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Sent by email to: digitalisation@ofgem.gov.uk

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Dear Charles,

Response to Ofgem's Data Best Practice as a Code Obligation consultation

This letter is in response to Ofgem's Data Best Practice as a Code Obligation consultation published on 30 June 2025¹ and is submitted on behalf of the SSE Group.² We support increased digitalisation of the energy sector as it should enable increased transparency and collaboration between parties. Network companies and the National Energy System Operator (NESO) have licence conditions to follow the Data Best Practice Guidance, which should already be improving data practices. Ensuring that the NESO, in particular, is following Data Best Practice Guidance and sharing its data could significantly improve workings across industry and help realise more benefits from digitalisation.

On the specific proposals to extend Data Best Practice Guidance requirements to code bodies, we believe:

- **Code bodies should follow data best practice as it will ensure they handle data more effectively.** Being more transparent with data they hold will improve engagement with other parties in code workings. Code bodies hold a unique central position in industry, gathering input from many code parties and coordinating updates to codes, which means it is appropriate for them to follow data best practice. Expanding the use of this guidance into codes will ultimately benefit all stakeholders by helping with the agreement, definition and use of common terms within Data Assets, Metadata and supporting information to help with digitalisation and standardisation.
- **Requirements to follow Ofgem's Data Best Practice Guidance should be included in the licence conditions for licensed code managers.** Code managers will have their own licence conditions, and such licence conditions should include requirements to follow Data Best Practice Guidance. However, we note that requirements to follow the Data Best Practice Guidance were not included in the recent draft licence conditions for code managers³ and we would therefore encourage that these separate reform workstreams are joined up.
- **Pragmatic actions should be taken to encourage code bodies to follow data best practice now, but we disagree with the proposal to make changes to other licences to do this in the short time before licensed code managers are introduced.** Considering the imminent introduction of licensed code managers, we believe making changes to many licences (Electricity System Operator,

¹ [Data Best Practice as a Code Obligation | Ofgem](#)

² The SSE Group is one of the largest UK listed companies and includes six business units – SSE's Network Businesses (SSEN Distribution and SSEN Transmission) and SSE's Energy Businesses (SSE Renewables, SSE Thermal, SSE Energy Customer Solutions and SSE Energy Markets).

³ [Energy code reform: Code manager licence conditions and code modification appeals to the CMA | DESNZ and Ofgem](#)

Electricity Distribution, Electricity Supply, Gas Supply, Smart Meter Communication, Gas Transporter and Smart Meter Communication Licences) to indirectly require code bodies to follow data best practice is unnecessary and would run counter to Government's drives to reduce regulatory red tape. Informal agreements could be reached with code bodies to ensure they follow data best practice before the new code manager licences are introduced. Additionally, Ofgem could seek a volunteer to raise a modification that introduces data best practice requirements into codes (like what was done to appoint Elexon as Market Facilitator within the Balancing and Settlement Code (BSC)), or there could be reliance on changes to Code Administrator Code of Practice (CACoP) to achieve Ofgem's policy outcomes.

We are against Ofgem's suggestions that it may in the future introduce additional licence requirements for others, such as suppliers and load controllers, to follow Ofgem's Data Best Practice Guidance. We believe this would have limited additional value on top of other data reforms already underway, and would create additional complexity, cost, and confusion. Please see our rationale below:

1. The extension of data best practice requirements to suppliers would have limited additional value on top of the other data reforms under way in the wider retail market that are also enabling increased information sharing and supporting the growth of local flexibility markets. For example, existing reforms include the introduction of the Consumer Consent Solution, wider reforms to develop a Flexibility Digital Infrastructure, new requirements to make time of use tariffs interoperable, the planned Data Sharing Infrastructure and Market-wide Half Hourly Settlement.
2. The introduction of new requirements would also further increase regulatory burden and ultimately end up as additional costs for consumers, counter to Government's direction. It would be complex and confusing managing the interaction between any requirements in the Data Best Practice Guidance and requirements related to the wider reform programmes mentioned above.
3. A lot of a data suppliers hold is personal data, that is identifiable to individuals or businesses – this would result in a lot of complex legal work to confirm what data can be shared. This would also add to the significant costs that these requirements would entail for suppliers and the end consumer.
4. Suppliers and load controllers operate in a competitive market (unlike network companies, the NESO and code bodies), which means the disclosure of data could reduce competition in the market and be at a commercial disadvantage to those operating in the retail market.
5. Moves to require suppliers to open up consumer data further could result in significant public perception issues and create unwelcome external attention for other smart meter and data initiatives underway in industry.

Any moves to extend data best practice requirements to the retail market need a robust cost/benefit analysis informed by detailed discussions with suppliers and industry as a whole.

Our response to individual questions posed in the consultation are included within the appendix. We are happy to discuss our response further with you. Our response is not confidential.

Yours sincerely,

Graeme Barton
Regulation Manager

Appendix: Responses to questions listed within Ofgem's Data Best Practice as a Code Obligation consultation

Q1. Do you agree with our intent to expand DBP Guidance into the codes?

In a general sense, yes, we agree that code bodies should follow data best practice. There are areas of the Grid Code, CUSC, STC and SQSS which could benefit from the agreement, definition, and use of common terms within Data Assets, Metadata and supporting information. This would support the intended data best practice outcome of having a taxonomy for describing Data Assets, Metadata, and supporting information which was "commonly recognised" by practitioners, either through industry engagement or commonality between taxonomy use across the sector. This would make data exchange between industry partners more efficient, transparent, and faster.

The application of data best practice across the Grid Code, CUSC, STC and SQSS would also enable interoperability between data assets. This would allow data users to combine their data assets with data assets of other licensees, which would itself support the development and implementation of the wider planned Data Sharing Infrastructure. Further, this would support the protection of data assets exchanged and published in accordance with these codes, whilst ensuring that data assets are treated as Presumed Open by application of the Open Data Triage process as defined in the Data Best Practice Guidance.

However, we disagree with Ofgem's proposals to introduce requirements to follow Data Best Practice Guidance into licences before the introduction of new licences for code managers. Considering the imminent introduction of the licences for code managers, we believe making changes to the Electricity System Operator Licence, Electricity Distribution Licence, Electricity Supply Licence, Gas Supply Licence, Smart Meter Communication Licence, Gas Transporter Licence and Smart Meter Communication Licence is unnecessary. Additionally, considering the number of licence changes that would need to be made for a time limited benefit, this would run counter to Government's drives to reduce regulatory red tape.

Instead, we believe Ofgem's short-term policy outcomes can be achieved by pragmatic actions to encourage code bodies to follow data best practice now. Informal agreements with code bodies that they will follow data best practice before the new code manager licences are introduced. Additionally, Ofgem could seek a volunteer to raise a code modification that introduces data best practice requirements into codes (like what was done to appoint Elexon as Market Facilitator within the Balancing and Settlement Code (BSC)) or there could be reliance on changes to Code Administrator Code of Practice (CACoP) to achieve the same outcomes.

Q2. Do you agree with the proposed deadline six months after the licence condition is applied for consequential code modifications? If not, please state your reasons specific to the relevant code and modification process.

In line with our response to question 1, we do not believe the proposed licence changes should be used to indirectly impose new requirements on code bodies to follow Ofgem's Data Best Practice Guidance. Therefore, we do not agree with the proposal to set a deadline in various licences for consequential code modifications to be made within six months to introduce the Data Best Practice Guidance into the codes.

If such a requirement were to be introduced though, we note that six months is unlikely to be long enough to take forward these consequential code modifications through various codes. We are unsure if an arbitrary time-limited deadline to implement such consequential code modifications is the best approach at this time. Considering wider priorities to implement reforms to network charges within various codes post the decision

on REMA, such consequential code changes are unlikely to be deemed urgent and therefore imposing a deadline for consequential code changes on Data Best Practice Guidance could undermine wider priorities to implement REMA reforms. Additionally, it would likely require around a year for any code modification to fully understand the scope of the consequential changes required (as multiple parts of individual codes could be impacted), develop drafting and go through code governance process in a joined-up manner with the equivalent code modifications occurring in other codes.

Q3. Do you agree with the minded-to position that an obligation to produce DSAPs is suitable and proportionate for code bodies? If not, what alternative would you propose to achieve the same or greater benefits?

In a general sense and in line with wider data best practice, we agree that code bodies should individually or collectively produce Digitalisation Strategy Action Plans. This would give industry parties sight of the initiatives they have underway to improve their workings on data. Considering the number of code bodies, jointly published Digitalisation Strategy Action Plans across codes, or groups of codes, could reduce the number of reduce duplicative publications and make it easier for industry to engage with these publications.

However, in line with our response to previous questions, we do not believe it is proportionate to proceed with current proposal to include these requirements via changes to licence conditions to the Electricity System Operator Licence, Electricity Distribution Licence, Electricity Supply Licence, Gas Supply Licence, Smart Meter Communication Licence, Gas Transporter Licence and Smart Meter Communication Licence.

Q4. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity System Operator Licence amending the BSC?

Q5. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity System Operator Licence amending the CUSC, STC, and Grid Code?

Q6. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity Distribution Licence amending the Distribution Code?

Q7. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity Distribution Licence amending the DCUSA?

Q8. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity and Gas Supply Licences amending the REC?

Q9. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Smart Meter Communication Licence amending the SEC?

Q10. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Gas Transporter Licence amending the UNC and IGTUNC?

Q11. Do you think this proposed principle merits discussion at the CACoP forum for inclusion in CACoP v7.0?

We believe the introduction of principles regarding data best practice into the Code Administrator Code of Practice (CACoP) is a sensible and pragmatic way to encourage code bodies to follow data best practice. We believe this itself could be a way to achieve Ofgem's policy objectives, without the need for the more widely discussed licence changes.

Q12. Do you have any concerns, or can you see any risks or issues, with the proposed change to the Smart Meter Communication Licence?

In response to questions 4-10 and question 12, we do not believe the proposed changes to licence conditions are the best way of achieving Ofgem's policy objective. As explained in our cover letter and in response to question 1, we believe Ofgem should look for more pragmatic ways to get code bodies to follow Data Best Practice Guidance.

Additionally, NESO and network companies are obligated to follow Data Best Practice Guidance as part of their licence, and they participate in the ENA Data and Digitalisation Steering Group to promote common standards. Providing those with existing requirements are following the Data Best Practice Guidance, good progress should already be made to increase digitalisation across industry. Ensuring that the NESO, in particular, is following Data Best Practice Guidance and sharing its data could significantly improve workings across industry and help realise more benefits from digitalisation.

There is also a risk that changes to licences may not align with these initiatives underway by the NESO and network companies, or even wider data reforms initiatives underway in the retail market. In the longer term, Ofgem should look to include requirements to follow Data Best Practice Guidance in licences for licensed code managers.