



**DECC Consultation - Smart Metering Implementation Programme - Non Domestic Market:
Proposed Amendments to Roll Out Licence Conditions**

Response from E.ON

General Comments

We welcome the majority of the proposals in this consultation. The delay to the implementation timescales for the DCC logically implies that associated changes may also be affected.

Reviewing and amending the existing non-domestic smart metering obligations therefore seems logical and is something we would support. Using this opportunity to address minor drafting concerns that have subsequently come arisen with the original text of the licence conditions is also sensible and again something that we would support.

We do not however support the proposal within the consultation to extend the obligations, regarding data provision by suppliers, to provide information to customers who have elected to contract with alternative metering providers. We do not believe that it would be possible for Suppliers to fulfil this obligation as they have no contractual relationship with the metering agents concerned.

We understand the underlying sentiment from DECC in suggesting this and suggest that this issue is debated more with stakeholders via the Smart Metering Implementation Programme.

Responses to Consultation Questions:

1. Whether the period during which advanced meters can be installed should be extended

With the delay in DCC services and uncertainty of availability of SMETS2 meters being available it seems logical to review the obligations for smart metering for small consuming non-domestic customers. Amending and delaying the date that advanced meters can still be deployed beyond April 2014 seems a reasonable suggestion.



2. The impact on the non-domestic metering market if the exception period were not extended

We do not foresee any implications for the non-domestic metering market should the exception period not be extended.

3. What effects any extension would have on the operation of the supply market

It would help reduce the risk that Suppliers face in determining what metering options would be most appropriate for their customers.

4. Whether any arrangements should apply in the same way to both electricity and gas meters

Yes, the arrangements should be applied equally to gas and electricity meters as the factors that influence the decision to delay are common (i.e. the DCC delay and the potential delay in the availability of smart metering variants).

5. If it should be extended, whether it should be extended to; April 2015, April 2016 or another date to be designated in due course

We would support the 3rd option for the designation to be delayed until a date in the future which would have an appropriate notice period (probably 12 months) and be consulted upon at the time by DECC.

This would have a number of benefits over the options of either selecting a date in 2015 or 2016.

Firstly it would mitigate the need for another consultation process like this one should the DCC's service delivery be delayed for any reason.

Secondly the requirement to install smart meters by Suppliers is predicated upon meters actually being available from manufacturers. Many of the affected customers will need to have SMETS 2 variant meters due to the physical nature of their energy supply (e.g. 3 phase electricity metering, U16 or greater gas metering). These meters have been specified as part of the SMETS 2 development but it is not yet clear what the timescale for actually delivering these will be.

Selecting the 3rd option will allow both these considerations to be taken into account before the obligation upon Suppliers is implemented.



6. Clarity around 'contractual arrangements' in the Licence condition

Yes, we would support this additional clarity being introduced into the Licence to help those who believe there was a degree of ambiguity in the original text.

7. The Government would welcome views on the appropriateness of amending the definition of non-domestic premises to mean all non-domestic sites in Profile Classes 1-4

Yes, we would support this proposal. The use of electricity profile classes is pragmatic but does potentially lead to unintended operational consequences. This amendment should help address this issue and ensure that the intent of the regulations is implemented.

8. The Government would welcome views on incorporating this minimum requirement for information provision in the definition of a smart metering system at designated premises in the roll-out licence conditions.

No, we do not in support this new proposal.

We understand the intent of the Government with regard to this proposal but do not think that it would be fair, or possible, for a Supplier to be made responsible for the detail of the data provision where a customer may have contracted with their own 3rd party meter provider.

Maintaining the existing obligations, as originally consulted upon, would encourage customers to consider using smart meter and services via the DCC. This commercial driver should be sufficient to ensure that customers interested in additional amounts of information or services can obtain them either directly from the meter or via services provided by an ESCO or their Supplier with whom a supplier has no commercial relationship.