

DCG SG2 Meeting 2 Minutes

Minutes of the second meeting of
DCG Subgroup 2.

From Ofgem
Date and time of Meeting 10am, 16 September 2010
Location Ofgem

16 September 2010

1. Present

| | |
|-----------------------|-------------------------|
| Dora Guzeleva (Chair) | Ofgem |
| Rosie McGlynn | British Gas |
| Anna Fielding | Consumer Focus |
| Chris Spence | EDF Energy |
| Jason Brogden | Engage-consulting (ERA) |
| Steve James | Eon-UK |
| Jeremy Guard | First Utility |
| ?? Gareth Evans | ICoSS |
| Alastair Bates | AMO |
| Liz Kenny | RWE Npower |
| Jamie Dunnett | Scottish Power |
| Mark Knight | SSE |
| Andrew Beasley | Utilita |
| Sajna Talukdar | Ofgem |

2. Apologies

3. Introduction

4. Draft Minutes and Action Log

- 4.1. The group discussed the draft minutes.
- 4.2. A change was agreed to indicate that Service providers will be engaged with towards the end of the Subgroup work.
- 4.3. It was mentioned that it may be worth capturing dependencies from now on, and that perhaps it should be extended to RAID (Risks, Assumptions, Issues, Dependencies), with Assumptions to be captured as part of the Working Paper.
- 4.4. Six papers were circulated prior to the meeting on Options Analysis and Governance arrangements. It was suggested that all parties could review the papers and discuss options.

5. Review of revised papers on principles and issues and service catalogue

- 5.1. Clarity was sought on when interim arrangement must begin. It was clarified the group has discussed this at its last meeting and has concluded that the target date for interim operability start would be from when the technical specification is confirmed, with an ambition to apply any interim arrangement as soon as is practicable before then. The interim arrangements must have started when the rollout is mandated.
- 5.2. An observation was made by the group that equipment can be made compliant by retrofitting rather than take the meter off and that this issue should be reflected to the SMDG for its consideration.
- 5.3. Two issues were raised:
- (i) Issue 1: Should the consumer be made aware that their meter could be removed from the wall if it is not compliant?
 - (ii) Issue 2: If a meter has to be removed due to its non-compliance, who pays for that?
- 5.4. It was discussed that as part of the development of a Code of Practice, the issue of consumer awareness of the risk of their meter needing to be replaced must be flagged.
- 5.5. It was suggested to remove point 6 of the guiding principles.
- 5.6. Point 4 needs to be clarified to indicate that the assumption is that the interim arrangements will be applicable to compliant equipment.
- 5.7. Point 10 needs to be amended to Arrangement applies to compliant equipment.
- 5.8. The group stated that requirement of the end-to-end security of the solution must be drawn out and clear, as this is part of the key criteria.
- (i) Issue 3: As a requirement, the customer will decide who has access to their historical data. SMDG to consider the technical issues around this requirement. This is to be added on the Requirements paper and logged on the Issues Log for SMDG to consider its technical aspects.
 - (ii) Issue 4: How do we ensure the privacy of outgoing customer is protected in the case of change of tenancy?
- 5.9. I was mentioned that the requirements list must be updated, especially for requirements labelled Essential and update the catalogue.

6. Consideration of proposed Interim Options

- 6.1. The subgroup felt that a Cost/Benefit analysis of the 'Do nothing' option was needed.
- 6.2. Issue 5: A concern was raised that the interim arrangements will only be for a short period of time if assets are not available to rollout high volumes of compliant meters prior to DCC Go-Live.
- 6.3. The group highlighted that there are set of options around Interoperability Communications and that these need to be documented.
- 6.4. The group agreed to work through the list of Options in the SP paper and then assess them against the principles in the Principles and Issues paper.

- 6.5. Further clarity of the definitions of all the options were sought.
- 6.6. The subgroup decided to take the approach of reviewing the individual options first and then making a comparative assessment.

Option 1 – Central Translation

- 6.7. Under this option there would be multiple Head Ends (HE) owned by the suppliers but all located in one place. The central pre-DCC body would be responsible for translating the multiple meter languages.
- 6.8. In this option, the initial supplier would access the communications via HEs. There would be no novation of SIMs. This means that on change of supplier, the new supplier would use the old communications which the outgoing supplier was providing and the new supplier would pay the previous supplier for the service. This would have commercial implications.
- 6.9. When an asset churns into the Interim solution, the old service provider would charge the new service provider. The contract will be novated to the central pre-DCC body.
- 6.10. A view was expressed that Option 1 may be able to be implemented before mandated rollout date.
- 6.11. Access control would be accomplished by ensuring that the right supplier was accessing the right data via partitions in the HEs. The old supplier would have no access to ongoing data. The pre-DCC may need to store some information to allow it to talk to registered meters. However this would not include a database of registrations.
- 6.12. It was noted that the security aspects of this option needed to be assessed.
- 6.13. Three options for interoperability of communications were identified:
- (i) Supplier-to-supplier novation of communications contracts.
 - (ii) The contracts would need to be novated to the interim central body

Assessment of Options against the Requirements

- 6.14. The group mentioned that in addition to the requirements stated in the Interim Options Review paper, an Impact Assessment of various options.
- 6.15. The subgroup went through the requirement table and assessed Option 1 against the requirements.

Implementation of Option 1

- 6.16. The subgroup checked that all criteria for the Governance options in the EDFE paper were covered in the Principles.
- 6.17. There was some discussion around what Requirement (4) ensure the interim operability solution does not undermine the enduring solution means. It was felt that this meant minimum change to existing systems and processes.

Option 2 – Standardise Head End Services

- 6.18. It was further clarified that under this option there would only be one HE used, so all suppliers would be mandated to use the same language / standard protocols.

Option 3 – Single Head End with Common Services

- 6.19. Under this option, there would be a single point of connectivity of all meters.
- 6.20. The difference between Option 1 and Option 3 is that with Option 1 the HEs would be owned/sit with the suppliers and with Option 3, the HE Services would sit within the central pre-DCC body.

Option 4 – Customise Interfaces for each Head End

- 6.21. This option would not use existing industry communication processes/flows. In a separate parallel arrangement individual suppliers would be able to perform their own rollout of Smart Meters.
- 6.22. There would be a completely new interface for access control to the suppliers.
- 6.23. The group agreed that this option should be taken out of the analysis.

Option 5 – Suppliers (with their Agents) Provide Data Services

- 6.24. With this option there would be no change of Agent at change of supplier. This option would use existing Data and Communication data flows.
- 6.25. The group explained that this option is a simple approach that is used today. This option would avoid the communications contractual issue as communications services remain with the incumbent agent. The main difference with the existing arrangement is the scope of the Agent.
- 6.26. The group mentioned that the benefit of this option was that it can avoid issues of mass migration at time of DCC set up.
- 6.27. It was noted that the impact on the MAM and Data Collector (DC) / Data Retriever (DR) in the change of supplier process would need to be looked at.

Option 6 – Supplier Configures Meter/ HE on CoS

- 6.28. This option is a simplified version of Option 5, with the supplier acting as a 'key master' and was viewed as the 'minimum' option.
- 6.29. Under this option, the new supplier would be fully dependant on the old supplier for data and communications (i.e. the suppliers would pass access keys to each other). There would be no central entity.
- 6.30. There would be a central repository of HE details, adding HE details to existing data flows to avoid the need for a site visit.
- 6.31. It was requested that this option is evaluated.

7. Review and assessment of governance arrangement proposals

- 7.1. It was agreed that all suppliers must subscribe but that they must not necessarily be through a Code.
- 7.2. A question was asked if an MoU agreement could legally be mandated.
- 7.3. A number of options were discussed and added to the Issues paper.
- 7.4. The available options were:

1. Legally mandated
 - Licence obligation (Existing; New for the interim solution central body?)
 - Codes (changes to existing codes)
 - Gas and Electricity
 - Domestic and non-domestic coverage (as per the Prospectus)
 - New code?
2. Voluntary
 - MoU between the suppliers and agent (requires Licence obligation)
 - Contracts between Suppliers and Central pre-DCC body
 - Common bilateral agreement (requires Licence obligation)
3. Codes of Practice
 - Combination of legal obligation and voluntary arrangements

7.5. The chair requested the subgroup members assess Options 2,3, 5 and 6 from their perspective as well as the implementation of the option (i.e. Governance options).

7.6. There was a discussion on how to analyse the Options and it was agreed to rank them against the Principle Requirement (from 1-5) with 5 being the best fit.

7.7. Pros and cons table – EDFE will provide the detailed analysis for each Option against the Requirements.

7.8. Npower to provide the subgroup members the amended matrix for them to use during their assessment. All to provide assessment papers by Monday noon

8. Issues Log

8.1. The following issues were logged at the meeting:

| Issue Number | Considerations |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Should the consumer be made aware that their meter could be removed from the wall if it is not compliant? To be considered as part of the development of the Code of Practice. |
| 2 | As a requirement, the customer will decide who has access to their historical data. SMDG to consider the technical issue around this requirement. This is to be added as a principle in the Requirements paper. |
| 3 | How do we ensure the privacy of outgoing customers is protected in |

| | |
|--|--------------------------------|
| | the case of change of tenancy? |
|--|--------------------------------|

Minutes

DCG: SG2 Interim Interoperability

9. AOB

ACTION LOG

| Action ref: | Meeting Date | Minute ref: | Action | Owner | Status Update |
|-------------|--------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|
| 001 | 15/09/10 | 7.6 | Provide the Group members the amended matrix for them to use during their assessment. | Liz Kenny (RWE Npower) | |
| 002 | 15/09/10 | 7.6 | Group members to provide assessment of Options 2, 3, 5 and 6 from their perspective against the principles and requirements, as well as assessment of the option | DCGSC2 Members | |