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Dear Paul,

SUPPORTING EFFECTIVE SWITCHING FOR DOMESTIC CUSTOMERS WITH SMART METERS

HP is pleased to respond to your letter of 19th June regarding the Ofgem “Supporting effective switching for domestic customers with smart meters: additional statutory consultation and notice”.

HP has continued to work closely with a number of UK energy suppliers to further develop Smart Meter Managed Services (SMMS) for the Foundation Stage of the Smart Metering Implementation Programme (SMIP) as part of our intent to become the preferred Data Services service provider (DSP) to the Data and Communications Company (DCC). Through this engagement we have developed a detailed understanding of the CoS Loss and CoS Gain process considering how it needs to operate in Foundation and align to the FIOM approach.

In our response to the Statutory Consultation and Notice on “Supporting effective switching for domestic customers with smart meters” dated May 2012 we noted that our work has resulted in the creation of a “Foundation Stage – CoS Approach” discussion document. This was aimed at providing energy suppliers and other market participants a view on how CoS will work in Foundation. The HP considerations are aligned well with current FIOM discussions.

In response to the Ofgem “Supporting effective switching for domestic customers with smart meters: additional statutory consultation and notice”, HP is in full agreement of the position detailed. Specifically, the drive to ensure a positive customer experience and the requirement to manage all customer associated risks during the rollout of ADMs / smart meters. This is evidenced by the consideration to remove consumption from a meter on Change of Supplier/Change of Tenancy.



In conjunction to the content of the Consultation and Notice HP would like to provide some additional considerations.

Customer sentiment can easily be impacted by the communication of both positive and negative smart meter service experiences. The document focuses on providing structure and guidelines to minimise negative impact.

In order to ensure that the additional process and data flow requirements associated with Smart to Smart CoS do not negatively impact the CoS outcomes consideration must be given to:

- Ensuring that the gaining supplier has access to technical meter data as early in the CoS process as is practical. This must be without breach of privacy rules or the Data Protection Act (DPA) – ensuring the sharing of information at the appropriate time i.e. post cooling off period
- Maintain the existing timeline for completion of the COS process in order to avoid any negative impact
- Existing industry data flows should not require modification, additional flows should be accommodated through additional 'commercial' flows or re-use of existing regulated flows between the appropriate stakeholders
- Additional Smart Meter process requirements must be designed to seamlessly operate in conjunction with the legacy dumb meter processes
- Message requests should be routed through the appropriate industry and commercial data flows to ensure clear audit trails, data ownership and cost efficient dispute management
- Seamless service delivery to the consumer with no risk of 'stranded consumers'

In addition to the obligations identified for the Gaining Supplier for the provision of information and notices to the consumer, HP recommends the inclusion of a notice for the requirement to complete a Premises Assessment. We would not envisage an onerous assessment, but do consider this to be an integral element of Smart Meter service provision. The assessment would be designed to ensure that the Gaining Supplier can meet its commitment to the consumer in being able to access the meter and maintain a positive customer experience (for example, by checking that the new supplier's preferred WAN provider has the right level of coverage for the premises in question). We consider this critical to a successful SMIP.

The success of the overall Smart Meter roll out programme is founded on the adoption of Smart Meters by consumers. It is imperative that once a consumer has a Smart Meter every



effort is taken to ensure the meter remains Smart. Maintaining the freedom to switch without losing smart functionality is imperative. The negative publicity that will occur from even one consumer transferring back from Smart to legacy dumb meter services without valid reason has the potential to reduce the momentum of the roll out.

We hope you find our observations helpful and would be happy to go into greater detail if required.

Yours sincerely

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