

The logo for ofgem, consisting of the word "ofgem" in white lowercase letters inside an orange rounded rectangle.The logo for ofgem E-Serve, consisting of the words "ofgem E-Serve" in white lowercase letters inside a green rounded rectangle.

Promoting choice and value
for all gas and electricity customers

The main title of the presentation, "Smart Metering Stakeholder workshop Implementation Strategy", is centered in a large, bold, dark blue font. The background features a large, semi-transparent white 'X' shape over a collage of images including a modern building, a close-up of a smart meter, and a hand holding a pen.

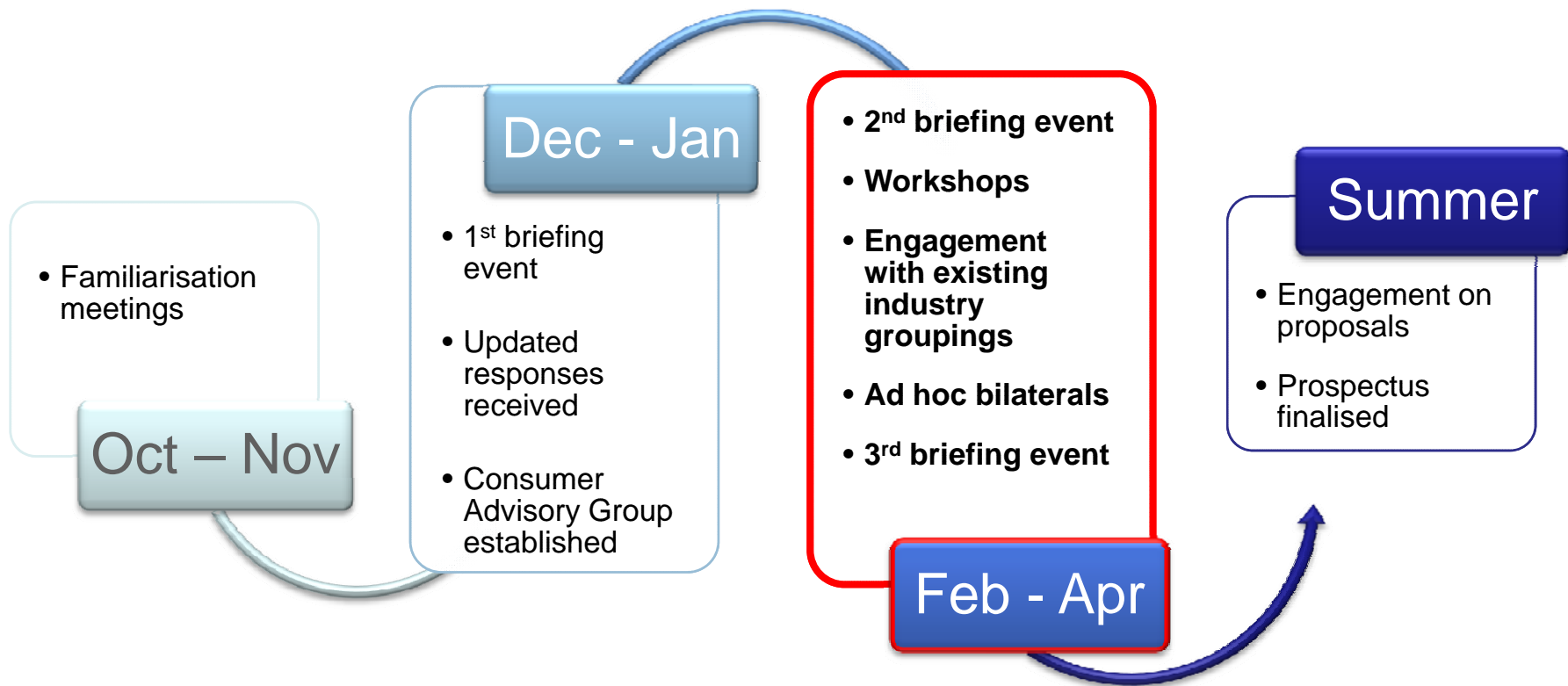
15 March 2010
Bridget Morgan

Agenda

10:00	Welcome and introduction
10:20	Breakout sessions - Identifying activities
12:30	Feedback session – Progress update
13:00	Lunch
14:00	Breakout sessions - Analysing activities
15:30	Feedback session – Critical path
16:30	Closing remarks
17:00	End

Introduction

Stakeholder engagement



Context

Phase 1 outputs

- Statement of design requirements
 - Commercial and regulatory framework
 - Central data/comms model
 - Roll out approach
 - **Implementation strategy**
- One in a series of workshops
 - Roll out,
22 Feb – completed
 - Functional specification,
1 Mar – completed
 - Central data/comms,
8 Mar – completed
 - **Implementation strategy,
15 Mar**

This workshop is in the format of a brainstorming exercise and provides an opportunity to contribute to our initial thinking.

The Government's decision

From December 2009 consultation response

- Phases of the Programme are:



- Impact Assessment sets out, at a high level, the activities required and the benefit forecast

Impact Assessment – December 2009

(prepared in advance of scoping phase)

Benefits included in the impact assessment:

- Energy saving / CO₂ reduction
- Avoid meter reading
- Avoid PPM cost-to-serve premium
- Avoid special read site visits
- Customer switching process improvement
- Debt handling
- Load shifting
- No estimated bills
- Remote disconnection
- Other

Activities needed to deliver the benefits, including:

- Commercial and regulatory frameworks
- Communications arrangements
- Consumer buy-in and education
- Governance
- Legal and contractual frameworks
- Meter and display requirements
- New code rules / codes
- Rollout / deployment
- Transitional arrangements

Updated responses following Government decisions

- Range of views expressed on individual elements of the Programme but broad agreement on the need for **certainty** and ongoing transparency.
- Respondents identified need for certainty in respect of:
 - How deliverables would be measured
 - Timetable for critical path activities
 - Minimum functional requirements for the smart metering solution
 - Roles and responsibilities within the Programme and for delivery of the smart metering solution

The Implementation Strategy is derived from the Project Plan

- The strategy should set out:
 - Activities and deliverables
 - Responsibilities
 - Timetable including milestones and dependencies
 - Risks and mitigations
 - Key decision points
 - Critical path

Structure of the Implementation Strategy Workshop

Morning

- Identify activities needed to deliver forecast benefits for the Programme that:
 - Need to be led by the Programme
 - Are triggered by the Programme
 - Required / desired as a consequence of Programme outputs
- Consider working arrangements for activities and identify any preferred options
- Identify dependencies between activities

Afternoon

- Order the activities and, where known, identify:
 - Dependencies
 - Possible owners
- Analyse the indicative timeline created to highlight:
 - Key decision points
 - Critical path

Approach

- Three different scenarios identified for the brainstorming sessions:
 - Go-Live start, i.e. all in place for smart meter roll out
 - Go-Active start, i.e. framework in place for smart meter roll out
 - Early start, i.e. minimal arrangements in place for smart meter roll out
- Why these three scenarios?
 - Not a short list!
 - Represent a spectrum that allows us to investigate a range of approaches that could be used and to better understand what is meant by “certainty”
 - Recognises the need to explore a range of approaches to inform development of implementation strategy

Intended Meaning of Descriptive Terms

Scenarios

- Options that help evaluate the impact of different approaches on activities within the Programme

Activities

- Things that need to be done to achieve the forecast benefits set out in the DECC impact assessment.
- Description of activities during the workshop should focus on:
 - Scope
 - Required outputs
 - How activity should be done and by whom
 - Dependencies

Intended Meaning of Descriptive Terms (2)

Early Start

- A point before Go-Active where there is sufficient certainty about key requirements (e.g. minimum functional requirements).

Go-Active

- As used in previous programmes to describe a point where roles, responsibilities, rights and obligations are defined, but compliance with the new arrangements is not required in full.

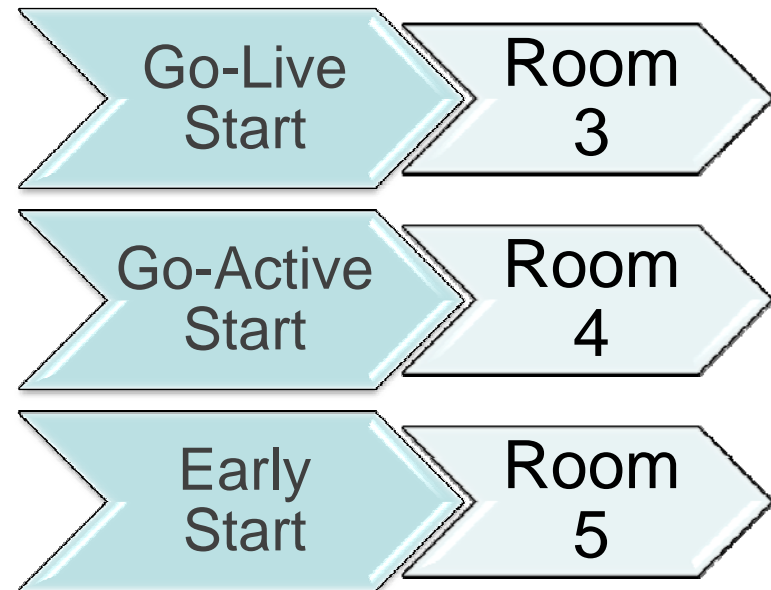
Go-Live

- As used in previous programmes to describe a point after Go-Active where compliance with new arrangements is required in full.



Approach - Practicalities

- Each group will need a leader
- Leader to feed back results of discussions to the main group
- Ofgem staff are on hand to facilitate discussions as needed
- Ofgem will not be producing detailed minutes for the workshop
- Headlines of the discussions at the afternoon feedback session will be published as soon as possible after the workshop



Morning feedback session

Progress Update

Welcome back

Afternoon feedback session

Critical path

Closing remarks

Thank you

Email: smartmetering@ofgem.gov.uk

Web: <http://www.ofgem.gov.uk/e-serve/sm/>



ofgem

ofgem E-Serve

Promoting choice and value
for all gas and electricity customers