



3rd Floor North
200 Aldersgate Street
London EC1A 4HD
Tel: 03000 231 231

citizensadvice.org.uk

30th August 2019

Ofgem
10 S Colonnade - Canary Wharf
London E14 4PU

Dear Anna Stacey,

I am writing to respond to Ofgem's recently published decision document on Half Hourly Settlement (HHS)¹. Citizens Advice welcomes the decision to retain a consumer opt-out of sharing half-hourly data. As you know, consumer choice and the ability to control and ultimately realise the value of their data is a fundamental tenet of the smart meter rollout.

We are however concerned at the proposal in paragraph 1.42 which will grant suppliers access to data for forecasting and settlement purposes at daily granularity if a consumer has opted out of sharing it half-hourly. Consumers currently have the ability to opt-out of smart meter data collection of any detail greater than a monthly read, so this represents a significant reduction in consumers' ability to control how much personal data they share.

We are not aware of any consultation or discussion about this change ahead of the publication of the decision document, nor was it raised during BEIS' recent review of the Data Access and Privacy Framework (DAPF) which reiterated the importance of the consumer opt-outs. The consumer controls enshrined in the DAPF fulfill two key goals regarding consumers' smart meter data:

1. *"Protect consumers' interests, in particular by addressing concerns that consumers may have about privacy"*² - that is to reassure consumers that they have control over their personal data and can choose what level of data they share.
2. *"Promote competition and innovation in the developing energy services market"*³ and *"place the onus on energy suppliers to clearly explain why they wish to access this*

1

<https://www.ofgem.gov.uk/publications-and-updates/decision-access-half-hourly-electricity-data-settlement-purposes>

2

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/486352/DAPF_Consultation_Response.pdf

³ *ibid*

Patron HRH The Princess Royal Chief Executive Gillian Guy

Citizens Advice is an operating name of the National Association of Citizens Advice Bureaux

Charity registration number 279057 VAT number 726 0202 76 Company limited by guarantee Registered number 1436945 England

Registered office: 3rd Floor North, 200 Aldersgate Street, London EC1A 4HD

information and incentivise the development of products and services to offer to consumers in return for more detailed access⁷⁴ - that is to provide consumers with leverage to ensure that they receive a benefit from their own data and to incentivise suppliers to offer something of benefit to consumers in exchange for access to it. The elimination of any opt-out beyond a daily meter read will mean that energy suppliers will reap the financial benefits of access for forecasting and settlement purposes but no longer need to offer their customers anything in exchange.

Ultimately, consumers are paying for the smart meter rollout. Energy usage data is personal data, from which suppliers can draw significant savings and benefits. The consumer opt-outs provide key leverage to help ensure that these savings are passed on to consumers through benefits in exchange for supplier access to more detailed consumer data. Citizens Advice is concerned that this reduction in consumer control risks undermining that principle.

Our forthcoming research on consumer attitudes to smart meter data has found that consumers feel reassured by the existence of the opt-outs (89% consider the ability to opt-out important) even where they do not make use of them, and that many consumers with privacy concerns felt particularly reassured by their existence.

Many consumers will have accepted a smart meter on the basis that they have the ability to reduce supplier access down to one meter read a month should they wish to. The proposed removal of this option will effectively change the terms under which these consumers agreed to have a smart meter installed. Citizens Advice understands suppliers will be obliged to inform consumers of this change to data collection when a customer changes tariff or switches supplier: however, it is not yet clear what the options will be for people who do not wish to accept these new terms.

Following our discussions it has been made clear that the position outlined in the decision document represents Ofgem's 'minded to' rather than definitive decision, as such we wanted to take this opportunity to raise our concerns about this decision and its potential impacts should Ofgem go ahead with this proposal.

Yours sincerely

Colin Griffiths
Policy Manager, Energy Policy Directorate
Citizens Advice

4

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/758281/Smart_Metering_Implementation_Programme_Review_of_the_Data_Access_and_Privacy_Framework.pdf

Patron HRH The Princess Royal **Chief Executive Gillian Guy**

Citizens Advice is an operating name of the National Association of Citizens Advice Bureaux

Charity registration number 279057 VAT number 726 0202 76 Company limited by guarantee Registered number 1436945 England

Registered office: 3rd Floor North, 200 Aldersgate Street, London EC1A 4HD