

To: Anna Stacey, Consumers & Markets, Ofgem, 10 South Colonnade, London, E14 4PU
(half-hourlysettlement@ofgem.gov.uk)

Dear Anna

RE: CONSULTATION ON ACCESS TO DATA FOR SETTLEMENT PURPOSES

The Association of Independent Meter and Data Agents (AIMDA) is a trade organisation that represents the largest and independent non-domestic consumer metering and data collection businesses in the UK¹. Our members supply meters and data services both directly to business consumers and also to non-domestic energy suppliers in support of their own customers' requirements.

AIMDA is generally supportive of the proposed routes in allowing access to HH data for settlement purposes (opt out for domestic and mandatory for microbusinesses), so long as the function is not centralised, as per the anonymisation route in option 4. We believe that both 4a and 4b will add extra costs to settlement without delivering proportional benefits to consumers.

As stated in our responses to previous consultations, AIMDA members do not agree that consolidation will be beneficial to end user, instead we firmly believe that ensuring competition in metering markets drives innovation, reduces costs and increases end user benefits. Therefore, it is essential to AIMDA members and their customers that access to HH data for settlement purposes avoids any theme of centralisation either in part or as a whole.

We are grateful for the opportunity to express our views on the consultation. Accordingly please find below AIMDA's view on the Consultation.

If you require any further information or wish to discuss this response, please contact AIMDA Chairman – Peter Olsen on 07591200805 or peterolsen@energyassets.co.uk.

Yours faithfully

Peter Olsen
Chair – AIMDA

¹ AIMDA members - IMServ Europe Limited, Energy Assets Limited, Siemens Managed Services, SMS Plc, Stark Software International Ltd, WPD Smart Metering Ltd, and TMA Data Management Ltd.
Unrestricted

CONSULTATION ON ACCESS TO DATA FOR SETTLEMENT PURPOSES

Q1	What are your views on Ofgem’s assessment of the implications of the options we have set out for access to HH electricity consumption data for settlement?
A1	<p>AIMDA members believe that Ofgem’s assessment on the implications of the options set out for access to HH electricity consumption data for settlement are generally accurate however we believe that option 4a & b will increase costs without adding any real benefit, therefore we suggest they should be avoided.</p> <p>We agree that the opt out option will generally increase the number of consumers who are HH’ly settled over that of an opt in methodology, but we do question how many consumers will be aware of HH’ly settlement and the role it plays thus be able to make an informed decision. Consumers will most likely base their decision on the availability of competitively created offerings released by vendors due to half hourly settlement enablement rather than on privacy issues. Advocating for and actively promoting the benefits of competitively created beneficial services will resonate with consumers and thus create the highest adoption levels.</p> <p>The mandatory option creates benefit so long as settlement is not centralised in any way, shape or form however, in general, AIMDA believes that allowing choice in a market is the best option.</p>
Q2	Do you agree with Ofgem’s current view that the best balance could be achieved by a legal obligation to process HH electricity consumption data for settlement provided the consumer has not opted out, and if so, why? If you have a different view, please explain which option you would prefer and the reasons for this.
A2	<p>Yes, AIMDA agrees that the best balance between choice and benefit could be achieved through the opt out model. As stated in question 1, most consumers will not be aware of the settlement process or the role it plays and therefore will not be able to make an informed decision on the benefits it could bring them without first having been educated on the process. The opt out option therefore represents the easiest way to achieve large scale benefits while retaining an element of choice for the consumer.</p>
Q3	There is a risk that consumers who use particularly high volumes of electricity at peak could choose not to be HH settled and therefore disproportionately increase energy system costs, which would then be shared by all consumers. Do you have any views on whether or how we should address this issue?
A3	<p>Unless HH settlement is mandated there will always be the option to reduce individual costs by opting out thereby raising costs for others; however, this option will only be acted upon by people who are technically savvy enough to know and understand the implications of HH’ly settlement. Given most consumers will not be in this camp, the risk is somewhat limited. AIMDA’s view is that the options to prevent this occurring are also limited; even if HH’ly settlement is mandated, a consumer can simply choose to not have a SMART meter installed in the first place.</p>

	<p>Ultimately, consumers will openly adopt HH'ly settlement if they believe they will be better off because of it. An effective method to engage consumers in the benefits of half hourly settlement is by advocating for and promoting the benefits of the competitive value add services rather than forcing consumers to adopt HH settlement through a mandated scheme.</p>
Q4	What are your views on the potential enhanced privacy options?
A4	<p>AIMDA believes that the potential enhanced privacy options are unnecessary given that most people will have no opinion either way on HH'ly settlement. Given this, any enhanced privacy options are for the benefit of the few being covered at the cost of the many and should be avoided; largely due to the additional complexity and increased burden on a system which is yet to be fully proven.</p>
Q5	If we decided to further consider the hidden identity option, do you think data from all consumers should be pseudonymised or only data from consumers who have not chosen to share their HH data for settlement?
A5	<p>AIMDA does not believe that the options to consider hidden identities should be progressed for the reasons stated in the answer to question 4. If it was to progress, we believe that only data from consumers who have not chosen to share their HH data for settlement purposes should be pseudonymised.</p>
Q6	Please provide any information you can about the likely costs and benefits of these options.
A6	<p>AIMDA is not able to provide any information on the likely costs or benefits however it is clear that adding an extra layer will increase costs.</p>
Q7	Do you think that there should be a legal obligation to process HH data from all smart and advance metered microbusiness customers for settlement purposes only? If you disagree, please explain why.
A7	<p>AIMDA agrees with mandated HH'ly settlement for microbusinesses provided that they still retain the option to choose the party performing settlement. Choice is an essential enabler of innovation, it fosters development of competitive value add services that deliver enhanced benefits to consumers. As per previous answers, AIMDA does not believe that it would be beneficial to consider enhanced privacy measures for this group of customers.</p>
Q8	Are there any issues relating to access to data from microbusinesses that you think Ofgem should be aware of?
A8	<p>Yes. As repeatedly stated by AIMDA members in various consultations, the DCC does not have the right user roles to allow access to sufficient access to DUIS articles to allow independent data collectors to effectively perform data collection services for businesses with SMETS2 meters. While non-microbusinesses have an option to install advanced metering the right is not extended to microbusiness. This severely limits the consumers options on who they choose for DC/DA services (including settlement).</p>
Q9	We propose that domestic and microbusiness consumers retain the level of control over sharing their HH electricity consumption data that was communicated to them at the point at which they

	accepted a smart or advanced meter, until the point at which the consumer decides to change electricity contract. Do you agree this is the best approach?
A9	AIMDA does not hold strong views on this specific topic and as such does not have any issue with the proposed methodology.
Q10	What are your views on Ofgem’s proposal to make aggregated HH electricity consumption data broken down by supplier, GSP group, and metering system categorisation available for forecasting?
A10	Given that this specific proposal only affects suppliers, AIMDA has chosen not to comment.
Q11	Is there any additional data beyond this aggregated data that you consider suppliers will need for forecasting?
A11	As per question 10, AIMDA has chosen to not to comment.
Q12	Our analysis suggests that HH export data reveals less about a consumer and is therefore likely to be of less concern to consumers than HH electricity consumption data. Do you agree?
A12	AIMDA has chosen not to comment on this issue.
Q13	Do you consider that any additional regulatory clarity may be needed with respect to the legal basis for processing HH export data from smart and advanced meters for settlement?
A13	AIMDA has chosen not to comment on this issue.
Q14	Do you have any thoughts on the monitoring/auditing environment for the use of HH data for settlement purposes?
A14	The current qualification and subsequent auditing regimes should be extended to verify that companies processing half-hourly data for settlement are doing so in compliance with the regulations, customer consent and that there is no blurring of the use of data for services that consent has not been provided.
Q15	Do you have any additional thoughts or questions about the content of the DPIA?
A15	AIMDA would like to note that that DPIA report ranks that the overall assessment of risk is medium in almost all circumstances (Security, privacy and market wide HHS realisation for all access options). Given this AIMDA would suggest that there is little benefit of adding additional cost & complexity by choosing any access option other than opt out or mandatory.