



SII

Integrated Information System

A centralized solution for market processes and meter data management

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Areas to cover today

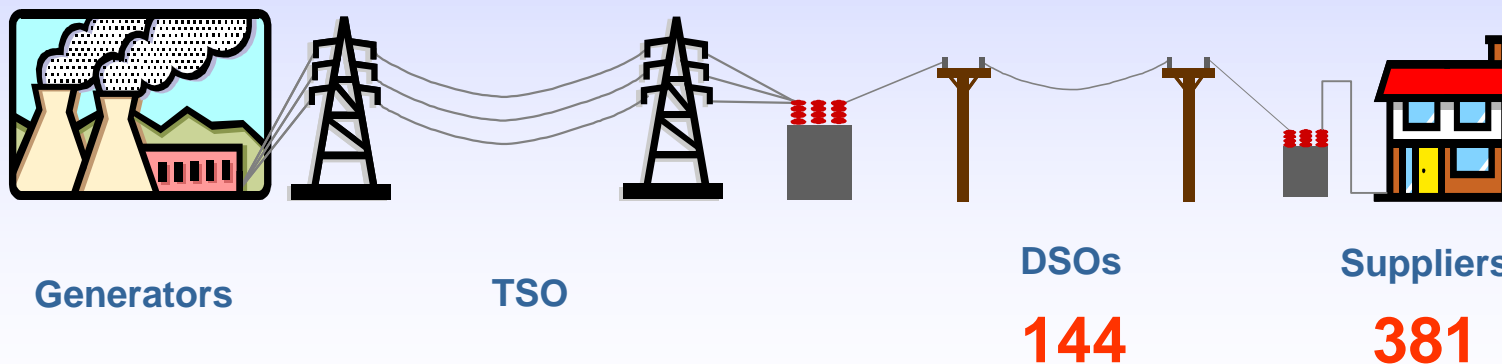
1. **Market structure: facts and figures**
2. **Retail market model and meter data management**
3. **Main reasons for a centralized architecture**
4. **Possible models for a centralized architecture**
5. **The Italian choice**
6. **The legal and regulatory framework**
7. **The SII project in details**
8. **Where are we now?**



1. Market structure: facts and figures (1/2)

Electricity Market

- **Electricity final demand:** 288 TWh
- **Customers:**
 - 36.6 millions
 - 28.6 house-hold
 - 8.0 non-house hold

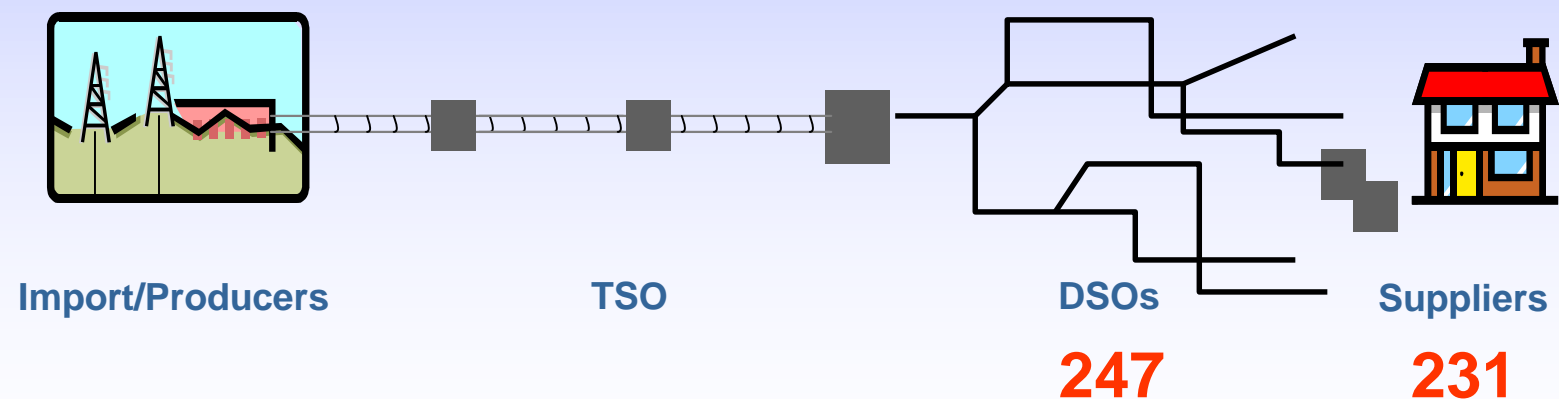




1. Market structure: facts and figures (2/2)

Gas Market

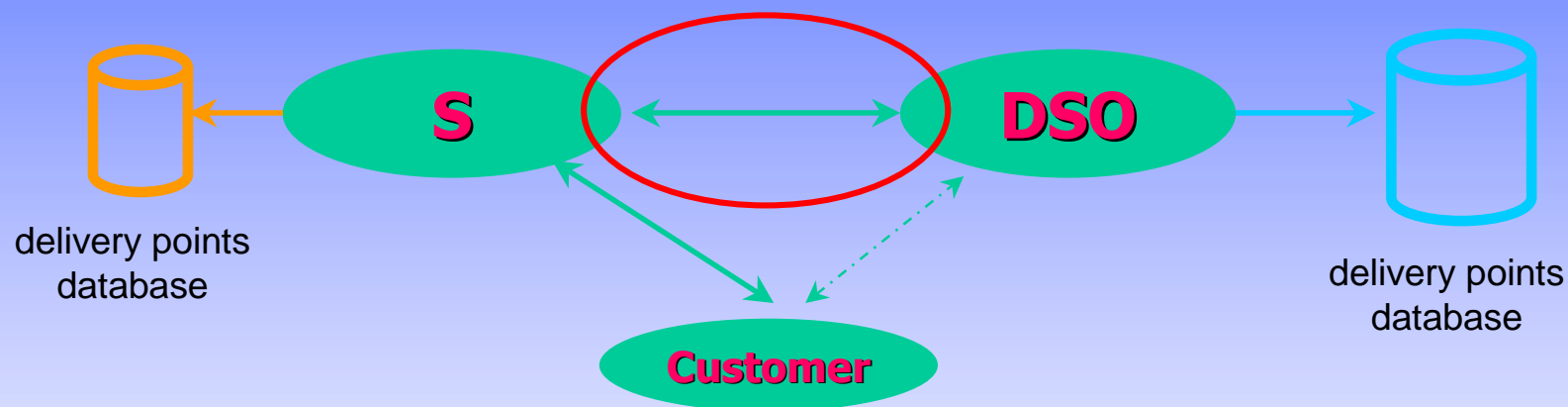
- **Gas final demand:** 80 Gm³
- **Customers:** 21.1 millions
 - 19.4 house-hold
 - 1.7 non-house-hold





2. Retail market model and meter data management (1/2)

- Both electricity and gas markets are supplier-centric



- Standardization of many procedures (connection, disconnection, activation, deactivation, switching, meter value management, etc.) in terms of:
 - *timing*
 - *content*
 - *format*



2. Retail market model and meter data management (2/2)

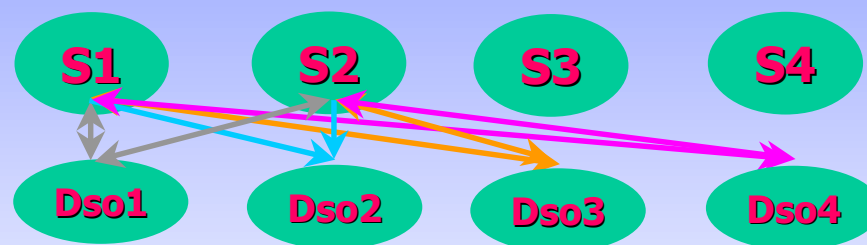
- **DSOs are responsible for metering, meter reading and meter values management**
- **More than 95% of electricity meters installed are *smart meters***
- **What is regulated (e&g):**
 - ✓ smart meters requirements
 - ✓ smart meters roll-out
 - ✓ meter reading frequencies
 - ✓ meter values availability to suppliers and TSOs
- **Towards standardization (e):**
 - ✓ meter data for hourly measured points
 - ✓ meter data for non-hourly measured points
 - ✓ switching meter values and past usage



3. Main reasons for a centralized architecture (1/2)

The relationship DSO-Supplier can be critical in all business processes where they have to interact because of:

- data and info exchange based on a “many-to-many” model is difficult to govern



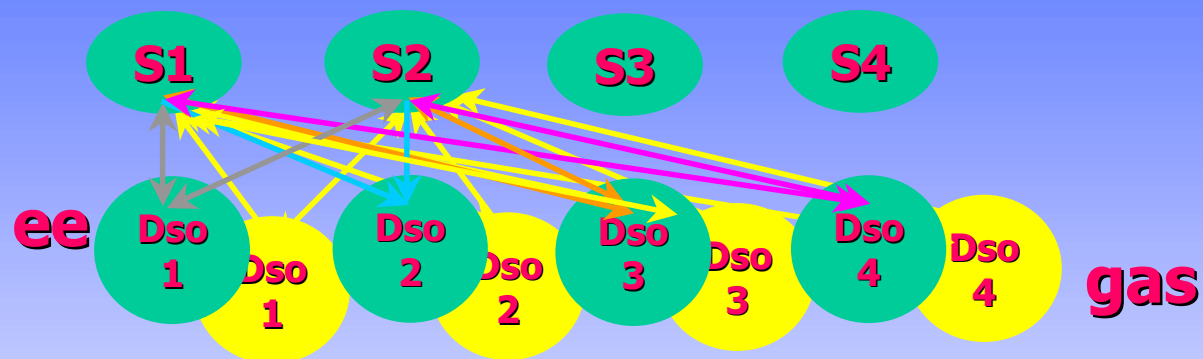
- possible effects against competition ⇒ if S1 and DSO1 belong to the same industrial group data and info flows between them is easier than between S2 and DSO1)





3. Main reasons for a centralized architecture (2/2)

- complexity increases in case of dual-fuel contracts



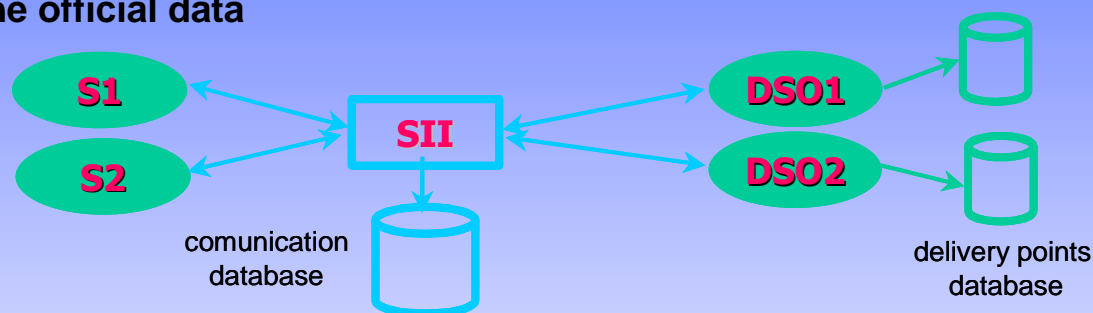
- complexity increases the number of arguments when timings/standards are not respected or data are wrong/not available
- complexity may turn into entry barrier for new entrants



4. Possible models for a centralized architecture

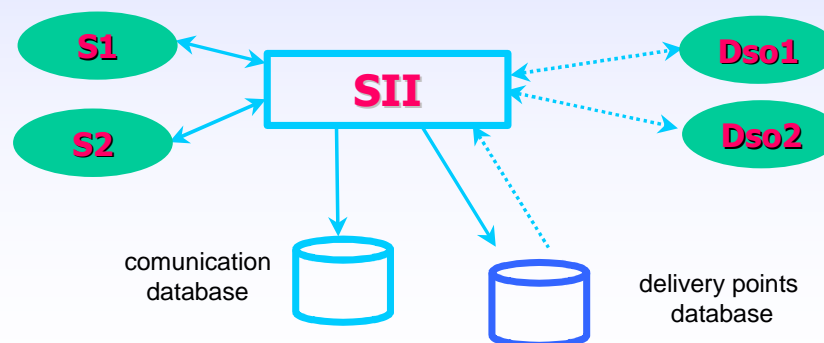
➤ Model 1: centralized agent of communication

- the centralized body is a gateway for communication and is responsible for tracking all data exchange
- DSOs still hold the official data



➤ Model 2: centralized agent of communication + data manager

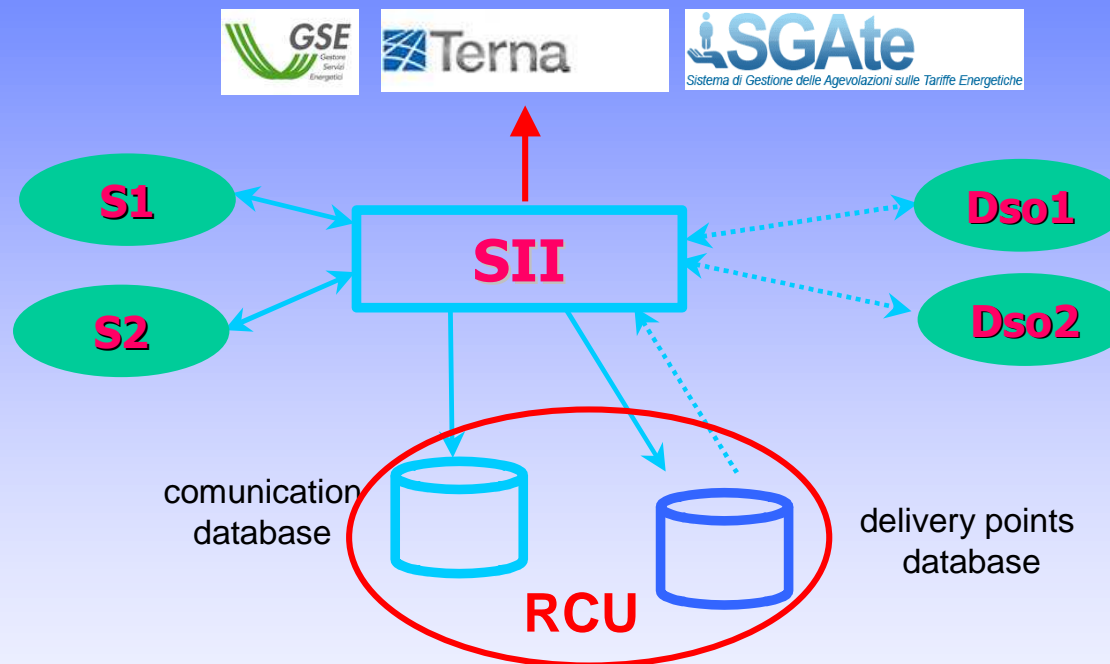
- the centralized body is a gateway for communication and is responsible for tracking all data exchange
- the centralized body holds the official data





5. The Italian choice

➤ Towards Model 2



➤ It allows:

- ✓ centralization of data exchange with other market actors
- ✓ easier enforcement activity
- ✓ possibility to optimize data management and processes
- ✓ possibility to introduce new services



6. The legal and regulatory framework

Legal framework

Law 129/10 establishes SII for management of information flows both in electricity and gas markets, based on a database of delivery points and customers data. It includes also bad-payment info

Decree 1/12 adds meter value management to the scope of SII

Regulatory framework

Consultation doc DCO 14/10 describes the main features of a centralized service

Decision ARG/com 128/10 approves a general project and appoints Single Buyer for preparing technical documents

Decision ARG/com 201/10 establishes general criteria, organizational and functional model of SII and appoints Single Buyer as SII manager

Consultation doc DCO 35/11 describes the implementation program

Decision ARG/com 79/2012/R approves SII Code and obligation for operators (DSOs, TSO and Suppliers) to register at SII

Next week decision approves timing for initial transferring of data to RCU



7. The SII project in detail (1/4)

- **Info included in the RCU:**
 - *POD (point of delivery identification standard code)*
 - *DSO*
 - *Supplier*
 - *location of delivery point*
 - *all relevant technical data (tension of supply, maximum power, contracted power, type of meter etc.)*
 - *all relevant market data (type of supply according to regulatory classification, default market, etc.)*
 - *customer data*
 - *all relevant contract data (date of switch, tariff to be applied etc.)*
 - ***meter values***
 - *all relevant profiling and settlement data*
 - *all relevant data for vulnerability protection tariff*
 - *non payment data*



7. The SII project in detail (2/4)

➤ Processes managed by SII:

New delivery point

- *new connection*
- *POD assignment*

Market processes

- *pre-check*
- *activation and deactivation*
- *switching*
- *activation of default services*
- *bad payment and credit recovery procedures*

Meter value management

- *meter value management*
- *interaction with TSO for settlement procedures based on meter values*

Additional market services

- *bad payment info*



7. The SII project in detail (3/4)

➤ Main principles for implementation

- ✓ **to reduce impact on technical and organizational costs**
 - *avoid provisional regulation and temporary procedures*
- ✓ **to provide immediate benefits**
 - *priority in redefining processes that give immediate benefit to customers*
- ✓ **to provide the opportunity to simplify procedures**
 - *where possible new procedures should shorten timing*
- ✓ **to increase reliability**
 - *with particolare reference to meter values*



**IMPLEMENTATION
BY STEPS**



7. The SII project in detail (4/4)

STEP 1

Preliminary activities:

- selection of hardware and software provider
- alignment of databases between DSOs and Suppliers

SSI Code

Registration of all DSOs-TSOs-SUPPLIERS

First migration of data

Monthly update of data from DSOs

New services:

- pre-chek
- centralized settlement info

Q4 2012

STEP 2

New procedures for:

- switching, activation, deactivation, activation of default services, etc.

New services:

- bad payment info

Update of data from DSOs when necessary

Q3 2013

STEP 3

New procedures for:

- meter value management
- others

Q1 2014



8. Where are we now?

STEP 1

Preliminary activities:

- selection of hardware and software provider
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SSI Code

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Q4 2012

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New procedures for:

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Q3 2013

STEP 3

New procedures for:

- meter value management
- Others

Q1 2014



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