



Trilliant response to DECC SMIP consultation on the Smart Metering Rollout Strategy.

14th May 2015.

Q1: Do you agree with the minded position to set a de-minimis obligation for all large suppliers to install, commission and enrol 1,500 SMETS2 meters or 0.025% of total meter points (whichever is the lower) within 6 months of DCC Live?

We disagree with this position, as not all large suppliers will be in the position to begin installing SMETS2 meters due to the open ended nature of end-to-end testing. The DCC rushing to provide installation commitments for SMETS2 means that end-to-end testing is likely to be rushed and issues with SMETS2 installations that may not of been previously addressed may not be fully uncovered, understood and resolved. Additionally, DCC are proposing that all suppliers do not have to be DCC users until DCC live plus 12 months, which means that SMETS2 installation and commissioning may not be possible for some of the suppliers. Trilliant's position is that it is better to move this commitment to closer to date at which all suppliers have to be DCC users.

Q4: Do you agree that electricity DNOs should be mandated to be DCC Users from DCC Live?

DNOs should not be mandated to become DCC users from DCC live. This is for several reasons.

1. DNO benefits will only become tangible once a critical mass of installations has been completed, which is likely to be much closer to the 2020 deadline. Forcing DNOs to become DCC users before that critical mass is reached means that costs will be high, and benefits achieved low for a considerable period of time.
2. One of the main drivers for grid operations that the DNOs could benefit from - outage detection - is not currently scheduled to be included in the first release from DCC, meaning that the core functionality that DNOs would be able to use to improve their service to their customers will not be available. This was admitted by the DCC at the DCC Industry Day in March.
3. Additional network traffic will be created by DNOs wishing to monitor outages, voltage and consumption data. It is not advisable to place this extra load on DCC services from day one, when the DCC themselves have said that they wish to be able to control the speed of deployments in case of system issues.
4. There are other commercial providers of the Smart Grid systems and data that the DCC wishes to supply to DNOs, and to mandate that they become DCC users could be viewed as anti-competitive, as it will take resource and budget from other DNO programmes.

Q11: Do you agree that the Government's minded to position on 'Install and Leave' should apply to both SMETS1 and SMETS2 installations?

The Government position on 'Install and Leave' must not apply to SMETS1, as our SMETS1 systems have not been designed with this approach in mind. With regards to SMETS1 WAN coverage improving, communications providers that are not CSPs are not under contractual obligation to DECC to improve coverage, and so this is very unlikely - if the coverage is not available today, it is unlikely to become available in the future.

Q14: Do you agree with the proposal to set a SMETS1 end date of DCC Live plus 12 months?

No, Trilliant does not agree with the setting of a SMETS1 end date at DCC live plus 12 months.

So far as we are aware, neither DECC nor the DCC have done a single piece of analysis on SMETS1 solutions currently being deployed in the marketplace. SMETS1 offers a viable, commercially driven path to smart metering benefits being realised early. The extended time that SMETS1 solutions have been available, due to several SMIP delays, has resulted in SMETS1 solutions evolving to being very close to SMETS2 in terms of functionality and architecture, and are not rigidly stuck on the DECC SMETS1 specification. Indeed they offer exactly the same consumer benefits as the SMETS2 specification. For DECC to make a legislative move to stop SMETS1 installations, without any information on the success of the SMETS1 marketplace, is an unjust decision, anti-competitive and goes against the principles of the free market under which SMETS1 installations are occurring in volume today.

SMETS1 and SMETS2 installations should be allowed concurrently in perpetuity for the following reasons:

1. SMETS1 installations are ongoing in volume nationwide today by a variety of suppliers and service providers. SMETS1 offers the same consumer experience as SMETS2 and is a proven alternative solution. SMETS2 is not yet proven in the field. Setting an end-date for SMETS1 so close to DCC live is a risky proposition, and this decision should be delayed until SMETS2 is proven in volume.
2. Many SMETS1 providers are supplying installing SMETS1 solutions today. To shut this successful market and create a monopoly through legislation is anti-competitive.
3. SMETS1 installations require different backoffice IT systems and field force processes to SMETS2. This means that there is considerable cost associated with suppliers stopping SMETS1 installation and starting SMETS2 installations. This cost has not been included in DECC's cost-benefit analysis, and so the decision to mandate an end-date for SMETS1 needs further consideration in this context.

4. DCC Users are able to request Early Life Support from the DCC up to 12 months after completion of UEPT. This implies that there will be a gap between rollout of SMETS2 and end of life for SMETS1 for some suppliers.
5. Consumers are already benefiting from the early availability of smart services, as provided by SMETS1 systems. This includes pre-payment, change of supplier, and the introduction of Time-of-Use tariffs. These benefits need to be understood by DECC, and their value to the consumer understood before a decision is made. No attempt to do this has yet been made.

Q15: What are the advantages and disadvantages of a SMETS1 'cap' on individual suppliers both in combination with an end-date and as the sole means that SMETS1 meters are regulated?

A cap on SMETS1 installations could not be enforced, as Trilliant, for example, already has contractual commitments in place for supply of SMETS1 equipment. To place an artificial cap on the volume of SMETS1 installations would be anti-competitive and cut off a market-led path to early realisation of smart meter benefits.