



Department
of Energy &
Climate Change

Smart Metering Implementation Programme

Government Response to October 2013 consultation on amendments to roll-out licence conditions and implementation of EU Energy Efficiency Directive provisions on consumer access to data from smart meters

30 January 2014

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1. General information

Purpose of this document:

This document sets out the Government's response to its 22 October 2013 consultation relating to draft licence conditions for the roll-out of smart metering. The consultation sought views on:

- legal drafting changes to licence conditions concerning the non-domestic market resulting from the July 2013 'open letter' consultation;
- further changes to domestic and non-domestic licence conditions; and
- licence conditions to implement EU Energy Efficiency Directive provisions on consumer access to consumption and export data from smart meters.

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Territorial extent:

This consultation response applies to the gas and electricity markets in Great Britain. Responsibility for energy markets in Northern Ireland lies with the Northern Ireland Executive's Department of Enterprise, Trade and Investment.

Additional copies:

You may make copies of this document without seeking permission. An electronic version can be found at <https://www.gov.uk/government/consultations/licence-conditions-for-non-domestic-smart-metering-issues>

Other versions of the document in Braille, large print or audio-cassette are available on request. This includes a Welsh version. Please contact us under the above details to request alternative versions.

Quality assurance:

This consultation has been carried out in accordance with the Government's Consultation Principles, which can be found here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/60937/Consultation-Principles.pdf

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

DECC Consultation Co-ordinator
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London SW1A 2AW

Email: consultation.coordinator@decc.gsi.gov.uk

2. Executive summary

1. This document sets out the Government's response to its consultation of 22 October 2013 on changes to the smart metering licence conditions¹.
2. **Chapter 3** responds to Part 1 of the consultation which sought views on legal drafting changes to licence conditions concerning the non-domestic market. The Government had consulted on the policy issues behind these legal drafting changes in the July 2013 'open letter' consultation² and stated its conclusions in the 22 October consultation document. The amendments only concerned meters in non-domestic premises and consisted of:
 - an extension to the period in which advanced meters can be installed from 5 April 2014 to 5 April 2016;
 - a requirement for the customer to be directly involved in contracts under the "contractual arrangement" exemption which allow advanced meters to be installed until the end of 2020;
 - a minor definitional change of smaller non-domestic premises; and
 - minimum rights of access to data from smart meters.
3. **Chapter 4** responds to Part 2 of the consultation on further legal drafting and minor policy changes to domestic and non-domestic licence conditions, some of which relate closely to the subject area covered in chapter 3, but had not been consulted upon in the July 2013 open letter consultation. The amendments comprise:
 - the extension of the completion date for the smart metering roll-out from 31 December 2019 to 31 December 2020 and consequential changes;
 - clarification of the licence conditions for the exceptions relating to advanced metering; and
 - allowing data that can be obtained for billing purposes to be used to produce statements of account.
4. **Chapter 5** responds to Part 3 of the consultation on licence conditions to implement EU Energy Efficiency Directive provisions on domestic consumer access to data from smart meters. This included proposed licence conditions to provide consumers with access to consumption data and a proposed approach and draft licence conditions to provide customers with access to their electricity export data.

¹ The Government's consultation on smart metering licence conditions of 22 October 2013 was divided into 3 parts:
Part 1: [Licence Conditions for non-domestic smart meters](#)
Part 2: [Smart meters: draft amendments to supply licence conditions for domestic and non-domestic markets](#)
Part 3: [Domestic market: Licence conditions to implement the EU Energy Efficiency Directive provisions on consumer access to consumption and export data from smart meters](#)
www.gov.uk/government/uploads/system/uploads/attachment_data/file/253090/smip_cons_doc_gov_response_open_letter.pdf

² Non-domestic market: proposed amendments to roll-out licence conditions - open letter from Baroness Verma (consultation published on 1 July 2013; Government response published 22 October 2013).
www.gov.uk/government/publications/non-domestic-market-proposed-amendments-to-roll-out-license-conditions-open-letter-from-baroness-verma

5. Updated licence condition drafting is at Annex A.

6. The licence condition modifications will be laid before Parliament shortly and, following successful completion of the Parliamentary process, will come into force in two stages. Those associated with chapters 3 and 4 will come into effect on 6 April 2014 (except for the requirements on availability of consumption data to smaller non-domestic consumers which will come into effect on 4 June 2014), while those associated with chapter 5 (the new Energy Efficiency licence conditions) will come into effect on 4 June 2014.

3. Response to Part 1 of the Consultation: proposed amendments to roll-out licence conditions

7. This chapter summarises stakeholder responses and sets out the Government’s conclusions on part 1 of the consultation, which sought views on legal drafting in response to conclusions following the July 2013 ‘open letter’ consultation.

3.1 Consultation Summary

8. Part 1 of the consultation sought comment on proposed legal drafting implementing policy decisions following an ‘open letter’ consultation on the roll-out of smart meters in the non-domestic market (issued between 1 July and 23 August 2013). Part 1 of the consultation closed on 19 November 2013. The legal drafting provided for the following policy positions with respect to non-domestic premises:

- extending the exceptions for advanced metering from 5 April 2014 to 5 April 2016 (during this period suppliers can install advanced meters which may remain in place after 2020);
- ensuring that contractual arrangements made under the advanced metering exceptions must involve the customer;
- amending the definition of “designated premises” in the electricity roll-out licence conditions to include all non-domestic meters in Balancing and Settlement Code Profile Classes 1-4; and
- requiring energy suppliers to ensure that non-domestic customers with smart meters have timely access to a minimum of half-hourly electricity and hourly gas consumption data.

9. For further information on the detailed policy positions, please see the policy conclusions in the consultation document.

10. The questions in part 1 of the consultation were:

Consultation Question	
Part 1, Q1	Do you have any comments on the proposed legal re-drafting to take account of the changes that were consulted upon in the Open Letter consultation on proposed amendments to the roll-out licence conditions?

11. Six organisations responded to part 1 of the consultation. Responses were submitted by larger energy suppliers and an independent campaign group. All of the responses to part 1 can be found on the DECC website.

3.2 Stakeholder responses and Government conclusions

12. Respondents were broadly content with the majority of the proposed legal drafting, but raised a number of specific comments.
13. Some respondents said that the draft conditions did not adequately cover instances where customers entered into contracts for installation of advanced meters with metering service providers or installed the meters themselves. They asked how suppliers could ensure that the roll-out condition was met in these cases. The Government recognises that such arrangements are common in the non-domestic sector. It considers that suppliers have the means under supply contracts to ensure that appropriate metering is installed. The roll-out licence conditions require suppliers to take all reasonable steps to ensure that smart metering is installed by the completion date, or that advanced meters are installed where the exceptions apply. It will be for Ofgem to determine whether suppliers have met their obligations, including whether all reasonable steps have been taken to install smart meters.
14. One respondent said that requirements for advanced meters eventually to be replaced by smart meters could impose increased costs on suppliers with no additional benefits to consumers. It also suggested that replacement of an advanced meter could result in breach of a contract with the customer and could lead to provision of an inferior service. The Government's policy is that energy suppliers should take all reasonable steps to install smart meters in domestic and small non-domestic premises by the completion date, and that beyond a certain date all reasonable steps must be taken to ensure that all new and replacement meters in those premises must be smart meters. The consultation and legal drafting do not alter that position, although they provide scope to install advanced metering, and therefore to have it remain in place, for a longer period. The Government notes that, in any event, customers with a number of sites are likely to have a range of meters in their property portfolio. The Government considers that the need, in due course, to replace advanced metering with smart metering can be appropriately reflected in contracts between suppliers or other parties and their customers.
15. One respondent noted that they believed smart meters did not comply with the requirements of Balancing and Settlement Code of Practice 10 (BSC CoP10) in respect of half-hourly settlement. The Government understands that industry discussions have taken place about the relationship between Smart Metering Equipment Technical Specifications and BSC CoP10, and that further work under the BSC arrangements is underway.
16. Some respondents also commented on the clarity of the legal drafting for the operation of the exceptions for advanced metering. This was consulted upon specifically in Part 2 of the consultation - please see section 4.3 (page 10).
17. The amendments to the licence conditions that had been proposed in Part 1 of the consultation will therefore be made. The updated licence condition drafting associated with this chapter is at Annex A.

4. Response to Part 2 of the consultation: proposed amendments to supply licence conditions

18. This chapter summarises stakeholder responses to part 2 of the consultation and sets out the Government's conclusions. It covers issues relating to the advanced meter exceptions, the change to the date for completion of the roll-out and the use of consumption data to produce statements of account.

4.1 Consultation Summary

19. Part 2 of the consultation proposed further changes to supply licences, some of which apply to the domestic, as well as the non-domestic market. Part 2 of the consultation had two closing dates: 19 November 2013 for question 1, and 3 December 2013 for questions 2 and 3.

20. Part 2 sought comments on the proposed legal re-drafting in relation to:

- the previously announced decision to extend the completion date for the smart metering roll-out from 31 December 2019 to 31 December 2020;
- clarifying the licence conditions on installation of advanced meters under the exceptions to the smart metering roll-out obligation; and
- amending the licence conditions to allow data collected for billing purposes also to be used to produce statements of account.

21. The questions in part 2 of the consultation were:

Consultation Question	
Part 2, Q1	Do you have any comments on the proposed legal re-drafting to take account of the extension to the completion of the smart metering roll-out to the end of 2020?
Part 2, Q2	Do you have any comments on the Government's intention of clarifying the licence conditions on installation of advanced meters under the exceptions to the smart metering roll-out obligation, and do you have any comments on the proposed legal re-drafting?
Part 2, Q3	Do you agree that the licence conditions should be amended to allow data that is collected for billing purposes also to be used to produce statements of account, and do you have any comments on the proposed legal drafting?

22. Six organisations responded to part 2 of the consultation. Responses were submitted by larger energy suppliers and an independent campaign group. All of the responses can be found on the website.

4.2 Changes in relation to the completion date for the roll-out of smart metering

23. **Question 1: Do you have any comments on the proposed legal re-drafting to take account of the extension to the completion of the smart metering roll-out to the end of 2020?**

24. A number of changes were necessary as a consequence of the Government's decision, announced in May 2013, that the completion date for the roll-out of smart meters would be changed. These can be summarised as follows:

- the completion date for the roll-out will be changed from 31 December 2019 to 31 December 2020;
- the date by which advanced meters can be installed, where a contract has been agreed before 6 April 2016, will be changed from 31 December 2019 to 31 December 2020;
- the date by which current transformer meter and large gas meters must have advanced meter functionality will be changed from 31 December 2019 to 31 December 2020; and
- the date by which energy suppliers can re-submit their roll-out plans to Ofgem will be changed from 31 March 2017 to 31 March 2018.

Stakeholder responses and Government conclusions

25. Respondents were content that the changes to dates reflected the Government's policy intent; the Government will make these changes accordingly. Revised licence conditions to take account of these changes are at Annex A.

4.3 Installation of advanced meters under the exceptions to the smart metering roll-out obligation

26. **Question 2: Do you have any comments on the Government's intention of clarifying the licence conditions on installation of advanced meters under the exceptions to the smart metering roll-out obligation, and do you have any comments on the proposed legal re-drafting?**

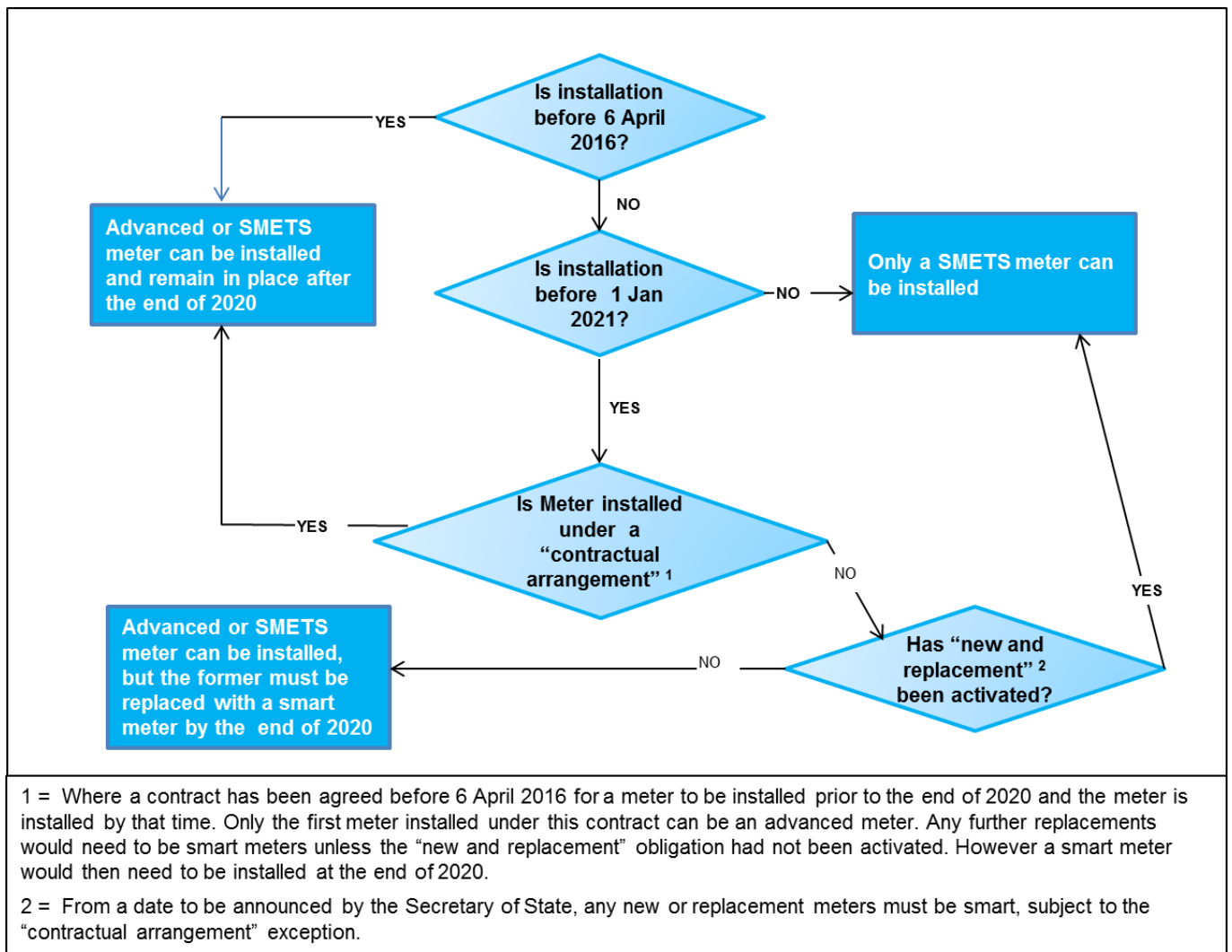
27. The Government had been concerned that the existing licence conditions may not have fully met its policy intention that advanced metering installed under the exceptions to the roll-out obligation should only be replaced with smart metering. The only advanced meters that may be installed after 31 December 2020 are current transformer electricity meters and larger gas meters. The Government therefore proposed to amend the licence conditions to more accurately reflect this policy.

Stakeholder responses and Government conclusions

28. While most respondents agreed with the intent of the proposed drafting, a number commented that the drafting appeared overly complex and difficult to follow. Similar views had been expressed in response to Part 1 of the consultation. The Government agreed to consider how the drafting could be simplified, and has made revisions which provide greater clarity. Revised drafting of condition 39 of the electricity supply licence and condition 33 of the gas supply licence are at Annex A.

29. For information, the table and flow-chart diagram (below) summarise the policy intent reflected for advanced meters (i.e. not covering dumb meters) in the licence condition drafting:

Date	Meter type that can be installed in smaller non-domestic premises
Before 6 April 2016	<p>SMETS-compliant or advanced. Where an advanced meter is installed before 6 April 2016 (even if replacing another advanced meter), it may remain in place after 2020. If it is replaced between 6 April 2016 and 31 December 2020, then the rules in the following line of the table will apply. After 2020 it can only be replaced with a SMETS-compliant meter.</p>
From 6 April 2016 to 31 December 2020	<p>SMETS-compliant if the new and replacement obligation is in force by 6 April 2016. However, if a contractual arrangement is in place for the continued installation of advanced metering, an advanced meter can be installed under that arrangement and may remain in place until the end of its life. In this scenario it can only be replaced with a SMETS-compliant meter (the contractual arrangements provision cannot be used to replace an advanced meter previously installed under the contractual arrangement with another advanced meter).</p> <p>If the new and replacement obligation is not in place, the position is as above. However, an advanced meter can be installed where a contractual arrangement is not in place – but if so it must be replaced with a SMETS-compliant meter by 31 December 2020.</p>
From 1 January 2020	<p>SMETS-compliant. This would include where SMETS-compliant or advanced or any residual traditional meters are replaced or where a meter is installed for the first time.</p>
<p><u>Note:</u> all reasonable steps will need to be taken to ensure that any traditional meter that is installed before the new and replacement obligation takes effect is replaced with SMETS-compliant or (where permitted) advanced metering before 31 December 2020. Other obligations to install SMETS-compliant are also requirements to take all reasonable steps to do so.</p> <p>As there is at present no “smart” current transformer electricity meter or larger gas meter, these meters are treated differently. Meters of these types must already be given advanced functionality when replaced or newly installed. By 31 December 2020, all such meters should have advanced functionality.</p>	



4.4 Obtaining and using consumption data to produce statements of account

30. **Question 3: Do you agree that the licence conditions should be amended to allow data that is collected for billing purposes also to be used to produce statements of account, and do you have any comments on the proposed legal drafting?**
31. Question 3 (part 2) asked if licence conditions should be amended to allow data that is collected for billing purposes also to be used to produce statements of account, and for any comments on the proposed legal drafting. The Government believed that this change was necessary to be consistent with the common treatment of data for billing and statement of account purposes throughout the supply licence conditions.

Stakeholder responses and Government conclusions

32. Respondents were content with the legal drafting, and the Government will make the change accordingly. The updated licence condition drafting associated with this chapter is at Annex A.

5. EU Energy Efficiency Directive draft licence conditions

33. This chapter sets out the Government's response, and summarises stakeholder responses, to questions asked in Part 3 of the consultation on draft licence conditions to implement the EU Energy Efficiency Directive (EED) provisions on consumer access to consumption and export data.

5.1 Summary of issue

34. The EU Energy Efficiency Directive (2012/27/EC) includes provisions which relate to the roll out of smart meters in Member States. The Directive applies to the roll out of smart meters in the United Kingdom. This consultation response addresses the implementation in Great Britain. The transposition deadline for Member States is 5 June 2014, by which point any measures to implement the Directive must be in force.

35. In October 2013 we consulted upon:

- (i) licence conditions to provide, to those domestic customers with a smart meter easy access to at least 24 months of daily/weekly/monthly/annual consumption data as required by Article 10(2)(b) of the Directive; and
- (ii) a proposed approach and draft licence conditions to provide customers with access to their electricity export data as required by Article 9(2)(d) of the Directive.

36. Part 3 of the consultation was published on 22 October 2013 and closed on 3 December 2013. The questions asked were:

Consultation Question	
1.	Do you agree that the draft licence conditions fully reflect the policy intentions for Article (10(2)(b) of the EED? If not, please provide comments on the legal drafting.
2.	Do you agree that the draft licence conditions adequately reflect the exemption for consumer access to consumption data on change of supplier, for meters not operating in smart mode? If not please provide comments on the legal drafting and the rationale for this.
3.	Do you agree with the proposed approach to the implementation of Article 9(2)(d) and that the draft licence conditions fully reflect policy intentions? If not, please provide comments and explain the rationale behind them.

37. There were 7 responses to the consultation. The majority of the respondents broadly agreed with the proposed approach to implementation of Articles 9(2)(d) and the draft licence conditions, as well as those for Article 10(2)(b), reflected policy intentions.

5.2 Licence conditions for Article 10(2)(b) of the EED

38. Question 1: Do you agree that the draft licence conditions fully reflect the policy intentions for Article 10(2)(b) of the EED? If not, please provide comments on the legal drafting.

Stakeholder responses and Government consideration

39. Respondents were broadly of the view that the draft licence conditions reflected the policy intentions for Article 10(2)(b), but most raised points for clarification and suggested drafting improvements.

40. Three respondents commented that the draft licence conditions might not meet the needs of consumers without internet access who would not subsequently be able to utilise Consumer Access Devices (CAD). However, the Government concluded in July 2013³ that the licence conditions would require suppliers to provide customers with access to data over the meter interface or the internet. We are also of the view that CADs do not have to require access to the internet. Whilst the option of accessing data over the internet or meter interface must be available in accordance with the licence condition, this would not preclude suppliers from separately choosing to send daily, weekly, monthly and annual consumption and export data to customers in paper format according to their needs.

41. One respondent was of the view that the requirement for a supplier to collect 24 months of data to the required level of granularity could leave them in breach of both the smart meter Data Access and Privacy obligations⁴ and the Data Protection Act if they did not already have the customer's consent to access this data. Compliance with the Data Protection Act is a matter for suppliers, however the Government notes that data processing is permitted where it is necessary for compliance with any legal obligation. The Government has considered the existing data access licence obligations and has noted that a consequential amendment to the standard conditions of electricity and gas supply licences would be helpful in order to allow suppliers to access data after a request from the consumer under the new EED condition. Without this suppliers would need to follow the written notification procedure in that condition.

42. One respondent thought that the draft licence conditions did not make it apparent at what point suppliers are obliged to collect consumers' consumption data. The Government is of the view that the draft licence conditions require that no meter data has to be collected before a request is received from a consumer. The 24 months (subject to the exceptions such as the contract period with the consumer being shorter) of data must be available to the consumer as soon as reasonably practicable after the request is made. For SMETS2 meters the full 24 months required by the condition is available on the meter. For SMETS1 meters there will be an 11 month shortfall, and from the point of the request the supplier must make arrangements to enable consumption data to be retained for the full 24 month period.

³ Government Response to the Consultation on the second version of the Smart Metering Technical Specifications Part 2, pp. 70-73.

www.gov.uk/government/uploads/system/uploads/attachment_data/file/209840/SMIP_E2E_SMETS2_govt_consultation_response_part_2_final.pdf

⁴ Condition 47 of the standard electricity and gas supply licence

www.ofgem.gov.uk/licences-codes-standards/licences/licence-conditions

43. A respondent considered that the draft licence conditions would oblige suppliers to make available to a domestic customer data relating to customers previously residing at the same address, should the 24 month period include a change of tenancy. The Government confirms that there is no intention to impose such a requirement upon suppliers.

Government conclusion

44. The Government will make a consequential amendment to provide an exception to the general prohibition on accessing daily level consumption data in the licences (condition 41 in the gas supply licence and 47 in the electricity supply licence) where the supplier is accessing customer data in order to meet a regulatory requirement under the licence such as its obligation under the EED, after a request under the new licence condition.

45. The Government will amend the draft electricity and gas licence conditions so as to provide clarity in the case of SMETS1 meters that no meter data is required to be collected before a request is received from a consumer.

46. The Government will amend the definition of “Relevant Consumption Data” in both the draft electricity and gas licence conditions to ensure suppliers are not obliged to make available to a domestic customer data relating to customers previously residing at the same address, should the 24 month period include a change of tenancy.

47. Similarly the Government will also amend the definition of ‘Relevant Export Data’ in both sets of draft licence conditions to ensure that suppliers are not obliged to make available to a domestic customer data relating to customers previously residing at the same address, should the 3 month period SMETS meters can hold half hourly export data include a change of tenancy or supplier.

5.3 The exemption for consumer access to consumption data on change of supplier, for meters not operating in the smart mode

48. Question 2: Do you agree that the draft licence conditions adequately reflect the exemption for consumer access to consumption data on change of supplier, for meters not operating in smart mode? If not please provide comments on the legal drafting and the rationale for this.

Stakeholder responses and Government consideration

49. A majority of respondents thought that the draft licence conditions adequately reflect the exemption for consumer access to consumption data on change of supplier, for meters not operating in smart mode.

50. A respondent commented that they thought that the exemptions to the draft electricity and gas licence conditions would apply where a gaining supplier were to choose to operate the meter in smart mode but where there was not a communications link available because of the fault of the supplier. Another respondent thought the licence conditions should be widened to account for situations where there was a technical failure of the communications link when a gaining supplier was operating the meter in smart mode. The Government considers that the exemptions at paragraph 8 as drafted draw upon operational licence conditions 49.6 and 49.7 so that they only apply where a gaining supplier has opted at change of supplier not to operate the meter in smart mode rather than where a connection

fails at a later point. We did not intend for these exemptions to apply to such circumstances and remain of this view.

Government conclusion

51. The Government will amend the exceptions to the provision of consumption and export data in both the draft electricity and gas supply licences so as to provide additional clarity that they only apply where a communications link has not at any time been established. The Government will also make an additional consequential amendment so that the exceptions mirror the operational licence condition exceptions as amended to take into account the new smart change of supplier licence condition, which is being laid in Parliament alongside the EED conditions.

5.4 Proposed approach and licence conditions for Article 9(2)(d) of the EED

52. **Question 3: Do you agree with the proposed approach to the implementation of Article 9(2)(d) and that the draft licence conditions fully reflect policy intentions? If not, please provide comments and explain the rationale behind them.**

Stakeholder responses and Government consideration

53. A majority of respondents agreed with the proposed policy approach to implementation of Article 9(2)(d).

54. Two respondents thought that more consistent drafting was needed between the definitions of relevant export and consumption data and the exceptions to take account of instances where different import and export suppliers serve a particular premises. The export data exception does not replicate the exact wording from consumption data exception because an export supplier that is not a customer's import supplier may not have installed or arranged the installation of the relevant smart meter. The exception is designed to apply where no communications link has been established which may be because the import supplier has opted after change of supplier not to operate the meter in smart mode in line with standard licence conditions 49.6 and 49.7, or may also apply, for example, where a communications link is never initially established to the export supplier's systems from a meter installed by an import supplier. It is therefore the Government's view that the exception provision is correct.

55. Regarding the definition of 'Relevant Export Data' a reference to 24 months, as under the definition of 'Relevant Consumption Data' would not be applicable since the EED does not require 24 months of export data to be made available to the customer. However, the Government can see some merit in aligning the definitions where feasible for the purposes of consistency.

Government conclusion

56. The Government will amend the definition of 'Relevant Export Data' in the draft electricity and gas supply licence conditions to ensure that suppliers are not obliged to make available to a domestic customer data before a change of tenancy or change of supply contract.

57. The Government will amend the exceptions to the provision of consumption and export data in both the draft electricity and gas supply licences so as to provide further clarity that they only apply where a communications link has not at any time been established.

5.5 Response to other issues raised

58. In addition to stakeholder views on the proposed approach to Article 9(2)(d) and draft licence conditions for this requirement of the EED and Article 10(2)(b), a number of other issues were raised in consultation responses, and our response to these is set out below. This is not intended to constitute guidance on how Ofgem would interpret the licence conditions.

Government approach to implementation of the EED

59. Overall the Government has sought to place clear obligations on suppliers where Directive requirements are specific, but not be overly prescriptive on defining aspects of the Directive where requirements are not defined, so as to permit suppliers with flexibility where feasible to meet the licence conditions in a way that meets their business needs and minimise the costs of implementation.

60. A respondent suggested implementation of the requirements should be subject to a reasonableness principle. However it is the Government's view that this would not constitute proper implementation of the Directive, which does not contain this principle. Another respondent was of the view that the licence conditions should place only a general requirement for suppliers to meet EED obligations. However, the Government has previously ruled such an approach out as it was unlikely to deliver the best policy outcome for consumers or suppliers and we remain of this view⁵.

Data collection

61. One respondent asked for clarity on a reference in the consultation document to 'domestic customers' as the Directive refers to 'final customers'. The Government reads 'final customers' as being 'domestic customers' because the EED conditions relate to smart meters which are installed in accordance with the Third Package Directives. These only place obligations on Member States to roll out smart meters to domestic customers (subject to impact assessments).

62. A respondent questioned whether the draft licence conditions require energy suppliers to provide domestic customer with access to export data in enough granularity to facilitate comparison of deals. The EED does not specify the levels of export data granularity energy suppliers must make available to domestic customers. However, in the draft licence conditions on export data the Government has sought consistency with Article 10(2)(b) on the provision of daily, weekly, monthly and annual consumption data as might be expected by a domestic customer. The Government is satisfied that daily data for the period stored on a SMETS-compliant meter will allow comparison of deals and the licence conditions meet the Directive's minimum requirements.

63. One respondent requested clarity on the scope of the requirement for export data to be provided to domestic consumers in an 'easily understandable format'. The Government believes the meaning of this is sufficiently clear and concluded in the July 2013 Government

⁵ *Implementing the Energy Efficiency Directive provision for easy access to 24 months of daily/weekly/monthly/annual consumption data for consumers with smart meters: Consultation Document*, 12 December 2012, pp.15-16:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/66616/7245-consultation-on-implementing-the-energy-efficiency.pdf

response⁶ that, because the Directive does not require a set format for the provision of data, we would not prescribe it in licence conditions, to allow suppliers flexibility to tailor their approach to their business model.

Replacement/ failure of communications hubs or meters

64. One respondent highlighted that the draft licence conditions made no reference to meter replacement or dealing with a faulty communications hub and sought clarity on this point. The Government concluded in July 2013⁷ that we did not see a need to regulate specifying the action a supplier should take where a communications hub or smart meter failed or needed to be replaced and so this issue was not reflected within the draft licence conditions in our October 2013 consultation.

⁶ Government Response to the Consultation on the second version of the Smart Metering Technical Specifications Part 2, 1 July 2013, pp. 70-72, paragraph 362.

⁷ *Government Response to the Consultation on the second version of the Smart Metering Technical Specifications* Part 2, pp. 70-73.
www.gov.uk/government/uploads/system/uploads/attachment_data/file/209840/SMIP_E2E_SMETS2_govt_consultation_response_part_2_final.pdf

Annex A: Legal drafting

Revisions to the Electricity and Gas Supply Licence conditions implementing the changes set out in this Government response document are published as part of a modification Instrument.

The document is available from: <https://www.gov.uk/government/publications/modifications-to-the-smart-energy-code-smart-meter-communication-licences-and-the-standard-conditions-of-electricity-and-gas-supply-licences-no-1-0>

Amendments to the Electricity Supply Licence implementing the changes set out in chapters 3 and 4 can be seen on pages 24 to 28 of the modification Instrument. Corresponding amendments to the gas supply licence can be seen on pages 39 to 44.

New licence conditions for the Electricity Supply Licences for domestic consumer access to consumption and export data can be seen on pages 33 to 39. New licence conditions for the Gas Supply Licences for domestic consumer access to consumption data can be seen on pages 49 to 53.

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