

Three Ireland (Hutchison) Limited

Registered Office:

**28/29 Sir John Rogerson's Quay
Dublin 2, Ireland**

T +353 (0) 1 5426300

www.three.ie



Three.ie

The Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24
BY EMAIL: smartmetering@cer.ie

22nd January 2016

Dear Commissioner,

Re: CER/15/272- 'Empowering & Protecting Customers'

Three Ireland (Hutchison) Limited (Three Ireland) welcomes the opportunity to comment on the CER Proposed Decisions and Further Consultation papers on Smart Metering, published on the 8th of December 2015. Our comments are informed by our extensive experience as a customer-oriented telecommunications business, along with our competence and experience in delivering technically robust, commercial communications infrastructure and our on-going work with other market participants involved in the National Smart Metering Programme (NSMP).

Three Ireland fully supports the CER's goal of empowering, engaging and protecting Irish energy consumers. We view this as fundamental to the success of the NSMP. We welcome the steps the CER has taken in the most recent Empowering & Protecting Customers publication towards a less prescriptive approach to achieving its policy objectives. For example, we note the requirement on suppliers to provide an in-home energy management service as opposed to a specific type of in-home display (IHD), and the flexibility for suppliers to choose from a number of options to provide this service (although we also note the requirement for a 'backstop' device/service potentially provided by ESB Networks).

Whilst this move towards an outcomes based approach is a positive development, we believe the CER needs to carefully consider the implications of these changes, particularly for the procurement process that ESB Networks will have to run to implement the NSMP. We also believe that the CER could go further in some specific areas to ensure these changes can be

Registered Number: 316982

Place of Registration: Republic of Ireland

Directors. Canning Fok: British. Frank Sixt: Canadian. Christian Salbaing: French.

Robert Finnegan: Irish. Simon Henry: British. David Hennessy: Irish

effectively implemented by communication service providers and will contribute to the overall effectiveness of the NSMP – thus improving the overall cost-benefit of the programme.

This consultation response sets out our viewpoint in more detail, but in summary we firmly believe that the requirement for provision of near real-time data in the home, especially for gas, would merit further change.

Based on our engagement with the stakeholders involved in the NSMP to date, and a thorough analysis of European and Irish studies specifically done on the subject, we would challenge the added value of near real-time data in the home compared to retailer validated 'previous day' data. If this requirement for near real-time data were to be removed, along with the requirement for a Utility Home Area Network (U-HAN), then this would allow ESB Networks to assess a wider range of options for delivering on the NSMP objectives, procure the most cost effective solution, and significantly reduce security risks associated with home connections through the U-HAN.

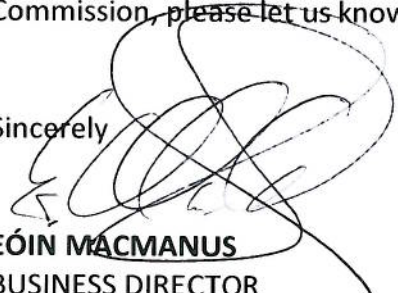
If the CER considers that near real-time data provision is mandatory, this requirement should only apply to electricity. The provision of near real-time gas consumption data in the home will not contribute significantly, if at all, to the policy goals of the NSMP and will impose unnecessary costs and complexity – particularly in relation to the communications architecture.

Three Ireland understands that the CER's work with regard to Empowering & Protecting Customers is an ongoing process. However, to enable us to make critical decisions on whether or not to engage with the procurement process we would appreciate a clear position from CER on whether or not ESN will have the flexibility to accept proposals that may not include the provision of half-hourly broadcast of gas data over a U-HAN. In other words, does CER consider the half-hourly broadcast of gas data over a U-HAN to be a mandatory requirement?

Three Ireland is committed to responding to the ESB Networks tender when it is published, but will only do so with a robust go-to-market solution that will be trusted and valued by consumers.

Should you have any queries or wish to discuss our response to consultation, the Three Ireland team would be keen to meet with the Commission and explain our response in more details prior to the publication of the final decision paper. If this is acceptable for the Commission, please let us know the appropriate time for this meeting.

Sincerely,



EÓIN MACMANUS
BUSINESS DIRECTOR

Registered Number: 316982

Place of Registration: Republic of Ireland

Directors. Canning Fok: British. Frank Sixt: Canadian. Christian Salbaing: French.

Robert Finnegan: Irish. Simon Henry: British. David Hennessy: Irish