



Department
of Energy &
Climate Change

Smart Metering Implementation Programme

Consultation on the timing of the review of
the Data Access and Privacy Framework

23 March 2015

The consultation can be found on DECC's website:

<https://www.gov.uk/decc> [link]

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1. General information

Purpose of this consultation:

This consultation seeks views on a proposed change to the timing of the review of the smart metering Data Access and Privacy Framework. The framework determines the levels of access that that suppliers, network operators and third parties should have to energy consumption data from smart meters, for which purposes, and the choices that consumers have about this.

The Government would welcome views from all interested parties.

Issued: 23 March 2015

Respond by: 11 May 2015

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Consultation reference: URN 15D/127 – Consultation on the timing of the review of the Data Access and Privacy Framework

Territorial extent:

Great Britain.

How to respond:

Your response will most useful it is framed in direct response to the question posed, though further comments and evidence are also welcome.

Additional copies:

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<https://www.gov.uk/government/consultations/consultation-on-the-timing-of-the-review-of-the-data-access-and-privacy-framework>

Other versions of the document in Braille, large print or audio-cassette are available on request. This includes a Welsh version. Please contact us under the above details to request alternative versions.

Confidentiality and data protection:

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information legislation (primarily the Freedom of Information Act 2000, the Data Protection Act 1998 and the Environmental Information Regulations 2004).

If you want information that you provide to be treated as confidential please say so clearly in writing when you send your response to the consultation. It would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded by us as a confidentiality request.

We will summarise all responses and place this summary on the [GOV.UK website](#). This summary will include a list of names or organisations that responded but not people's personal names, addresses or other contact details.

Quality assurance:

This consultation has been carried out in accordance with the [Government's Consultation Principles](#).

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

DECC Consultation Co-ordinator
3 Whitehall Place
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Email: consultation.coordinator@decc.gsi.gov.uk

2. Background

Introduction to smart metering

- 2.1 The Government's vision is for every home and smaller business in Great Britain to have a smart meter. The roll-out of smart meters by energy suppliers will play an important part in Britain's transition to a low-carbon economy, as well as help us meet some of the long-term challenges we face in ensuring an affordable, secure and sustainable energy supply.
- 2.2 The Government has established the Smart Metering Implementation Programme to deliver its vision. Energy suppliers are required to roll out electricity and gas smart meters by 2020 and will use a communications infrastructure managed by the Data and Communications Company (DCC). The Programme is currently in the Foundation stage: the technical specifications are largely complete and the communications infrastructure is being put in place, and suppliers are developing their roll-out strategies and customer journeys.
- 2.3 Some suppliers have begun installing smart meters to learn from early roll-out experiences, and over a million meters had been installed in domestic and small business premises by the end of Q3 2014¹. A national consumer engagement campaign has started²; and wider market developments that can build on the smart meter platform are beginning.

The Data Access and Privacy Framework

- 2.4 Smart meters will lead to a step-change in the amount of information that is available about energy consumption, which will bring benefits for consumers, suppliers, network companies and others. The Government has developed a Data Access and Privacy Framework for the roll-out of smart meters in order to:
 - Protect consumers' interests, including by addressing concerns that consumers may have about privacy;
 - Enable proportionate access to data by authorised parties to ensure that benefits can be delivered; and
 - Promote competition and innovation in the developing energy services market.

¹ <https://www.gov.uk/government/collections/smart-meters-statistics>

² Smart Energy GB's Consumer Engagement Plan is available at their website:
<http://www.smartenergygb.org/national-rollout/about-smart-energy-gb/essential-documents>

2.5 In December 2012 the Government published the details of the Data Access and Privacy Framework (DAPF)³. The DAPF encompasses regulation that governs the ways in which different parties can access energy consumption data, the purposes for which they can use it and the choices that consumers will have about this. The licence conditions for energy suppliers and network operators that came into force in June 2013 follow the principle that consumers should have control over their energy consumption data, apart from where it is required for billing or other regulated duties. For domestic consumers the main features of the framework are as follows:

- Energy suppliers can access monthly data for billing and other regulated purposes, but access to more granular data will depend on the customer consent – daily data can be collected if the customer has not opted out, and half-hourly data can be collected if the customer has given explicit consent.
- Network operators will be able to access energy consumption data, including half-hourly energy consumption data for regulated purposes, without consent, if they have had plans approved by Ofgem for anonymising data to address potential privacy concerns.
- Consumers can access their own energy consumption data through their In-Home Display or by requesting information from their supplier. They will also be able to access data through the connection of additional devices to the Home Area Network.
- Consumers will be able to share their energy consumption data easily with third parties, such as switching sites and energy services companies, if they choose to do so. Before third parties access energy consumption data remotely via the DCC, they are required to obtain explicit (opt-in) consent from consumers.

2.6 There are separate data access rules in the non-domestic sector that reflect the different make-up of the market. Smart-type metering is already established in the non-domestic sector and there is, and will continue to be, a wider variety of approaches to metering than in the domestic sector. Micro-businesses, which are similar to domestic consumers in a number of respects, have a choice about whether their supplier can access consumption data more detailed than monthly.

2.7 Energy suppliers who are currently installing smart meters are providing their own individual arrangements for communicating with meters. However, during 2016 a common communications infrastructure provided by the DCC is expected to go live and will be used by energy suppliers during the main installation stage of the programme. This will allow other authorised parties to access - with consumer consent - consumption data from smart meters through the DCC. This will provide a basis for competition and innovation in new and emerging energy service markets, by enabling access to data and ensuring a level playing field for all market participants: energy suppliers, network companies and other service providers authorised by the consumer to collect consumption data.

³ Data Access and Privacy: Government response to consultation
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/43046/7225-gov-resp-sm-data-access-privacy.pdf

2.8 Further regulatory provision to facilitate access to smart meter data and to protect consumer privacy has been introduced since the initial elements of the DAPF came into force:

- To transpose the requirements of the EU Energy Efficiency Directive, new licence conditions were put in place in June 2014 to require energy suppliers to meet requests from domestic consumers with smart meters to provide them with up to 24 months of daily, weekly, monthly and annual consumption data (or the length of the supply contract if that is shorter) over the internet or via the meter interface.
- Additional licence conditions that came into force at the same time will require suppliers to provide, on request, export data to consumers with micro generation installed, where their smart meter is being used to record electricity exported to the national grid.
- Amendments to the Smart Energy Code⁴ to include provisions for DCC Users to be audited to provide assurance that are meeting requirements to obtain consumer consent before requesting customers' smart meter consumption data.

Commitment to undertake a review of the Data Access and Privacy Framework

2.9 The Government's consultation response of December 2012 made clear that it would keep the DAPF under review and remain open to learning throughout the Foundation Stage and beyond. It noted that this was particularly important given the likely future changes to market arrangements such as settlement reform. In light of the consultation responses the Government made a firm commitment to review the framework at an appropriate point, no more than three years after its coming into force. The review was to cover all aspects of the DAPF: access to data by consumers, suppliers, network operators, and third parties.

2.10 The Government confirmed that the review would include an examination of the following:

- the extent to which the data access and privacy framework was:
 - protecting consumers;
 - enabling benefits to be delivered; and
 - facilitating competition in the emerging energy services market.
- the suitability of information that was being provided to consumers about data access and privacy, including the usage of their data, the choices that they had, and how these choices were being facilitated;
- the implications of any wider developments in the energy market; and
- the implications of any wider developments at EU level (for example, any changes to data protection legislation).

⁴ The Smart Energy Code is the industry code concerning the arrangements for the provision of the smart metering communication service. <https://www.smartenergycodecompany.co.uk/>

3. Proposed change to the timing of the review

Rationale for changing the timing of the review

3.1 When the Government published the details of the DAPF in December 2012 it committed to undertaking a review of all aspects of the framework no more than three years after it first took effect. Since the main regulatory provisions first came into effect in June 2013, the review would need to be completed by June 2016. This commitment was made at a time when it was expected that the DCC would start offering communication services towards the end of 2014, which would have provided evidence from 18 months of the operation of one of the main mechanisms for providing access to data. With the DCC now expected to start offering live services in 2016⁵, a review culminating in the middle of that year would severely limit its scope and usefulness.

Proposed new timetable

3.2 The Government proposes that the full review be concluded in 2018, which will allow for the assessment of the implementation of the whole framework. It is expected that by mid-2017 significant numbers of smart meters will be enrolled into the DCC so that it will be possible to assess the extent to which third parties are successfully using data to offer consumer services and how data access is facilitating competition in this market. The independent privacy audits carried out under the Smart Energy Code (referenced in paragraph 2.8 above) as well as information collected by regulators (Ofgem and the Information Commissioner's Office) could be an important source of evidence on the adequacy of the DAPF provisions for protecting the privacy of data accessed through the DCC. We also expect that, by this time, network operators will have in place approved plans to ensure that any daily or half-hourly consumption data that they collect without consumer consent is anonymised.

Continuous monitoring and review

3.3 The proposal for concluding the review of the full framework in 2018 does not mean that changes could not be made to elements of the DAPF before then. The Government is also committed to continuous monitoring of – and learning from - the implementation of the DAPF throughout the remainder of the Foundation Stage and beyond. Where there is evidence that any specific aspects of the framework – or gaps in it – are undermining consumer protection and confidence and /or the delivery of Programme benefits, DECC will take prompt action rather than waiting for the completion of the full review.

⁵ Approval of the DCC's proposed alternative delivery plan was provided in a Written Ministerial Statement issued on 5 March 2015:

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2015-03-05/HCWS345/>

3.4 As part of the Programme's Monitoring and Evaluation Strategy⁶, DECC already regularly gathers information how the DAPF is being implemented and how this might be feeding through into the realisation of benefits. This includes, for example, information about:

- suppliers' approaches to seeking consent to gain access to granular energy consumption data from domestic smart meter customers;
- the types of products and services using half hourly data that customers are offered;
- the means that customers use to access energy consumption data other than through the In Home Display (IHD), for example through the Internet; and
- how non-domestic customers are able to access their consumption data.

3.5 Any information collected by Ofgem or the Information Commissioner's Office ahead of the proposed conclusion of the full review, and information from the privacy audits, will also be considered as part of the monitoring process to ensure that timely action is taken to address any significant risks to consumer protection or Programme benefits that emerge ahead of the full review.

4. Consultation Question

Do you agree that the full review of the smart metering Data Access and Privacy Framework should be concluded in 2018 rather than 2016? Please explain your rationale.

⁶ Smart Meters Programme: Strategy and consultation on information requirements for monitoring and evaluation, DECC, (May 2012) <https://www.decc.gov.uk/assets/decc/11/consultation/smart-meters-monitoring-evaluation/5454-strategy-cons-smart-meters-monitor-eval.pdf>

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