Ofgem Call for Input: Data sharing in a digital future

Response from ev.energy

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Thank you for the opportunity to respond to this call for input.

**Questions & Answers**

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

**Yes**

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

**Nearly every service provider loses potential customers at every new stage in an onboarding process. Multiple or unfamiliar steps add (often unnecessarily) to customer concern or fatigue and thus reduce participation; questions repeated from a previous process are frustrating for consumers.**

**Giving and revoking informed consent need to be easier but also proportionate to consumer concerns and actual risks.**

1. 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.

**Yes. Consumers will welcome that data privacy information is clear and accessible (not hidden in Ts & Cs). Standard formats will make comparison easier. Ability to transfer permission from one account to another without repeating the process will be more efficient and is likely to reduce opt-outs.**

1. Do you agree with our method and scoring of options?
2. 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.

**Any of the three proposals could be made to work, and we are confident that ev.energy will be able to provide its services and engage with its customers while fulfilling its data handling and data protection responsibilities to its customers.**

**We support Option 3 as the solution most likely to provide an effective process for ensuring that consumer data is used within the limits and for the purposes consented to by the consumer.**

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

**We have two concerns about the option of a single technical dashboard. Firstly, it is not clear who would design, build, maintain and operate it. We do not think this is an appropriate task for Ofgem. So it is likely that it would end up in the hands of another party, whether a Code administrator or a consultancy firm. We haven’t seen enough detail to give us confidence in this process. Secondly, consumers tend to know why they consent to share data. Very often it is because they trust that it will be used properly and they are attracted to the benefits that sharing brings them. We want to be able to accompany our ‘call to action’ or consent request with a specific outline of the ways we will protect their data and use it wisely, and the benefits/rewards that will bring them. Many of these benefits will be particular to the ev.energy customer offering. A generic template does not facilitate this commercial differentiation.**

**With Option 2, a set of principles, there is a risk that these will be too vague to be useful. Insufficient guidance on how to demonstrate and test compliance will add cost to the process (as happened with the interoperability and interchangeability requirements for smart metering devices in the energy supply licence; despite multiple requests for guidance, Ofgem never explained how to deliver or test those requirements, so the assurance scheme became expensive and time-consuming guesswork where clearer guidance could have enabled an efficient, light-touch scheme). The uncertainty associated with a set of principles may be stifling.**

**We support the adoption of a Code of Conduct, provided it be simple and clear and that it removes complexity from the process. If the permissions are so long and complicated that no consumer reads them, then the consent granted will not be fully informed. The Code should require providers to explain the types of data being used, the categories or types of third parties that it will be shared with, the actual uses of the data, and the actual benefits. Also: the steps the provider will take to protect that data, and the related regulations and legislation. The Code shouldn’t need to be much longer than that, and it should link to related industry Codes and requirements rather than duplicate them.**

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

**Industry, Government, the Regulator, consumer groups and all other stakeholders will need to reach agreement on what it asks for, how it works, and (potentially) how the information on it is shared between parties when a customer changes service provider.**

**Every step of a sign-up process loses customers. It is in Industry’s interests as well as the consumer’s that this process is clear, simple and quick, while also providing the customer with the necessary information and confidence that their data will be handled appropriately.**

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

**Whatever option is agreed upon, the process should be designed to deliver the desired outcomes set by Government and the Regulator. These need to be clearly articulated. Ofgem should also give all stakeholders clear guidance that explains how providers should test and demonstrate compliance.**

**Another essential requirement is access to smart metering data. The business case for the smart metering rollout included assurances that customers would have easy access to the data from the consumer access device (potentially at 10-second increments, certainly half-hourly) and that they would be empowered to share that data, for example with flexibility service providers, for mutual benefit. Ofgem should use this CfI as an opportunity to make it much easier for customer consent to share smart metering data. Ideally the governance process for this will be aligned with the Smart Energy Code. Obtaining smart metering data is too difficult and is a considerable barrier to innovation and to the amount of flexibility available to the market. Here is an opportunity to address this problem.**