

All domestic gas and electricity suppliers, including the SMICoP Governance Board who represent SMICoP members

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Date: 29 October 2019

Dear Sir/Madam,

DIRECTION TO MODIFY THE SMART METER INSTALLATION CODE OF PRACTICE

We¹, on behalf of the Gas and Electricity Markets Authority ('the Authority'), direct a modification to the Smart Meter Installation Code of Practice² (SMICoP) pursuant to standard licence condition (SLC) 35 of the gas and SLC 41 of the electricity supply licences. Relevant extracts from SLC 35 and 41 are set out in Annex 1.

The effect of the modification is to place a requirement on the SMICoP Governance Board and Administrator to publish Domestic customer survey reports on the SMICoP website. We expect this modification will improve transparency of supplier performance, through the publication of customer survey results, and will make suppliers more accountable for their actions and decisions, and lead to an overall improved consumer experience during the smart meter installation process. We also expect to see improvements in the quality of data through the introduction of additional scrutiny.

The modification reflects policy decisions that were informed by responses to our Request to review the features of the Domestic Installation Code³ that was issued on 22 July 2019 with a deadline to respond by 30 August 2019, and the Consultation on a draft Direction to

¹ 'References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work. This decision is made by or on behalf of GEMA. <u>Phtps://www.smicop.co.uk/code-of-practice/</u>

https://www.orgem.gov.uk/publications-and-updates/request-review-smicop-under-slc-35-41-supply-licence-publication-smicop-customer-surveys

the Smart Meter Installation Code of Practice⁴ that was issued on 24 September with a deadline to respond by 8 October.

In coming to a decision to modify SMICoP we considered the responses⁵ to the consultation on the draft Direction and agree with some of the comments made by one of the respondents. We will therefore amend the modification, including to clarify:

- that only results of domestic customer surveys will be published;
- that results prior to Q4 2019 will not be published and that the maximum time series period will be 12 months; and
- that the administrator will draw on information submitted to it in confidence to produce the reports for publication.

We disagree with the comments made by one respondent that, in addition to publishing the responses to questions 6a and b, responses to Question 6 should also be published. Question 6 asks if anyone present at the installation has a long term illness, health problem or disability; if yes, question 6a then asks whether there were any additional needs that needed to be taken into account during the installation; and, if yes again, 6b asks whether these needs were taken into account. Although we understand that responses to question 6 provide context to the questions that follow, it is not relevant to supplier performance, and question 6a provides more directly relevant context.

We direct a modification to SMICoP, as contained in Annex 2, in accordance with SLC 41.14(c) and 35.14(c) of the electricity and gas supply licence. The direction shall have effect from 3 December 2019.

Any queries should be directed to raymond.elliot@ofgem.gov.uk

Yours faithfully,

Jacqui Russell Head of Metering and Market Operations October 2019

⁴ <u>https://www.ofgem.gov.uk/system/files/docs/2019/09/2019.09</u> draft direction under slc 35 41 of the supply licence -

publication of smicop customer surveys.pdf

⁵ Two responses were received, from BEAMA and SGB. Both these responses are published on our website, with this Direction.

Annex 1

Relevant extracts from SLC 41.14(c) and 35.14(c) of the electricity and gas supply licence⁶

Content of the Domestic Installation Code

(c) the Authority:

(*i*) at any time to require the licensee, together with all other licensed electricity and gas suppliers of Domestic Premises, to review such features of the Domestic Installation Code as it may specify ('the specified features');

(*ii*) following such a review, to issue a direction requiring the licensee and all other licensed electricity and gas suppliers of Domestic Premises to make such modifications to any of the specified features as it may direct.

 $^{^{\}rm 6}$ The wording of both SLC is the same.

Annex 2

Modification to SMICoP subject to Direction

The following modifications, which are shown in red, are those which we direct are made to the SMICoP.

DEFINITIONS

Glossary of Terms

<u>"Domestic customer survey reports" means the published reports as detailed in section</u> <u>3.5.3.</u>

Section B (Code Governance)

ROLES AND RESPONSIBILITIES

1.3. SMICoP Governance Board

1.3.1.The SMICoP Governance Board will:

1.3.1.1.Be responsible for the efficient operation and governance of processes within the Code;

1.3.1.2.Be custodians of the live version of the Code;

1.3.1.3.Make decisions on Change Requests for submission to the Authority;

1.3.1.4.Own and manage the reporting and monitoring process, including publication of the <u>Domestic customer survey reports</u>;

1.3.1.5. Provide overall assurance of robustness of Code; and

1.3.1.6. Prioritise and consider issues for resolution.

1.5. Code Administrator

1.5.1.Must be a suitably experienced and qualified body;

1.5.2.Responsible for discharging activities within this Code for change management and monitoring;

1.5.3.Secretariat for the SMICoP Governance Board and any sub-groups;

1.5.4.Responsible for maintaining documentation and baseline products, including the Code itself;

1.5.5.Responsible for publishing outputs from the change management and reporting processes; and

<u>1.5.6. Responsible for publishing the Domestic customer survey reports;</u> <u>microbusiness survey results are not required to be published; and</u>

1.5.<u>7</u>6.Responsible for procurement and contract management of any contracted parties.

3. MONITORING AND COMPLIANCE

3.1. Monitoring and Compliance Techniques

- 3.1.1.The following techniques will be used for monitoring and compliance:
 - 3.1.1.1.Self-certification of compliance;
 - 3.1.1.2. Independent audit of compliance; and
 - 3.1.1.3.Customer surveys-;
 - 3.1.1.4 Publishing monitoring and compliance data.

3.5 Publication of Domestic Customer Survey Reports

3.5.1 The first Domestic customer survey report, setting out survey results from Q4 2019, will be published by end of April 2020. Thereafter, reports will be published within 3 months of the end of the calendar quarter to which it relates.

<u>3.5.2 Each Domestic customer survey report will cover a maximum of 12 months on a</u> rolling basis. Results from prior to Q4 2019 will not be published on the SMICoP website.

3.5.3 The Domestic customer survey reports will:

3.5.3.1 contain the results reported by each Domestic supplier against survey questions 1, 2, 3, 4, 4a, 4b, 5, 5a, 6a and 6b (see para. 3 of Section C (Monitoring and Compliance Customer Survey Specification) Customer Survey Specification Overview, Survey questions) except where the sample size for an individual question is 30 or fewer responses; 3.5.3.2 exclude free text comments from customers and demographic data;

3.5.3.3 provide a descriptive explanatory narrative;

<u>3.5.3.4 for suppliers reporting on a quarterly cycle, contain a time series of data</u> reported in the current and previous three quarters, commencing from Q4 2019; and

<u>3.5.3.5 for suppliers reporting on an annual cycle, contain the most recent data</u> reported, commencing from Q4 2019.

3.5.4 The design of the report is for the SMICoP Governance Board to determine, in line with the above requirements.

Section C (Monitoring and Compliance Customer Survey Specification) Customer Survey Specification Overview

1. Purpose

1.5 the Domestic customer survey reports will be published on the SMICoP website.

Section C clause 2.3

2.3 Survey results will be sent confidentially to the SMICoP Code Administrator in the preagreed format (see Attachments 1 and 2).

The SMICoP Code Administrator will collate the results₇ and publish Domestic customer survey results as described in Section B clause 3.5.

5. Reporting

5.7 No Supplier will be able to see other Suppliers' results and the SMICoP Code Administrator shall keep them confidential and not disclose a Supplier's report to any other Supplier- <u>until such time as the Domestic customer survey report is published.</u>

Appendix C: Code Administrator Responsibilities

Code Administrator responsibilities

The Code Administrator will:

<u>Publish the Domestic customer survey reports in accordance with 3.5.4 in the format and</u> <u>location as specified by the SMICoP Governance Board.</u>