

SMICoP Change Report		Stage of the document in the process:
<h1 data-bbox="121 342 480 432">CR 062</h1> <h2 data-bbox="121 472 1145 680">Updating SMICoP Customer Survey reporting thresholds and the minimum sample size requirements</h2> <p data-bbox="102 757 292 792">28/08/2020</p>		<div data-bbox="1187 333 1422 398" style="background-color: #e0ffe0; padding: 5px;">01 – Draft Change Report</div> <div data-bbox="1187 443 1422 508" style="background-color: #ffcc00; padding: 5px;">02 – Final Change Report</div>
<p data-bbox="102 844 536 880"><b>Purpose of Change Request</b></p> <p data-bbox="102 909 1422 1084">This change seeks to simplify and clarify the rules about the SMICoP Monitoring and Compliance Customer Surveys (MCCS) Suppliers have to carry out after completing a smart meter installation. This change would remove any ambiguity in the “Minimum Sample Size” section of the Code and improve clarity and ensure fairness.</p>		
	<p data-bbox="244 1126 1086 1162">SMICoP Governance Board voted on the Change Request:</p> <ul data-bbox="300 1182 1038 1328" style="list-style-type: none"> <li>• That the change solution is Approved</li> <li>• That the implementation date is 04 January 2021</li> <li>• That the implementation technique is Big Bang</li> </ul>	
	<p data-bbox="244 1368 512 1404">Impacted Clauses:</p> <ul data-bbox="300 1424 1153 1460" style="list-style-type: none"> <li>• SMICoP Section C, Appendix C1: Minimum Sample Size</li> </ul>	
	<p data-bbox="244 1496 584 1532">Audit Impacts: Possible</p>	

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The timetable for the progression of the CR was as follows:												
<b>Change Request timetable</b>												
<table border="1"> <tr> <td>Change Report circulated to CAG for IA</td> <td>05 August 2020</td> </tr> <tr> <td>Change Report presented to SGB</td> <td>27 August 2020</td> </tr> <tr> <td>Final Change Report issued to the Authority</td> <td>01 September 2020</td> </tr> <tr> <td>Authority Decision Due</td> <td>12 October 2020</td> </tr> <tr> <td>Proposed Implementation Date</td> <td>04 January 2021</td> </tr> </table>			Change Report circulated to CAG for IA	05 August 2020	Change Report presented to SGB	27 August 2020	Final Change Report issued to the Authority	01 September 2020	Authority Decision Due	12 October 2020	Proposed Implementation Date	04 January 2021
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# 1 Summary

## What

- 1.1 This change seeks to amend the Monitoring and Compliancy Customer Survey reporting thresholds for SMICoP, and the minimum sample size requirements. SMICoP parties have expressed concerns that there is room for ambiguity in the current Code wording, and a change in wording could improve clarity and ensure fairness within the code.
- 1.2 The issues were discussed at Working Group CSWG 015 on 09 June 2020. Working Group members recommended a number of changes are included in this Charge Request.
- 1.3 These include:
  - In the section 'Installations at Domestic Premises', remove the reference to where 'installations have taken place'. The amount of Monitoring and Compliance Customer Survey results to be submitted by a Supplier will be determined by the planned install volumes.
  - Amend reference to 'in the next 12 months' to make this reference the calendar year.
  - Amend wording to clarify that the 500-Customer Survey submission requirement is a minimum amount to be submitted.
  - Add a requirement for SMICoP Members to advise the Code Administrator in advance if they intend to submit annually. The Code Administrator will inform the Authority.
- 1.4 The proposer also supported a change received via Impact Assessment feedback be adopted, and this was subsequently approved by SMICoP Governance Board (SGB) 084:
  - Amending the wording within the '5k-20k planned installation-visits per annum' threshold, to provide Suppliers an extra four weeks at the end of the calendar year (after December) to be able to collate the results collected.

## Why

- 1.5 At the SMICoP Governance Board (SGB) meeting of 27 February 2020, parties stated that Suppliers have concerns on the suitability of the Monitoring and Compliancy Customer Survey thresholds and the minimum sample size requirements set out in SMICoP Section C Appendix C1. Parties agreed that a revision could improve clarity and ensure fairness.
- 1.6 SMICoP Members have advised that the rules on Monitoring and Compliance Customer Surveys are potentially confusing. Some Members have advised that the rules on how many surveys to complete, and when to submit a report on these surveys, could be difficult to follow, when the

instructions include both predicted installation smart meter volume thresholds and actual installed volume thresholds.

- 1.7 The Authority indicated that the existing rules allowed some Suppliers to submit reports one quarter, and to not submit a report the next. This unpredictability is inhibiting consistency in their monitoring and compliance activities.
- 1.8 Where Suppliers completed more, or fewer, smart meter installations than they had planned it was not necessarily clear if they should submit their survey results quarterly, or annually. Suppliers may lack the flexibility in their contract with the independent survey organisation to respond to this rapidly.
- 1.9 Suppliers who fall within the threshold of '5k-20k planned installation-visits per annum' agreed that they find it hard to clarify when the 12-month reporting period should start within the calendar year, and when the Suppliers should submit their customer survey submissions.
- 1.10 The issues were discussed at Working Group CSWG 015 on 09 June 2020. Working Group members recommended a number of changes are included in this Charge Request.

## How

- 1.11 The Working Group and SGB agreed four key changes that would help solve the concerns raised by Suppliers:
  - Removing actual installations element wording within 'More than 20k planned installation-visits per annum' threshold.
  - Drafting wording within '5k-20k planned installation-visits per annum' threshold to clarify the 12-month period is in-line with the same time period as the 'More than 20k planned installation-visits per annum' threshold.
  - Drafting wording to clarify that the 500-Customer Survey submission requirement is a minimum amount requested to be submitted.
  - Amending the wording within the '5k-20k planned installation-visits per annum' threshold, to provide Suppliers an extra four weeks at the end of the calendar year (after December) to be able to collate the results collected.

## 2 Why Change?

- 2.1 If the change is not implemented there is a risk that Suppliers will not have an equal and proportionate obligation to comply with monitoring and compliance activities.
- 2.2 The Authority's efforts to ensure that consistently high standards are met by SMICoP Members could be hampered if two parallel and potentially contradictory measures are used to determine how many surveys need to be reported upon.
- 2.3 New market entrants may find the SMICoP rules confusing, and difficult to engage with.

## 3 Code Specific Matters

### Legal Text

#### Installations at Domestic Premises

##### Fewer than 5k planned installation-visits per annum

If a Supplier is planning fewer than 5k installations in respect of Domestic Premises ~~in the next 12 months~~ within the calendar year, there is no requirement to survey customers for compliance purposes.

##### 5k-20k planned installation-visits per annum

If a Supplier is planning between 5k-20k installations in respect of Domestic Premises ~~in the next 12 months~~ within a calendar year, a ~~total of minimum of~~ 500 surveys will need to be completed to cover the 12-month period. The Supplier will advise the Code Administrator before the end of the first Calendar quarter (January-March) if they are planning on installing between 5k-20k installations in respect of Domestic Premises within that calendar year. Results from surveys will be submitted in full no later than four weeks after the end of the calendar year to which they relate. Results from surveys will be submitted in full by the end of the calendar year, and Interim results from these surveys could be passed to (or requested by) the Authority, ~~but only the annual results would be~~ and used for compliance purposes.

##### More than 20k planned installation-visits per annum

If a Supplier is planning more than 20k installations in respect of Domestic Premises ~~in the next 12 months~~ within the calendar year, a minimum of 500 surveys will need to be completed each calendar quarter ~~where 5k and above installations have taken place~~. Results from these surveys could be passed to (or requested by) the ~~regulator~~ Authority, and used for compliance purposes. Regardless of whether the 500 survey target is met, results from these surveys should be submitted on a quarterly basis. Results from these surveys could be passed to (or requested by) the Authority, and used for compliance purposes

## 4 Solution

### SGB Assessment

The SMICoP Governance Board (SGB) assessed CR062. The SGB is open to all parties, including Large Suppliers, Small Suppliers, Microbusiness Suppliers, Citizens Advice, BEIS, Ofgem, Energy Ombudsman, Metering Agent representatives.

- 4.1 Meetings were held in open session and the minutes and papers of each meeting are available on the SMICoP website – [www.SMICOP.co.uk](http://www.SMICOP.co.uk).
- 4.2 SGB issued the change for consultation to gather information and feedback from the Change Advisory Board and interested GB energy market participants.

### CR 062 Impact Assessment

- 4.3 CR062 was issued on 05 August 2020 to the Change Advisory Group (CAG) for consideration and there were 3 responses received.
- 4.4 A summary of the responses received, and the SMICoP Governance Board’s conclusions are set out in Appendix 1.

## 5 Relevant Objectives

### Evaluation Against the SMICoP Objectives

- 5.1 For a SMICoP Change Request to be approved it must demonstrate at least one of the following two things:
  - 5.1.1 How it better meets the SMICoP Supply Licence Objectives. These objectives are set out in the Condition 41 and 42 of the standard electricity supply licence and Condition 35 and 36 of the standard gas supply licence.
  - 5.1.2 The Proposer has identified the SMICoP Objectives it deemed to be better facilitated by this Change Request, which have been highlighted below:

#### Impact of the Change Request on the Relevant SMICoP Objectives:

Domestic Customer Objectives [SLC 41 & 35]	Identified impact
<input checked="" type="checkbox"/> a) The licensee and any Representative provides and maintains a standard of service which helps to ensure that Domestic Customers’ experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations.	Positive

<input checked="" type="checkbox"/> b) All activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner.	Positive
<input type="checkbox"/> c) Domestic Customers are given information about, and during, the installation of Smart Metering Systems which: <ul style="list-style-type: none"> <li>(i) is complete and accurate;</li> <li>(ii) does not mislead them; and</li> <li>(iii) informs them about the benefits of Smart Metering Systems and about what to expect in relation to the installation process.</li> </ul>	Positive
<input type="checkbox"/> d) Domestic Customers are not subject to unwelcome Marketing during any visit to their premises for the purposes of installing Smart Metering Systems.	Positive
<b>Micro Business Customer Objectives [SLC 42 &amp; 36]</b>	<b>Identified impact</b>
<input checked="" type="checkbox"/> a) the licensee and any Representative provides and maintains a standard of service which helps to ensure that Micro Business Consumers' experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations.	None
<input type="checkbox"/> b) All activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner.	None
<input type="checkbox"/> c) Micro Business Customers are provided with information about, or during, the installation of Smart Metering Systems which: <ul style="list-style-type: none"> <li>(i) is complete and accurate;</li> <li>(ii) does not mislead them; and</li> <li>(iii) informs them about the benefits of Smart Metering Systems and about what to expect in relation to the installation process.</li> </ul>	None

5.2 This change will help the Code Administrator and the Authority better monitor and maintains a standard of service which helps to ensure that Domestic Customers' experience of the installation of smart metering systems at their premises meets their reasonable expectations. The change will

better ensure installations are conducted in a fair, transparent, appropriate and professional manner by improving consistency in Supplier's approaches to reporting.

5.3 It will improve:

- Monitoring compliance;
- Transparency for Customers when viewing the Domestic MCCA report;
- and Clarity and fairness for Suppliers for when following the new wording within the Monitoring and Compliance Customer Survey thresholds and the minimum sample size requirements.

## 6 Impacts & Other Considerations

### Customer Impacts

- 6.1 This Change Request updates the SMICoP Monitoring and Compliance Customer Survey thresholds and the minimum sample size requirements, and thus is not expected to have any foreseeable Customer impacts.

### Supplier Impacts

- 6.2 This Change Request updates the SMICoP Monitoring and Compliance Customer Survey thresholds and the minimum sample size requirements and this may impact Suppliers

Methodologies for performing the Customer Surveys. There will be an impact on some Suppliers who are not currently providing 500 customer surveys in a report every calendar quarter.

## Environmental Impacts

- 6.3 This Change Request updates the SMICoP Monitoring and Compliancy Customer Survey thresholds and the minimum sample size requirements, and thus is not expected to have any foreseeable environmental impacts.

## Engagement with the Authority

Ofgem have been invited to provide comment and steer at every stage. Ofgem have been engaged throughout the development of this Change Request by providing feedback through the SMICoP SGB meetings and through the Working Group.

## 7 Implementation

- 7.1 The proposed implementation date is 04 January 2021.
- 7.2 It is noted that this date assumes an Ofgem determination is received within the timescales set out in the indicative timeline on page 1.
- 7.3 The change will be implemented via the Big Bang technique.

## 8 Legal Text

- 8.1 The legal text for CR062 is provided in '*CR062 CR064 Final Change Report\_Attachment 1\_Legal Text\_27 August\_SGB Modified*' including the changes approved under CR064 as they share the same implementation date.
- 8.2 The Change Proposer has considered the Legal Text and is satisfied that it meets the intent of the Solution.

## 9 Voting

- 9.1 On 27 August 2020 the SGB reviewed CAG's comments and discussed CR 062 and voted to approve the CR. The voting results are as follows:

Supplier Category	Member	Solution	Implementation Date	Implementation Technique
Large Supplier	Utility Warehouse	Approve	04 January 2021	Big Bang

<b>Micro-Business Supplier</b>	<b>BES Utilities</b>	Approve	04 January 2021	Big Bang
<b>Micro-Business Supplier</b>	<b>Haven Power and Opus</b>	Approve	04 January 2021	Big Bang
<b>Citizens Advice</b>	<b>Citizens Advice</b>	Approve	04 January 2021	Big Bang
<b>Large Supplier</b>	<b>Centrica</b>	Approve	04 January 2021	Big Bang
<b>Large Supplier</b>	<b>E.ON and Npower</b>	Approve	04 January 2021	Big Bang
<b>Large Supplier</b>	<b>SSE and OVO</b>	Approve	04 January 2021	Big Bang
<b>Micro-Business Supplier</b>	<b>SSE Energy Supply</b>	Approve	04 January 2021	Big Bang
<b>Large Supplier</b>	<b>EDF</b>	Approve	04 January 2021	Big Bang
<b>Large Supplier</b>	<b>Bulb</b>	Approve	04 January 2021	Big Bang
<b>Small Supplier</b>	<b>Igloo</b>	Approve	04 January 2021	Big Bang

9.2 The Final Change Report for CR062 will be issued to the Authority on 01 September 2020.

9.3 In accordance with section B 2.7.5 of the SMICoP, the Authority may give:

- Its approval to the proposed revisions;
- Notice that it is withholding approval; or
- Notice that it is unable to reach a decision within 30 working days.

9.4 Should the Authority not respond to this Change Request within 30 Working Days, the Change Request will be treated as approved by the Authority.

## 10 Recommendations

### SMICoP Parties Recommendation

10.1 SMICoP Parties recommend:

- that CR062 should be implemented.
- that CR062 better facilitates the Relevant Objectives.

## 11 Attachments

- *CR062 CR064 Final Change Report\_Attachment 1\_Legal Text\_27 August\_SGB Modified*

## Appendix 1 – CAG Responses

### CHANGE ADVISORY GROUP RESPONSE TO CR 062

Respondent	Legal Text	Implementation Date	Implementation Technique	Comments including proposed improvements to the CR
E.ON and Npower	Approve	Approve	Approve	<p>Npower:</p> <p>Regarding the proposed requirements for suppliers installing between 5k and 20k meters per year, the drafting states that: 'Results from surveys will be submitted in full by the end of the calendar year'. For quarterly submitted survey results, suppliers are given four weeks after the end of the quarter in question to collate and submit their survey results. That doesn't seem to be the case here. As drafted, surveys undertaken in December (or part of the month thereof), likely won't be included as this will be when the survey results are being collated for submission. Perhaps the drafting should be amended to make the submission timetable processes the same as for the quarterly results. For example: "Results from surveys will be submitted in full no later than four weeks after the end of the calendar year to which they relate.'</p> <p>E.ON</p> <p>For suppliers installing between 5K and 20K meters per year, it states that they're expected to submit results by the end of the year. Survey companies would therefore have to submit results before the end of the year and therefore this may mean an opportunity to survey customers towards the very end of the year is missed. I'd recommend affording a similar 4 week period of time that suppliers installing 20K plus are granted to those submitting annually.</p>