

Data Use

ERA Suppliers view on the 3 questions for today

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3 Questions for today

- Who needs access to what data?
- For what purposes?
- What level of consumer protection is needed?

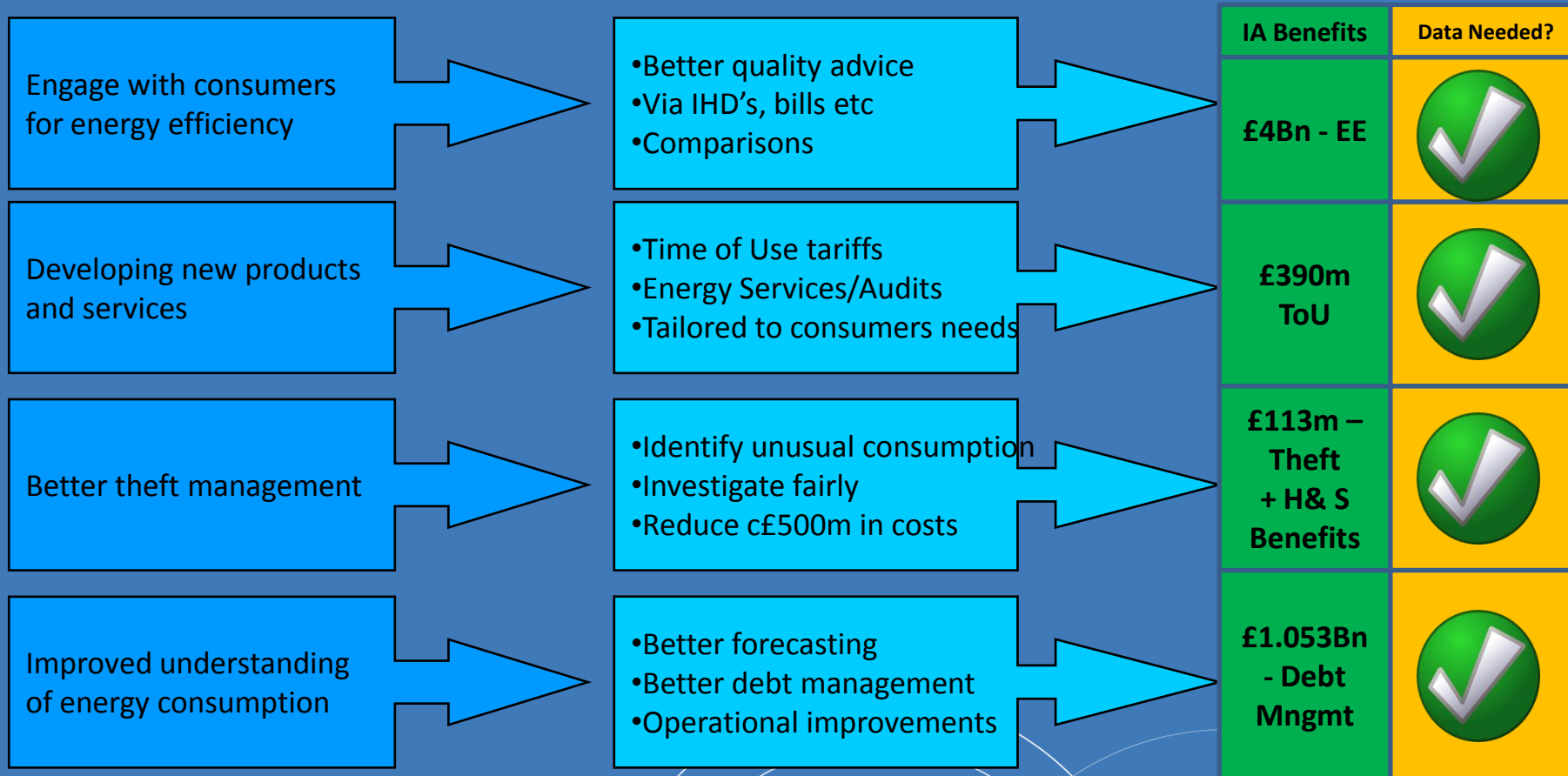
First - ERA Response to Prospectus

- We have a clear consensus between members
- Important to protect consumer privacy – but don't implement in a way that prevents delivering IA benefits, competitive services/propositions, or innovation
- Those with a direct contractual relationship with consumers should have access to data – contracts/Ts&Cs need to be clear & transparent - must comply with DPA1998 as now
- Those that don't – data needed to perform regulated duties – or by consumer agreement (ESCO's etc – again covered under Ts&Cs)

Who needs access to what data?

- Suppliers have responsibility for delivering smart metering – a natural conclusion that Suppliers will need data to deliver the IA
- To engage consumers – innovation is key in a competitive market
- Consumption data will play a big role

Understanding consumption is fundamental to delivering the IA

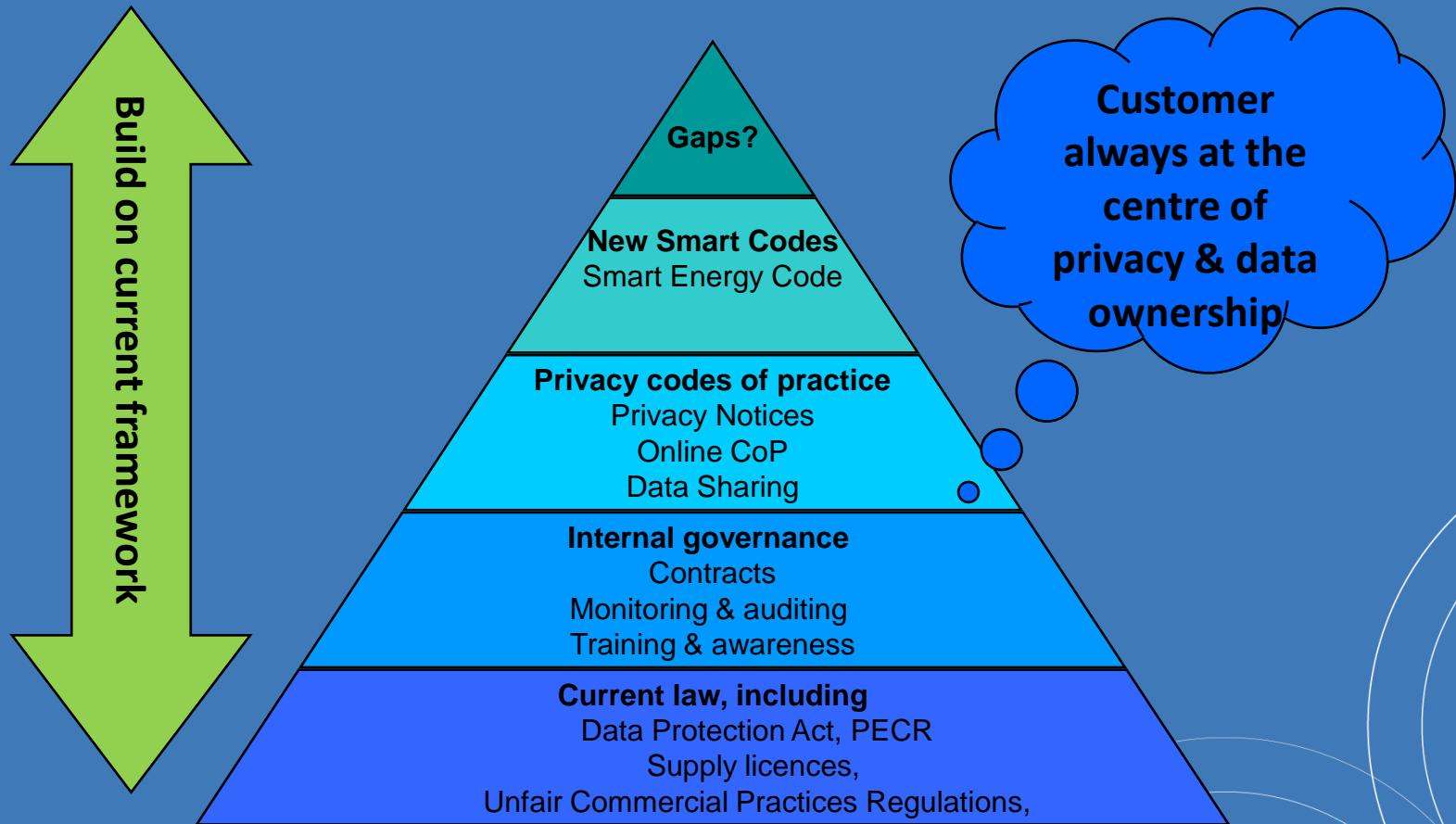


Restricted access to consumption information will prevent delivery of key benefits and stifle customer engagement

For what purposes?

- To accurately bill consumers for energy use
- To operate efficiently
- To innovate
- To deliver demand reduction
- To deliver the IA

What level of Consumer Protection?



Are consumers concerned?

“Far more participants expressed doubts about the costs, reliability and the devices causing problems for elderly people than voiced concerns about data privacy and how the data collected might be used”

Customers “were generally relaxed about the idea of energy suppliers having access to more accurate and up-to-date usage data”

There “were no widespread concerns about energy companies having access to information about their energy use”

and that where concerns were raised, “these issues were not echoed or supported by the majority of other participants”

This does not mean there should not be strong privacy rules in place

But we must develop a customer-friendly approach that does not stifle benefits

In Summary

- Much of the IA is built on reducing energy demand – *not forgetting it's a big Government policy objective*
- Put simply, without the data from Smart Meters, the ability to deliver the benefits from the IA is questionable, or even near on impossible
- Any 'consent only' approach has the potential to destroy the value of smart meters to Suppliers, but more importantly, to consumers