

Anna Stacey
Consumers & Markets
Ofgem
10 South Colonnade
Canary Wharf
London
E14 EPU

31 August 2018

Access to Half-Hourly Electricity Data for Settlement Purposes: Consultation Response

Dear Anna

This is IMServ's response to Ofgem's consultation on Access to Half-Hourly Electricity Data for Settlement Purposes, a consultation document dated 10 July 2018.

As a provider of half-hourly data collection services to the non-domestic sector, IMServ's main interest is in maintaining a competitive and effective market for these services as they extend to the market-wide arrangements in the 2020s. Market-wide half-hourly settlement is a fundamental building block of an innovative, dynamic, efficient and low-cost energy system for our future.

Balancing customer's rights to privacy with access to detailed consumption information to enable this future is important, and we would like to thank Ofgem for the thoughtful work that has obviously gone into this consultation.

Overall we support the idea to make access to data for settlement for microbusiness customers mandatory. This is the best way forwards. We would suggest that Ofgem should consider making the same decision for the domestic sector for the reasons outlined below in our detailed responses to the questions.

If you wish to discuss our response further, please do not hesitate to get in touch.

Yours sincerely



Paul Akrill

Business Development Director, IMServ Europe Ltd.

Detailed Responses to Consultation Questions

Question 1: 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?

IMServ's view of Ofgem's assessment is that it is both comprehensive and balanced.

Question 2: 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.

IMServ's view is that the processing of half-hourly consumption data for settlement should be mandatory for both domestic and non-domestic customers, and no opt-out process allowed. The risk to privacy from using this data for settlement is minimal (so long as the appropriate controls are put in place and inspected). The benefits of maximising the number of customers who are settled using actual half-hourly data are great and outweigh privacy concerns. Current half-hourly settlement processing is an audited process performed by qualified agents and data confidentiality/privacy is taken seriously and will protect customers against misuse of half-hourly data.

Question 3: 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?

IMServ agree that this risk is present and some customers who are aware of their half-hourly profile might use the opt-out as a way of avoiding paying their fair share of energy costs. As tariffs become more complex and pricing becomes more dynamic, it is possible to imagine a scenario whereby participants in the energy market are taking advantage of the opt-out rules to gain commercial advantage. The issue should be addressed by making half-hourly settlement mandatory for domestic customers with a smart meter.

Question 4: What are your views on the potential enhanced privacy options?

IMServ believes that enhanced privacy options are both unnecessary and uneconomic. Accessing half-hourly data for settlement with appropriate controls in place represents a very modest threat to individual privacy. Any attempts to enhance this privacy will increase costs and complexity, increasing implementation times for market-wide half-hourly settlement. It might also encourage more centralisation of process, which is a bad thing for long-term consumer outcomes.

Question 5: 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?

IMServ does not believe that it is necessary at all.

Question 6: Please provide any information you can about the likely costs and benefits of these options.

At this stage it is not possible to evaluate the costs and as stated in our response to question 4, we cannot see the benefits of additional privacy options.

Question 7: 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.

Yes, IMServ believes that this is the most appropriate regime for access to microbusiness customer half-hourly data for settlement. The degree of privacy risk, with appropriate controls, is minimal and acceptable.

Question 8: Are there any issues relating to access to data from microbusinesses that you think Ofgem should be aware of?

Ofgem is already aware of the current design restrictions and limitations of the SMETS2 smart meter data access model that prevent qualified independent half-hourly data collectors from accessing half-hourly data in a secure and private way, but IMServ is optimistic that the work being performed by the DWG on design for market-wide half-hourly settlement will resolve these issues.

Question 9: 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?

IMServ would advocate a clean-slate approach for microbusiness customers. When the use of half-hourly data is made mandatory for half-hourly settlement for these customers, any previous opt-outs should be wiped clean and reset.

Question 10: 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?

No comment.

Question 11: Is there any additional data beyond this aggregated data that you consider suppliers will need for forecasting?

No comment.

Question 12: 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?

IMServ agree with this view. It is more difficult to interpret export data and therefore the privacy concern should be even lower.

Question 13: 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?

No comment.

Question 14: Do you have any thoughts on the monitoring/auditing environment for the use of HH data for settlement purposes?

The use of the auditing regime in the current settlement arrangements should be extended to specifically audit these provisions, both directly, by checking that customer consent processes are being correctly followed and applied, but also by verifying that half-hourly data for settlement is not being misappropriated for other purposes.

Question 15: Do you have any additional thoughts or questions about the content of the DPIA?

IMServ has no additional thoughts or questions at this time.