

Utilita Response

1. 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?

No, as part of the DCC's procurement strategy it should enable the DCC to deliver value for money for the consumer. While the procurement strategy has awarded the contract to the best offers as outlined (CSPs), there appears to be lack of evidence as to how this will benefit consumers in the long term, and provide that vital "value for money". The logic for the decision taken is understood plus the economies of scale that would be achieved, but sufficient consideration has not been given. This will essentially create a monopoly within the market place for communication hub technology this will result in inefficiencies and potentially result in the stifling of innovation thus resulting in a poorer service offering for consumers and restricted choice. Communication hubs are vital in actually making meters 'smart' and providing functionality to customers.

Our next point revolves around the DCC's involvement within communication hubs through this centralised service of purchasing that is being considered. It is essentially going to be creating a monopoly within energy markets which I am certain volumes of competition legislation addresses for the wider economy. Furthermore to support this point I think it is important to point out many suppliers have in operation their own communication hubs which have been supplied at not a great cost, that meet the required specifications in most cases, or can be easily adapted. The previous point is important to highlight to avoid a monopoly situation within communication Hubs, and allow suppliers a greater choice at a better value, which in turn will benefit the consumer in the long run with lower bills. When in comparison to the proposals for maintenance charges proposed for the DCC communication hubs which could potentially be detrimental to the consumer journey.

- Do you agree that the strategy is suitable for approval by the secretary of state?

If you do not agree, please explain your rationale

For the above reason the procurement strategy requires attention and in its current form actually result in a substandard offering for consumers from what could actually revolutionise energy markets and providing consumers with additional services of use, while the logic for the current decision is understood, further research may be beneficial on the effect of restricting choice to industry and indirectly consumers on communications hub technology. Enabling more consumer's access to the 'smart' functionality of their meters. The current proposal is in danger of creating a monopoly around communications Hubs which is unacceptable for all involved from suppliers to the consumer, who will be detrimentally affected by this procurement strategy and 'back door monopoly creation'.

2. 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 license?

Yes, the statement made seems to meet the requirements of the DCC license at present. But this should be reviewed in future in case of any technological developments that allow for more properties to be connected, also methods of connection and their associated costs could vary resulting in methods that are currently not economically viable becoming so.

Also based on our understanding of communication hubs, the paragraph that states "establishing HAN connectivity is not within the scope of DCC services", there should be a minimum requirement to ensure the consumer journey is a positive one. By amalgamating the ordering of communication hubs and the type that are available within DCC to which suppliers can use, this could result in HAN

connectivity being lost. While this position expressed by the DCC is understandable as ensuring a high degree of HAN would not be possible without affecting the aim of providing value for money. The meters and any type of In home display (IHD) that is provided could be effected which would affect the customer journey, consider having an IHD that constantly displays NO DATA is not going to be very 'smart' for consumers to get the most out of the functionality of smart meters. While the Communication hub technical specifications do contain information regarding HAN and what it should be capable of there should be some type of minimum requirement for the DCC

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

Yes it is reasonable that the information is updated, as soon as this is established but at the moment as this is so vague it does not provide much guidance, also what will this method of update be once this new information is ascertained?

- Do you agree that the statement is suitable for approval by the secretary of state?
- If you do not agree please explain your rationale.

Yes, overall this statement is suitable to be approved by the secretary of state, just referring to the previous point, it would be useful to know in advance how this information will be provided once it has been obtained within the field of operations. Also further consideration on whether HAN should be excluded from the scope due to the affect it has such impact on a positive customer journey.