

Smart Metering Implementation Programme Regulation
Department of Energy & Climate Change
Orchard 3, Lower Ground Floor
1 Victoria Street
London, SW1H 0ET

27 August 2014

Dear Sirs

Consultation on the DCC's Procurement Strategy and Statement of Service Exemptions

Thank you for the invitation to respond to the above document. Good Energy is a fast-growing 100% renewable electricity supply company, offering value for money and award-winning customer service. An AIM-listed PLC, and founder member of the Social Stock Exchange, our mission is to support change in the energy market, address climate change and boost energy security. Good Energy matches over the course of a year all the electricity its customers use with power from renewable sources. For the last three years, Good Energy has topped the Which? energy company customer satisfaction survey.

For your ease, we reference the specific questions within the consultation to which we have responded.

Q1: Do you have any comments on the DCC's Procurement Strategy for Relevant Service Capability? In particular:

- Do you agree that the Strategy meets the requirements of the DCC licence? And
- Do you agree that the Strategy is suitable for approval by the Secretary of State?

If you do not agree, please explain your rationale.

Good Energy agrees that the Strategy meets the requirements of the DCC license and that it is suitable for approval by the Secretary of State, with the following caveats / questions:

- Good Energy is not in a position to determine whether the assertions and statements in section 2.2 of Annex 1, regarding procurement of Relevant Service Capability, are aligned to the license conditions; specifically, whether the condition requiring such services to be procured "externally" is met by "sourced from existing Capita shared service infrastructure".
- The assertions in the opening paragraph of section 4 of annex 1 regarding procurement processes are technical and Good Energy is not in a position to determine whether these are accurate. However, we might have expected a regulated entity, licensed by government, to be bound by Public Procurement governance; demonstrating value for money as required by principle 4, is the key in ensuring that industry and government can demonstrate that smart metering related costs have been minimised.
- The position "Smart DCC will prepare an award recommendation report for Smart DCC to approve" seems somewhat insular; is there no higher authority that oversees DCC procurement?

Q2: Do you have any comments on the DCC's Statement of Service Exemptions? In particular:

- Do you agree that the Statement meets the requirements of the DCC licence?

Good Energy agrees that the Statement meets the requirements of the DCC license.

Good Energy notes and is pleasantly surprised at the assessment of category exemption 1 being as low as 1%.

- **Do you agree that it is reasonable that more detail is provided as the DCC and its CSPs learn from operational experience? And**

Ideally, the detail would be available at ILO. However, Good Energy understands why this is impractical and therefore agrees that it is reasonable that more detail is provided as the DCC and its CSPs learn from operational experience.

- **Do you agree that the Statement is suitable for approval by the Secretary of State?**

If you do not agree, please explain your rationale.

Good Energy agrees that the Statement is suitable for approval by the Secretary of State.

Kind regards,