5th November 2012

Dear Sir / Madam,

Consultation on the second version of the Smart Metering Equipment Technical Specifications (SMETS2)

The Industrial and Commercial Shippers and Suppliers (ICoSS) group represents all the major non-domestic industrial and commercial (I&C) suppliers in the GB energy market, supplying 65% of the gas needs of the I&C sector; a number of our members also supply electricity to their customers[1].

Competitive non-domestic market

ICoSS welcomes the approach taken by DECC to preserve the competitive nature of the Non Domestic sector. This sector has a very different structure to the developing smart metering market in the domestic sector, where the rollout is primarily supplier-driven. By contrast, the non-domestic market has a roughly even split between services being provided directly by the supplier to the consumer and services being provided by third party Energy Service Companies (ASP's / ESCo's) directly to Consumers. In response to customer demand to have AMR across their whole portfolio, many small and microbusiness business sites have AMR devices already installed. Despite the range of communications required at such sites provided as commercial offerings (e.g. GPRS, , Internet etc), interoperability have been achieved by the creation of the Automated Meter Reading Service Providers (ASP) Code of Practice (ASPCoP) developed by the industry, in conjunction with commercial arrangements between suppliers and ASPs/ ESCo's to enable a seamless transfer and continuity of service.

In summary the existing and developing Non Domestic market is operating well and has taken appropriate measures to self-regulate its activities. We do not see therefore the need for excessive regulation in this area which, by creating prescriptive regulation that is likely to run counter to many commercial offerings in the market at present, will not achieve its own object; the speedy rollout of next generation metering to the market.

Data access and the DCC

A Smart Meter which has never had a relationship with the DCC should not be seen as presenting any risk to the DCC or wider market in general. We therefore do not believe there should be any restriction on third parties accessing opted-out DCC meters. Such risks that opted-out meters present to the DCC can be managed by appropriate rules for entry to the DCC framework.

[1] Current Membership: Corona Energy, ENI, First Utility (associate), Gazprom Energy, GDF Suez Energy UK, Statoil UK, Total Gas & Power, Wingas UK.

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Provision of DCC WAN Hub
The CSP -led approach for provision of the DCC WAN hub has advantages as this provides a clear division between monopolistic DCC services and competitive Energy Service products including the collection and analysis of consumption data. Where a Smart Meter is being installed in premises with the intention to operate as an Advanced Meter it is inefficient to require the customer to pay for equipment which may never be utilized. In this circumstance a DCC WAN Hub should not be mandatory.

Security and ease of data Access
When ascertaining appropriate levels of security it is important to distinguish between the needs of the non-domestic sector, where information is commercial in nature and a domestic property where the information will relate to personal consumption patterns. Unnecessary security burdens for the non-domestic sector to address domestic sector concerns will add costs and also restrict access to consumption data to support the provision of Energy Services. Easy local access to data will be essential to a competitive and innovative Energy Services market.

Please feel free to contact me if you wish to discuss this in any further detail.

Yours sincerely

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