

## Definition of Principles

### **1. Quick to deliver**

The design, procurement, implementation and end-to-end testing of the interim

- Can begin from the date of compliant technical specifications, and approved by EU, and that;
- And must be completed prior to mandated rollout.

### **2. Deliver economic value**

Our understanding of this principle is that it relates to the total cost of implementing and running the interim solution as these costs will inevitably be borne by suppliers. The costs should not outweigh the potential benefits that could be accrued from being able to exploit the full functionality of smart meters during this period to establish if there is a positive business case for implementing the service.

### **3. Easy to integrate and operationalise**

We have assessed compliance with this principle based on the ease for suppliers and their agents to integrate and operate with the interim solution. We have not considered the level of effort or complexity that any interim service provider would encounter in order to provide their service. Each option was assessed to establish the level of change that would be required to existing industry and supplier processes and systems in order to support the specified services.

### **4. Does not undermine enduring arrangements**

The interim service should in no way place at risk the development of the DCC or the delivery of any benefits that will be delivered by the enduring industry solution. The design of any interim service and the commercial arrangements that are established to support it should not give the provider of that service a competitive advantage during the tender process for the provision of the DCC services.

### **5. Commercial terms which are fair to all and transparent**

The interim service should be able to provide a clear charging and cost sharing structure which does not adversely impact any single supplier, or group of suppliers. Any system usage costs should be clearly published to enable suppliers to accurately assess the impact of using any service.

### **6. Should not adversely impact customer experience**

For the interim solution to be of any value to the industry or central programme then it is essential that any interim services that are put in place will not result in the 'leakage' of any identified consumer benefits or endanger customer pull for smart metering when the enduring solution is delivered. To ensure that the consumer experience is protected it is essential that any interim solution which is delivered does not impact any of the key consumer touch points with the smart metering system. In particular the solution must support a competitive switching process which is at minimum equivalent to the current process and where possible superior. **[Don't think it needs anything relating to energy efficiency, these are future benefits]**

### **7. Minimal change to/impact on existing industry infrastructure, dataflows, processes and participant systems (linked to 3)**

To minimise costs and maximise supplier resources any interim solution should require the minimum changes in both the industry infrastructure and in individual processes and supplier systems. Whilst changes to dataflows will be unavoidable for most of the interim options. This will not be the key factor in establishing the level of change that is required to implement the solution. The critical elements which will provide an accurate gauge of how much change is required for each option will be their impact on key processes and participant systems.

**8. One participant cannot prejudice (or be prejudiced by) the interim arrangements**

The interim solution should not allow any single supplier, or supplier agent, either through a specific action or inaction on their part, to prevent the registered supplier of a site, or their agent, from being able to exercise their rights of access to a particular smart meter or its associated data. The solution must at all costs not enable any single supplier to gain unfair competitive advantage.

**9. Interim Arrangements must be robust to the aggregated volumes of metering systems set in suppliers' roll-out plans.**

The interim system will need to be capable of supporting the messaging and data volumes that will be associated with the maximum anticipated number of meters that will be installed during the operational period of the interim solution. **[Not it doesn't, particularly not for option 6, this will be at suppliers own risk]** The interim solution will also need to ensure that any of the hardware & software that it uses (head ends, interfaces, translation services etc.) should be scaled to be able to cope with the potential data volumes.

**10. Should be easy to migrate data to DCC**

The design of the interim solution should ensure that all smart metering points and their associated meter, comms & device data is easily identifiable and held in a standard format. Any communications contracts that are managed by the interim solution should either terminate when the meter is migrated to the DCC, without any loss of communications, or have clauses that enable them to be novated to the DCC.

**11. Smart Grids are out of scope**

The interim solution will not be responsible for providing any information or services to distribution companies.