



Consultation Response

By email to smartmetering@decc.gsi.gov.uk

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Smart Metering Implementation Programme – Roll-Out Team

Department of Energy & Climate Change

Room 101

55 Whitehall

London SW1A 2EY

ELEXON's response to DECC Smart Metering Programme's Strategy and consultation on information requirements for monitoring and evaluation (May 2012)

As custodians of the electricity settlement processes we read the consultation on monitoring and evaluation with great interest. In particular, as discussed previously with DECC, we are interested in any shifts in the pattern of energy consumption as this will have a potential impact on the quality of settlement and the profiling that supports the GB arrangements.

We have not responded to the specific questions as these are mainly for suppliers to respond to. However we believe there is a correlation between the DECC Programme's monitoring of energy usage, our desire to maintain accuracy of settlement and the information we will both use to achieve this. Collaboration for the mutual benefit of our shared interests in this area is an excellent example of the synergies proposed in Section 8 of the consultation.

ELEXON's Load Research Sample

As you are aware, ELEXON manages the load research profile work that is the foundation of the non half hourly settlement arrangements. Smart metering is not going to introduce half hourly settlement from its inception but smart meters are intended to deliver changes in the way we consume energy. Settlement currently relies on using a limited number of profiles that model half hourly consumption patterns across the day.

It is clear that DECC will need to understand the difference between consumption for customers with smart meters and those that do not. For settlement we will need to understand the load profiles for existing customers (which we will continue to get from customers in our samples) and how profiles may change with the introduction of smart. It would seem logical therefore that data is shared between ELEXON's profiling work and DECC's monitoring Programme for mutual benefit and understanding.

We will discuss this further with DECC in the near future.



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Evolution of the Settlement Arrangements

In parallel with the review of profiling work, ELEXON is leading an industry group (the Profiling and Settlement Review Group) to understand the evolution of the broader settlement arrangements for the smart world. We have discussed this at some length with Ofgem and contributed heavily to their work on developing themes for smarter markets. It is clear to us that certain market changes will only be beneficial once there is critical volume of smart meters installed (to avoid running large legacy systems and processes). Information relating to the rollout profiles and trajectories (at a regional level) would be of great benefit to this work, so as to understand when changes should be targeted. We would like to understand how DECC could make relevant information available to facilitate this work and ensure the enabling benefits of the smart rollout are delivered at the appropriate time.

We will be in contact shortly to discuss our response, in the meantime, if you have any questions please contact me on 020 7380 4337, or by email at chris.rowell@elexon.co.uk.

Yours sincerely

Chris Rowell
Smart Programme Director