**The MCS Foundation’s response to Ofgem’s Consumer Consent Solution Consultation**

Available at: <https://www.ofgem.gov.uk/consultation/consumer-consent-solution-consultation>

**The MCS Foundation**

Our vision is to make every UK home carbon-free. The MCS Foundation helps drive positive change to decarbonise homes heat and energy through our work programmes, grants and advocacy. We support engagement programmes, fund research and facilitate innovative solutions to drive widespread adoption of renewables to help achieve a Net Zero future. In addition, the Foundation oversees the [Microgeneration Certification Scheme (MCS)](https://mcscertified.com/) which defines, maintains and improves quality standards for renewable energy at buildings scale.

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**Questions**

*Q1. Do you agree with the proposed Design Principles? Would you recommend any additional Design Principles?*

Government, and government regulator-led IT/software development programs have a less than stellar track record – often over-budget and under-delivering. Given the importance of flexibility to the future electricity system, this cannot be allowed to happen here.

With that not insignificant caveat out of the way, we agree with the design principles laid out in the consultation. In particular, any solution must be interoperable by design from the outset. In addition to these principles, making sure that this solution works for organisations who are not suppliers must be given equal consideration. Uneven access to consumer data would have a large effect on the flexibility service offerings that are available to consumers.

Giving flexibility service providers the ability to demonstrate the value of such a solution through attractive customer offerings and the provision of a trusted and robust way for customers to access the solution is essential. Close coordination between the timelines of this work and the Smart Secure Electricity Systems (SSES) programme focussed on Load Controller licencing will be required as customer’s data will be becoming available to an expanding pool of actors which introduces a high level of risk for both consumers and sector reputation.

*Q2. Do you have a preference between the centralised, decentralized or hybrid models? Please elaborate.*

We agree with Ofgem on the disadvantages of a centralised model and that a decentralised or hybrid model seem more appropriate for this solution. The risk to the consumer and reputational risks to the sector for mishandling consent are immense and these risks become heightened in implementing a centralised model.

The introduction of a Usage Governance Mechanism and Trust Framework is crucial to ensure that consumers receive the full value of the solution. The chosen delivery body should work collaboratively with industry to determine what this should look like.

*Q3. Do you consider the security measures referenced in this section, including the access control measures, will meet the requirements of a consent solution holding consumer data? Which additional protections would you recommend?*

Yes

*Q4. Do you consider these standards are sufficient parameters to ensure inclusivity, accessibility and interoperability for the consent solution? Which standards would you recommend?*

Yes – they are industry recognised standards that any credible solution must adhere to.

*Question 5: Do you agree with the options assessment conducted by Ofgem? If not, why?*

Yes

*Question 6: Do you agree with Ofgem’s minded-to position that RECCo should be selected as the Delivery Body for the consent solution?*

Yes

*Question 7: Do you hold any views as to how the proposed solution should be funded? Please consider the points regarding fairness raised in paragraphs 4.12–4.14 and Ofgem’s duty to consumers when providing your answer.*

Our only observation regarding funding is that it must be fair – and strongly agree that Ofgem should avoid a presumption of any increase in consumer bills. We should be doing everything in our power to reduce bills to support electrification, not adding extra levies to them. Paragraphs 4.12-4.14 address the fairness issue, but don’t provide any details on how that would translate into funding the proposed solution. Therefore, while we agree in principle with the fairness issues, until we see proposals on how the solution will be funded we are not in a position to comment on whether it is fair in practice rather than principle.

*Question 8: Do you agree with our position to make sharing consent data with consumers (via the consent solution) an obligation for licensees?*

Yes.

*Question 9: Do you consider SLC 0 an appropriate route for implementing these changes, or*

*should Ofgem create a bespoke licence condition?*

Yes