

The Data Communications
Company
2nd Floor
Ibex House
42-47 Minories
London
EC3N 1DY

Email: Smartmetering@ofgem.gov.uk

Date: 1 April 2021

Dear Siobhan,

Consent given by the Gas and Electricity Markets Authority (the "Authority") pursuant to Licence Condition 9 (Independence and autonomy of the Licensee) and Licence Condition 10 (Protection of Confidential Information) of the Smart Meter Communication Licence, and Section M4.3(c) of the Smart Energy Code to Smart DCC Ltd.

Thank you for your letter dated 22 March 2021 setting out that Smart DCC Ltd (DCC) is part of a group that has successfully applied to the Modernising Energy Data Applications (MEDApps) competition, for participation in a project led by UrbanTide. In this letter you requested the Authority's consent:

- pursuant to Licence Condition (LC) 9.6(c), for DCC to participate in work under the MEDApps competition, and
- pursuant to LC 10.5(c) and Section M4.3(c) of the Smart Energy Code (SEC), for DCC to disclose certain smart meter system data as part of its participation in the competition.

Licence Condition 9.2, by default, prohibits DCC from carrying out any business or activity other than that of the Authorised Business. Additionally, LC 10.2 and SEC Section M4.1 and M4.2 set out general prohibitions on disclosing Confidential Information. You consider the proposed activity does not fall within DCC's Authorised Business, and relates to the disclosure of smart meter system data which falls within the definition of Confidential Information. However, LC 9.6(c) permits the carrying on of business or any activity where the Authority has given its consent. Similarly, LC 10.5(c) and SEC Section M4.3(c) permits for the disclosure of Confidential Information that is made or given with prior consent of the Authority. You therefore requested the Authority's consent on this basis.

You justified your request by noting that smart meter system data can provide some

useful insights into identifying fuel poor households – especially when combined with other datasets, which would be explored in the MEDApps competition. The project you intend to work on would use such data in an appropriate and secure manner to develop a Fuel Poverty Identification Tool, which you note could help solve challenges regarding identifying fuel poor households in order for energy suppliers to provide additional support.

We have considered your request and consider the project may improve suppliers' ability to assist fuel poor households and could provide benefits to vulnerable consumers in particular. As DCC is in a unique position within the energy industry as the party responsible for the national smart metering infrastructure, we consider the project would not be possible without DCC's participation.

We therefore consent to DCC's participation in the MEDApps competition and the access, use and disclosure of the relevant data as described in your March letter, provided certain conditions are met and DCC ensures it adheres to all relevant data protection legislation. DCC's involvement in this competition must not detract in any way from DCC delivering its objectives under its Mandatory Business.

We expect DCC to not extend the use of the data outside the scope of the project. DCC remains responsible for ensuring it is compliant with all relevant data protection legislation and other applicable obligations. In particular, DCC must maintain adequate protections to ensure data is handled appropriately and unintended and/or wrongful data disclosure is avoided. We expect to see a clear focus on consumer benefits and evidence of DCC applying an open data triage process to their sharing and use of information as outlined in our Data Best Practice guidance (v0.21).¹ We also understand that the MEDApps competition is funded by Innovate UK and therefore we would not expect material related costs to be recovered via charges to DCC's customers.

The consent is set out in the Annex to this letter.

Yours Sincerely,

Jacqui Russell
Head of Metering & Market Operations

¹ Data Best Practice guidance found at: <https://modernisingenergydata.atlassian.net/wiki/spaces/MED/pages/69042178/Data+Best+Practice+latest+release+v0.21>

Annex

Consent given by the Gas and Electricity Markets Authority (the "Authority") pursuant to Licence Condition 9 (Independence and autonomy of the Licensee) and Licence Condition 10 (Protection of Confidential Information) of the Smart Meter Communication Licence, and Section M4.3(c) of the Smart Energy Code (SEC) to Smart DCC Ltd.

Whereas:

1. Smart DCC Ltd (the "Licensee") is the holder of a licence (the "Licence") granted pursuant to Sections 7AB(2) and (4) of the Gas Act 1986 and Sections 6(1A) and (1C) of the Electricity Act 1989.
2. In accordance with Licence Condition 9 Part A, the Licensee must not carry on any business or undertake any activity other than a business or an activity of the Authorised Business. However, Licence Condition 9 Part B sets out that nothing in Part A prevents the Licensee from carrying on any business or conducting any activity to which the Authority has given its consent.
3. Licence Condition 10.2 requires that the Licensee must neither disclose Confidential Information to, nor authorise access to Confidential Information by, any person except in accordance with the provisions of LC 10 ("the General Prohibition"). Licence Condition 10.5(c) sets out that the General Prohibition does not apply to any disclosure of or authorisation of access to Confidential Information that is made or given with the prior consent of the Authority.
4. Sections M4.1 and M4.2 of the Smart Energy Code (SEC) prohibit DCC from disclosing another Party's Confidential Information, or using it for purposes for which it was not provided to DCC. Section M4.3(c) of the SEC allows for the use of the Party's Confidential Information if it is made or given in accordance with the Authority's prior written consent.
5. On 22 March 2021, the Licensee requested the Authority's consent:
 - a. pursuant to Licence Condition 9.6(c), to categorise the Licensee's work under the Modernising Energy Data Applications (MEDApps) competition as a 'Permitted Purpose'; and
 - b. pursuant to Licence Condition 10.5(c) and Section M4.3 of the SEC, to disclose Confidential Information consisting of Audit Trail Data, Registration Data and Inventory Data.
6. The Licensee justified this request by explaining the project it intends to work on would use smart meter system data in an appropriate and secure manner to develop a Fuel Poverty Identification Tool, which could help solve challenges regarding identifying fuel poor households. The Licensee considers its participation in work under the MEDApps competition would not constitute a business or activity of the

Authorised Business, and the smart meter system data falls within the definition of Confidential Information, therefore the Authority's consent would be required.

7. The Authority considers that consent should be given to the Licensee because the proposed project may assist in identifying households or properties eligible for energy efficient support schemes, thus improving suppliers' ability to assist fuel poor households and providing benefits to vulnerable consumers in particular. This is only enabled through the Licensee's unique position within the energy industry as the party responsible for the national smart metering infrastructure, therefore the Authority's consent would maximise the success of the project.
8. The Licensee must ensure that it adheres to all relevant data protection legislation and other applicable regulations as part of its participation in the MEDApps competition. In particular, the Licensee must maintain adequate protections to ensure data is handled appropriately and wrongful disclosure does not occur. The data must not be used or disclosed outside of the scope of this consent.

Now the Authority consents as follows:

- pursuant to Licence Condition 9.6(c), the Licensee may participate in the MEDApps competition in the role set out in its letter of 22 March 2021. The Licensee's participation in this competition may therefore be classified as a Permitted Purpose.
- pursuant to Licence Condition 10.5(c) and Section M4.3(c) of the Smart Energy Code, the Licensee may disclose the relevant Confidential Information consisting of Audit Trail Data, Registration Data and Inventory Data as set out in its letter of 22 March 2021, provided the Licensee adheres to all relevant data protection legislation and other applicable regulations and doesn't use or disclose the relevant data outside the scope of this consent.

This consent does not apply to further activity outside the scope of the MEDApps competition.

Notice of reasons

9. This document also constitutes a notice under section 38A of the Gas Act 1986 and section 49A Electricity Act 1989 of the reasons for the decision of the Authority to give this consent pursuant to the Conditions.

Dated 1 April 2021

Jacqui Russell
Head of Metering & Market Operations
Duly Authorised on behalf of the Gas and Electricity Markets Authority