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6 January 2017

Dear James,

Response to consultation on mandatory half-hourly settlement: aims and timetable for reform

We welcome the chance to respond to this consultation about the aims and timetable for reform for mandatory half hourly settlement (HHS). Citizens Advice have statutory responsibilities to represent energy consumers in Great Britain in accordance with the 2007 Consumers, Estate Agents and Redress Act. We play a key role in scrutinising the smart meter rollout, and representing consumers in negotiations with government and industry around energy infrastructure and technology. This document is entirely non-confidential and may be published on your website.

Question 2.1 Do you have views on our proposed approach?

In general we support the approach outlined in the consultation. However, we are concerned that the number and scope of the reforms could be potentially challenging given the amount of change occurring in the industry at the same time. Given this, we look forward to seeing Ofgem's further detailed plans following this consultation.

We also have significant concerns about any potential impact the introduction of mandatory settlement could have on the existing data privacy framework for smart meter consumers. Specifically it will be vital that existing consumer control through opt-ins and opt-outs to the sharing of non-anonymised usage data are retained. Half-hourly settlement should be approached in the same way as all other consumer-data-derived smart metering benefits. If the consumer benefits are clear then consumers will opt-in to sharing more detailed data in exchange for them.

In our view a robust business case is essential to informing any decision to move to mandatory half hourly settlement (HHS) and we welcome the use of the Treasury's five case model to provide structure and to manage the process. We are pleased to see the inclusion of an impact assessment and an assessment of distributional impacts of mandatory HHS within the proposals. We expect a full cost-benefit analysis to be published which should

consider the question of whether elective HHS can meet the same policy aims and provide better value for money than mandatory HHS. Any decision to proceed with a mandatory approach should learn the lessons of the process to introduce mandatory HHS for larger sites.¹

We agree with the use of the significant code review (SCR) process to drive the change process, and cannot see any alternative way of achieving this type of holistic reform. We agree that an SCR should only go ahead once the work is thoroughly scoped and planned. However, this will be arguably the broadest SCR yet, and other SCRs have suffered from delay. We would like to see critical milestones set out so that in the event of delay the critical wins can be prioritised. We support use of alternative powers, if these become available, to provide a greater ability for Ofgem to drive strategic change across multiple codes.

Question 2.2 Our Impact Assessment will evaluate the costs and benefits of mandatory HHS for domestic and smaller non-domestic consumers. We will be seeking evidence of costs and benefits as part of that process. Do you have initial views on the costs and/or benefits? If so, please provide these with your supporting evidence.

We are commissioning research into consumers needs and expectations of time of use (ToU) tariffs, and have previously published a number of relevant reports in this and key related areas such as demand side response (DSR) .

Forthcoming Citizens Advice research on consumers' needs and expectations

Citizens Advice is currently conducting further research on the future role of smart tariffs, and how they fit with consumers' needs and expectations about the electricity market. We expect this work to be concluded in Spring 2017. We look forward to sharing our conclusions of this work with Ofgem.

Engagement with Time of Use (ToU) tariffs.

Consumer Futures's 2012 report 'From devotees to disengaged'² showed that a substantial minority (38%) of consumers on traditional ToU tariffs do not get any benefit from them, and over half believed additional information or advice would help them make better use of their tariff. This highlights one of the potential risks for consumers from smart ToU tariffs.

¹ See BSC Modification P272

<https://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-cl asses-5-8/>

² <http://webarchive.nationalarchives.gov.uk/20140728011208/http://www.consumerfutures.org.uk/files/2013/07/Fro m-devotees-to-the-disengaged.pdf>

Take a walk on the demand side

Our 2014 report³ examined DSR from a domestic and small-business consumer perspective. Drawing together the experience from Great Britain and internationally and it set out a vision of how DSR can be made to work for consumers. It highlights the information needs of consumers, and the protections they will need.

Consumer benefits of the Low Carbon Network Fund (LCNF)

Our report⁴ captured findings on consumer impacts from the most relevant LCNF projects. Many of these projects had a key consumer focus, with some insightful learnings for future development of ToU tariffs and DSR.

Dissatisfaction with Smart Billing

Omnibus polling conducted for us in February 2015 (attached at the end of this response) showed consumers views on continuing to receive estimated bills in a smart meter world. These show that consumers would not be happy about this and would likely consider complaining to their supplier (and to a lesser extent to consumer bodies).

The Tariff Transition

This report⁵, published in 2016, reviews options for reforming distribution tariff design. Distribution charges paid by suppliers are currently calculated based on an average load profile. Changes in the load patterns of a supplier's customers do not directly impact the profile or the charges paid by the supplier. Therefore, suppliers have little incentive to encourage consumers to modify their electricity usage in a way that will minimize distribution system costs. Settlement that is based on actual consumption would address this issue. Further, from a practical perspective, half-hourly settlement will be necessary to offer some of the alternative tariff designs discussed in the report.

Question 3.1 Do you think we have identified the necessary reforms? Are there other reforms that should be listed? If so, what are they and how would they fit in the proposed plan?

In our view a key area is consumers' information requirements. We think that there needs to be further consideration of:

Information tools

³
https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/take-a-walk-on-the-demand-side-final-2.pdf

⁴
<https://www.citizensadvice.org.uk/cymraeg/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/capturing-the-findings-on-consumer-impacts-from-low-carbon-networks-fund-projects/>

⁵
<https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/tackling-tariff-design-the-tariff-transition/>

Our research⁶ emphasises the need for clear information to enable consumers to understand smart tariffs, and to meaningfully compare these with other smart and non-smart tariffs. Work on information provision will need to be completed before non-traditional smart tariffs become widely available to consumers, in order to ensure that consumers are able to understand these tariffs, including what action they would need to take, and at what times, to shift their load and reduce their bills.

New tools will also be needed to help consumers determine whether these emerging tariffs are suitable for them. Ofgem should work with price comparison sites, other intermediaries, information providers, suppliers and other stakeholders including Citizens Advice to ensure that these can be developed. This work needs to consider how price comparison tools make assumptions on behavioural change, for example how consumers with dumb meters can compare their existing patterns of use (eg night vs day) and make assumptions about what usage can be shifted.

In addition, changes to the Confidence Code may need to be considered, as this does not currently require price comparison sites to provide comparisons for time of use smart tariffs. To achieve these aims suppliers will need to share detailed information on their time bands for different tariffs, both with consumers and price comparison sites.

Ofgem's proposal for a new broad principle that suppliers must ensure that consumers are able to make informed choices, according to their needs and characteristics, is a welcome step in the right direction.⁷ Assuming this is adopted into the licence, Ofgem should monitor how effective this, and associated narrower principles, are in ensuring consumers have clear information in regards to smart tariffs which are introduced ahead of any change to mandatory settlement. This should allow the regulator to identify issues and provide guidance to suppliers where necessary ahead of any change to mandatory HHS.

Supplier communications

Suppliers will need to share detailed information on their time bands for different tariffs, both with consumers and price comparison sites. Consumers need to have easy access to their usage data between billing cycles. They will need guidance on how to use this information to change their behaviour to reduce future bills. Suppliers need to ensure customers on these tariffs, or who are interested in these tariffs are directed to a specialist team who can effectively deal with consumers' issues. The new Ofgem-led programme of trials should consider testing new ways to prompt consumers with ToU or smart tariffs to benefit most from their tariffs. Monitoring the effectiveness of new information provision requirements for consumers with restricted meters, and making use of Ofgem's powers to

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https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/take-a-walk-on-the-demand-side-final-2.pdf

⁷ For more information see our response to Ofgem's consultation 'Helping consumers make informed choices' <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-consultation-responses/response-to-ofgems-consultation-helping-consumers-make-informed-choices/>

direct the form of this messaging, could also provide an insight in how suppliers can best provide information to consumers help them understand whether their tariff is appropriate.

Broader communications

Even if tariffs are easy to understand and compare, the emergence of a multitude of smart tariffs with different characteristics could introduce excessive complexity for consumers. The introduction of mandatory HHS should learn the lessons from the past, to avoid the problems of confusing marketing and tariff proliferation. An agreement between industry parties and Ofgem on the principles by which non-traditional tariffs will be designed under half hourly settlement would help consumers navigate these new products more easily.

The introduction of smart meters and time of use smart tariffs will fundamentally change the way that most consumers interact with the market. In addition to suppliers providing clear information to consumers, government and industry should consider whether a broader communications strategy may be required. Citizens Advice is concerned that there is the potential for confusion and fear around mandatory smart tariffs.

Question 3.2 What industry expertise is needed to deliver these reforms in the timetable we have given?

In addition to the expertise already identified by Ofgem in the consultation:

- We think it is important to engage with price comparison services and other third party intermediary services, as these will play a key role in consumer engagement, and enabling consumers to make meaningful comparisons between different tariffs.
- We think that smart home management businesses are important as these will enable increased automation of consumers' homes. Automation is a key way in which consumers will be able to more easily take advantage of the types of benefits facilitated by half hourly settlement.

Question 3.3 How much expertise and time can your organisation provide? How does this interact with other Ofgem initiatives?

We are the statutory representative of energy consumers, and we have extensive expertise of issues that affect energy consumers and in particular consumers in vulnerable circumstances. We look forward to seeing Ofgem's developed plan and timetable for these reforms and discussing these in more detail with Ofgem to identify appropriate ways in which we can participate in this work. This will need to reflect our unique role and expertise as well as the resources available to support this and other major initiatives as part of the delivery of our workplan.

Question 3.4 What are the key risks and constraints to delivering to the timetable outlined?

It is important that any associated impacts that the introduction of mandatory HHS may have, including any reputational risks to the smart meter rollout, should be considered and mitigated by BEIS and Ofgem.

One key risk is that these changes will also coincide with a large number of other major industry changes. In particular the smart meter rollout, the move to principles-based regulation and codes reform and faster switching. The volume of change is likely to put resource pressure on parties who are involved in multiple programmes, and this risks the consumer benefits of these changes not being realised if industry systems and participants cannot cope. Ofgem will need to ensure that there is a joined up approach between its own teams working on these often inter-related projects, including settlement reform, the switching programme and smart metering, alongside the implementation of changes following the CMA.

Another risk is that there is a relatively short time period before the mandatory decision is due to be taken in early 2018. The implications of this is that there will likely be a small evidence base for emerging consumer issues because there is relatively little time to learn the lessons from the roll out of elective and non-domestic half HHS ahead of a final decision on mandatory HHS. There is also a standing start on developing effective price comparison for ToU tariffs. Developing this will be complex, and has proven difficult in the past for many traditional ToU meters (eg Dynamically Teleswitched meters).

Suppliers are going to have to update their IT systems to adapt to these reforms. This may pose a risk as previous significant updates of IT systems, such as billing systems, have been problematic and caused severe issues for consumers. Industry will have been anticipating these changes however they will need to ensure that any potential issues can be mitigated to build trust in the nascent ToU market.

There is a potential risk to the timetable posed by a review of the role of supplier agents. This is because the review carries a risk to the business model of supplier agents, and so therefore has a high level of associated legal risk.

Question 3.5 Do you agree with the dependencies in Figure 1? If not, please explain what changes you suggest and why.

Yes, we agree with these. In particular we agree that the work examining consumer protection and engagement is carried out throughout the phases leading up to the decision on whether to mandate half hourly settlement. This is important because there will continue to be lessons learnt from the roll out of elective HHS to domestic consumers. Lessons will also need to be learnt from the roll out of HHS large non-domestic sites, especially from Project Nexus.

3.6 What are the barriers to making changes to central systems and industry rules by the first half of 2018?

Please see our response to 3.4

3.7 Do you have any other comments on the proposed plan?

Monitoring the early consumer experience of these tariffs will be vital to identify best practice and any new forms of consumer detriment. For example we already have evidence of smart meter customers who are still in receipt of estimated bills. We think Ofgem should use the period of elective HHS to learn about the types of non-traditional products suppliers offer and how consumers react to them. Ofgem may need to secure a coordinated programme of research in order to fully understand both the consumer and supplier experience of HHS. Citizens Advice would welcome the opportunity to better understand Ofgem's plans in this area.

Citizens Advice will also be monitoring the consumer experience during this period to gain an understanding of the consumer experience of emerging tariffs. This could be something that forms part of the new tripartite working process between ourselves, Ofgem and Ombudsman Services: Energy.

4.1 Do you agree with the conclusions of the ESEG and the PSRG (see paragraphs 1.8 – 1.10.)? Do you think anything has changed since they considered these issues? Roles and responsibilities (see paragraphs 4.2. – 4.7.)

We agree with these.

4.2 Do you agree with the scope of issues identified in this section? Are there any others we should be considering? Settlement process (see paragraphs 4.8. – 4.17.)

Reform of the settlement timetable should also consider reforming the payment and credit default timetables. The industry typically has around £400m in collateral lodged under the BSC (albeit mostly in letters of credit, not cash⁸). Non-payers cannot be tackled until over 29⁹ days have passed. We think that these socialised risk costs can be reduced.

Industry profiles and systems will need updating. Profiling may need reform, and there will be a reduced appetite for profiling administration. A majority of HHS sites providing data

⁸ Small suppliers are more likely than large suppliers to lodge credit in the form of cash rather than a letter of credit. In addition, past Ofgem analysis conducted during its Electricity Balancing SCR has suggested that smaller parties have greater imbalance exposure than larger vertically integrated parties. In combination, these factors mean that credit cover requirements are likely to tie up disproportionately more working capital for small players than for large suppliers.

⁹ Although nominally 29 days, in practice the Balancing and Settlement Code trigger for entering credit default of a party's estimated indebtedness exceeding 80% of the collateral it has lodged means that they have to lodge credit equivalent to at least 36 days of their trading charges (eg 100 / 80 x 29).

will be able to create more sophisticated profiles for the residual NHH sites. Ofgem should monitor and manage the effect that the transition of sites to HHS is having on the Group Correction Factors applied to the residual NHH sites, where the balance of error attributable to unmetered supplies (street lighting etc) and to NHH supply is likely to alter over time. It is vital that those consumers who are unable to have a smart meter installed, or who suffer communications failures, do not see increased bills through no fault of their own.

4.3 Do you agree with the scope of issues identified in this section? Are there any others we should be considering? Policy enablers (see paragraphs 4.18. – 4.27.)

Please see our response to 3.

We would also note in response to paragraph 4.19 that there is no current commitment for all SMETS1 meters to be enrolled into the DCC. This decision will be taken at a later date by the Secretary of State, after the DCC submits their Final Enrolment Project Feasibility Report. Until such time that this decision is taken, Ofgem should proceed on the basis that at least some domestic consumers will continue to have non-enrolled SMETS1 meters after the end of the smart meter rollout, currently scheduled for 2020. The proposed approach for advanced meters (to apply the process for profile classes 5-8) may not be suitable for these consumers, especially if large volumes of non-enrolled SMETS1 meters remain.

Citizens Advice studied options for reforming distribution charging, including the possible adoption of time of use distribution charges, in the 2016 report *The Tariff Transition*.¹⁰ One of the main findings of that report is that, as distribution network load potentially becomes peakier with wider adoption of solar PV and other factors, time of use distribution charging goes with the grain of this system better than other alternatives. The result should be a charging approach that has smaller distributional impacts than other alternative models assessed (higher standing charges; inclining block rates; peak demand charges).

This depends a lot of the relative size of the charges, how suppliers choose to pass charges to consumers in a post-HHS world, whether it is combined with a wider TOU tariff incentive to change consumption patterns or whether it is a small TOU signal attached to a larger non-TOU bill. As a result, these findings should be taken with a grain of caution. All other things being equal, a move to time-varying distribution (and transmission) charges in a post-HHS world could be the option that inflicts the least harm on consumers. However, in energy policy all other things are rarely kept equal, so as other policy decisions are taken, and as the market for time-varying tariffs takes shape, further analysis will be useful to determine whether the assumptions made in the report continue to be reasonable.

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<https://www.citizensadvice.org.uk/Global/CitizensAdvice/Energy/Energy%20Consultation%20responses/The%20Tariff%20Transition%20-%20Volume%20I%20-%20Final%20Report.pdf> p. 42

Higher Standing Charge



IBR



Demand Charge



TOU



4.4 Do you agree with the scope of issues identified in this section? Are there any others we should be considering? Consumer issues (see paragraphs 4.28. – 4.38.)

We examined the consumer impact of Demand Side Response (DSR), and in particular non-traditional Time of Use (ToU) tariffs in our report¹¹ Take a Walk on the Demand Side. This contained recommendations for both Ofgem and industry for changes to ensure ToU tariffs and DSR will work for consumers. These form the basis of our considerations in relation to the introduction of mandatory HHS.

Consumer Protection

In principle, time of use (ToU) tariffs leading to demand side response (DSR) should lower bills for consumers who change their behaviour (with any reward for load shifting proportional to the costs saved by their changed usage profile) without negative impacts on participating consumers who do not do so.

However, this is unlikely to be the effect in practice. For example, [in previous time of use trials](#) a large minority of consumers failed to shift their load, and would in fact have seen bill increases if they had not been protected by the conditions of the trial. Similarly, our

¹¹ Citizens Advice (2014) available at https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/take-a-walk-on-the-demand-side-final-2.pdf

predecessor body Consumer Futures [conducted research in 2012](#) which found that 38% of consumers on traditional ToU tariffs do not get any benefit from them.

New consumer protections will be required to mitigate this risk, by limiting financial liability for consumers who switch to non-traditional smart tariffs and by ensuring that they are able to switch to other non-smart tariffs without penalties if they find their bills rise. For example, the limits on liability could take a number of forms, including caps on bill increases or 'shadow billing', whereby consumers are billed on the lower of either a smart or non-smart tariff. Given the wider system benefits of DSR, we do not think that providing these protections should lead to an overall increase in costs to consumers. Such protections will be required to give consumers the confidence to participate in a nascent smart tariff market. Equally it is important that non-ToU tariffs continue to be available.

It is also clear that accurate and timely bills will be even more important for consumers on innovative ToU tariffs, to enable them to quickly identify any bill increases and reduce susceptibility to shock bills. We had supported Ofgem's Smart Billing proposals¹², which would have prevented back-billing beyond six months for consumers with smart meters, with this period reduced to three months from 2020 (subject to review). Ultimately these proposals were rejected, in favour of a voluntary industry initiative of which we are still to see details. However, given the increased risks for consumers with non-traditional ToU tariffs, we consider that a three month period would be appropriate from the outset for these consumers. Consumers should also be provided with easy access to their usage data between billing cycles, and guidance on how to use this information to change their behaviour to reduce future bills

Non-participation

While emerging tariffs may only be adopted by a minority of consumers, there is the potential for their introduction to have wider impacts, both positive and negative, for the non-participating majority of consumers who are left behind. Large number of consumers will not receive smart meters until towards the end of the rollout. Some will refuse, and others won't be able to have a smart meter installed. We think an expectation should be established of "do no harm" for those consumers who cannot have a smart meter. And it is important that settlement systems continue to provide a mechanism to settle sites non-half hourly (NHH). One test for all new systems should be establishing how they cope with dumb sites.

System cost reductions and other efficiencies may be achieved in the medium to long term, but in the early transitional phase consumers who stand to benefit (in some cases without altering their behaviour at all) will switch to ToU tariffs to lower their bills. Until the efficiency savings from this change are realised, suppliers may seek to increase costs for their non-ToU consumers.

¹² Citizens Advice 'Smart Billing' consultation response available at <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-consultation-responses/ofgems-consultation-smart-billing-for-a-smarter-market-our-proposals/>

Furthermore, if DSR proves to be valuable to suppliers then they may prioritise their ToU consumers to the detriment of their non-ToU consumers, who could receive relatively lower standards of customer service, or be offered less attractive deals. These considerations are important as it is clear that a large number of consumers will not receive smart meters until towards the end of the rollout, and a small minority will be unable, or unwilling, to have a smart meter installed.

Consumers in vulnerable circumstances

Consumers in vulnerable circumstances will require particular consideration, to ensure that they are protected from unsuitable tariffs, but also to enable their participation in DSR where this is beneficial.

In addition the widespread introduction of ToU tariffs could also affect considerations of a consumer's vulnerability, such that a consumer's inability to load shift may become a circumstance which can place them in a vulnerable position.

Meter reads and data issues

A key issue which will need to be considered very carefully is the way that consumers' half hourly data is collected in a mandatory context. Ofgem need to examine ways to fully anonymise half hourly data or get consumer consent. A similar discussion is currently being had over networks access to data. Depending on the options developed, if any of these involve changes to the smart meter privacy framework then the impacts of these would need to be fully taken into account in the impact assessment to inform the decision to move to mandatory HHS.

Potentially there is a conflict between the ambition to achieve mandatory half hourly settlement and the data privacy framework which government has established for smart meter rollout. Under the current framework consumers can choose how much data they share with suppliers, however mandatory HHS implies that they would lose this choice.

We know that consumers have significant concerns about the potential uses (and misuses) of smart meter data and that the ability to opt-out of (and necessity to opt-in to more detailed) sharing has been vital to assuaging these concerns and reassuring consumers that smart meters can be a benefit rather than a risk. Many consumers have agreed to have smart meters installed in their property on the basis that they will be able to choose how much of their data is shared, removing this control once a meter has been installed risks significant consumer concern and indeed detriment as suppliers will no longer be incentivised to offer benefits in exchange for more detailed data access. If this were to happen consumers would have to be given the option to opt-out of having a smart meter given the significant change to how it will work from when they consented to have one installed. As such there will need to be a strong commitment to retain the current consumer protections and rights in this area.

The consultation document references the CMA's recent report, which included recommendations regarding changes to the framework in order to deliver the benefits of HHS. No clear proposals are identified at this point but it indicates that BEIS and Ofgem are seeking to identify design solutions which are compatible with relevant data protection regulations but a more explicit reference to preserving the data privacy framework should be added. We welcome that there is strand of work identified in the timetable to look at this issues. However at this stage we want to flag the following concerns:

- A policy risk that some of the options that could be developed might see consumers who have already had a smart meter installed on the basis of specific controls would be faced with potentially having some of these controls removed,
- In addition to the significant consumer experience and trust impact there may be also be legal issues concerned with removing any of the existing controls.
- Removing consumer control of how much data they share will also eliminate consumer leverage to ensure they benefit from sharing their data and supplier incentives to provide benefits in exchange. This leverage is at the heart of the consumer benefits of smart metering.

Any discussion of data issues around HHS must also factor in the critical protections provided in supply licence conditions which ensure that consumers retain control over the detail of meter reads their smart meter provides to their energy supplier. While consumer views vary significantly by demography, when they are asked what they want, need and expect from data-driven services two requirements are consistently raised: transparency and control¹³.

The licence conditions go some way to provide this by providing consumers not only with the protection provided by the need for an explicit opt-in to share half-hourly data but the opportunity to opt-out down to a monthly meter read should they wish. This control has wider benefits in terms of providing consumers with some leverage; energy suppliers or other organisations will have to provide a compelling reason, ideally in the form of additional benefits, for consumers to share more of their data rather than simply receiving detailed data by default.

Consumers need to have clear information about how their data is used

It will be imperative that clear, consistent and accurate information be provided to consumers about all new services, including on how consumer data is used and the choices consumers have about this. It will also be vital to ensure that communications materials are not used as a route by which responsibilities and liabilities are shifted from service providers to consumers. In particular lengthy terms and conditions should be avoided; we know from our research that consumers rarely read these and seldom understand them when they do. Indeed the lack of understanding is a part of how consumers justify not reading them. In

¹³ 6 Consumer Futures (2014)

<http://webarchive.nationalarchives.gov.uk/20140728011208/http://www.consumerfutures.org.uk/reports/smart-and-clear-customer-attitudes-to-communicating-rights-and-choices-on-energy-data-privacy-and-access>

addition Our report Against The Clock¹⁴ found that those consumers who do read the terms and conditions are actually less satisfied with their decision than the consumers who didn't. It also recommends that consumers in markets for essential services are provided with a "cheat sheet" of the main contract terms. Our research on consumer needs from smart data communications materials concluded that there is a strong preference for layered information, for example a one-page summary of the key issues that signposts consumers to more detailed summaries of specific areas¹⁵. While consumers may not always engage with information provided initially, the knowledge that such information is available if needed at a future date often provides reassurance. The ICO has incorporated many elements of these approaches and principles into its own guidelines on privacy notices¹⁶.

Question 4.5 Do you agree with the scope of issues identified in this section? Are there any others we should be considering?

We agree with the scope identified.

Question 5.1 What is the best way for us to use the expertise of stakeholders? What have you found helpful in the past?

We would encourage Ofgem to consider a range of ways in which it can engage with the consumer stakeholder groups who are likely to be interested in this work, and may be able to provide important views and evidence, but may lack the resource or technical expertise to engage with the project on a regular or detailed basis.

If you would like to discuss any of the points raised in this response, please do not hesitate to contact me.

Yours sincerely,

Stew Horne

Principal Policy Manager

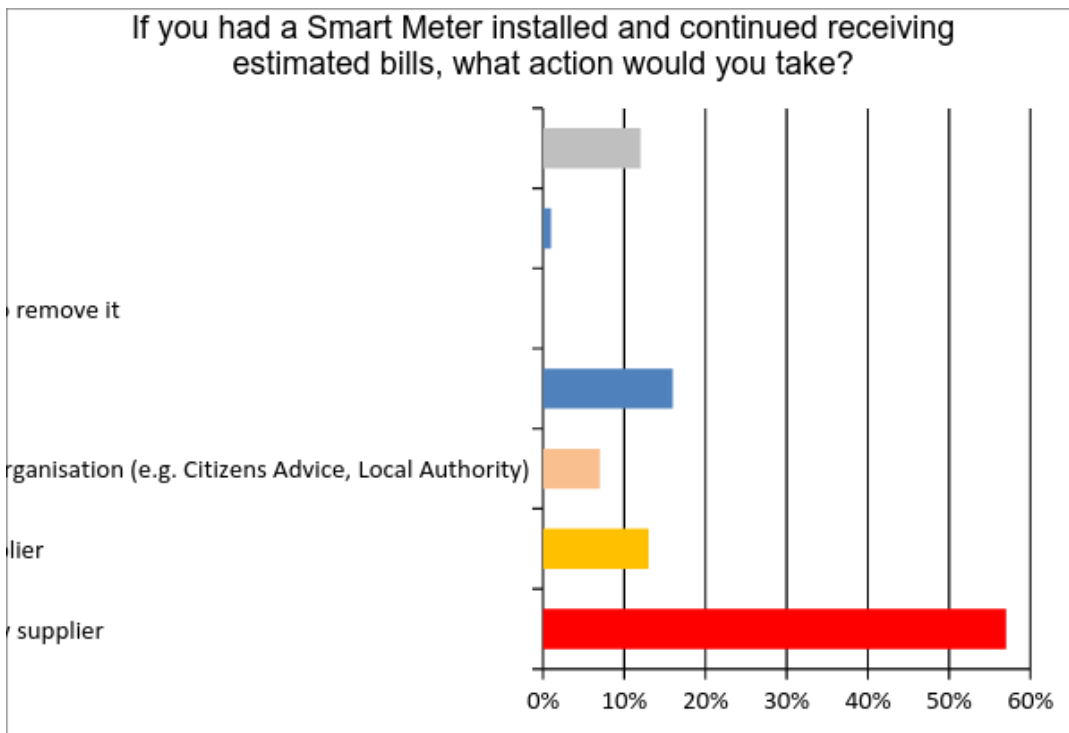
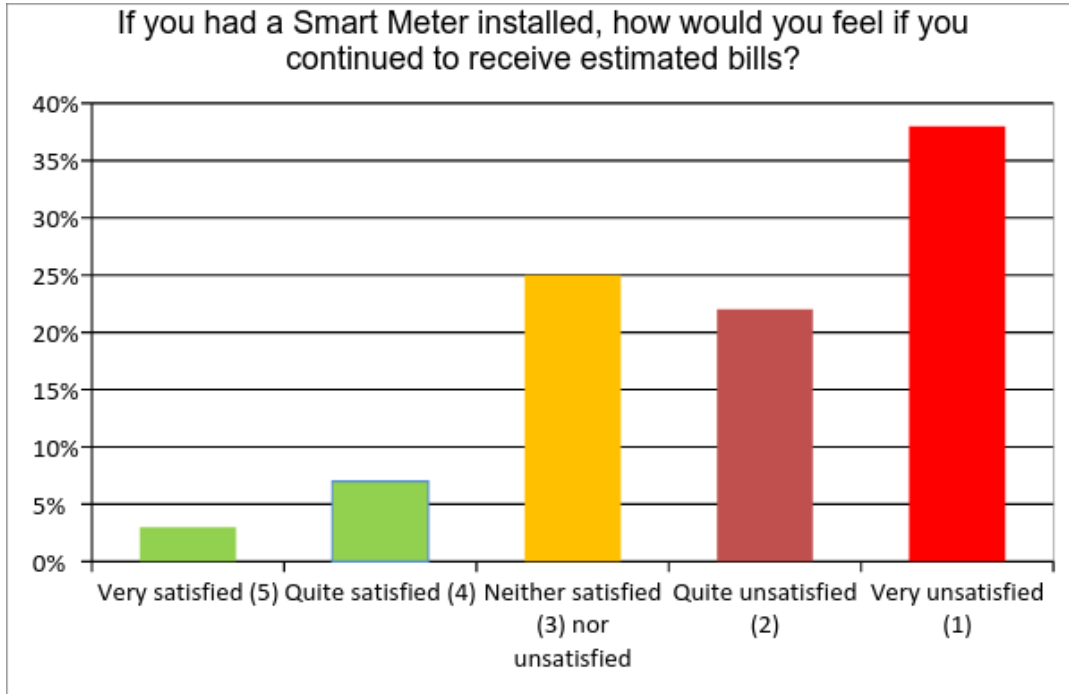
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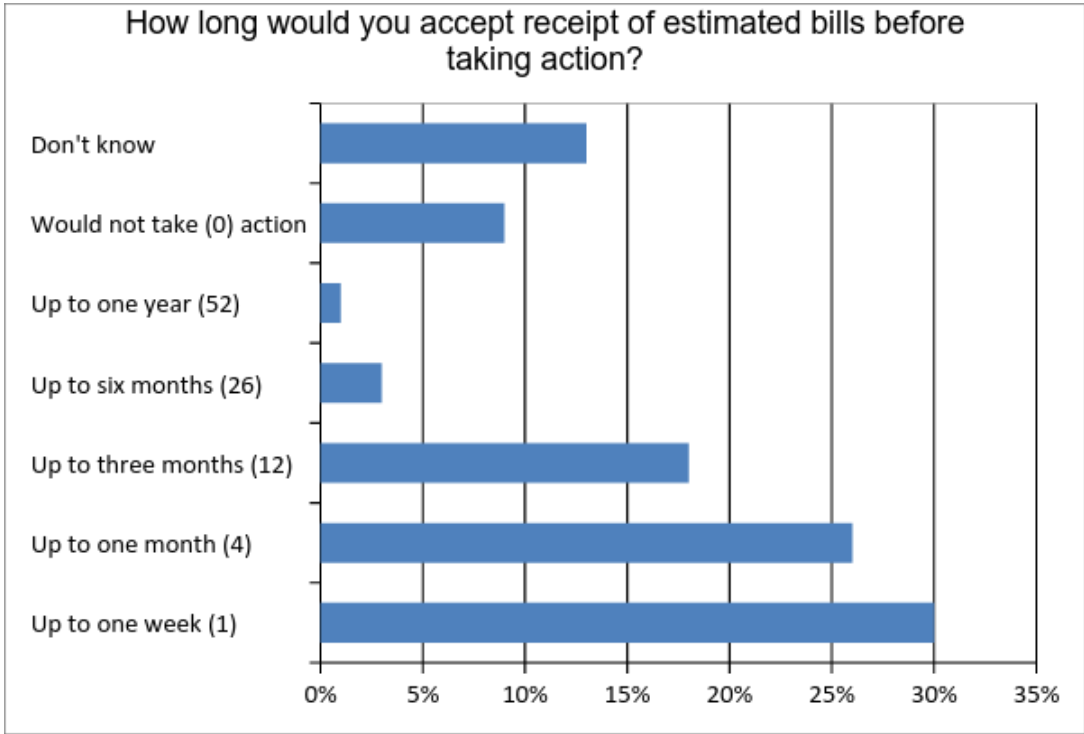
¹⁴ <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Consumer%20publications/Finalreport-Againsttheclock.pdf>

¹⁵ <http://webarchive.nationalarchives.gov.uk/20140728011208/http://www.consumerfutures.org.uk/reports/smart-and-clear-customer-attitudes-to-communicating-rights-and-choices-on-energy-data-privacy-and-access>

¹⁶ <https://ico.org.uk/for-organisations/guide-to-data-protection/privacy-notices-transparency-and-control/>

Data from February 2015 Omnibus Poll on Smart Billing (Face-To Face Omnibus with 2000 GB Adults)



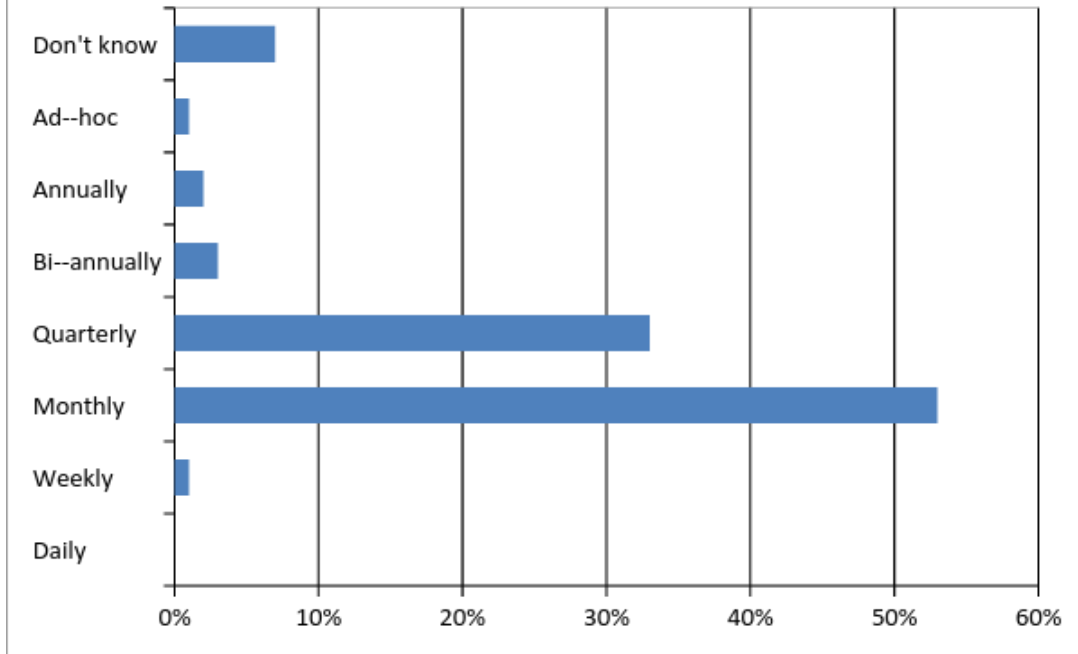


Patron HRH The Princess Royal

Chief Executive Gillian Guy

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Smart meters should allow you more flexibility on how often you are billed, if given the choice how often would you want to receive a bill?



Patron HRH The Princess Royal

Chief Executive Gillian Guy

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