

Competitive advantage
through technology

C&C Group
Bourne House
475 Godstone Rd
Whyteleafe
Surrey, CR3 0BL

Email
info@candc-uk.com
Internet
www.candc-uk.com

Telephone
+44 (0)1883 621006
Facsimile
+44 (0)1883 621007

James Veaney
Ofgem
9 Millbank
London
SW1 P 3GE



4th January 2013

Re: Consultation on ElectraLink's proposed expansion regarding electricity related activities.

Dear James,

I have the following comments on the consultation and in particular Ofgem's criteria for acceptance.

DTS users should benefit from any diversification

I fully accept and support the potential benefits of diversification and competition but I am concerned that granting one organisation a monopoly for the provision of data services utilising data passed on the DTS does not support true commercial diversification and may therefore not deliver the benefits thereof.

ElectraLink's DTSA role should not give it any undue competitive advantage in a contestable activity.

If Electralink are the only organisation that has access to and permission to offer commercial services based on data transferring on the DTS then I find it difficult to understand how that could be considered anything other than an undue competitive advantage over organisations that do not have that access and do not have that permission.

I would also add two further potential issues for consideration

Data Security

By way of an example C&C Group is contracted to provide the Green Deal Central Charging Database (GDCC) and associated services. This contract places very strong and detailed obligations on us to maintain the security and confidentiality of the GDCC data. The majority of this data passes over the DTS at some point in its



C&C Group Holdings Ltd
Registered in England
No. 5106541

lifecycle, the exclusive use of the DTS between the majorities of significant participants being mandated. If ElectraLink are permitted to intercept, store, analyse, process and potentially sell that data how do they, we and our customers monitor and ensure that the necessary security and confidentiality obligations are being observed and maintained?

Data Quality & Integrity

Again I feel my concern is easiest described by means of an example. C&C Group have technical responsibility for the Meter Point Registration System (MPRS) used by all Electricity Distributors to support MPAS and Registration. MPRS transfers the majority of its 'to and from' data via the DTS. The MPRS incorporates a large amount of complex, inter dependant, processing and validation on the input and output data including rejecting a significant amount of data that is sent to it. This validation and processing is also subject to a tightly controlled change process. It is the systems that send and receive the data on the DTS that ultimately police and control the data's quality and integrity. The transfer of a flow from one system to another does not guarantee the integrity or quality of the data therein contained. Electralink cannot realistically be expected to be aware of and replicate all the processing and validation of the receiving systems in order to guarantee the consistency and integrity of the data. Has this been considered in the risk and benefit analysis to the industry and its customers?

I note that this consultation relates to a proposed expansion of services but does not give any detail as to what the scope and limitations of either the existing permissions and provisions or the expanded scope and provisions and restrictions are. This makes it very difficult to put the proposal in any detailed context but does raise the question in my mind whether Electralink are already enjoying a position of undue competitive advantage.

Additional value from data is core to C&C Group's culture and commercial proposition. As such it should be clearly understood that I am for, not against, data on the DTS and in the systems connected to the DTS being used to further benefit the industry and its customers. However, I feel strongly that the associated access and permissions on that data should be available to other commercial organisations to ensure that the benefits of competition and diversification are achieved and to avoid granting an unfair competitive advantage to one organisation.

Yours sincerely,

Steve Kinder, Managing Director

www.candc-uk.com