

Non Confidential

Colin Down
Senior Policy Manager

Email: colin.down@ofgem.gov.uk

19th February 2014

Dear Colin,

Reference: Consultation on extending the existing smart meter framework for data access and privacy to Smart-Type Meters and Advanced Meters

Due: 19th February 2014

Gazprom Marketing & Trading Retail Limited ("***Gazprom Energy***") would like to thank you for the opportunity to respond to your Consultation on extending the existing smart meter framework for data access and privacy to Smart-Type Meters and Advanced Meters. We do not consider our response to be confidential and are happy for our comments to be shared with interested parties.

Gazprom Energy operates in the UK non-domestic sector as a gas supplier and a gas shipper. In addition, we also operate in the UK non-domestic power market as an electricity supplier.

For ease of reference we have set out our responses to the specific relevant questions set out in the consultation in the attached appendix.

In providing the following response we would note that the non-domestic energy supply market we operate in has developed and rolled out Advanced Meter Reading (AMR) in a competitive environment for a number of years and this has led to a number of competing products and services some of which are provided directly to consumers as part of broader Energy Service packages.

As noted many of these existing arrangements have been in situ for a number of years and are already helping customers to optimize energy usage.

The industry has also worked together to develop the Automated Meter Reading (AMR) Service Provider (ASPCoP) which sets out minimum industry standards for the installation of AMR equipment at non domestic premises. This CoP is administered by ESTA and all of the main AMR Service Providers are signatories to the code.



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We welcome Governments recognition of the benefits of these existing arrangements in providing choice for customers in the recent extension of the timeframes for allowing the continued installation of such equipment on smaller non domestic sites.

We believe it is logical to align the obligations for micro business sites with Smart Metering to those with Advanced Metering and this avoids creating any confusion between how such customers can expect to be treated irrespective of the type of equipment in situ. However we believe any arrangements must be fair and reasonable and not place any un-due burden on a particular type of installation.

In particular we believe any timelines for implementation should reflect the fact that Suppliers with advanced installations already in situ will need to undertake a communication exercise with their existing customers and introduce amended Terms and Conditions within their Supply Contracts. We would therefore like to see a longer period than the 56 day window currently proposed.

We hope you find our response useful and we would, of course, be happy to discuss any aspect of our response with you. Please contact me directly if you would like to discuss or arrange a meeting.

Yours faithfully,

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Appendix 1: Gazprom Energy responses to questions set out in Ofgems consultation on extending the existing smart meter framework for data access and privacy to Smart-Type Meters and Advanced Meters

Section 2 Proposed obligations – domestic sector

1. As a non-domestic Supplier we have no comments on these questions

Section 3 Proposed obligations – micro business sector

Question 7: We invite comments on our proposal to extend the Privacy Requirements to cover Advanced Meters installed at micro businesses, including the licence drafting at Appendices 2 and 3.

- 2. Gazprom Energy agree it is important that Suppliers can access the relevant level of granularity of data necessary for them to be able to bill in accordance with the type of supply contract the customer has entered into without having to seek the customers consent.**
- 3. We also agree it is important that Suppliers are able to access the relevant level of granularity of data necessary to comply with any statutory requirement or licence condition without having to seek the customers consent.**
- 4. In addition we agree with the proposal for the customer to be able to opt out of allowing Suppliers to collect more granular data for any purpose e.g. provision of Energy Services (other than 1 & 2 above) and that such an approach minimises complexity in an already operational market and protects existing services from being disrupted unnecessarily. However we would like to see a reasonable window following such notification to enable Suppliers to be able to update systems and advise Service Providers accordingly.**

Question 8: Do you agree with our proposal to not extend the existing data access and privacy arrangements that apply to network companies for premises with smart meters to network companies for premises with Smart-Type Meters and Advanced Meters at micro business premises?

- 5. We agree with the proposal not to extend the existing arrangements for Smart and Advanced metering**

Question 9: Do you agree that 56 days is sufficient for suppliers to become compliant with their new obligations?

- 6. Gazprom Energy are concerned that the short lead time for implementation will create logistical issues in terms of notifying and implementing amended Terms and Conditions and also communicating with our existing customer base as such we would welcome a more realistic implementation timetable of 180 days for non-domestic micro business customers.**

Question 10: If we extend the Privacy Requirements, are there any reasons why suppliers wouldn't be able to comply based on the metering stock it would apply to?

- 7. Gazprom Energy are not aware of any such issues**

Question 11: We welcome views and evidence from stakeholders on whether consideration should be given to extending the existing Smart Metering Installation Code of Practice (SMICoP) rules to the installation of Smart-Type Meters and Advanced Meters at micro business premises.

- 8. Gazprom Energy would be concerned that extending the SMICoP to cover advanced installations at micro business sites would cut across the existing Advanced Meter Reading (AMR) Service Providers Code of Practice (ASPCoP) which already covers such work.**
- 9. Any extensions of the SMICoP into covering the installation of AMR at micro business sites will create duplication with the existing ASPCoP and may require significant amendment to the SMICoP to cover AMR type installations which are not currently envisaged within the current domestic focused document e.g. compliance with IGE GM7 etc.**

10. The ASPCoP is CoP is publicly available at: -

<http://www.esta.org.uk/RESOURCES/ASPCoP/>

11. And information on the membership etc. is publicly available at:

http://www.esta.org.uk/RESOURCES/ASPCoP/ASPCoP_Management.php