



By email only

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Dear Raymond,

REQUEST TO REVIEW SMICOP PURSUANT TO SLC 35 & 41 OF THE SUPPLY LICENCES

Please find npower's response to the above in the annex to this letter.

In your covering letter, reference is made to the Energy Data Taskforce's report¹, Recommendation 3: Visibility of Data recommends "*..that a Data Catalogue be established to provide visibility of the data that exists across the sector through a common metadata standard. This needs to encompass all Energy System Datasets across Government, the regulator and industry. Government and Ofgem should mandate participation through regulatory and policy mechanisms.* We assume that it is this provision Ofgem is relying on to underpin the proposed requirement to publish the SMICoP customer survey information in an unanonymised form.

In the interests of transparency, if relevant suppliers' SMICoP customer survey results are to be published, this should apply to all suppliers required to abide by the provisions of SMICoP. Furthermore, it is important that Ofgem ensures that all affected suppliers comply with the requirement.

Notwithstanding the above, has Ofgem considered the underlying costs and benefits of the proposals? Accommodating them may add to the costs of conducting and administering the customer survey. Related to this is the risk of administrative overload and maintenance of the SMICoP platform.

Finally, the consultation gives a strong indication that Ofgem's thinking is leaning towards all data being published as well as the production of a summary report. While this may be useful for experts and consumer bodies, for consumers themselves, too much information without the necessary context and structure can be counterproductive in terms of engagement.

We are happy for our response to be placed in the public domain.

Yours sincerely,

Paul Tonkinson
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¹ A strategy for a Modern Digitalised Energy System

Annex

REQUEST TO REVIEW SMICoP PURSUANT TO SLC 35 & 41 OF THE SUPPLY LICENCES

Question 1 - Do you agree that the Board be responsible for oversight and ownership of publication of the customer survey results?

Yes. We agree that the SMICoP Governance Board (SGB) should have responsibility for the publication of the survey results. Looking to the future, when, as it looks likely, the SMICoP is subsumed into the Retail Energy Code (REC), the SGB in its present form will cease to exist. Provision will need to be made for that eventuality. Ofgem's consultation on the REC² does not go into detail as to the governance arrangements for SMICoP post its being incorporated into the aforementioned.

Question 2 - Do you agree that the Administrator be responsible for delivering publication of the customer survey results?

Yes. Given the answer to question 1 above, the natural corollary would be for the SMICoP Administrator to take responsibility for making sure that the results are published on time and in such a manner that is meaningful both for consumers and other organisations for which the information may be useful.

Question 3 - Should all suppliers' customer surveys results be published, including those who submit annually?

Yes. All suppliers which have acceded to and are required to abide by SMICoP and its provisions in relation to the requirement to survey customers should be required to have their results published. Issues of timing and presentation vis a vis quarterly and annual survey reports will need to be resolved.

Question 4 - Should all data within customer surveys be published?

Yes. Where possible, all data should be published, but free-text or verbatim responses (of Q6(c) of the survey) should not be included because, given their nature, the inevitable variation (of free-text etc comments) makes comparisons difficult. In seeking to explain the difference between question 6 and the other questions, this may confuse consumers. Many organisations publish reports that often contain reportage and comment only on movement between reporting periods (ie, whether things have gone up and down. Whether or not such movements are statistically significant may be of second order importance to consumers) rather than contain the underlying data; the inference being that the latter is not that interesting for consumers. It will be important then that how the results are presented is considered primarily from a customer viewpoint

Question 5 - How should questions where there is a low sample size be treated?

Sample size is important. Anything that adversely affects the integrity or ease of interpretation of the survey information should not be published (but if the decision is taken to publish, it should be suitably caveated), as this will undermine the rationale for publication. There is, however, a balance to be struck between ensuring a sample size is representative of the relevant population, against such an approach being applied so that those suppliers installing only small numbers of smart meters (ie, below the survey thresholds set out in SMICoP³), are inadvertently exempted from the requirement to report their results. In these circumstances, how such suppliers' data can be published needs to be considered to ensure maximum transparency while maintaining statistical integrity.

Question 6 - Should publishing commence with the Q4 2019 results in the first quarter of 2020?

Yes, in principle. However, this has to be subject to consideration of the current submission timetable, whether or not any and what changes are required (including to SMICoP) and, if so, the likely impact on suppliers and their survey companies. For example, if the survey results need to be submitted more quickly than the current 6 weeks after a quarter's end, this will mean that the survey interviews themselves may need to be undertaken more quickly

² Switching Programme and Retail Code Consolidation: Proposed changes to licences and industry codes – Ofgem, 17 June

³ The sample size for annual or quarterly customer survey submissions is a minimum of 500 customers.

(particularly those where installations take place close to a survey quarter's end). Amongst other things, it will likely mean a change to the contractual relationship with the third party survey company and an associated financial impact for affected suppliers. An early 2020 publication (if this is what Ofgem is expecting) for the first set of results does, therefore, at the moment, look problematic without examining, and requiring probable changes to, some of the underlying processes set out in SMICoP (particularly in obtaining the data for and completion of the customer interviews (Section C4.4 of SMICoP refers) and submission of data to the Code Administrator). As a result, until the details are clearer, it's difficult to answer this question with any certainty.

Question 7 - Should customer surveys be published every quarter from commencement?

The basis of the frequency of customer surveys (quarterly or annually) is determined by the number of *annual* planned installations. There is an argument, then, as to whether publication should be less frequent than quarterly for all suppliers. However, we understand that mirroring the current anonymised aggregated publication by the Code Administrator for the benefit of the SGB as set out in Section C of SMICoP does seem logical.

Question 8 - Should a time series that covers the previous four quarters of data be published?

Yes. We agree that retaining a historical view for a maximum of four quarters, (at which point the oldest quarter drops off) seems sensible. By way of comparison, suppliers' reporting of their complaints performance applies this approach. As regards when the four quarters' reporting begins, (subject to the issues raised in the response to question 6, above, we believe that it could start from quarter 4's results (publishing the October - December 2019 quarter's results in 2020). However, consideration needs to be given to those suppliers that report annually. Should they still be required to provide to publish a full year's report for 2019, while quarterly reporting suppliers will only begin from quarter 4 of 2019? On the grounds of equity, it may be that annually reported survey results cannot be reported until later in 2020 compared to the quarterly reported equivalent. Further thought needs to be given to this taking account of: (i) how many suppliers will be affected that only report annually; and (ii) the impact on consumer expectations of not all suppliers reporting all relevant data together.

Question 9 - Should all results be published as raw data in spreadsheets, accompanied by a report that provides an accessible presentation of data on the performance questions?

We do not believe that publication of all raw data underpinning suppliers' surveys will serve any useful purpose in terms of aiding consumers' understanding of the results in the round; in fact it may have the opposite effect and cause confusion. Perhaps some form of prescriptive template model with an explanatory narrative is a sensible proposition to explore. Please also see our response to Question 4, above.

Question 10 - Should customer survey results be published on the SMICoP website?

The basis of the consultation is predicated on the SGB and the SMICoP Administrator having oversight of these proposals. It, therefore, seems sensible for the survey results to be published on the SMICoP website. However, if the level of access by members of the public of the website is low, the rationale for undertaking this work does then become questionable.

The consequential changes to SMICoP that will be required by this proposal are best considered by the SGB once the approach has been agreed.