

CAPGEMINI RESPONSE TO CONSULTATION ON THE SMART ENERGY CODE APRIL 2012

Date:
1 June 2012

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INTRODUCTION

This document is presented in response to Consultation on the Smart Energy Code April 2012.

This document includes the following:

- Section 1 Executive Summary
- Section 2 Responses to Questions 1-63

Capgemini would like to thank DECC for the opportunity to respond to this Consultation. For any further information, please contact:



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1 EXECUTIVE SUMMARY

1.1 Executive Summary

Following recent meetings with DECC Capgemini would like to reiterate that our Executive and Board are extremely interested in this opportunity both from the perspective of strategic nature of the role and the overall position that the DCC will enjoy in the UK market. We passionately believe that many aspects of what will be important to the DCC will be well served by a combination of Capgemini's global smart metering credentials and our unique approach to service integration and management (SIAM) which is successfully illustrated in other very complex environments such as HMRC ASPIRE, Rolls-Royce and the State of Texas in the USA. Having reviewed both the SEC consultation document and the draft DCC Licence, Capgemini fully understands and supports the proposed need for an organisation such as the DCC, to join together the various parties involved in the Smart Meter Implementation Programme, particularly given the multi-supplier nature of the UK energy market. On the whole this appears to us to be a comprehensive and well thought out approach to the programme.

We very much welcome the opportunity at this stage raise a few observations regarding your current proposals. Where possible rather than just raise a concern we do try to offer alternative perspectives and recommendations on other options DECC may choose to consider as you finalise the key elements of the SEC and DCC Licence. We also hope that some of our concerns may be resolved following discussion and a greater understanding of the intention behind some of the words which at times were not always clear from the documentation provided.

We have broken our key concerns down into three areas:

DCC as a Prime Contractor

Our understanding of the documentation is that DECC see the DCC as a Prime Contractor for the External Service Providers and holding the service contracts with the Energy Suppliers. There are a number of concerns with this sort of model, particularly where the Prime Contractor is potentially a minority party in terms of service revenues:

- a) All External Service Provider revenues will be channelled through the DCC and therefore will be subject to some level of mark-up and will have a diluting impact on the DCC margins and add to the overall costs.
- b) Flow down of liabilities and credits are always likely to leave gaps which the DCC would be left responsible for. We recognise certain efforts have been made to protect the DCC but given it is a minority revenue stream these would still be of concern. In addition the DCC is being expected to take ownership of contracts that it will have not negotiated after it has agreed to the terms of the DCC Licence and SEC.
- c) It is usual for limitations on liabilities to be based on revenue and if the revenue includes that of all External Service Providers the risk for the DCC could be disproportionate to its profits.

Capgemini believes that before committing to the above approach, DECC should consider whether other arrangements, such as appointing the DCC as a Managing Agent where the contract/invoice flow remains with the DECC, could provide the function that DECC requires and make the role more attractive to bidders. This would also have the advantage that if the DCC

were not performing and its licence was revoked, that the contracts with the External Suppliers would remain in place with DECC.

Restrictions on Business Opportunities

Capgemini is as yet unclear as to what extent other parts of the Capgemini group may be prohibited by the restrictions set out in the code and the Licence from providing services. To some extent this is dependent on the exact nature and scope of the DCC; however our current view at this point is that the DCC is essentially a management and procurement function, which pulls in resources and capabilities from other parts of the group to carry out some of the functions of the Licensee itself. Our interpretation at present is that the restriction on the services that the DCC itself could provide, as opposed to procuring, would be quite significant thus limiting its ability to deploy assets, capability and infrastructure (shared or otherwise) to ensure the successful delivery of the service. An example of this might be QA or testing services, or even operational BPO services to monitor quality and identify/trigger work orders to remedy issues with the smart metering system

Outside of the immediate scope of the SMIP, we are also unclear as to whether we would be constrained in business we would wish to do in the energy sector as a whole, for example services to the supplier to support the deployment of smart meters during mass rollout or implementation of in-home devices and or smart applications. The more restrictions that DECC place on the DCC (& its owning company), the less attractive the opportunity is likely to be to prospective suppliers.

DCC as an Independent Company

We understand and fully support the need for the DCC to be independent given the arbitration aspects to its role. Capgemini believes it may be difficult to achieve the credit ratings for a newly established company and feels that the overheads of setting up a separate company with independent directors is not an appealing proposition (for a relatively small concern – particularly if it is unable to pull in capability of other parts of the group). Clearly many of the corporate reporting and financial security requirements are arguable better served by the DCC operating as a separate company, however Capgemini does feel that if DECC could find a way of allowing suppliers to ring fence the DCC from within their existing organisations, then it might be more attractive to bidders.

These are the main points we have highlight from the responses that follow. We have only answered questions where we feel that we have either a specific contribution to make. Despite these concerns Capgemini would like to confirm that we remain extremely interested in this opportunity. We would welcome the opportunity for dialogue with DECC to discuss some of the potential constraints that might be imposed on service providers given the current wording in your documentation. We hope that you find our perspectives helpful and constructive, whilst challenging and that this will help you to finalise your position prior to initiating the selection process for the Licensee later on in the summer. Should you have any questions on any of the information contained within our responses please do not hesitate to contact us.

2 RESPONSES TO QUESTIONS 1-63

2.1 Question 1

Question 1	
1	Please provide any comments that you have on the classification of party categories under the SEC. Chapter 4. Consultation questions: Involvement of the Meter Services Community
	<i>No comment at this time.</i>

2.2 Question 2

Question 2	
2	Are the requirements of both meter asset providers and meter operators for access to smart metering systems adequately captured in this consultation paper? If not, please provide additional details of the requirements and why they are required.
	<i>No comment at this time.</i>

2.3 Question 3

Question 3	
3	Do you support the Government's preferred solution to implement a simple variant of Option B whereby the registration of a meter operator in the existing electricity and gas registration systems would be deemed to constitute a nomination by the supplier of that meter operator to act as its agent to perform a specific set of commands?
	<i>Capgemini agrees that Option B would appear to be the preferred solution balancing practicality against contractual overhead.</i>

2.4 Question 4

Question 4	
4	Should meter operators be given limited participation rights in SEC governance under Options B or C, and if so what rights would be appropriate?
	<i>No we do not believe that meter operators should be given limited participation rights in SEC governance under either options B or C.</i>

2.5 Question 5

Question 5	
5	Would you support the tracking of assets being included within the future system requirements for the new registration systems, which are proposed to be provided by the DCC?
	Chapter 5. Consultation Questions: Accession to the SEC <i>Capgemini believes that tracking of assets is an essential requirement for the new registration systems. This will provide end to end visibility from meter to retailer and 'one view of the truth'. The DCC will require this level of granular insight into and management of the entire environment if it is to fulfil its obligations. The DCC is uniquely positioned to hold the master data repository; all other parties require visibility of only a subset of the data.</i>

2.6 Question 6

Question 6	
6	Do you agree with the process proposed for accession and the accession time limit?
	<i>No comment at this time.</i>

2.7 Question 7

Question 7	
7	<p>Do you agree that once acceded, any SEC Party should be able to participate in the governance of the SEC prior to undertaking any further entry processes?</p> <p>Consultation Questions: Accession to the SEC</p>
	<p><i>No comment at this time.</i></p>

2.8 Question 8

Question 8	
8	<p>Do you have any views on the company, legal and financial information that should be provided as part of the SEC accession process?</p> <p>Chapter 6 - Consultation questions: Establishing readiness to receive the DCC's communication services</p>
	<p><i>Company, legal and financial checks should be undertaken to ensure that all SEC participants meet the minimum stipulated criteria. These checks should be fairly extensive so as to avoid introducing participants who, whilst only a small part of the overall landscape, might be performing critical roles and therefore if they were to encounter business or financial difficulties may cause a severe impact on the overall programme.</i></p>

2.9 Question 9

Question 9	
9	<p>Do you agree that Government should not mandate a specific solution for the DCC User Gateway and that Data Service Provider (DSP) bidders should be invited to propose the solution which they consider to be the most effective (such proposals could include the option of extending an existing industry network)?</p>
	<p><i>The Government should first ensure there is no existing Gateway that could be re-used for this purpose. This could result in a far earlier and more cost-effective implementation.</i></p> <p><i>There is no architectural or technical reason why the DSP should deliver the Gateway and independence from the DSP might actually be a preferred option to ensure the DSP focuses on core responsibilities under its contract and that a level of independence is maintained in this regard. A separate open tender might deliver a better outcome. The Government should base its requirements for connection and interfaces on open-standards. This would ease the entry of SMEs into the environment and avoid vendor "lock-in" and over dependence on one major service provider.</i></p>

2.10 Question 10

Question 10	
10	Do you have any other comments on the Government's proposals for the DCC User Gateway?
	<i>No comment at this time.</i>

2.11 Question 11

Question 11	
11	Do you agree with the proposed DCC user entry processes? Chapter 7 - Consultation questions: enrolling smart metering systems
	<i>Yes we agree to the proposed DCC user entry process.</i>

2.12 Question 12

Question 12	
12	Do you agree with the proposed rights and obligations relating to smart metering system enrolment set out in this chapter? Please provide your views.
	<i>Capgemini broadly agrees with the proposal but believes there will be much further work required to define and establish processes e.g. How to deal with MPRN/MPAN processes or how to keep all participants apprised of necessary information etc) Capgemini anticipates that there will be a significant amount of work required to define and establish these processes.</i>

2.13 Question 13

Question 13	
13	Do you agree that the SEC should require, as a condition of enrolment, that the supplier grants the right to the DCC to access its smart metering system for specified purposes?
	<i>Yes Capgemini agrees that the SEC should require that the supplier grants the right to the DCC to access its smart metering system for specified purposes. We believe that these cases should be well defined and documented in advance with the supplier so as to avoid any ambiguity or regular/unnecessary events triggered by the DCC.</i>

2.14 Question 14

Question 14	
14	Do you agree with the proposed rights and obligations relating to smart metering system withdrawal and replacement of devices? Chapter 8 - Consultation questions: Core and elective communication services
	<i>Yes, we agree with the proposed rights and obligations in this chapter. Additionally, Elective Services will be important to long term value of smart meter programme, so the processes must allow for incorporation of such services.</i>

2.15 Question 15

Question 15	
15	Do you agree with the three different types of eligibility to receive core communication services that have been proposed?
	Yes.

2.16 Question 16

Question 16	
16	Are you aware of situations where there are two or more importing suppliers in relation to a single smart metering system and if so, where do such situations exist, how many exist and what metering arrangements have been made?
	<i>No comment at this time.</i>

2.17 Question 17

Question 17	
17	Do you agree that amendments to the set of core communication services should be subject to the standard SEC modification process?
	Yes.

2.18 Question 18

Question 18	
18	Do you agree that SEC Parties should be able to request elective communication services from DCC on either a bilateral or multilateral basis?
	<p><i>Yes we do agree that the SEC parties should be able to request elective communication services from DCC either on a bilateral or multilateral basis.</i></p> <p><i>We do believe however that elective bilateral services arrangement must not be allowed to impact on core service provision. Furthermore the DCC should ensure bilateral services are not ant-competitive or negative to consumers.</i></p>

2.19 Question 19

Question 19	
19	Do you agree that the following SEC requirements associated with the provision of core communication services should also apply to elective service provision: DCC user entry processes, technical security requirements, data privacy requirements, financial security requirements and dispute arrangements?
	<p><i>Capgemini believes it is essential that the same requirements are applied regardless of type of service provision.</i></p> <p><i>This will simplify service delivery with the consequential reduction of costs and risk. All of these are sensitive areas where clarity and a lack of ambiguity are essential; for example, setting different technical security requirements for different types of service may introduce a security vulnerability. This will also facilitate easier migration of service between core and elective later should that be required.</i></p>

2.20 Question 20

Question 20	
20	Do you agree that the SEC should set out mandatory procedures for the provision of an offer of terms for elective communication services by the DCC and with the mandatory procedures proposed? Do you consider that any additional procedures should apply? What do you consider are the appropriate timescales within which an offer of terms should remain open?
	<i>No comment at this time.</i>

2.21 Question 21

Question 21	
21	Do you agree that commercially sensitive terms and conditions associated with elective service provision, which might include the type of communication service that is being provided, performance standards associated with the provision of that service and the price associated with that service, should be confidential between the DCC and the party or parties receiving the service unless the party or parties receiving the service consent or unless requested by the Authority pursuant to the DCC Licence?
	<i>Yes. If trust and confidence in the independence of the DCC are to be maintained then the parties providing elective services must be assured that their commercially sensitive information is not exposed to their competitors, clients or suppliers.</i>

2.22 Question 22

Question 22	
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?
	<p><i>Yes. It is essential that all SEC parties are aware of changes to DCC systems before they occur so that:</i></p> <ul style="list-style-type: none"> <i>• They can plan any corresponding actions they need to make</i> <i>• They can assess what if any contingency arrangements they should make in the event that the changes fail and this failure negatively impacts them</i> <i>• They can identify the source of any consequent problems in a short period</i> <p><i>This is standard service management practice.</i></p>

2.23 Question 23

Question 23	
23	<p>Do you agree that the DCC should only be required to offer terms for elective communication services from a specified date, and if so, what do you consider that date should be?</p> <p>Chapter 9 - Consultation questions: DCC charges</p>
	<p>Yes.</p> <p>Capgemini believes the focus of the initial period should be to ensure core services are bedded in and running smoothly. Our view is that the period should not be less than 12 months as successful establishment of the core services should have been confirmed through at least one annual review of performance/progress. DECC should also consider if a proportion of total smart meters deployed should be a criterion. Capgemini would however want to see more details of the transition arrangements before offering a definitive view.</p>

2.24 Question 24

Question 24	
24	<p>Do you think that the proposed approach for DCC charging is reasonable?</p>
	<p>Capgemini understands the DCC charging approach as set out in the SEC. The intention of DECC is for the Licensee to bill the energy companies and other users of the SMWAN directly for their usage, this does inevitably mean that the significant portion of the revenues flowing through the DCC are pass through revenue (going onto the External Service Providers). As the Licensee proportion of the overall revenue may be relatively small, this will make the opportunity less attractive to bidders and DECC should also give further consideration to how contractual liabilities/risks are to be quantified in DCC contracts which may cover large revenue streams but small profits.</p> <p>Capgemini notes the intention for only the DCC to apply charges during the period between DCC Licence Commencement and DCC Go-Live and would like to understand what contracts with users of the service would be existence at that stage to enable the DCC to raise invoices.</p> <p>Capgemini is supportive of a policy of splitting the charges between fixed and variable components but would like to understand more about whether the variable component is subject to same forecast/adjustment policy as the fixed component.</p> <p>Capgemini does believe that further consideration is required to find means to minimise the cost of capital that will be incurred, thus minimizing the eventual price. The interplay between the right to recover such capital investments and the terms of the revocation events will also need further discussion.</p> <p>Capgemini is supportive of the proposals regarding the reduction of charges in the event of a service failure rather than providing for compensation for failure. Given that multiple suppliers are involved in the delivery of the smart energy services and some of those suppliers may not be large companies or have a large share of the revenues, this seems to be an appropriate policy.</p>

2.25 Question 25

Question 25	
25	Do you consider that the "pay now dispute later" approach is consistent with the envisaged DCC regime? If you disagree please set out the reasons for your preferred approach.
	<i>Capgemini agrees that the 'pay now dispute later approach' is the correct policy. However in practice it is more likely that one particular user will refuse to pay an invoice and therefore the bad debt provisions would come into play. The concept of the DCC only paying the External Service Providers when paid does not really hold up as there are multiple users and there is always the possibility of one of them not paying.</i>

2.26 Question 26

Question 26	
26	Do you accept that bad debt should be socialised explicitly within the current charging period across all DCC service users? If you disagree please set out the reasons for your preferred approach.
	Chapter 12 - Consultation questions: The SEC Panel
	<i>Capgemini agrees that the most appropriate method of dealing with bad debt is to spread it across the service users and recover it within the relevant charging period. We are comfortable that a role of the DCC will be to manage the bad debt risk and financial security of the SEC Parties and External Service Providers. It should be noted that depending on the commercial model selected the bad debt risk may ultimately lie elsewhere prior to it being dissipated across the service users. For example if the DCC were operating as a Managing Agent then the payments (in and out) for the Smart Energy Services would be channelled through DECC themselves.</i>

2.27 Question 27

Question 27	
27	Do you agree with the proposed functions, powers and objectives of the SEC Panel, as set out in Boxes 12A and 12B?
	<i>No comment at this time.</i>

2.28 Question 28

Question 28	
28	Do you think that a fully independent panel is the appropriate model for the SEC? Please give reasons for your answer.
	<i>Yes. Capgemini believes this will help ensure that service integrity is maintained and that any disputes or conflicts of interests are speedily and objectively resolved.</i>

2.29 Question 29

Question 29	
29	Do you agree that the proposed SEC Panel composition set out in Box 12C is appropriate? Please give reasons for your answer. Alternative proposals for the panel composition are welcome.
	<i>No comment at this time.</i>

2.30 Question 30

Question 30	
30	Do you agree with the proposed division of voting and non-voting members, and in particular do you believe that the DCC should be a non-voting member in respect of any or all aspects of panel business?
	<i>No comment at this time.</i>

2.31 Question 31

Question 31	
31	Do you agree that the proposals for the independence, appointment and term of office of the panel chair are appropriate? Please give reasons for your answer.
	<i>No comment at this time.</i>

2.32 Question 32

Question 32	
32	Do you agree with the proposed arrangements for panel member elections and appointments?
	<i>No comment at this time.</i>

2.33 Question 33

Question 33	
33	Do you agree with the proposed rules in respect of proceedings and decision making at SEC Panel meetings?
	<i>No comment at this time.</i>

2.34 Question 34

Question 34	
34	<p>Which of the two options for remuneration of panel members do you prefer, and why? In particular which of these options do you believe would be most aligned with each of the options for the panel to be either an independent or a representative body as a whole?</p> <p>Chapter 13 - Consultation questions: Code Administrator & Secretariat</p>
	<i>No comment at this time.</i>

2.35 Question 35

Question 35	
35	<p>Do you think the Code Administrator and Secretariat chosen by the SEC Panel should be contracted through the DCC or through a SECCo?</p>
	<i>No comment at this time.</i>

2.36 Question 36

Question 36	
36	<p>If a SECCo was established what should its funding arrangements, legal structure, ownership and constitutional arrangements be?</p> <p>Chapter 14 - Consultation questions: Modification process</p>
	<i>No comment at this time.</i>

2.37 Question 37

Question 37	
37	Do you have any views on the proposals regarding which parties should be entitled to raise SEC modification proposals?
	<i>No comment at this time.</i>

2.38 Question 38

Question 38	
38	Do you have any comments on the proposed standard progression paths for different categories of modification?
	<i>No comment at this time.</i>

2.39 Question 39

Question 39	
39	Do you have any comments on proposed criteria that the panel would apply to judge whether a proposal is non-material and so to determine which path should be followed?
	<i>No comment at this time.</i>

2.40 Question 40

Question 40	
40	Do you think it is for the panel or for the Authority to decide whether a modification proposal should be considered urgent and determine its timetable?
	<i>We believe the panel should decide whether a modification proposal should be considered urgent and determine its timetable.</i>

2.41 Question 41

Question 41	
41	Do you have any views on whether any non-standard modification rules and procedures should apply to any particular parts of the SEC?
	<i>No comment at this time.</i>

2.42 Question 42

Question 42	
42	Do you agree with the proposal that responsibility for making final decisions or recommendations on SEC modification proposals should always rest with the SEC Panel and that this power should not be capable of delegation?
	<i>No comment at this time.</i>

2.43 Question 43

Question 43	
43	Are there any further matters relating to the modification process which you would like to comment on? Chapter 15 - Consultation questions: Reporting
	<i>No comment at this time.</i>

2.44 Question 44

Question 44	
44	Do you agree that that the SEC should place certain obligations on the SEC Panel and, possibly, SEC Parties with regard to the production, provision and publication of certain information and reports? If so, what do you believe these should be? Chapter 16 - Consultation questions: Compliance and assurance
	<i>No comment at this time.</i>

2.45 Question 45

Question 45	
45	Are there any particular areas of risk that you believe should be addressed by appropriate compliance/assurance techniques under the SEC?
	<i>No comment at this time.</i>

2.46 Question 46

Question 46	
46	<p>Do you have any views on the most appropriate governance arrangements for any compliance/assurance framework under the SEC?</p> <p>Chapter 17 - Consultation questions: Liabilities between the DCC and DCC service users</p>
	<p><i>No comment at this time.</i></p>

2.47 Question 47

Question 47	
47	<p>Do you have views on the options for the creation and enforcement of liabilities between the DCC and service users described in this chapter?</p>
	<p><i>It is not immediately clear why this needs to be regulated rather than relying on the parties to enter into negotiated contracts allocating liability risk as appropriate.</i></p> <p><i>Since the DCC will not directly be responsible for meters or services provided to end users its only liabilities should be those of a service provider to the DCC users. Such services would be limited to data processing and communications. Where there are errors due to the DCC such measures as required to rectify should be negotiated between the parties.</i></p>

2.48 Question 48

Question 48	
48	<p>Do you agree that there should be a cap on liability for specific types of breach between the DCC and service users (including security breaches and physical damage). If so, what do you believe the appropriate level of these caps to be?</p>
	<p><i>Capgemini believes that there should be a Cap on liabilities. Such cap will need additional work to quantify but should likely be based on the concept of liquidated damages or direct harm suffered and not punitive in nature.</i></p>

2.49 Question 49

Question 49	
49	Are there any other specific types of liability between the DCC and service users that should be addressed in the SEC? If so, how should these be treated? Consultation questions: Obligations and liabilities between SEC Parties
	<i>Capgemini believe that all liabilities that between parties should be discussed and settled as per the contract freely agreed between the parties.</i>

2.50 Question 50

Question 50	
50	Do you have views on the options for the creation and enforcement of obligations and liabilities between SEC Parties (excluding the DCC) described in this chapter?
	<i>No comment at this time.</i>

2.51 Question 51

Question 51	
51	In your view, do any of the potential matters between parties described in this chapter (or any other such matters that you are aware of) merit the inclusion of obligations or liabilities that are directly enforceable between parties under the SEC?
	<i>No comment at this time.</i>

2.52 Question 52

Question 52	
52	Do you agree that it would generally be preferable to enforce party obligations "centrally", for example through an appropriate compliance or assurance framework under the SEC?
	<i>Yes we agree that it would generally be preferable to enforce party obligations centrally.</i>

2.53 Question 53

Question 53	
53	Are there any scenarios where you believe that it would be appropriate to allow for cost recovery between parties under the SEC? If so, what form should these arrangements take?
	Chapter 18 - Consultation questions: Disputes
	<i>No comment at this time.</i>

2.54 Question 54

Question 54	
54	What types of dispute do you believe might arise under the SEC?
	<i>The majority of disputes that are likely to arise will be:</i>
	<i>1. Contractual.</i>
	<i>2. Related to the failed meter reads; attributing the cause of failure and the responsibility for the resolution of such failure cause the majority of disputes in Capgemini's experience.</i>

2.55 Question 55

Question 55	
55	<p>Do you agree with the proposed framework for resolving various different categories of dispute, as outlined in this chapter?</p> <p>Chapter 19 - Consultation questions: Default</p>
	<p><i>Capgemini believes that the proposed dispute resolution procedures suggested are adequate and would be effective in resolving any disputes.</i></p>

2.56 Question 56

Question 56	
56	<p>Do you have any views on the suggested framework for dealing with defaults under the SEC, including the events, consequences and procedures described? In particular, do you agree with the proposed role for the SEC Panel and have any view on what SEC rights or services it would be appropriate to suspend in the event of a default?</p> <p>Chapter 20 - Consultation questions: Ceasing to be a party to the SEC</p>
	<p><i>No comment at this time.</i></p>

2.57 Question 57

Question 57	
57	<p>Do you agree with the proposed rules and procedures governing withdrawal and expulsion from the SEC described in this chapter?</p> <p>Chapter 21 - Consultation questions: Intellectual property rights</p>
	<p><i>No comment at this time.</i></p>

2.58 Question 58

Question 58	
58	<p>In addition to the proposals above relating to the suggested intellectual property provisions to be included in the SEC, are there any other intellectual property provisions which should be considered for inclusion within the SEC?</p> <p>Chapter 22 - Consultation questions: Confidentiality</p>
	No.

2.59 Question 59

Question 59	
59	<p>What information should be classified as confidential under the SEC?</p>
	<p><i>Capgemini believes that it is necessary to identify any other information as confidential other than that set out in paragraph 475.</i></p>

2.60 Question 60

Question 60	
60	<p>How should a balance be struck between transparency and data publication under the SEC, whilst maintaining confidentiality?</p> <p>Chapter 23 - Consultation questions: Unforeseen events</p>
	<p><i>No comment at this time.</i></p>

2.61 Question 61

Question 61	
61	Please detail those events which you believe would warrant the force majeure provisions being exercised and indicate who should declare a force majeure event.
	<i>Capgemini would suggest adding 'pandemic infection' to the list of suggested force majeure events and believes that the Government, the DCC (on behalf of itself and all External Service Providers) and Energy Suppliers should all be able to declare a state of Force Majeure.</i>

2.62 Question 62

Question 62	
62	Please provide your thoughts on the proposal that the SEC should define a set of contingency business process arrangements and associated service levels/obligations which will apply in the event of a major service failure. Chapter 24 - Consultation questions: Transfer of the DCC Licence
	<i>Capgemini firmly believes that the SEC should define those services that are required in the event of a major service failure, the level to which they are to be provided and any particular obligations on the supplier(s) with regard to them. The SEC should not define how those services should be delivered but rather should focus on the required outcomes.</i>

2.63 Question 63

Question 63	
63	Please provide your comments on the proposals outlined for the DCC transfer and whether there are any other specific provisions that you suggest need to be covered within the SEC, in addition to the proposed novation agreement for the SEC.
	<i>Capgemini believes the proposals outlined for the DCC transfer are broadly appropriate and cover the areas that would be expected. One area that may need further consideration is how the DCC would be compensated were it directed to provide further assistance in the two years following the Expiry Date (as set out in paragraph 42.14 (f)). It would not be in the interests of the Government for the Licensee to build in costs for this period which may not be required and therefore Capgemini believes an outgoing DCC should be able to charge for any services provided following termination of the licence. Given the exact nature and skill set of the Successor Licensee would be unknown it would also be prudent to cover the possibility that a Successor Licensee requires greater support from the DCC than would normally be expected, during the Expiry Period.</i>