At UK Power Networks, we are committed to protecting and respecting your privacy

We have contacted participants of the trial to which this privacy notice relates by email or text message to provide more information about the trial and provide information about how to opt-out from the trial.

This privacy notice sets out the basis on which we process the smart meter consumption data collected as part of this trial. By processing, we mean when we collect, use, store, delete or access smart meter consumption data, which is considered to be personal data.

Please read this privacy notice carefully to understand our practices regarding smart meter consumption data and how we will treat it. We recommend that from time to time during the trial you visit the webpage on our website related to this trial to review this privacy notice and stay up to date with any changes to it.

This privacy notice is comprised of the following sections:

- 1. The purposes for which we use your smart meter consumption data;
- 2. UK Power Networks' legal basis for using smart meter consumption data;
- 3. Information about sharing smart meter consumption data;
- 4. Retention of smart meter consumption data;
- 5. Your data protection rights;
- 6. Changes to this privacy notice;
- 7. How to contact us

1. The purposes for which we use your smart meter consumption data

Smart meters

Great Britain's transition to smart meters is being led by energy suppliers, who, since 1 January 2022 are required to roll-out smart meters to all their domestic and small business customers in accordance with the Government's Targets Regime.¹

Smart meters have the capability to record energy consumption in half-hourly intervals and communicate with energy suppliers and network operators. Traditional meters are not capable of doing this, and replacing them with smart meters is seen as an important step in helping to achieve a more reliable and cost-effective electricity system across Great Britain.

In the future, increasing uptake of solar panels, electric vehicles, battery storage and other technologies are likely to place increased demands on our network. It is essential that we are able to effectively manage our network to cope with this increasing demand in an efficient, coordinated and economical way. Consumption data obtained from smart meters can be used to provide us with a much clearer view of how much electricity is being consumed on our network, which is currently not available. In turn, this will help us to improve planning and prioritise work on the network, allowing us to deliver a more efficient service to our customers.

¹ Smart meter policy framework post 2020: minimum annual targets and reporting thresholds for energy suppliers - GOV.UK (www.gov.uk)

Low Voltage (LV) utilisation analytical model trial

UK Power Networks is developing an analytical model that predicts utilisation of the LV network at a substation level. We are looking to improve the accuracy of our model by comparing predicted usage against the actual usage at a substation level. This requires us to obtain disaggregated consumption data. We will then apply aggregation techniques to the consumption data we collect, which will combine consumption values of multiple smart meters to create anonymised lifestyle categories. Outside the trial we delete disaggregated data as soon as we have applied the aggregation techniques. However, for the duration of this trial (13 months) starting on 8 August 2022 we will need to store the disaggregated smart meter consumption data in a standalone system to enable us to check the accuracy of our model and improve it. This standalone system has extremely secure access controls which mean that fewer than eight individuals (all employees of UK Power Networks) will be able to access this standalone system.

Having an accurate model for predicting usage at a substation level will allow us to model how our wider network is being run without the need for additional expensive monitoring equipment, the cost of which otherwise would be reflected in customers' bills.

This trial has been approved by the Secretary of State for Business, Energy and Industrial Strategy in accordance with condition 10.A of our Electricity Distribution Licence.

Purposes for which we will use your smart meter consumption data

We are only interested in consumption data from smart meters to improve our network management and the services that we provide to you. We have no desire or intention to identify patterns of consumption on an individualised basis.

We will process consumption data obtained from smart meters solely for the purpose of meeting our duties under Section 9 of the Electricity Act, to develop and maintain an efficient, co-ordinated and economical system of electricity distribution. For example, the information will assist us in understanding where and when energy is being used on the network, allowing us to improve the way we operate our electricity distribution network and the quality of services that we offer to our customers. Our use of electricity consumption data is regulated by Ofgem.

We may also use your information if we have reasonable grounds to suspect theft or abstraction of electricity from part of our distribution network.

We will not:

- a) use your information for marketing purposes or to contact you with adverts; or
- b) sell or provide your information to third parties for use for marketing or other purpose

2. UK Power Networks' legal basis for using smart meter consumption data

The processing of smart meter consumption data for the purposes set out in this privacy notice meets the requirements of the Legal Obligation basis. Under Section 9 of the Electricity Act 1989, we are legally obliged to develop and maintain an efficient, coordinated and economical system of electricity distribution. Smart meter consumption data will provide a more detailed insight into network electricity usage, enabling us to understand total volumes of energy movement and daily

peaks of energy consumption. In turn, this will help us to prioritise investments and work on the network and improve the efficiency of the network.

3. Information about sharing smart meter consumption data

As part of this trial no smart meter consumption data will be shared with any third party. All processing activity will be undertaken by UK Power Networks' employees save for the initial transfer of the data from our smart metering platform to our cloud environment which is facilitated by our security cleared (BS7858) IT support contractor(s).

Our arrangements for this processing include requirements for the data to be adequately protected; that GDPR compliance is met; and that the data will not be used for any purpose other than those specified by us for the trial and as described in this privacy notice.

4. Retention of smart meter consumption data

We will not retain disaggregated smart meter consumption data relating to different parts of the distribution network beyond the 13 months of the trial period at the conclusion of which all disaggregated data will be deleted.

5. Your data protection rights

The GDPR provides you with a number of rights in relation to your personal data. As smart meter consumption data is considered to be personal data, you hold specific rights under the GDPR.

Based on our processing of smart meter consumption data under the legal obligation basis, the following rights are applicable to you:

- Right of Access to obtain a copy of the personal data that we hold;
- Right to Rectification to have inaccurate data corrected; and
- Right to Restrict Processing on the basis of inaccurate data being processed or where you
 believe the processing is unlawful but do not wish the data to be erased.

If you wish to exercise any of the rights set out above, please contact us using the details provided in the 'How to Contact us' section of this privacy notice.

6. Changes to this privacy notice

If in the future we make any changes to our privacy notice, the latest version of our privacy notice will be posted on the page of our website that relates to the trial.

7. How to contact us?

If you have any questions about this privacy notice, or about how we use personal information, please contact us on:

DPO@ukpowernetworks.co.uk

0800 029 4285