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SECMP0064 Initial Modification Report

About this document

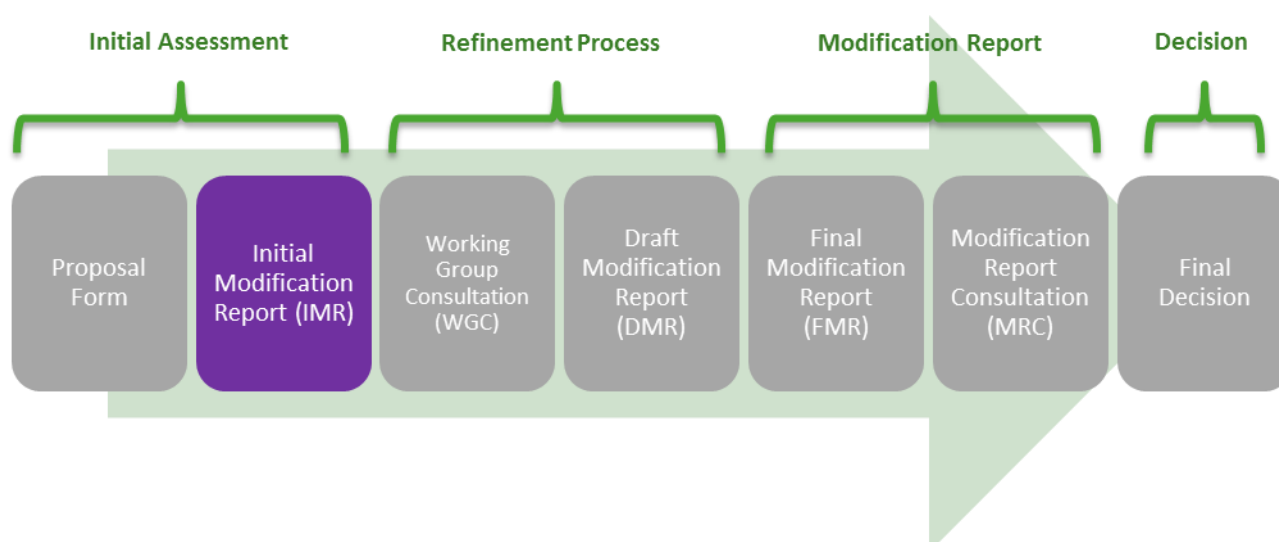
This Initial Modification Report (IMR) contains our initial assessment of [SECMP0064 'Seeking access to consumer premises for Alt HAN Activities'](#). It also provides information on the issue, the Proposer's solution, potential impacts, costs and proposed progression.

This document is submitted to the Smart Energy Code (SEC) Panel for consideration to determine how this Modification Proposal should be progressed through the Modification Process.

As part of this document the Panel will be invited to:

- **AGREE** that this modification should be submitted to Modification Report Consultation;
- **AGREE** the progression timetable set out in Section 6; and
- **AGREE** that SECMP0064 should be progressed as a Path 3 Modification Proposal.

Where are we in the process?



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Initial Modification
Report

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Stage 01: Initial Modification Report

SECMP0064:

Seeking access to consumers premises for Alt HAN Activities

Summary

This modification seeks to allow Alt HAN Building Surveyors to act on behalf of energy suppliers, when seeking permission from energy consumers, to access the premises (or part of premises) across Great Britain to allow for Alt HAN Activities to be carried out. These initial surveys will work towards determining which premises might require an Alt HAN technological solution.

Proposed Progression

This Modification Proposal is recommended to be:

P3

- progressed as a Path 3: Self-Governance Modification Proposal; and
- submitted for Modification Report Consultation.

Potential Impacts

!

- Large and Small Supplier Parties are likely to be impacted.
- There are no impacts on Data Communications Company (DCC) Central Systems or Party interfacing systems.

What stage is this document in the process?

▶ 01	Initial Assessment
02	Refinement Process
03	Modification Report
04	Decision

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About this Document

This is an Initial Modification Report (IMR). This document contains details of the issue, solution, potential impacts and costs as well as the proposed progression for SECMP0064.

This document has two attachments:

- **Attachment A** contains the SECMP0064 Modification Proposal Form; and
- **Attachment B** contains the draft legal text changes to support this modification.

The Panel will consider this IMR at its meeting on 12 October 2018 and determine how this modification should be progressed through the Modification Process.



1. Summary

What is the issue?

Alt HAN Activities (as defined in Standard Licence Conditions (SLCs) 55.6 and 49.6) include, but are not limited to, those activities that are designed to determine which premises may benefit from the installation of Alt HAN Equipment.

In order to do this Alt HAN Co's Operational Service Provider will need to undertake building surveys to enable assessment of suitability for different Alt HAN Solutions.

To facilitate the delivery of Alt HAN Activities economically and efficiently, it has been agreed in principle by the Alt HAN Forum (a Forum established pursuant to SEC Section Z and consisting of Relevant Supplier Parties), that the individuals who undertake such surveys may identify themselves as representatives of the energy suppliers when seeking access permissions.

What is the Proposed Solution?

This agreement has been documented in the Alt HAN Forum meeting (ALTHF_23_180517) minutes in the form of a Forum decision to issue the Operational Services ITT to the market. This constitutes an explicit acknowledgement that Alt HAN Co would be acting on behalf of energy suppliers, supporting the assumption based in the Operational Services ITT that the access required by the Building Surveyor would be similar of that of a meter reader.

In order to enact the Forum's decision, and for Alt HAN Co to ensure efficient delivery of Alt HAN Activities, it is proposed that the SEC is modified to specify that Alt HAN Co can act as a representative of the energy suppliers when seeking permission from the consumer to access the premises. It is understood that such permission is on a voluntary basis, and not based on the energy suppliers' statutory rights of access.

At the Alt HAN Forum meeting (ALTHF_25_180719) on 19 July 2018 the decision was made to address this issue via a SEC Modification. This is seen as the most efficient approach, and therefore consistent with licence obligations.



Potential impacts

Party

Large Supplier Parties	X	Small Supplier Parties	X
Electricity Network Parties		Gas Network Parties	
Other SEC Parties			

System and Testing impacts

There are no impacts on DCC Central Systems or Party interfacing systems and there is no testing required as part of the implementation of this modification.

Potential implementation costs

The estimated cost to implement SECMP0064 is approximately £1,200 and is limited to SEC time and effort to deliver the necessary document changes.

Proposed progression

We and the Proposer believe that this modification should be progressed as a Path 3 'Self Governance' Modification Proposal.

It is also recommended that this modification should proceed directly to the Report Phase.

2. What is the issue?

Seeking access to consumer premises for Alt HAN Activities

Principle obligations within Standard Condition 55.2 of the Electricity Supply Licence and Standard Condition 49.2 of the Gas Supply Licence require that all Relevant Supplier Parties, in conjunction with each other, must ensure that Alternative Home Area Network (Alt HAN) Activities are carried out. Alt HAN Activities (as defined in Standard Licence Conditions (SLCs) 55.6 and 49.6) include, but are not limited to, those activities that are designed to determine which premises may benefit from the installation of Alt HAN Equipment.

Initial surveys by the Building Surveyor, completed as part of Alt HAN Activities, are likely to require access to building meter rooms and every floor of the building to collect relevant data, such as:

- building height;
- number of floors;
- number of premises in the building;
- location of the gas and electricity meter for each participating premise;
- distance between the gas and electricity meter for each participating premise;
- distance between each participating premise and the electricity meter;
- distance between each participating premise and the gas meter;
- ZigBee readings between each participating premise and the electricity meter; and
- ZigBee readings between each participating premise and the gas meter.

(This list is indicative and is not intended to be exhaustive).

There are currently no provisions in the SEC that enable access to consumer premises to undertake these surveys and no single way of achieving access to a building that is serviced by multiple energy suppliers.

3. Solution

Proposed solution

EDF Energy raised [SECMP0064 'Seeking access to consumer premises for Alt HAN Activities'](#) on 4 October 2018.

It has been agreed in principle by the Alt HAN Forum (a Forum established pursuant to SEC Section Z and consisting of Relevant Supplier Parties), that the individuals who undertake such surveys may identify themselves as representatives of the energy suppliers; provided that they only enter buildings with a customer's verbal consent, comply with the statutory/licence duties applying to energy supplier representatives when attending premises, and are liable for any damage caused while attending the premises.

However, the Alt HAN Forum's decision to allow Alt HAN Co (and its contractors) access the consumer premises on behalf of energy suppliers, is binding on Alt HAN Co but not on all energy suppliers. Therefore, a SEC Modification is required to enact this Alt HAN Forum decision in practice.

In order to enact the Forum's decision, and for Alt HAN Co to ensure efficient delivery of Alt HAN Activities, it is proposed that the SEC is modified to specify that Alt HAN Co can act as a representative of the energy suppliers when seeking permission from the consumer to access the premises. It is understood that such permission is on a voluntary basis, and not based on the energy suppliers' statutory rights of access.

This access is to be provided on the basis that the personnel of Alt HAN Co (and its contractors) may only undertake a visual inspection of the premises and may not undertake any intrusive work.

It is also recognised that Alt HAN Activities cover a wider scope of activities than building surveys, hence the proposed drafting does not limit the scope to building surveys but refers to the 'Alt HAN Activities' instead.

The proposed solution is to include the drafting below in SEC Section Z. We would propose this is added as a new Section Z2.49.

Alternative options had been considered such as utilising the Alt HAN/ Supplier Contract (which will act as a mechanism for suppliers to procure Alt HAN Equipment) to establish the contractual chain for allowing Alt HAN Co to seek permission to access the premises on supplier's behalf. However, the Alt HAN/ Supplier Contract is a voluntary contract and a universal obligation on all relevant energy suppliers is required for Alt HAN Co to deliver the Alt HAN Activities efficiently.

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Legal text changes

The proposed legal text changes to SEC Section Z is provided in Attachment B.

Views against the General SEC Objectives

The Proposer believes that this Modification Proposal better facilitates General SEC Objective (h)¹.

- **Objective (h):** This modification aims to enable energy Suppliers to meet their licence obligations with respect to delivering Alt HAN Activities effectively and efficiently. The permission to seek access to the buildings will enable Alt HAN Co to determine which premises will benefit from the installation of Alt HAN Equipment.

For the avoidance of doubt, the Proposer believes that this modification is neutral against all other SEC Objectives.

¹ Facilitate the establishment and operation of the Alt-HAN Arrangements.

4. Potential Impacts

The following section sets out the initial assessment of likely impacts and costs should SECMP0064 be approved and implemented.

SEC Party impacts

Large Supplier Parties	X	Small Supplier Parties	X
Electricity Network Parties		Gas Network Parties	
Other SEC Parties			

It is expected that this modification will impact all Large and Small Supplier Parties as Alt HAN Co will be seeking permission from consumers on behalf of all Relevant Supplier Parties.

System and Testing Impacts

There are no impacts on DCC Central Systems or Party interfacing systems and there is no testing required as part of the implementation of this modification.

SEC and Subsidiary Document impacts

SEC [Section Z 'Alt HAN Arrangements'](#) will require changes as part of the implementation of this modification.

Impacts on other industry codes

There are no impacts on other industry codes.

Greenhouse Gas Emission impacts

There are no impacts on Greenhouse Gas Emissions.

5. Potential Costs

Potential implementation costs

The potential costs to implement SECMP0064 will be limited to the Code Administration time and effort for:

- Making the necessary amendments to the SEC;
- Releasing a new version of the SEC to SEC Parties; and
- Publishing this on the SEC website.

SECAS implementation costs		
Implementation activities	Effort	Cost
<p>Application of approved changes to the SEC.</p> <p>Publication of new version of the SEC on the SEC Website and issuing this to SEC Parties.</p> <p>Review and updated any impacted SEC guidance materials.</p>	Two Man Days maximum	£1,200 ²

² Based on a blended rate of £600 per day.

6. Proposed Progression

Modification Path

The Proposer recommends that SECMP0064 be progressed as a **Path 3: Self Governance Modification Proposal**.

The Modification is not proposed by the Authority or by the DCC at the direction of the Authority, therefore does not have the status of a Path 1 Modification.

We also believe the Modification does not meet the criteria set out in SEC Section D2.6, in terms of any significant or material impact on energy consumers, competition in energy supply, environment, data privacy, security of supply of security of systems, or SEC Sections C or D, and is not likely to discriminate one Party or class of Parties. Therefore, it does not hold the status of a Path 2 Modification.

In addition, we note that this matter has already been discussed at the Alt HAN Forum and the Alt HAN Supplier Contract Governance and Regulatory sub-group, and, as such, all Relevant Supplier Parties have been given an opportunity to consider the proposed solution.

Proposed progression

We believe this modification should be progressed directly to the Modification Report Consultation (MRC). This modification has already been reviewed by the Alt HAN Forum and the Forum's sub-groups who are made up of Relevant Supplier Parties. This modification has been raised to enact the Forum's decision. We therefore recommend the following progression timetable for Panel consideration.

Activity	Date
Modification Proposal raised	04 Oct 18
IMR presented to SEC Panel	12 Oct 18
Modification Report Consultation	17 Oct 18 – 07 Nov 18
Change Board vote	21 Nov 18



7. Implementation

Recommended implementation date

We recommend an implementation date of:

- **28 February 2019** (February 2019 SEC Release), if a decision to approve is made by 14 February 2018, providing a 10 Working Day decision lead time.



8. Recommendations

The Panel is invited to:

- **AGREE** that this modification should be submitted to Modification Report Consultation;
- **AGREE** the progression timetable set out in Section 6; and
- **AGREE** that SECMP0064 should be progressed as a Path 3 Modification Proposal.



Appendix 1: Glossary

The table below provides definitions of the terms used in this document.

Acronym	Defined Term
Alt HAN	Alternative Home Area Network
DCC	Data Communications Company
IMR	Initial Modification Report
MRC	Modification Report Consultation
SEC	Smart Energy Code