

Smart Metering Implementation Programme Regulation  
Department of Energy & Climate Change  
Orchard 3, Lower Ground Floor  
1 Victoria Street  
London, SW1H 0ET

**19 August 2014**

Dear Sirs

**A Consultation on New Smart Energy Code Content (Stage 4) and consequential/ associated changes to licence conditions**

Thank you for the invitation to respond to the above document. Good Energy is a fast-growing 100% renewable electricity supply company, offering value for money and award-winning customer service. An AIM-listed PLC, and founder member of the Social Stock Exchange, our mission is to support change in the energy market, address climate change and boost energy security. Good Energy matches over the course of a year all the electricity its customers use with power from renewable sources. For the last three years, Good Energy has topped the Which? energy company customer satisfaction survey.

A general point we would like to raise is related to the Communications Hub Support Materials (CHSM); the detail of the CHSM may put a somewhat different context upon which to base the responses, were it available. Good Energy is of the opinion that some basic principles should be established for the manner in which Communications Hubs are managed, cradle-to-grave. Key to the principles should be that it is cheaper and better value to energy customer to provide functionality at the centre than require all suppliers to comply with heavy processes or requirements for data.

Furthermore:

- Good Energy is increasingly concerned about the complexity of the security architecture and solution and the associated processes, policies and management. Good Energy is also concerned about the extent of the security related clarifications in this consultation and our lack of expertise to respond with authority or confidence that further iterations or alterations will not be required.
- Good Energy believes that there is a requirement to better define and socialise the approach to support for non-DCC User supplier churn (see responses to Q27 and Q66).

For your ease, we reference the specific questions within the consultation to which we have responded.

**Q1: Do you agree with the requirement for the DCC to consult SEC Parties on future tranches of Communications Hubs procurement?**

Good Energy agrees that the DCC should consult regarding the procurement of future tranches of Communications Hubs.

**Q2: Do you agree with the proposed approach to allow SEC Parties (which will include MOPs) to forecast, order, take delivery and return uninstalled Communications Hubs?**

Good Energy agrees that it makes sense to allow specific SEC parties, other than suppliers, to forecast, order, take delivery and return uninstalled Communications Hubs. However, it should only be specific SEC parties, i.e. meter operators and meter asset maintainers that are acting on behalf of suppliers.

The position goes some way to support the significantly different challenges that small suppliers have regarding their mass roll-out. However, Good Energy would like to suggest that the proposal goes further in:

- Allowing a supplier the right to nominate another SEC party to provide forecasts on its behalf.
- Allowing a supplier's forecast to be transferred to another allowable SEC party. The reason for this being that procurement of installation services may not have been completed with 24 months of the commencement of the mass roll-out.

The relationship between other SEC party forecasting, ordering, etc... and supplier forecasting obligations does not seem to have been addressed in this consultation.

**Q3: Do you agree with the proposed approach and legal drafting in relation to the development of the Communications Hub Support Materials?**

Good Energy agrees with the proposal and legal drafting but questions why the SEC Panel is not involved in dispute resolution between the DCC and stakeholders. Furthermore, the detail of the CHSM may put a somewhat different context on the responses, were it available.

**Q4: Do you agree with the proposed approach and legal drafting in relation to forecasting of Communications Hubs?**

Good Energy understands the necessity for such a process, even though we would prefer not to bear the associated overheads. However, Good Energy has not commenced procurement of roll-out / installation services and is unable to comment on whether the processes proposed are workable from the perspective of prospective service providers.

The legal drafting seems representative of the policy outlined.

**Q5: Do you agree that forecasts that are submitted from the tenth month before a delivery month should include the numbers of Device Models to be delivered in that month in each region, and these should be subject to the specified tolerance thresholds outlined below.**

Good Energy understands the reasons why forecasts must be refined during the lead-up to a delivery; however, 10 months is excessive; 6 months would be more appropriate.

**Q6: Do you agree with the proposed approach and legal drafting in relation to ordering of Communications Hubs?**

Good Energy is generally in agreement with the proposed approach in relation to ordering of Communications Hubs. However, Good Energy is concerned with:

- The proposed minimum order quantity of 1 palette of Communications Hubs. This is made all the more difficult to assess as the number of hubs on a palette is unspecified and the information won't be available until the CHSM is published for consultation in mid-January 2015. Until this is defined we do not believe suppliers can support this minimum order specification.
- The statement "include any further information detailed in the CHSM" in paragraph 52. This is too vague to comment upon with any degree of authority and leaves the door open for additional items of information that could prove onerous to provide.

Good Energy is not comfortable with the position stated in paragraph 62; surely there must be circumstances under which it will be possible to cancel an order with impunity. For example, if the DCC

service is not performing to specification and Good Energy decides it is therefore not in its or its customers' interests to continue with its deployment plans. The SEC should be able to declare exceptional circumstances, especially if the DCC is at fault.

The legal drafting seems representative of the policy outlined.

**Q7: Do you agree with the proposed approach and legal drafting in relation to delivery and handover of Communications Hubs?**

The proposed approach in relation to delivery and handover of Communications Hubs seems reasonable in all aspects other than the circumstance where the DCC must provide replacements; "as soon as possible" as stated in paragraph 68 is too vague. There should be a target specified that the DCC must meet in such circumstances.

The legal drafting seems representative of the policy outlined, but this is caveated as associated obligations and legal drafting have yet to be drafted.

**Q8: Do you agree with the proposed approach and legal drafting in relation to installation and maintenance of Communications Hubs?**

Good Energy remains concerned that its costs will be disproportionately high based on the principle of the electricity supplier being the party responsible for maintaining the Communications Hub. Good Energy remains focused on renewable power supply and while it has a growing number of gas customers it still has significantly more electricity customers than gas customers. At the other end of the scale, the largest UK energy supplier would seem to benefit from this arrangement. This appears to be anti-competitive and an abuse of market dominance.

Good Energy also remains concerned regarding the lack of detailed definition regarding how the maintenance processes will work. There is potential for significant costs being incurred by industry and customer dissatisfaction if processes are not well defined. While the CSP being responsible for WAN connectivity issue resolution seems reasonable, customers will be frustrated and annoyed by repeat visits / appointments and excellent communications between suppliers and the DCC (CSPs) will be required to coordinate such appointments.

Furthermore, the obligations only seem to have been addressed from the Communications Hub maintainer perspective. There should be obligations on the other fuel's supplier where the site is not serviced by a dual fuel supplier? Lack of obligations in these respects will either require many back-to-back contracts across the industry or customers will suffer. Either way the customer loses, whether from increased costs or poor customer service.

**Q9: Do you agree with the proposed approach and legal drafting in relation to removal and returns of Communications Hubs?**

The proposals seem reasonable.

**Q10: Do you agree that there should be an obligation for the first installing supplier in a dual fuel premises to take all reasonable steps to install a Communications Hubs that would work with both the smart meter that it is installing and the smart meter of the other fuel type?**

On the face of it, the proposal is reasonable. However, the first installing supplier may have no details of the other fuel's meter, which may make compliance difficult prior to visiting the site. This could lead to increased costs and customer dissatisfaction where the installation needed to be aborted. There could also

be unintended consequences in that single-fuel electricity suppliers may delay installations until 868 MHz solutions are available. It may also increase costs for the first installing supplier which, per response to Q8, this appears to be anti-competitive and an abuse of market dominance.

**Q11: Do you agree with the Governments proposals in relation to the processes to determine the reasons for early return of Communications Hubs?**

Good Energy is in agreement with the proposals; however, the consultation does not identify the party responsible for reporting on the number of Communications Hubs failing within a region, within the year, which seems an important point of detail in ensuring the integrity of the process.

**Q12: Do you agree with the proposed approach and legal drafting in relation to the transitional requirements for Communications Hubs forecasts and orders?**

The transitional arrangements and legal drafting seem reasonable.

**Q13: Do you agree with our proposed changes to the DCC licence to require the DCC to offer services to non-SEC Parties where required to do so under the SEC?**

Good Energy agrees with the proposal.

**Q14: Do you agree with the proposed approach and legal drafting in relation to the provision of Communications Hubs for testing?**

Good Energy agrees with the basic principles outlined. However, some of the details in the verbiage of the consultation are open to interpretation.

The opening sentence of paragraph 111 refers to “..... SEC Parties and any other person that requests them” while the opening sentence of paragraph 112 refers to “..... non-SEC Parties....”; we assume that the first sentence of paragraph 111 is in error.

Furthermore:

- Paragraph 112 states “*The DCC charge for these Devices should be cost reflective .....*”; Good Energy assumes that this will also apply to test Communications Hubs provided to SEC Parties.
- Why is the right of return of such devices so low? Why should they not carry a reasonable warranty?

**Q15: Do you agree with the *legal drafting* in relation to Security Governance?**

Good Energy agrees with the legal drafting.

**QX: Do you agree with the Governments proposals in relation to Security Assurance? In particular on:**

- **the proposal for the SEC Panel to procure a central CIO on an initial basis;**

Good Energy agrees with the proposal with one caveat. The single organisation aspect of the policy may seriously reduce the number of companies able to meet the demands on the CIO. This could result in an expensive service, although Good Energy recognises that there may be benefits associated with the consistency of assessment provided by using a single organisation.

- **the proposal for Users to meet the costs of security assessments that are undertaken at their organisation;**

Good Energy agrees with the proposal and the associated rationale.

- **the proposal for a three year rolling cycle of security assessments to be used to provide assurance on Users;**

Good Energy agrees with the proposal. However, Good Energy thinks it worthwhile that the policy is explicit in its treatment of suppliers using a third party service catering for more than 250K MPxNs, in aggregate. Furthermore, Good Energy is of the opinion that the MPxN threshold should be measured against the supplier and not the aggregated service provision.

- **the process for identifying and managing non-compliance;**

Good Energy agrees with the proposal and believes the differentiation between an “Event of Default” and a potential for non-compliance to be sensible and pragmatic.

- **the assessment arrangements proposed for DCC.**

The arrangements for assessment of the DCC seem reasonable.

**Q16: Do you agree with our proposed approach and legal text for SEC in relation to Privacy Assessments?**

Good Energy agrees with the proposed approach and legal text for SEC in relation to Privacy Assessments.

**Q17: Do you agree with the specific proposals for undertaking random sample compliance assessments?**

Good Energy agrees with the proposal regarding random sample compliance assessments.

Good Energy believes it is important, especially in light of data privacy concerns and associated impacts in other geographies where smart meters have been implemented, that consumers have confidence in arrangements regarding data privacy and that data isn’t being inappropriately accessed or used.

**Q18: Do you agree with the proposal for Users to meet the costs of the privacy assessments that are undertaken at their organisation?**

Good Energy agrees with the proposal and the associated rationale.

**Q19: What are your views on potential future changes to the SEC to provide for reporting the results of privacy assurance assessments bodies such as Ofgem, DECC, ICO and Parties generally?**

Good Energy is supportive of the outlined proposal, largely for the reasons outlined in our response to Q17.

**Q20: Do you agree that the proposed legal drafting reflects the position reached in the SMETS2 consultation response, that Users should be required obtain consent and to verify the identity of the energy consumer from whom they have obtained the consent prior to pairing a CAD?**

Good Energy agrees that the proposed legal drafting is reflective of the SMETS2 consultation response.

However, Good Energy does not understand how a non-supplier User can “ensure that each person from whom it has obtained consent pursuant to Section I1.2 or I1.3 is the Energy Consumer” and therefore remain compliant.

**Q21: Do you agree with the proposed updates to the Security Requirements and the associated legal drafting?**

Good Energy is generally supportive of the proposed updates and legal text regarding security requirements.

However, Good Energy is concerned:

1. That the requirements of ISO27001 with regard to Information Security Management may be onerous and costly to specify, implement and manage. (Good Energy does not currently have the expertise, resource or time to investigate ISO27001 to provide a level of comfort in this regard).
2. That the constraints proposed with regard to separation of *personnel* may prove too costly to make a shared service economically viable. While we understand that there is a need to ensure that shared service does not introduce inappropriate risk, Good Energy believes that the requirement and legal drafting needs further refinement and clarification. However, Good Energy could not locate the legal text related to the policy intent detailed in the consultation.

**Q22: Do you agree that we should also include in the SEC obligations on the DCC and Users which limit the future dating of commands to 30 days?**

Good Energy is supportive of the proposal.

**Q23: Do you agree with the proposed approach and legal drafting in relation to which parties are eligible to subscribe for specific Organisation Certificates?**

Good Energy agrees that there need to be sufficient controls in place to ensure that organisation certificates are not issued to inappropriate organisations.

**Q24: Do you agree with the proposed approach and legal drafting in relation to the Organisation Certificates the DCC must subscribe for in order to support installation of Devices?**

Good Energy agrees that the certificates required to enable suitable testing must be made available in a timely manner. Whether this needs to be reflected in legislation (as opposed to contractual arrangements) is another matter.

Good Energy does not have the technical knowledge to assure that the current proposals regarding provision of specific certificate types are complete.

**Q25: Do you agree with the proposed approach and legal drafting in relation to the date on which the DCC must start providing live certificates, in particular the proposal to turn off the DCC's response time obligations until the Stage 2 Assurance Report (see section 6.6) has been produced?**

Good Energy is concerned about the complexities of the security architecture and its operation and feels unable to provide any meaningful contribution to this consultation question but draws a degree of comfort, regarding testing, from the fact that Good Energy will not be engaging in testing at an early stage and assumes that any practical problems will already have been resolved and, where necessary, the SEC changed accordingly.

However, Good Energy is supportive of the proposal, obliging the DCC to make its live certificates available while deferring its obligation on the SMKI performance targets. The early availability of the certificates will also enable the suppliers to develop and test enduring device procurement processes with the flexibility to load the certificates on to the devices during the manufacturing process.

**Q26: Do you agree with the proposed approach for all Network Parties to have established SMKI Organisation certificates?**

The SEC policy must maintain integrity. Therefore, if a supplier is obliged to place the correct network operator's organisation certificate on a device within 7 days of commissioning and there are no other, centrally provided options that avoid this obligation, Good Energy sees no alternative. However, Good Energy will reiterate its view that more, rather than less, should be undertaken by the DCC in such

circumstances; especially for smaller organisations where the costs of smart metering are disproportionately high. If there is a solution that can be brokered by the DCC, this option should be taken.

**Q27: Do you agree with the proposed approach for Non-User Suppliers to have established SMKI Organisation certificates?**

Good Energy is fully supportive of the policy in that it enables meters operated under the DCC to be churned to a non-DCC User supplier. However, as above, Good Energy is of the opinion that more, rather than less, should be undertaken by the DCC in such circumstances.

Good Energy is concerned that insufficient consideration has been given to the process of churning a DCC enrolled meter to a non-DCC User. We are aware of the principle of leaving a meter in a "Safe State" prior to loss at churn. However, there is nothing prescriptive about what this means.

To ensure that the customer is not dissatisfied (beyond the loss of smart functionality, which will have been fully explained to the customer) there must be an understanding between suppliers about what needs to be done to the meter to ensure that the customer is not provided with misleading information and to ensure that the incoming supplier is not left with a meter / tariff configuration that it cannot support or that the meter is inappropriately sending data to the DCC.

Furthermore, Good Energy assumes that there will need to be some relaxation of the operational license conditions in circumstances where the incoming supplier is not a DCC User; this subject does not seem to have been addressed.

Before finalising policy in this regard, Good Energy is firmly of the opinion that the objectives and principles regarding churn to non-DCC Users should be defined and the policy aligned to them.

**Q28: Do you agree with the proposed approach and legal drafting in relation to specific SMKI Organisation Certificates placed on specific Devices?**

The SEC must be appropriately aligned to the technical solution.

Good Energy is not in a position to assure the technical accuracy or completeness of the detail within the GBCS or precisely how this should be reflected in the SEC.

**Q29: Do you agree with our proposal to require DCC to provide Test Certificates to Test Participants (who, in the case of non-SEC parties, will have to be bound by an agreement entered into with the DCC) only for the purposes of Test Services and testing pursuant to Section T of the SEC, and to not require DCC to provide a Test Repository? Please provide a rationale for your view.**

Good Energy is not in a position to comment with authority but fully expect the advice provided by the SMIP's consultants to be complete and accurate, having fully taken account of all smart metering testing and assurance requirements and how these may or may not relate to the necessity for test certificates.

**Q30: Do you agree with the proposed approach and legal drafting in relation to the DCC User Gateway Services Schedule?**

The service request catalogue will undergo frequent updates and hence keeping this aligned with the SEC will be a challenge. It may be better for SEC to define the high-level criteria for various response times. For example, requests that require immediate execution should have a response time of 30 seconds, whereas requests that are not urgent in nature must be dealt with within 24 hours.

**Q31: Do you agree with the proposed approach to centrally procure a EUI-64 Registry Entry?**

Good Energy agrees with the proposal.

However, the proposal does not clarify the followings:

- The assignment rule (MA-L/MA-M/MA-S) that the Central Registry Entry will use. As this could have an implication on the number of octets available for extension identifier to be distributed among the various parties.
- The interface that will be provided by the Central Registry Entry to enable parties to request and receive EUI-64.

**Q32: Do you agree with the intention to create a 'Party ID', enabling access to the Self Service Interface at a Party level?**

Good Energy agrees with the proposal and wonders whether or not there is a further requirement to assign a Party ID per Party role?

However, provision should be made in the Central Registry Entry to ensure that, only EUI-64 Ids are allocated to the requesting party within their allocated range and subjected to access control. In other words, manufacturer A should not be allowed to request a EUI-64 Id from the range allocated to manufacturer B.

**Q33: Do you agree that the proposed legal drafting accurately reflects the process by which the DCC will provider connection the DCC User Gateway?**

Good Energy agrees that the legal drafting is reflective of the process by which the DCC will provider connection the DCC User Gateway. However, the list in H3.3 seems to be missing any reference to data sent by the smart meters. The catch-all bullet point addresses this but Good Energy is of the opinion that the Code of Connection would be a more sensible home for the list.

**Q34: Do you agree that the drafting meets the needs of both DCC and its Users in establishing, maintaining and terminating connections? Please provide a rationale for your views and include any supporting evidence.**

Good Energy agrees that the drafting seems to meet the needs of both the DCC and its Users. However, we have not had the resource available to investigate these and confirm that subtle but material nuances and implications have not been overlooked.

**Q35: Do you agree with the proposed approach and legal drafting in relation to Processing Service Requests?**

Good Energy is not in a position to fully assure the changes that have been introduced. However, based on our current level of understanding of the solution and process, they seem appropriate.

**Q36: Do you agree with the proposed changes to the approach and legal drafting in relation to Smart Metering Inventory and Enrolment Services?**

Good Energy agrees with the changes to the approach in relation to Smart Metering Inventory and Enrolment Services.

**Q37: Do you agree with the proposed approach and legal drafting in relation to Problem Management?**

Good Energy agrees with the proposed approach in relation to Problem Management.



**Q38: Do you agree with the proposed approach and legal drafting in facilitating provision of a service to consumers to allow them to find out which Users have accessed consumption data from their meters?**

Good Energy agrees with the proposed approach in facilitating provision of a service to consumers to allow them to find out which Users have accessed consumption data from their meter.

**Q39: Do you agree with the proposed approach of not requiring any User to offer a transparency service to consumers at this stage?**

Good Energy could find no drafting within the consultation to not require any User to offer a transparency service to consumers at this stage and is therefore unable to comment. Furthermore, Good Energy believes that it will be important to offer consumers access to such services from day-one of DCC operation, if consumers' fears regarding data privacy are to be avoided.

**Q40: Do you agree with the proposal to provide for a date in the SEC when any assessment of whether a supplier is large/ small for testing purposes is made?**

Good Energy agrees with the proposal.

**Q41: Do you agree with the proposed approach and legal drafting in relation to registration data text alignment?**

Good Energy agrees with the proposed approach.

With regard to the additional requirement on the DCC to provide information to electricity RDPs, this should be extended to gas RDPs (we have assumed that the new requirement on the DCC is to enable anomalies between the registration data in DCC and electricity RDPs to be reconciled ; the gas RDPs should have the same capability).

**Q42: Do you agree with the proposed approach and legal drafting in relation to provision of market share information to the CDB including Ofgem determining disputes between the CDB and the DCC?**

Good Energy agrees with the proposed approach in relation to provision of market share information to the CDB including Ofgem determining disputes between the CDB and the DCC.

**Q43: Do you agree with the proposed approach to RDP/DCC connections and the associated legal drafting?**

Good Energy agrees with the proposed approach to RDP/DCC connections.

**Q44: Do you agree that Network Parties using the same RDP should be jointly and severally liable for failure of that RDP to comply with provisions relating to the RDP's use of the connection provided to it by the DCC?**

Good Energy agrees that Network Parties using the same RDP should be jointly and severally liable for failure of that RDP to comply with provisions relating to the RDP's use of the connection provided to it by the DCC.

**Q45: Do you agree with the proposed approach and legal drafting in relation to provision of Explicit Charges for Certain Other Enabling Services?**

Good Energy agrees with the proposed principles and approach set out in the consultation in relation to provision of Explicit Charges for Certain Other Enabling Services and agrees that Ofgem should be arbiters regarding disputes.

**Q46: Do you agree with broadening the scope of DCC Licence Condition 20 to include the Other Enabling Services which attract an explicit charge?**

Good Energy agrees with broadening the scope of DCC Licence Condition 20 to include the Other Enabling Services which attract an explicit charge. However, the devil will always be in the detail regarding matters such as this. Good Energy believes that the proposals regarding Ofgem's role regarding disputes in this regard addresses this point.

**Q47: Do you agree with the proposed amendments to the legal drafting which introduce a new controlled category of DCC data, set out guidelines for types of data which may be marked as confidential or controlled and limit liability for breach of the latter category?**

Good Energy agrees with the proposed amendments to the legal drafting which introduce a new controlled category of DCC data and to set out guidelines for types of data which may be marked as confidential or controlled and to limit liability for breach of the latter category.

**Q48: Do you agree that liability for disclosure of controlled information should be limited to £1 million per event (or series of events) for direct losses?**

Good Energy agrees that liability for disclosure of controlled information should be limited to £1 million per event (or series of events) for direct losses.

**Q49: Do you think that SEC Parties other than the DCC may have a need to mark data 'controlled'? If so, please outline what, if any, parameters ought to apply?**

Good Energy agrees that SEC Parties other than the DCC may have a need to mark data 'controlled'?

Unfortunately we have not had the time or resource to consider candidate parameters in this regard but believe the intent outlined ensures equitability in the policy.

**Q50: Do you agree that liabilities if these controls are breached should be limited to £1 million (excluding consequential losses)?**

Good Energy has not had the time or resource to consider the scale of liability if the proposed controls are breached.

**Q51: Do you agree with the proposed approach and legal drafting in relation to the consequential changes to align the SEC with the proposed changes to the DCC and Supply Licences?**

Good Energy agrees with the proposed approach in relation to the consequential changes to align the SEC with the proposed changes to the DCC and Supply Licences.

However, Good Energy is concerned of the potential impact on the concept of both end-to-end interoperability and device interchangeability. These are important concepts in ensuring that the costs of smart metering do not escalate to unsupportable levels through such complexities and associated operational difficulties. Good Energy is of the opinion that suitable guidance and governance are put in place to explicitly ensure that such compatibility issues are not allowed to escalate to a position that risks introducing major complexities into the operation of smart meters.

**Q52: Do you agree with the proposed approach and legal drafting in relation to the invoicing threshold?**

Good Energy agrees with the proposed approach and legal drafting in relation to the invoicing threshold.

**Q53: Do you agree with the proposed approach and legal drafting in relation to the credit cover threshold?**

Good Energy agrees with the proposed approach and legal drafting in relation to the credit cover threshold.

**Q54: Do you agree with the proposed approach and legal drafting in relation to scope for an explicit charge related to Services within the DCC User Gateway Services Schedule of zero?**

Good Energy was not in agreement with the proposal consulted upon by the DCC and remains of the opinion that this is unreflective of the use of the service and the differing degrees of value extracted from the service by different DCC supplier Users and without further justification or explanation (Good Energy is unaware of receiving any response on this matter from the DCC) remains opposed to the proposal.

**Q55: Do you agree with the proposed amendment to the definition of ‘Mandated Smart Metering System’? Views would be welcome whether this change has a material impact.**

Good Energy agrees with the proposed amendment to the definition of ‘Mandated Smart Metering System’.

Good Energy has been unable to assess the materiality of the change but believes it to be a fairer reflection of the basis for charging.

**Q56: Do you agree with the proposed approach and legal drafting regarding power outage alerts?**

Good Energy agrees with the proposed approach regarding power outage alerts.

**Q57: Do you agree with the proposed approach and legal drafting in relation to the testing of shared systems?**

Good Energy is of the opinion that there is insufficient detail regarding the considerations that need to be made in this regard.

While Good Energy is very supportive of any policy that assists in keeping costs in check, assurance of systems and DCC Users is essential in ensuring that operational problems affecting other DCC Users or consumers are not introduced by inappropriately low levels of assurance (including testing).

Key to assessing risk in this regard will be an understanding of how shared services are implemented; there is no guarantee that one implementation is the same as another’s, even if using the same service provider’s systems. Furthermore, the effectiveness of a supplier’s interaction with the service may affect operational outcomes. Only with this understanding should any testing obligations be obviated.

While the proposed approach briefly outlines this consideration, Good Energy believes that it needs further elaboration to ensure that suppliers and service providers are fully aware of their obligations so that appropriate plans can be put in place.

**Q58: Do you consider the costs of remote access to the test SMWAN should be socialised across all Users or charged directly to those test participants who use the service? Please provide an explanation for your answer.**

Good Energy has been unable to assess the relative costs with each charging option. Instinctively, Good Energy is of the opinion that, in this regard, option 1 is probably the more appropriate. Assurance of the solution and each Party’s participation in it, is to the wider benefit of robust and predictable smart metering and market operations, making socialisation the more sensible approach as it should reduce the risk that any given Party is not dissuaded from undertaking the most appropriate degree of testing due to cost related concerns. Some governance or limit on the cost associated with an individual party may be required to ensure that the principle and approach is not abused. Furthermore, there may be a

requirement to identify the types of parties that should be able to establish test requirements under these arrangements.

**Q59: Do you agree with the proposed legal drafting in relation to Communications Hub Asset and Maintenance Charges?**

Good Energy has not had sufficient resource to enable it to review the legal drafting, but we have already provided our views on DECC's policy intent.

**Q60: Do you agree with the proposed legal drafting on Communications Hubs Charging following removal and/or return?**

Good Energy has not had sufficient resource to enable it to fully review the legal drafting, but we have already provided our views on DECC's policy intent.

**Q61: Do you have any views on the operation of SMETS 2 meters that are opted out of DCC services in light of:**

- the conclusions on SMKI set out above; and
- any other matters, including GBCS, that may affect two-way communications with an opted-out meter?

Good Energy agrees with the minded-to positions outlined in the consultation regarding the certificates on opted-out SMETS2 meters required to facilitate simple opt-in.

Good Energy is sympathetic to the cost concerns of small non-domestic suppliers looking to opt-out of DCC services while also being concerned with the cost implications of gaining opted-out SMETS2 meters and enrolling them into the DCC service.

Good Energy agrees that this is a matter that requires further and detailed consideration before policy is finalised.

The eventual policy needs to ensure that costs associated with gaining an opted-out SMETS2 meter or opting-out a DCC enrolled SMETS2 meter are minimised.

**Q62: Do you agree with the proposed legal text with respect to the DCC's, Subscriber and Relying Party obligations and associated liabilities?**

Good Energy has not had sufficient resource to enable it to fully review the legal drafting. Furthermore, Good Energy has been unable to penetrate the trust model sufficiently to enable us to comment with authority on the validity of policy regarding subscriber obligations and therefore, whether the liabilities are appropriate.

**Q63: Do you agree with proposed legal text in relation to the Initial Enrolment Project for SMETS1 meters installed during Foundation?**

Good Energy has insufficient resource to enable it to fully review the legal drafting. However, Good Energy would like to reiterate its position regarding the policy:

- Good Energy does not agree with the position that the costs of enrolment project should be smeared across industry; an alternative might be to limit the cost of any project to be smeared such that the concept of "shared benefit" can be adequately demonstrated.

- Good Energy is of the opinion that the DCC must establish robust operation of SMETS2 meters BEFORE any projects to enrol SMETS1 meters are approved.
- Good Energy is of the opinion that any service to operate enrolled SMETS1 meters must use the same interface specifications are those required to operate SMETS2 meters, or the principle of “shared benefit” are at risk.

**Q64: Does the contents list for the Initial Enrolment Project Feasibility Report (para 406) cover the required issues for the DCC to address? Are there any additional areas which you consider the DCC should be specifically required to include?**

The list is reasonably comprehensive, but seems to be lacking considerations regarding “cut-over” from the incumbent to the DCC service.

Furthermore, these projects are likely to be complex. The policy should acknowledge this by placing an obligation on each project to undertake sufficient due diligence to ensure that all major technical, commercial and economic complexities, risks and issues have been identified, assessed and quantified appropriately. What governance will be in place to ensure that such projects do not become out of control?

**Q65: Do you agree with the proposed legal text in relation to charging arrangements for the ongoing communications costs of Foundation Meters enrolled in the DCC?**

Good Energy has insufficient resource to enable it to fully review the legal drafting.

**Q66: Do you agree with the proposed approach and legal drafting in relation to User supplier to Non-User supplier churn?**

Good Energy is of the opinion that, for such a significant area of policy (i.e. one that should be designed to minimise the risk that, on introduction of the DCC and as roll-out commences, competition is not inappropriately compromised) there has been insufficient consideration of:

- The objectives that the policy is designed to address.
- The processes involved and solutions required.

Furthermore:

- Good Energy is unaware of workshops that have been run to socialise the issues and design potential solutions and would be very supportive of workshops that improve this situation.
- There has been conflicting information regarding the implications – for example, this consultation states that no testing will be required, whereas a recent small supplier workshop was informed that there would be some testing required.
- The consultation and information provided to date is silent on which, if any, security assurance processes will need to have been undertaken.
- We refer you to our responses to Q27.

In summary, Good Energy may be able to support the consultation positions regarding Non-User supplier churn and Q27, but is currently of the opinion that the issue and associated approaches have been insufficiently addressed and that a workshop must be convened at the earliest opportunity.

Kind regards,