RETAIL ENERGY CODE

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AGGREGATED GAS DATA REPORTS

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FOR DECISION	This paper covers a proposal to provide aggregated data of the Annual Quantity (AQ) value for MPRNs to Energy Consultants by reports. The Code Manager recommends REC PAB to: • **APPROVE** the approach to allow Energy Consultants to access aggregated gas data reports.
APPENDICES	**RECPAB_26_0224_02B – Service User Categorisation and Assessment Document (SUCAD)**

1 BACKGROUND AND JUSTIFICATION FOR USE CASE

Energy and Net Zero consultants provide services to clients to enable them to meet their carbon obligations. The most relevant obligations are:

- Streamlined Energy and Carbon Reporting (SECR) - This is mandatory for large companies and includes reporting energy use, carbon intensity and efficiency measures.
- Taskforce on Climate-related Financial Disclosures (TCFD) aligned climate disclosures – This is also mandatory for large companies and includes emissions, strategy under climate scenarios, and targets.
- Financed emissions - banks and investors must disclose pursuant to International Financial Reporting Standards (IFRS) / International Sustainability Standards Board (ISSB) climate reporting standards and most choose to do this via the Partnership for Carbon Accounting Financials (PCAF) framework.

Annual Quantity (AQ) is the estimate of the annual gas consumption for a site, expressed in kWh per year based on actual consumption meter reads adjusted for weather conditions. This is a standard metric used across the UK gas industry, to understand how much gas a meter point is expected to consume. AQ is helpful because it can be converted directly into CO_2 emissions using standard government emission factors which will enable Energy Consultants to establish their clients carbon usage.

Energy consultants are contracted to complete Carbon Reporting as the process can be technical, data-heavy, requires understanding of regulatory compliance, and provides a single source that can collate multiple sources of information.

Where the client has consent to obtain the information, it can be directly obtained by the Energy Consultant at MPRN level. Where a client, such as a landlord, bank or asset manager, does not pay the energy bill, but still has a carbon reporting obligation for that property they do not have consent and is unable to obtain the required information at a MPRN level. Where there is a valid use case to obtain the REC governed data this can be requested and fulfilled by the Gas Enquiry Service Provider, Xoserve.

Obtaining information by landlords, banks and asset managers is an onerous undertaking, requiring a direct relationship with the end consumer that they do not have. The Energy Consultant and the clients cannot go directly to Suppliers for the information without letters of authority and therefore the REC enquiry service is the only viable entity can provide this information, while maintaining appropriate controls through aggregation.

Where consent is not available, the REC has sought legal advice on whether aggregation is a suitable means to ensure that personal information is removed from the data. The legal advice indicated that in a different industry where they were seeking to anonymise data a grouping of 5 was considered sufficient to prevent re-identification.

The use case itself has been approved and implemented into the Gas Data Access Matrix (DAM), and this paper does not intend to change any data items on the DAM that have already been approved. Previous approvals were based on a consented model which can be found here: Energy Consultants Data Access Request - REC Portal.

2 OUTPUT OF REPORTS

The requesting entity will provide a list of MPRNs which are grouped with a Group ID in a minimum of 10. It is anticipated that Energy Consultants will group more than 10 MPRNs into a Group ID, for example where there are numerous MPRNs in a geographical area or asset class. Xoserve will then view the current Annual Quantity (AQ) value for each MPRN, then sum them and only provide the total back to the

service user for each Group ID. Xoserve will be charging for the reports based on frequency and volumes, however these costs will be paid by the Energy Consultant.

If an invalid MPRN is provided or one MPRN does not pull back any data, which results in the group ID dipping below the required aggregation level, no data for the Group ID will be played back to the user for the group.

It is noted that the greater the aggregation level, the less the likelihood of an individual being identified. The level of (10) MPRNs has been set as this aligns with the level Elexon has set for its P494 – Establishing a Smart Data Repository (SDR) although we note that the legal advice states 5 is an acceptable level for aggregation. We will start at the higher level and may reduce it to 5, but it will never go below 5. Energy consultant would prefer the lower aggregated number as this will result in less variation as there is less likely to be numbers that will skew the results. We anticipate that the Energy Supplier will group MPRNs together that could be any number of MPRNs, but it will not be less than 10.

The Energy Consultant is therefore of the view that a smaller number would provide a more accurate indication of AQ and therefore more accurate Carbon Reporting. The Code Manager will continue to review this aggregation level, including the progress of P494, and decrease it if it is determined that benefits of a smaller aggregation level would be beneficial.

3 DATA PROTECTION, INFORMATION SECURITY AND ANY SPECIFIC CONSIDERATIONS

3.1 RISKS

The main risk associated with these reports is that it may be possible to disaggregate the information which could be achieved through duplication of MPRNs across groups or if added to other datasets. The minimum number of MPRNs that could be used to aggregate the data is 5, although we intend to start with 10, as this provides sufficient opacity to ensure that individual MPRNs cannot be easily identified. Without this control, REC/RECCo could have consequences if disaggregation occurs.

3.2 MITIGATIONS

3.2.1 TECHNICAL CONTROLS

Review of inputs to ensure MPRNs are not duplicated across group IDs.

For each Group ID there will be a minimum of 10 MPRNs.

3.2.2 COMPLIANCE WITH THE ACCESS AGREEMENT

Agreement on the provision of the information will include specific prohibitions on attempts to disaggregate, re-identify or reverse engineer aggregated data. This will provide a contractual commitment and enable access to be revoked if it is breached.

3.2.3 INFORMATION SECURITY AND DATA PROTECTION ASSESSMENTS (ISDP) AND EXTERNAL ASSESSMENTS

Many of the organisations seeking aggregated data are also Third Party Intermediary Service Providers (TPIS). There have had many queries in the past about these organisations wanting to do the same activities through the Energy Consultant role as they do under the TPI role i.e. provide data to TPIs without the TPI having to come directly to the REC to gain this data. This will not be allowed for this category.

Even where an organisation has undergone an External Assessment or ISDP, a top-up ISDP will be required to validate processes and procedures in addition to the requirements of the highest level of External Assessment in relation to:

- User access controls – who will have access to the report(s);

- Processes and oversight to ensure there are appropriate controls around disaggregation;
- How the file will be stored and the level of encryption; and
- Processes to ensure there is no onward data sharing that is not being used for Carbon Reporting.

Service Users taking up this product will also be required to take part in the annual Maintenance of Qualification cycle like users accessing data via the API or GUI.

RECCo have the right to limit the number of reports that are requested by an Energy Consultant should there be an impact on service performance.

3.2.4 AUDITS

RECCo reserves the right to audit in line with current practice.

4 CHANGES TO REC DOCUMENTATION

We are of the view that no changes will be required to the REC Service User Categorisation and Assessment Document as Energy Consultants are already required to undertake the highest level External Assessment.

5 NEXT STEPS

Finalise the exact wording of the ISDP, the additional wording in the access agreement, and then allow Energy Consultants to access the data.

REC PAB DECISION

The Code Manager recommends REC PAB to

- **APPROVE** the approach to allow Energy Consultants to access aggregated gas data reports.