

Jonathan Blagrove
Senior Manager
Consumer Policy and Insight
Ofgem
9 Millbank
London
SW1P 3GE

0141 568 3231
pamela.kelly@scottishpower.com

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Dear Jonathan,

Smart Metering Consumer Protections Package – Statutory Consultation

Thank you for the opportunity to respond to the above statutory consultation.

We have been pleased to be closely involved in the development of the Spring Package proposals throughout the consultation process and we believe that these maintain a full and appropriate level of protection for customers, particularly as Smart metering is rolled out across Great Britain.

We are keen to ensure that the most robust protections remain in place to ensure that no customers are harmed from disconnection or from an inability to use a meter with prepayment functionality.

We had previously raised concerns about the potential for new regulatory obligations to be implemented through guidance as a result of direct references to guidance within the Licence Conditions, and we welcome the inclusion of new language within the proposed Conditions which acknowledges that Ofgem will consult prior to revising the guidance. Our understanding from the previous consultations and working group discussions is that the obligation to 'have regard to' the guidance relates to the duty on the supplier to consider the guidance in relation to the circumstances and apply it as appropriate in interpreting the Conditions, rather than intending to create an ongoing programme of regulation through guidance. We think that regulation by guidance would be an inappropriate use of Ofgem's powers as it would bypass the due process laid down by Parliament.

Based on that understanding, we are not objecting to the Licence Conditions as presented. However, as a point of representation, we think it would be helpful if the Licence Condition or failing that the Guidance itself were to state the reasons for possible variations to the guidance, in a manner similar to SLC 25A.5. Accordingly, we think that variations to the guidance should be for the purposes of removing or reducing inconsistencies in interpretation by licensees or clarifying the obligations in the licence Conditions.



I would be pleased to discuss our response in more detail; please contact me on the details above.

Yours sincerely,

Pamela Kelly
Regulation and Compliance Manager
ScottishPower Energy Retail