



Smart Metering Implementation Programme
Regulation Team
Department of Energy and Climate Change
3 Whitehall Place
LONDON
SW1A 2AW

29 May 2012

Dear Sirs

**Smart Metering Implementation Programme:
Consultation on Smart Energy Code April 2012**

Thank you for the opportunity to respond to the Smart Metering Implementation Programme ("SMIP") consultation in respect of the Smart Energy Code. We have set out below the key points of our response, and the Appendix to this letter provides detailed responses to specific questions as set out in the consultation document.

We have also provided responses to DECC's parallel consultations in respect of the Smart Metering Data Access and Privacy and the DCC Licence Conditions, which we have submitted to the relevant teams in the Smart Metering Implementation Programme.

Xoserve is not an entity regulated by Licence, nor is it a signatory to any GB energy industry Codes. We have, however, been appointed by the principal Gas Transporters ("the GTs") as their common Agent ("the GT Agent"), responsible for discharging the GTs' Licence and Uniform Network Code ("UNC") obligations in respect of transportation transactional services. We refer to these regulated services collectively as "Agency Services".

Summary

The scope of Agency Services includes the delivery of systems changes in response to the approval of UNC Modifications. We consider that the UNC governance arrangements associated with requirements to plan for and notify others of system changes are positive, constructive and beneficial to stakeholders during a period of change. These arrangements afford adequate opportunity for engagement of impacted parties and solution service providers as change plans evolve and implementations are scheduled. The application of similar features to the SEC change process, in the form of obligations on the DCC to share its implementation plans, would be of benefit to SEC parties and their service providers. Indeed, such obligations would arguably have

greater importance as the number and identity of SEC parties and service providers may be greater and more varied than the UNC equivalents.

Next Steps

We are already participating in and providing resources to a number of SMIP working groups, including the Business Process Design Group, the Smart Meter Regulation Group that is considering consequential and legacy system changes, and the Foundation Interim Operating Model Group. We are keen to continue to support the SMIP as it moves forward, and would be happy to meet with members of the DECC Smart Metering Team to discuss in more depth any of the matters raised in our response.

We are happy for you to publish this letter and the supporting Appendix. If you would like to discuss further any aspect of our response, please contact
on

Yours faithfully

SMART METERING IMPLEMENTATION PROGRAMME
APRIL 2012 CONSULTATION ON SMART ENERGY CODE

APPENDIX: DETAILED RESPONSES TO QUESTIONS

Question 22: Do you agree that the SEC should contain provisions requiring that the DCC notifies SEC Parties of the timing of the implementation of changes to its systems?

Context

In its capacity as GT Agent, Xoserve is responsible for the delivery of changes to systems in response to the approval of UNC Modifications. Although not a UNC signatory and therefore not party to UNC decision making processes, Xoserve works closely with UNC parties and with the relevant UNC change governance groups.

Relevant UNC change provisions

Section U8 of the UNC sets out the requirements on GTs to notify other UNC parties of changes to systems, and stipulates the conditions and timescales that are required to be adhered to before a change can be implemented, including:

- (a) The submission of implementation plans for consultation with and approval by the relevant UNC change governance group;
- (b) The scheduling of implementations to take place during three predefined periods within each calendar year, except where the relevant UNC change governance group agrees that alternative arrangements should apply; and
- (c) The provision of approved implementation plans to all system users.

We consider that these UNC change governance features are positive, constructive and beneficial to stakeholders, affording adequate opportunity for engagement of impacted parties and solution service providers as change plans evolve and implementations are scheduled. The application of similar features to the SEC change process, in the form of obligations on the DCC to share its implementation plans, would be of benefit to SEC parties and their service providers. Indeed, such obligations would arguably have greater importance as the number and identity of SEC parties and service providers may be greater and more varied than the UNC equivalents.

Cross-Code Impacts

We are also aware that the establishment and subsequent evolution of the SEC may have consequent impacts on a number of existing industry Codes. It is important that robust arrangements are put in place to ensure that cross-Code impacts are thoroughly understood and evaluated to ensure that the framework of industry Codes retains its integrity. We note that Ofgem has recently initiated a second phase of its Code Governance Review, and this might provide a suitable vehicle for the discussion and development of approaches to managing cross-Code impacts.