

CALL FOR EVIDENCE ON DATA ACCESS AND PRIVACY FOR SMART METERING

SCOTTISHPOWER RESPONSE

Question 1: Please submit any further evidence, such as surveys or consumer research, regarding privacy issues and smart metering. In particular is there evidence available about the effects of the availability and aggregation levels of more granular data (for example daily)?

Whilst we are not aware of any evidence specifically on consumer attitudes on granular data being made available to suppliers and others, we are of course aware of various pieces of research relating to smart metering and privacy.

Overall, the available research indicates that further consideration of consumer views should be undertaken by the Programme. We believe the Foundation Stage offers an ideal opportunity to understand and address evident consumer concerns.

We would make reference to The Smart Grid Consumer Collaborative's "2011 State of the Consumer Report" which cites evidence of a correlation between those consumers who are resistant to smart meters and those who have expressed concerns about privacy. It further suggests that many consumers have not yet formed any positive or negative view of the privacy issue. We believe these findings demonstrate the importance of communicating with consumers about the benefit of smart meters and the safeguards, either existing or currently under development, which are intended to protect their privacy. We would propose that these factors should be key considerations of any future consumer engagement initiatives undertaken by DECC and the Programme.

Question 2: To what extent would different rules for access to data between suppliers and third parties be expected to impact on the development of an energy services market (in terms of product and tariff innovation and / or entry to the energy market by third parties)? What are the particular data uses to which these concerns apply?

We think that the competition concerns cited in the call for evidence are misplaced. The real challenge with energy services and related time of use tariffing options is to get the market going at all. At present, there is little customer engagement around these issues, with many consumers showing little inclination to organise themselves around the needs of energy services products. One way to break down this lack of interest would be to enable suppliers to have access to data that would allow attractive and tailored energy services propositions to be offered.

Restricting suppliers' ability to do this, in the name of a level playing field with potential new entrants into the energy services market, could simply have the effect of preventing the market from being fully established.

Once consumers are confident with this kind of product and widely taking it up, then it would be appropriate to review the rules for access to data to ensure that the incumbent supplier does not have an undue advantage. But to place restrictions prior to development of sufficient consumer engagement would be counter-productive.

We see two routes, in addition to the regulated duties, by which data can be available to enable smarter energy products to be offered. These would be:

- 'One off' requests such as quotations where consent is granted by consumer to access smart metering data on a one off basis to enable effective switching; or
- Regular access to smart metering data where the consumer has granted appropriate consent, either to their current supplier, or to a wider group of persons, in the form of terms within their supply contract.

Governance

As the energy services market continues to expand it should be ensured that consumers have confidence that all third party service providers comply with the same standards when accessing and processing personal data. We believe suppliers already offer consumers sufficient protections by complying with the Data Protection Act 1998 and this will clearly have to apply also to all new market entrants. In addition, we believe that all third parties receiving smart metering data via the DCC should be signatories to the Smart Energy Code, so that specific protections apply across the industry.

We would therefore be supportive of effective sanctions being put in place for any signatories to the Smart Energy Code who do not adhere to its requirements.

Consumer choice:

We believe it is important that innovation within the energy services market is not restricted. We would recommend that the Programme ensures that a common framework is established for collecting and maintaining the different levels of consumer choice, reflecting the scope of services being offered – ranging from one off quotations through to on-going contracts for services. Should a

consumer take the decision that a third party should no longer access their data, appropriate and timely controls must be in place to satisfactorily address individual consumer wishes.

Question 3: Are there any data uses, apart from those set out below, where the arrangements for access to data could have an impact on the benefits of the programme. How does this analysis differ for the gas market?

ScottishPower would recommend that the Programme should give careful consideration to how data access is achieved. Whilst we continue to consider DECC's PIN services proposal, our initial observations include the potential level of complexity and additional cost which would be introduced across the industry. We would recommend that the Programme gives consideration to the option where parties wishing to obtain consumer consent for access to smart metering data (beyond that required for regulated duties) should be attributed to a specific product or service. By adopting this approach consumers will have a clear understanding of the product or service, the level of data and frequency of access to support that product or service and the reasons why that data is required. Should the customer subsequently change their mind, this would trigger a full review of the product or service rather than triggering a complex opt in /opt out process with changes to terms and conditions.

Frequency of data consent:

We would propose that the consent to data access framework is flexible enough to reflect the product/ service being offered by a third party. Where access to detailed consumer consumption data is for the purposes of providing a one-off quotation or energy advice task then consent should be sought each time. Where access is agreed by the consumer as part of an on-going service / product selection, a single consent should be sufficient for the period that the service or product continues to be delivered.

Single process for gas and electricity:

Granular gas usage data has potentially different characteristics, both as respects privacy and energy system implications, to electricity data – principally because it is the daily, rather than intra-day, figures that are significant. However, the overall issues are similar and there would be considerable benefits, both as respects consumer understanding and standardisation across the industry, if the arrangements for the control of access to electricity and gas data were the same.

Question 4: What types of energy services and energy advice could be provided by the market (by suppliers and / or ESCOs / potential new entrants) that require access to specific levels of data?

What level of data granularity (frequency, time-lag) are needed to provide such services and what is the potential impact of these services in terms of percentage energy savings?

Please provide empirical examples and explain the basis of any assumptions and distinguish between gas and electricity.

At the current time ScottishPower believe it is difficult to foresee how the energy services market will develop given changing energy prices and future extension of smart grids. However, its evolution will be driven by a combination of consumer demand, Government policy, commercial competition and technology.

In terms of the provision of energy efficiency advice to their customers, we believe energy suppliers have some very specific obligations in place and would propose that the operation of the energy services market requires further thought by the Programme. Should the ability to use all smart metering data and information available be restricted, we believe that the UK Government will struggle to deliver the full benefits associated with smart metering.

The frequency of access to smart metering data will be dependent on the specific characteristics of the smart metering product or service being offered to the consumer and where access is over and above that required for regulated duties then an appropriate level of choice will be offered. There are a number of data access/ data frequency models which could be considered using half-hourly data retrieved from the smart meter and we believe that there will be a number of different types of organisations operating in this market.

Question 5: Should theft management be considered a regulated duty for which suppliers should have access to a certain level of smart metering data? What level of data would be required and how would this be used to manage theft? Please provide practical examples.

ScottishPower believes theft management should be considered a regulated duty with appropriate licence obligations to facilitate proactive measures to prevent energy theft. At present, we do not have algorithms developed which would cost effectively enable the utilisation of half-hourly data for

theft identification for every site (ie in the absence of another trigger such as a tamper alert, non-payment of bills or repeated refusal of access to a meter). However, consumption pattern analysis could prove to be a highly sensitive indicator of theft and it would be wrong to rule out this option now. We do not believe that there is a legitimate privacy argument that would deny suppliers access to data which might play a key role in the prevention of crime.

In the absence of a cost effective general consumption analysis approach, the combination of smart meter technology and alarms should provide the necessary capability to identify potential instances of energy theft remotely, underpinned by a set of predefined conditions to enable further detailed investigations. In some instances a site visit and customer notification may be required. We would envisage that detailed energy theft analysis may also be instigated in conjunction with other authorities e.g. Police investigations around cannabis farming.

We would propose that DECC or Ofgem should consider undertaking further work with the industry to allow for half-hourly data to be utilised for the purposes of energy theft detection. We would propose that the Foundation Stage provides an opportunity to test and where necessary refine the ways in which energy theft detection will be monitored in the future.

Question 6: Does data need to be collected from all customers all of the time, for theft management, or could there be a trigger for accessing more detailed data (for example where theft is suspected)

Please see our response to Question 5.

Question 7: What level of take-up of time-of-use tariffs could be expected under different scenarios for access to data? What information is needed to design time of use tariffs? In particular would sample or anonymised data be sufficient?

At this time ScottishPower does not have any substantive evidence with regards to possible take-up of time-of use tariffs and believes further roll out of smart meters and products during the Foundation Stage will offer the best environment to test customer understanding and behaviours.

A key issue is how suitable data is made available to suppliers to design appropriate time of use products. Several options exist including:

- via the DCC (where delivery to suppliers is against specified service SLAs);
- through sample groups (however sample size is a key consideration); or
- through suppliers having access to half-hourly data.

In evaluating these options, we would propose that having access to half-hourly data would be the most straightforward way forward; granular data will be essential to be able to design products – an aggregated approach would be likely to obscure crucial information about different behaviours and how they could interact with particular energy services. Anonymised data could be managed and distributed by the DCC, but of course this does not form part of the current DCC design.

In the absence of any current requirement for the DCC to provide any level of data aggregation or anonymisation, and absent access by suppliers to half-hourly data for this purpose, time of use products could be established using sample groups whereby consumers provide consent for their smart metering data to be accessed and modelled against a set of predefined conditions. However, it would be necessary to achieve sufficient and representative samples.

Without appropriate access to smart metering data, we believe there will be a direct impact on the development of time of use tariffs and associated take-up rates. Whilst we do not believe innovation should be restricted, we would propose that DECC and Ofgem should give careful consideration as to the way in which new smart products are brought to market. A gradual introduction of smart products such as time of use tariffs will contribute to maintaining customer engagement, whilst providing the opportunity to assess energy consumption patterns and ultimately the level of contribution to achieving associated benefits set out in the current Impact Assessment.

Question 8: Do you agree that individual half-hourly data is not currently required for suppliers to meet their obligations in relation to settlement? Over what timescale are any changes to settlement likely to take place and what might the implications be in terms of data requirements?

ScottishPower agrees that half-hourly data is not currently required by suppliers to meet their domestic settlement obligations and would continue to support the view that significant changes are not required to existing settlements arrangements in order to meet the current benefits case stated by DECC. However, it must be recognised that the current settlements process is inevitably a

compromise forced by current technological considerations and that its limitations have caused problems, especially around the proper determination of network losses.

We would welcome the opportunity to undertake further work with Ofgem and the smarter market team to understand how the transformation of current settlement arrangements fits into their future utilities transformation roadmap and the levels of data access which will be required to achieve these future aspirations.

Whilst we would recommend that any changes to current settlement arrangements are undertaken in a later phase of the smart metering implementation programme, we would propose that DECC and Ofgem give appropriate consideration to medium to long-term data access requirements in conjunction with the other areas of market transformation such as the centralisation of registrations and data processing/data aggregation.

Question 9: How far would aggregated or sample data provide suppliers' with what they need in the area of wholesale hedging? Please provide examples of how the data would be used and where possible quantify potential benefits and costs.

ScottishPower believes wholesale hedging could be achieved using aggregated anonymised data, assuming that the data can be appropriately segmented e.g. at postcode, LDZ, secondary sub-station level. We would propose that the majority of information required will be provided by smart metering and therefore it should be ensured in developing the data privacy policy framework these requirements are taken into account.

We would propose that DECC and Ofgem gives further consideration as to how anonymised aggregated data will be made available given this requirement is currently out of scope of the DCC and as yet it has not been decided whether suppliers will have full access to smart metering data for the purpose of regulated duties. It may not be optimum for suppliers to be given many different data flows with differing levels of anonymisation and aggregation for differing purposes, if there is an alternative whereby they get full access for specified purposes.

Question 10: What level of data would be required and how would this be used to manage debt? Please provide practical examples.

Frequent (daily or weekly) metering data would be of assistance in developing innovative debt management approaches in a number of situations, for example:

- where a customer is new and has an unknown ability to manage debt, frequent access to metering data would enable us to issue accurate bills early on, in order to build confidence in the customer's ability to budget
- where a customer is unable to budget effectively or enter into a reliable direct debit arrangement but a prepayment meter is either not suitable for the customer or not wanted by him/her, a process of weekly billing (perhaps by internet) could provide a solution
- to give an early indication that a direct debit or other regular payment arrangement may not be set at an appropriate level
- for variable (actual bill) direct debit charges, especially for customers on benefits which are paid four-weekly or two-weekly rather than monthly.

We believe that smart metering data will enable a more accurate understanding of an individual's energy consumption and allow innovation in these or other areas in order to better meet the needs of those customers who have difficulty budgeting. While the precise innovations that could take place over time are not yet identified, it is clear that better metering data could lead to a significant improvement in debt prevention measures, especially where meter readings have been previously estimated. We will continue to engage with DECC going forward on the ways in which this might be facilitated.

Question 11: How would suppliers envisage using daily data to support debt management and what evidence do they have to support claims of additional savings that could be achieved with access to daily data as opposed to less frequent data?

Please see our answer to Question 10.

Question 12: How could smart metering data be used to identify and protect vulnerable consumers? Should such activity be considered a regulated duty and are any licence changes needed to create particular duties on suppliers in this area?

We think that smart metering data will offer the ability for earlier identification of potential problems in conjunction with other established practices such as SafetyNet and the Priority Services Register. For example, where self disconnection is not rapidly corrected for a customer on the Priority Services Register, this may be a signal to check what is happening. There may be other indications from consumption patterns. We would recommend that DECC and Ofgem consider undertaking further work, in conjunction with the industry, to evaluate possible strategies with regard to the circumstances which lead to self disconnection and self-rationing and how earlier interventions could be considered in conjunction with the use of other information.

In conjunction with considering these issues, access to more granular data should also be considered and how this data may be required in order for suppliers to evaluate options and implement any future approaches in this area.

We recognise our commitments to vulnerable customers, and would highlight that whilst smart metering in isolation does not identify vulnerability, it could help in providing appropriate services to those who are vulnerable. Thus, use of other relevant information will be necessary to determine if a customer is vulnerable. However, information on self disconnection and analysis of detailed consumption information, together with other pre-defined information held, could help to inform decisions regarding vulnerability.

As part of the further work we propose, we would also recommend that further guidance on how Green Deal initiatives will operate in the context of vulnerable customers is also necessary.

Question 13: Do you consider that use of data by network companies to support them in maintaining an efficient and economic network should be considered a regulated duty?

ScottishPower believe that the use of data by network companies to support them in maintaining an efficient and economic network should be considered a regulated duty. Going forward, the DCC will potentially have a key role to play in assisting network companies through the provision of non-personalised data for the purposes of maintaining and developing an efficient network.

We would be keen to understand the future role the DCC can play in assisting networks in maintaining an efficient network where smart metering and new technologies are introduced.

Question 14: Do you agree with the requirement for such data to be anonymised or aggregated wherever possible, and how should this be monitored?

We think that the process of aggregating or anonymising the data could cause complications in the timely flow of data to network companies and to the provision of effective customer assistance. For example, if the meter detected a potentially dangerous fault condition in the supply to particular premises, it would be desirable for the network to be able to contact the particular customer in order to alert them and arrange the necessary remedial work. Similarly, if the network needed some form of local control around the charging of electric vehicles in order to mitigate load impacts, that would also need to be based on individual households.

While some network service could perhaps be handled on an aggregated basis, we question whether limiting the data flows to networks might not prevent key benefits being realised.

We believe that continuing compliance with the Data Protection Act, in conjunction with becoming a signatory to the Smart Energy Code should offer consumers sufficient confidence as regards the use of smart metering data. We therefore do not believe that any additional restrictions over and above these measures is required.

Question 15: Would suppliers be expected to advise consumers of network company usage of data given network companies do not have a direct relationship with customers?

ScottishPower recognises the need for consumers to have clarity of who is accessing their smart metering data and for what purposes. In principle, suppliers' communications and privacy notices should be appropriate vehicles for advising customers of network operators' use of data. However, this would be subject to appropriate agreement between suppliers and network operators and notification would legally remain the responsibility of the network operator. There would need to be an understanding that suppliers cannot necessarily change their terms and conditions without a reasonable lead-time and consideration of costs. This would be relevant if network operators proposed changes to how they use the data. We believe that network operators should have the

ability to use data to enable them to maintain an efficient and economic network and that this data requirement should be considered a regulated duty.

Any major change to data requirements on the part of network operators, as smart grids develop in the future, would be governed by the same principles and, subject to code review and industry agreement, could be included within suppliers' standard contractual terms and conditions on use of data by third parties.

Question 16: Are there any alternatives to a basic opt-in or opt-out approach to consumer choice such as some form of prompted choice? What are the practical and consumer protection considerations in relation to different options (for example when and how)? From a consumer perspective what alternative approaches and vehicles (for example letter, email, phone) to seek customer consent are there?

ScottishPower are supportive of a regulated duty model augmented with consumer choice where data access above and beyond stated regulated duties is proposed, for example, to support specific products or services. It is ScottishPower's belief that some of the regulated duties can be achieved by using anonymised or aggregated data and that data could be aggregated either by the DCC or supplier on the basis that the data will be used in an aggregated or anonymised manner.

We believe that providing consumer choice around the use of data for regulated duties would put the Government Impact Assessment and realisation of stated benefits at significant risk. Based on experience of mailing response rates, an opt-in process would be likely to achieve very low levels of consent, and therefore could only be considered if it was to govern aspects which were not intended to go ahead.

We think that consumer choice can be exercised in the choice of products – i.e. where the use of data is integral to a product, the data requirements can be set out in the terms of that product. Otherwise, we think that an opt out approach is appropriate for most matters that are not covered by the regulated duties.

Question 17: What evidence is there of likely take-up rates that could be achieved through different approaches to consumer choice?

Please see our response to Question 16.

Question 18: What current and future technical options exist for energy consumption data minimisation / privacy enhancing technologies? How might aggregated or anonymised data be provided in practice? Would this imply additional services to be provided by DCC?

Whilst there are potential data minimisation and privacy enhancing technologies that could be utilised for smart meters, ScottishPower has seen no evidence as yet of their suitability for the energy market. Any attempt to implement unproven technologies while smart metering processes are still being fully established could lead to unnecessary complexity, errors and inefficiency.

To deliver the benefits outlined in the latest smart metering Impact Assessment and ensure we have an effective enduring energy market, detailed consumption data is required to be made available to suppliers. However, it is right that the Smart Energy Code limits the uses that can be made without appropriate customer choice.

We would recommend that the Programme undertakes further assessment of consumer concerns during the Foundation Stage to substantiate any concerns around suppliers having consumer consumption data (as opposed to using it in particular ways) before driving forward any technical considerations.

In addition we would recommend that a full cost benefit analysis is undertaken before any decisions are made which potentially result in a change in design to the current smart metering end to end design, should it be required for such technologies to reside within either the DCC or individual supplier systems.

Question 19: What parts of the privacy policy framework do you think should be delivered by regulation and why?

It is important to maintain consumer confidence that there is an adequate regulatory framework around privacy issues. We see the key components of this as being the Data Protection Act 1998

and the relevant provisions of the Smart Energy Code. These can be illuminated by the provisions of an industry Data Privacy Charter which will give consumers clarity about how their data will be used. In order to help consumers share their smart metering data either via the DCC or from their meter via the HAN and connected devices, we propose that all market participants and service providers (e.g. ESCos) should be required to sign up to the relevant provisions of the Smart Energy Code as a condition of being provided with the data. They will of course be bound by the Data Protection Act 1988 in any event.

We think that additional licence obligations run the risk of creating overlapping or conflicting requirements and also are less easy to enforce against market participants and service providers that are not Ofgem-licensed. We would however be interested in understanding DECC and Ofgem's views with regards to the practical management of the privacy policy framework and the possible role of the Information Commissioners Office where parties are found to be in breach of the Smart Energy Code.

In addition, we believe that consumer consent should be an attribute of an individual product or service where the level of smart metering data is over and above that required for regulated duties.

The existence of a common standard will provide consumers with a level of confidence that should promote customer engagement and therefore contribute to achieving level of benefits set out in the business case. We believe the development of an industry Data Privacy Charter will enable a further level of standardisation and transparency for the consumer.

Question 20: What is the most effective way to set out any sector specific protections around privacy (e.g. licence conditions or other alternatives)?

ScottishPower believes that adequate consumer protections are already in place through suppliers' existing compliance with the Data Protection Act 1998. In addition, under the DCC Licence Condition suppliers will be required to comply with the Smart Energy Code which if necessary should provide consumers additional confidence in engaging in the broader benefits of smart metering and the sharing of smart metering data above and beyond regulated duties with appropriate consents. As raised in our response to Question 19 above, we would be interested to understand DECC's thinking on management of the privacy policy framework and the possible enforcement role of the Information Commissioners Office in respect of the Smart Energy Code. A key aspect of an effective

approach in this area will be ensuring a level playing field delivering high standards from both suppliers and third parties such as ESCos.

ScottishPower, therefore, believes that all market participants, including those operating in the energy services market, should be signatories to the Smart Energy Code as well as their inherent duty to comply with the Data Protection Act 1998 so as to ensure that all consumers receive a satisfactory level of protection.

We are also actively supportive of the development of a Data Privacy Charter within the industry which aims to offer consumers further transparency with the way in which their data will be used.

Please also see our response to Question 19.

Question 21: What practical options for authentication would provide the right balance between allowing easy access to consumer data in the home while providing the necessary privacy protection? Are there any other issues or options that the programme should be considering in developing the approach in this area?

ScottishPower agree that a robust access framework is required but that data access and privacy needs to be a careful balance between security integrity and process complexity and technical investment. Ideally, there should be some mechanism for verifying that the person seeking data is signed up to the smart energy code.

We believe that the Programme, with industry support, needs to undertake further work in this area, recognising that a HAN solution has not yet been selected with the associated impact on the end to end smart metering architecture and security integrity still unknown.

See also our response to Question 23, and the issues surrounding the provision of PIN services.

Question 22: Are there other issues that need to be considered to make using the HAN a viable route for access to data in the home, from either a process or consumer perspective?

ScottishPower would recommend that the Programme ensures a consistent approach is taken to selecting HAN technology or technologies and the way in which the consumer can access their data. HAN selection will be a critical step in establishing the ease by which consumers can obtain and act on their smart metering data.

We would also raise a more general issue surrounding Change of Supplier or Change of Tenancy events and the possible requirement for a security and data privacy confirmation process.

Please also see our response to Question 21.

Question 23: What sort of arrangements would provide an appropriate balance between providing ease of access for consumers seeking to sign up to new services and adequate protection for consumers' data when accessed via DCC? Do you have any suggestions for alternative approaches?

ScottishPower believes that consumer consent should be an attribute of an individual product or service where the level of smart metering data is over and above that required for regulated duties.

Any arrangements which are put in place should ensure that there is a minimal level of effort required by consumers to enable other service providers to access their data via the DCC. At all times consumers should feel suitably protected. Accordingly, in addition to their obligations under the Data Protection Act 1998, we believe all service providers should be required to sign up to the relevant provisions of the Smart Energy Code.

In addition, we would recommend that the Programme gives further detailed consideration to the following:

Access control / PIN services:

In its role as access controller, we believe the DCC is best positioned to provide an appropriate and effective central PIN service. However, we would recommend that further detailed analysis work is required before a final approach can be agreed, taking into account the impact on market participants, consumers and the smart metering architecture.

Connection of new devices:

In conjunction with selecting an appropriate HAN technology, detailed consideration must be given in regard to how consumers will connect additional devices to the HAN to obtain their smart metering data in user friendly, yet secure manner.

Data retention:

Consumers will engage with market participants and service providers in many different ways with appropriate consents requested and recorded where data access is above and beyond that required for regulated duties. We would recommend that clear guidelines are set out for all industry parties to ensure that the level of data access, associated consent and the types of products /services offered are aligned and that data is removed in appropriate timescales as illustrated in Table 1.

Service / Product Description	Consumer consent required	Access to Consumption Data	Treatment of data
On-line/ phone sales quotation or switch comparison service	Yes	Yes	Removal of data from systems following quotation calculation
On-line/ phone energy advice	Yes	Yes depending on service offered	Removal of data from systems following quotation
Energy monitoring services	Yes including contractual terms and conditions	Yes Frequency dependant on product / service description and terms and conditions	As per those stated in the product/service definition and associated terms and conditions. Removal in conjunction with consumer consent withdrawal and product/service
Energy product	Yes – if above and beyond basic regulated duties	Yes Frequency dependant on product / service description and terms and conditions	As stated in the product/service definition and terms & conditions. Removal in conjunction with consumer consent withdrawal and product/service

Table 1: Illustration of service products and appropriate data retention measures

Enforcement of data use rules

The enforcement of the Data Protection Act 1988 is a matter for the Information Commissioners Office. It would be useful if they were to prepare guidance relevant to smart meters. The Smart Energy Code should also set out appropriate sanctions to govern any breaches of its privacy rules.

Question 24: Are there other issues or options that the programme should be thinking about for the Foundation Stage or for non-domestic customers to facilitate access to data?

We consider that third party data access presents significant challenges during the Foundation Stage and would therefore suggest this is delayed until the DCC is established.

As stated in our response to Question 23, we believe all third parties should already be acting in accordance with the Data Protection Act 1998 and should be obligated with the relevant provisions of the Smart Energy Code, including any controls relating to consumer consent.

Consent framework:

Over and above access to and use of data for regulated duties, we believe that the most straight forward approach to consumer consent is to make 'consent' an attribute of an individual smart metering product or service. Taking this approach, consumers will have a clear understanding of the levels and frequency of data access required to support a specific product or service. Should a consumer subsequently change their mind this will result in a change to the product or service which they receive. We believe this approach strikes a suitable balance between the cost and complexity of maintaining consents and the consumer entering into agreements to share their personal data to realise the benefits associated with engaging smart metering.

We would also propose that different levels of consent need to be considered:

- Consent for 'one-off' services e.g. for product/service quotation purposes
- Consent where a consumer is entering into a contract with appropriate terms and conditions where access to data over and above that required for regulated duties is undertaken on an on-going basis.

It is possible that some other uses of data may need to be envisaged, on an opt-in or opt out basis as is appropriate.

Non-domestic customers:

We would propose that the key principles of the Data Protection Act 1998 should be no different for domestic or non-domestic customers and therefore a single approach to data privacy should be adopted across the industry.

Question 25: Do you have any suggestions as to how the Foundation Stage can be used to further learn about our approach to data access and privacy?

ScottishPower would recommend that the Foundation Stage provides an opportunity to establish a basic framework for data privacy and security which can evolve over time as we better understand how the smart metering market operates. The data privacy framework needs to remain flexible, whilst underpinned by both the Data Protection Act 1998 and the Data Privacy Charter, under development within the industry.

Further work needs to be undertaken by the Programme to better understand the way in which customers will be able to access their data and would recommend that a full cost benefit analysis is undertaken prior to any final decision around the provision of PIN services. A final decision on HAN technology is also outstanding and the way in which customers will be able to connect devices to the HAN in a way which is both secure and user friendly.

We would support the setting out of some level of rules and guidance for the Foundation Stage with involvement from consumer groups and the ICO and recognise it may also be appropriate for specific testing and trialling to be undertaken within a 'controlled' environment where smart meters are installed. Taking such an approach would however require a trial group with sufficient volumes of smart meters to ensure the results are reflective of the market in Great Britain.