

Paris, September 3rd, 2010

EREGEG

CONSULTATION ON DRAFT GUIDELINES OF GOOD PRACTICES ON REGULATORY ASPECTS OF SMART METERING

ERDF's ANSWER

ERDF, as French distributor, welcomes all the initiatives taken by EREGEG as well as by the European Commission, in order to implement the 3rd energy package, and particularly the roll out of the smart meters throughout Europe.

These initiatives will give their best effects if they are in a total coherence. That's why ERDF underlines the need to take into account the works already started in the "Task Force for Smart Grids", organized by the European Commission, and particularly the WG n°1.

Before answering the questions of the consultation, ERDF would like to make 2 general comments:

1-The functionalities defined as "minimum" or "basic" or "mandatory" should be limited to what is needed by a very large majority of customers, avoiding excessive costs, which should be paid by all the customers.

2-In any case, the costs for each functionality should be proportional to the expected service.

Please find below the answer to the specific questions of the consultation.

RECOMMENDATIONS ON MINIMUM CUSTOMER SERVICES – ELECTRICITY

1- Recommendation n°1: Information on actual consumption, on a monthly basis.

ERDF agrees with this proposal: the global system (Meter + IT) should be able to collect and transmit the necessary data.

But the responsibility for this transmission to the customer has to be clearly defined by the NRA, taking into account the several legal or contractual frameworks.

2- Recommendation n°2: Accurate metering data to relevant market actors when switching supplier or moving.

ERDF agrees with this proposal.

ERDF draws the attention on the fact that the nature of the data and the modalities of their transmission have to be defined and regulated, in order to protect the privacy as well as the commercial informations.

3- Recommendation n°3: Bills based on actual consumption.

Agreed.

4- Recommendation n° 4: Offers reflecting actual consumption patterns.

ERDF agrees with this proposal, considering that the metering device should allow the suppliers and the other market players to develop incentive formulae for the energy management, in particular "Time of use prices".

Questions to stakeholders:

4-a: When interval metering is applied, which interval should be used for customers?

ERDF considers that an interval of **less than ½ hour is necessary**. In our present project, we intend to define an interval of **around 10 mn**.

4-b: When Time of Use registers are applied for customers and those that both generate and consume electricity, what would be an appropriate number of registers ?

ERDF considers that 15 registers, all together for suppliers, DSO and injection, are necessary and useful, in order to provide to the customers the expected services, and to the DSO the data necessary for the best management of the network, particularly with the implementation of the "smart grids".

5- Recommendation n° 5: Power reduction / increase.

ERDF agrees with the fact that the system must allow to reduce and increase the power by a remote disposal.

But this technical capacity must be considered in a global frame: the nature of the contract with the supplier must be clear; in an other hand, an efficient energy management device must be in place by the customer; if not, reducing the power without reducing the uses could quickly lead to a break.

6- Recommendation n° 6: Activation and deactivation of supply.

Agreed.

7- Recommendation n° 7: Only one meter for those that both generate and consume electricity.

Agreed.

8- Recommendation n° 8: Access on customer demand to information on consumption data.

Agreed.

The definition of the several channels, their cost and the possible fees have to be determined by the NRA.

RECOMMENDATIONS ON OPTIONAL CUSTOMER SERVICES – ELECTRICITY

9- Recommendation n° 9: Alert in case of non-notified interruption.

In one hand, it is clear that this information is important for the DSO, allowing him to have the fastest reaction in the interest of the customer.

In the other hand, that is to inform immediately and systematically the customer, the interest of this service is not clear. It is necessary to evaluate the real demand of the customers, and the cost of such a service.

At most, it could be an optional service, if the market is real and the service profitable.
If this service should be implemented, the responsibility of the transmission of these informations (DSO, supplier, ...) should be clearly defined.

10- Recommendation n° 10: Alert in case of high energy consumption.

Must remain optional.

11- Recommendation n°11: Interface with the home.

The system must allow the suppliers to propose such disposals to their customers, but the meter by itself is not equipped with such interface.

12- Recommendation n° 12: Information on voltage quality:

The system allows to collect these data.
These data are useful for the DSO, in order to increase the quality by focusing on the necessary improvements.

For the customers, this service doesn't seem relevant. Further analysis are needed.

13- Recommendation n° 13: Information on continuity of supply.

See answer n°12.

Question to stakeholder:

What further services should be envisaged in order to allow consumers and those that both generate and consume electricity to be aware and active actors in smart grids ?

ERDF considers that the development of "Time of Use Prices" is a privileged way to make the "prosumers" active players of the market.

COSTS AND BENEFITS - ELECTRICITY

14- Recommendation n°14: When making a cost-benefit analysis, an extensive value chain should be used.

Such an extensive study, taking into account the general interest of the society, is undoubtedly interesting and useful.

However, this study must be accompanied by a financial analysis, **proving, first that the financing of the roll out is guaranteed for the operator and secondly, that this operation is profitable for him.**

ROLL OUT – ELECTRICITY

15- Recommendation n° 15: All customers should benefit from smart metering.

Agreed, with the following writing: All customers **included in the perimeter where the assessment is positive**, should benefit from smart meters.

16- Recommendation n° 16: No discrimination when rolling out smart meters.

Agreed.

DATA SECURITY AND INTEGRITY – ELECTRICITY

29- Recommendation n° 29: customer control of metering data.

ERDF agrees with the writing of the proposal.

ERDF takes note and confirms that the agreement of the customers is not required for the data that are necessary for the management of the network.

ERDF underlines the fact that, in France, the handling of such data is particularly controlled by the “Commission Nationale Informatique et Libertés”.

ERDF underlines the fact that the modalities of transmission of these data have to be regulated, in order to Protect the privacy as well as the commercial informations.