protections for consumers. We expect consumer trust will improve as the framework is followed by the industry. Option two did not score the maximum (five out of five) as it does not necessarily put control directly in the hands of the consumer, which might create a potential barrier to improving consumer trust, however it did score higher than option one.
- **Accessibility:** Due to the expected language involved in the framework – similar to Data Best Practice – we do not necessarily expect consumers to understand the principles or the framework. Option two does not guarantee any interface with the consumer. It will guarantee certain protections and processes for the industry to follow, but it will not necessarily be an accessible option for the average consumer.
- **Sustainability & Adaptability:** As it will be a documented set of principles, option two is a sustainable and adaptable choice. It can be changed when necessary. However, adapting this type of framework would be time-consuming and would not be immediate. It would require thorough work and checks to ensure the update is appropriate and strictly necessary.

3.29 Scoring – Option Three

- **Assessment Against Project Objectives:** The confirmed output of option three is unknown, as it will be an agreed framework, system or technical solution as determined by the industry. We believe the solution would improve access to personal data across the sector, as it would encourage the industry to coordinate their approach to Consumer Consent. We also believe the industry would work together to develop a consent process or

mechanism. However, we cannot confirm that option three would necessarily improve consumer trust in data-sharing services.

- **Consumer Empowerment:** Although option three would be a solution developed by the industry rather than Ofgem (who have a responsibility to protect consumers), we would encourage and expect a high degree of consumer benefits as a result of their solution. However, the nature of the option means we cannot guarantee a solution that increases consumer empowerment to the levels we aspire.
- **Value for Money:** Due to the financial incentives of a quick turnaround time (and at least cost), coupled with the reduced regulatory resourcing required, we anticipate option three would be a good value for money solution for energy billpayers.
- **Speed of Implementation:** As mentioned above, due to the financial rewards a successful consent solution could bring the industry once launched, we'd expect a solution to be developed and launched as soon as possible. However, there will need to be a high level of agreement across the industry on numerous decisions for the solution to be launched, which may delay development.
- **Predicted Consumer Engagement:** There is the possibility of a siloed output, where the industry decides to produce guidelines that then siloes each organisation to produce their own process or mechanism. This would likely result in low consumer engagement and consent fatigue. It is, however, difficult to predict the consumer engagement for option three. As these scores are relative to the other options, option three has been given a lower score due to its uncertainty.
- **Consistency of Output:** As mentioned above, option three has the potential to have a very low consistency of output. Unlike option one and two, there is no guarantee of a standardised approach, and there is the

possibility of siloing and scattered approaches to consent retrieval – for example, each company could have their own individual consent portal.

- **Consumer Protection & Trust:** Consumers looking to Ofgem in the first instance to protect their interests in the energy markets, including protection of their related data, would not have Ofgem involved in the solution's development. We would expect the industry to develop a consumer-friendly solution, and would provide support if requested, however as Ofgem would not be involved, the score provided is neutral.
- **Accessibility:** Although we expect the industry to maintain high standards of accessibility for their customers, due to the possibility of a number of different solutions arising from option three – such as a portal for each different company, or a framework with complex language that may confuse consumers – the score for accessibility is neutral.
- **Sustainability and Adaptability:** As option three is the only option that does not guarantee a standardised approach, its adaptability potential is affected. If multiple different processes and mechanisms are developed and implemented across the industry, each process is difficult to regulate and maintain. However, one major benefit of option three is that it has the capability to graduate towards either of the other two options. Ultimately, the sustainability and adaptability of option three depends on its outcome, but compared to options one and two, its score is lower due to its uncertainty.

Table 3: Key for options analysis scoring

Scoring key for individual considerations	
5	Full confidence in ability to deliver
4	High likelihood of being able to deliver, but with some constraints/reservations
3	Could deliver but with some constraints/reservations
2	Low confidence in ability to deliver
1	Very low confidence/could not deliver

Questions for input

6. Do you agree with our method and scoring of options?

7. Which of the options referenced in this chapter do you believe would be the most appropriate Consumer Consent solution, for the industry, the government, and the consumer?

- Option One: A single technical solution to obtain consent, such as a Consumer Consent dashboard. This proposal builds on the Energy Digitalisation Taskforce’s recommendation to deliver a technical consent solution.
- Option Two: A set of principles outlining a consistent way for trusted market participants to obtain consent, such as Data Best Practice.
- Option Three: An industry-developed code of conduct outlining a consistent way for trusted market participants to obtain consent, such as the Confidence Code.

8. Please can you explain why you chose a specific option? Do you have any suggestions on how to improve this option?

9. What barriers do you see to the successful implementation of a new consent solution?

10. What do you think are the roles of Ofgem, industry and other stakeholders in enabling a simple and effective consent solution?

4. Conclusion

4.1 In this paper we have explored potential options for an improved Consumer Consent solution that could be delivered by Ofgem and the industry. To achieve a fully digitalised, decarbonised, and flexible energy system it will be crucial to share consumer data among different actors, third parties and new market entrants within the energy sector.

4.2 A Consumer Consent solution needs to be developed with consumers in mind. Consumers produce and own this data, it is explicitly theirs, and any benefits from it should be shared with them. With this in mind, we created a set of principles that any future solution must follow, which includes making sure that data sharing is safe and secure, is clear about when consent is needed and what benefits it brings, is accessible for all consumers, and is not hoarded or kept siloed.

4.3 A more streamlined solution for Consumer Consent could deliver multiple benefits to consumers. This includes providing a greater variety of retail products and services that are customised to individual needs, more opportunities to take part and be rewarded) in providing system flexibility, and reduced barriers to market for new entrants who can lower the price of energy through greater competition. Further, a simple and streamlined consent solution could increase consumer trust and engagement in the sector.

4.4 Our options to do this, as set out in the last chapter, have been as follows:

- **Option One:** A single technical solution to obtain consent, such as a Consumer Consent dashboard. This proposal builds on the Energy Digitalisation Taskforce recommendation to deliver a technical consent solution.⁵⁷

⁵⁷ [Delivering a Digitalised Energy System - Energy Systems Catapult](#)

- **Option Two:** A set of principles outlining a consistent way for trusted market participants to obtain consent, such as Data Best Practice.⁵⁸
- **Option Three:** An industry-developed code of conduct outlining a consistent way for trusted market participants to obtain consent, such as the Confidence Code.⁵⁹

4.5 To assess the merits of these options, we tested them against our critical success factors that covered consumer impact and experience, alongside broader questions around value for money and project delivery.

4.6 In assessing the different options, we have decided to present **option one** as our preferred solution. This option scored the highest in our assessment against critical success factors, as detailed in the last chapter, and as such gives us a high level of assurance for delivery against our objectives and principles. This is also the option that the taskforce recommended. Similar technical solutions have already been implemented in other areas such as pensions and provide a benefit for the digitally excluded by maintaining a singular point of access for individuals to give or withdraw consent.

4.7 We welcome any responses to this consultation. We have collated a list of questions asked throughout the document in the second part of our appendix.

⁵⁸ [Decision on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance | Ofgem](#)

⁵⁹ [Revised Ofgem Confidence Code: December 2017 | Ofgem](#)

5. Appendices

Appendix 1	Call for Input questions
Appendix 2	Responding to this Call for Input
Appendix 3	Baringa stakeholder workshop
Appendix 4	Privacy notice

Appendix 1 – Call for Input questions

A.1.1 1. Yes/No: Do you agree that a Consumer Consent solution is required as per the taskforce's recommendation?

A1.2 2. Could you please provide any reasons why the current methods for obtaining consent from a consumer might be ineffective or inefficient?

A.1.2 3. Do you believe that consumers are sufficiently motivated to engage with the consent solutions proposed in this Call for Input? Please elaborate on your answer.

A1.4 4. Do you agree that the four use cases referenced (below) are high priority use cases? Can you describe any other high priority use cases?

- Retail specialisation
- Energy system flexibility
- Reduced barriers to market entry and increased competition
- Consumer empowerment, protection, and trust

A1.5 5. Do you believe that a new Consumer Consent solution would enable the improvements to the energy system described in the four use cases? If not, could you please elaborate?

A1.6 6. Do you agree with our method and scoring of options?

A1.7 7. Which of the options referenced in chapter three do you believe would be the most appropriate Consumer Consent solution, for the industry, the government, and the consumer?

- Option One: A single technical solution to obtain consent, such as a Consumer Consent dashboard. This proposal builds on the Energy Digitalisation Taskforce's recommendation to deliver a technical consent solution.
- Option Two: A set of principles outlining a consistent way for trusted market participants to obtain consent, such as Data Best Practice.
- Option Three: An industry-developed code of conduct outlining a consistent way for trusted market participants to obtain consent, such as the Confidence Code.

A1.8 8. Please can you explain why you chose a specific option? Do you have any suggestions on how to improve this option?

A1.9 9. What barriers do you see to the successful implementation of a new consent solution?

A1.10 10. What do you think are the roles of Ofgem, industry and other stakeholders in enabling a simple and effective consent solution?

Appendix 2 – Responding to this Call for Input

How to respond

A2.1 We want to hear from anyone interested in this Call for Input. Please send your response to digitalisation@ofgem.gov.uk by 5pm on 26 January 2024.

A2.2 We've asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

A2.3 We may publish non-confidential responses on our website at [Calls for Input | Ofgem](#)

Your response, data and confidentiality

A2.4 You can ask us to keep your response, or parts of your response, confidential. We'll respect this right to confidentiality, subject to obligations to disclose information, for example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

A2.5 If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we'll get in touch with you to discuss which parts of the information in your response should be kept confidential, and which can be published. We might ask for reasons why.

A2.6 If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the UK's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for

the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on calls for input, see Appendix 4.

A2.7 If you wish to respond confidentially, we'll keep your response itself confidential, but we will publish the number (but not the names) of confidential responses we receive. We won't link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

A2.8 We may share non-confidential responses, including any personal data that may be contained within them, with the Department for Energy Security and Net Zero.

Appendix 3 – Baringa stakeholder workshop



Industry Workshop: Consumer Consents

11am – 3pm; Thursday 18th May

Ofgem, 10 South Colonnade, Canary Wharf, London

Workshop Overview

On 18th May 2023, Innovate UK (IUK), in collaboration with Ofgem, Department for Energy Security and Net Zero (DESNZ), and Baringa, organised a stakeholder workshop to identify the short- and longer-term barriers to consumers providing consent to share their energy data. Representatives from IUK, Ofgem, DESNZ, codes bodies, energy retailers, charities and academics represented the wide spectrum of energy sector views.

The workshop comprised 3 sessions:

- The first session set the case for change by introducing different use cases for sharing consumer energy-related data
- The second session showcased inflight projects
- The last session was focused on current and expected issues.

While the workshop recognised the complexity of the consumer consent journey, there appeared to be a consensus: further work is necessary to define the policy, regulatory and governance frameworks surrounding consumer consent and data sharing, and to promote the adoption of common technologies, standards, and consumer protections.

The workshop feedback will inform development of policy priorities, and the delivery of the vision set out in the joint DESNZ-Ofgem-IUK Energy Digitalisation Strategy.

The case for change

The first exercise of the day set the context for consumer consent and data sharing in the energy sector, and saw attendees introduced to a non-exhaustive list of use cases for consumer consent and energy data sharing. While recognising some overlap between some of the presented use cases, workshop attendees identified four further use cases:

- Enabling consumers to understand and reduce carbon intensity from their energy consumption.
- Identifying and reducing energy theft, through sharing non-consumption data
- Enabling consumers to understand where they have provided consent in aggregate (i.e. across multiple service providers)
- Supporting consumers with ill health e.g. monitoring vulnerable customers and identifying shift in consumption patterns

Attendees were asked to prioritise different use cases based on their value to consumers and the wider energy system. They identified the following three use cases as the most valuable (in ascending order):

- **#3 Enabling consumers to understand and reduce carbon intensity.** Participants discussed the social good associated to reducing the carbon intensity of the wider energy system, despite a few challenges raised regarding accuracy of carbon intensity data.
- **#2 Network operators and DSR service providers could monitor energy use and forecast accurately.** Attendees agreed that access to

more granular consumption data could enable more efficient operation of the energy network.

- **#1 Innovators could develop new services and market them more effectively.** Many participants recognised that enabling innovators to develop products in response to consumer demand would be the most powerful mechanism to deliver benefits.

Following this exercise, DESNZ, the Retail Energy Code Company (RECCo) and Zuhlke provided updates on 4 projects that seek to enable consumers to provide consent and share their energy data. These included:

- Smart Meter Data Repository (SMEDR): Phase 1 (feasibility study) has completed, with selection details for Phase 2 (proof of concept) still to be announced.
- RECCo Open Data and Consumer Consents: exploring how different group of customers would like to interact and defining 9 different clusters.
- Zuhlke Customer Consent Journey: determining current and future consumer consent data journeys.

Present issues providing consent and sharing consumer data

The afternoon session comprised two additional exercises focusing on analysing short- and longer-term barriers to consumers providing consent to share their energy data. First, attendees were asked to assess the maturity of the sector across 6 lenses, and then prioritise the most pressing issues preventing progress:

- **Policy and regulation:** Whilst some attendees noted that there are some regulatory measures in place to enable consumer data sharing (e.g. the smart metering data access and privacy framework), there is a lack of a holistic policy and regulatory framework to underpin the required technical solutions, and to clarify roles and responsibilities within the ecosystem.

- **Governance:** Attendees noted that industry governance, particularly the SEC and REC, is mature and able to fulfil functions relating to consumer consent management. However, further clarity and policy change is required to formalise accountabilities and enable work to progress, particularly with regard to assets and services that sit outside existing energy sector governance (such as domestic-scale flexibility).
- **Consumer Protection:** Whilst the over-arching regulatory framework for data protection exists (i.e. GDPR), more targeted consumer protection was desired to ensure consumers have confidence sharing their data without risk of negative consequences. Specific examples were raised regarding consumer data being used by third parties to penalise customers (i.e. downgrading a credit rating due to poor billing history with an energy supplier). Other attendees question whether there was significant consumer appetite to share their data, and whether the incentives were strong enough to counter the risks.
- **Standards:** Common technical standards used to manage consumer consent and share data do exist and are deployed in other sectors, although they are not adopted at scale in the energy sector.
- **Process:** Whilst most attendees did not comment on process, some noted that there was a lack of agreed industry processes for managing consumer consent in the energy sector, and that common processes would be needed to enable the adoption of a solution at scale, potentially with harmonisation between both the REC- and SEC-led governance frameworks.
- **Technology:** Attendees generally agreed that technology for managing consumer consent and sharing energy data is deployed in other sectors already, albeit it has not been deployed to equivalent levels within the energy sector. However, there are technical barriers to obtain energy data upstream, such as challenges accessing smart meter data.

The most significant issue was voted as policy and regulation (8), followed by consumer protection (4), and standards (2).

Looking forward

In the final part of the workshop, attendees discussed the changes in the future that may impact consumer consent and data sharing. Attendees were asked to identify the key issues they expect to emerge in the longer-term that would need to be addressed. Three themes were identified by attendees:

- **Consumer engagement and interest:** Consumers need trust in the organisations they share data with and visibility of the data they share (i.e. What data do I share? Who has access? How often?) Whilst technical, policy and standardisation barriers may be addressed in the future, the eventual solution will not be adopted without consumer willingness. Attendees identified specific risks associated to consumer consent and data sharing, and the mitigations that may be needed. In addition, there was significant discussion on the engagement of consumers in the products and propositions that will drive interest and further development. Consequently, regulatory action will need to allow space for innovation and proposition development that will support rather than hinder market evolution.
- **Regulatory approach:** Many participants advocated the use of policy and regulation to promote development of solutions, but there was also discussion regarding how regulation could evolve over time. Some attendees recommended a 'test and learn' approach would help address barriers as they emerge. Further consideration should be given to how the future policy environment could still facilitate innovation in competing approaches and technologies.
- **Governance and accountability:** Attendees noted a number of specific challenges related to governance and roles within a complex ecosystem

involving data users, data providers and data owners, and different regulatory/governance structures. Clarity regarding the different roles within the ecosystem, accountabilities within the future regulatory framework, interactions between roles, and who is driving forward work in this area will all need to be addressed for a scalable, harmonised solution to emerge.

Next Steps

DESNZ-Ofgem-IUK are still in the evidence-gathering phase and the feedback captured throughout this workshop will be leveraged as part of policy development.

The workshop concluded with Ofgem proposing to continue with further stakeholder engagement, to foster a community of experts in this area. Ofgem is also intending to release a publication on consumer consent.

Appendix 4 – Privacy notice

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the Call for Input.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the Call for Input process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a Call for Input.

4. With whom we will be sharing your personal data

We are not intending to share your personal data with other organisations unless legally obligated to do so. We may share non-confidential Call for Input responses, including any personal data that may be contained within them, with the Department for Energy Security and Net Zero.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for six months after the project is closed.

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens

to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

7. Your personal data will not be sent overseas

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

10. More information: For more information on how Ofgem processes your data, click on the link to our [Ofgem privacy policy | Ofgem](#).