



TECHNOLOGY SERVICES

Frequently Asked Questions

VENDOR ENGAGEMENT EVENT AND 1-2-1 SESSIONS

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This document contains questions which the Alt HAN Company received at the Vendor Engagement Event (VEE) and subsequent 1-2-1 vendor sessions. It also may contain other material pieces of information to inform the market that have been deemed useful for vendors.

Question Area	Question	Answer
Procurement	What are the associated procurement timescales?	<p>The plan is for the Technology Services procurement to start first. The Technology Services ITT will be issued on the 25th October; the deadline response submission date is the 12th December with an expected Stage 2A contract award date in April 2018. The ITT will include the detailed selection and initial design timelines as well as the end to end indicative timescales.</p> <p>The Operational Services procurement process is planned to commence in Q1 of 2018. The Operational Services scope could be influenced by technology chosen by Technology Services providers; by following later this allows Alt HAN Co to ensure Operational Services requirements align to the way the Alt HAN technology services are provided.</p>
Procurement	What are the expectations of vendor partnerships?	<p>Alt HAN Co is seeking single vendors or vendor groups to submit proposals with the capability to deliver the full scope of services. Alt HAN Co has no pre-conceived notion of what any vendor group should look like or the number of the companies that it should consist of. This could be a vendor group or just one individual vendor which provides the full scope. The key point is that Alt HAN Co will be assessing the capabilities of bidding vendors or vendor groups to meet the full scope.</p> <p>Alt HAN Co does not think its role is to facilitate or form partnerships between vendors, but for vendors to do this themselves. Alt HAN Co wants to know that the vendor has the capability already, or that they have or will join forces with a subcontractor to provide this capability. The assessment of capability will be seeking evidence in the form of credible e-plans and/or existing arrangements. Alt HAN Co would also not rule out someone changing their vendor group or partnership during the process; It will however require vendors to inform us of any such proposed change during the process and we reserve the right to re-qualify the vendor group because of any such change.</p>
Procurement	Is there a minimum requirement size to be the 'prime' vendor and/or limit on outsourcing services?	<p>Current thinking is that there is no mandated minimum size requirement for a vendor group lead or 'prime'. However, Alt HAN Co will be qualifying all interested vendors in alignment with UK procurement good practice to ensure the vendor or vendor group is a fit entity to contract with (i.e. no criminal background, etc.) and that it has the capabilities required to meet the Alt HAN Technology Services requirements for each stage. In this context Alt HAN Co will be looking for a vendor leading a group to have the capability to manage a partnership and work effectively with Alt HAN Co.</p>

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Procurement	Would Alt HAN Co procure both P2P/Plug & Play (and shared HAN) from a single vendor or could a vendor, as part of a consortia, make one, and another vendor in the same consortia, make the other?	Alt HAN Co is seeking an overall solution from a vendor or vendor group to the Alt HAN 'gap' and is expecting this to need multiple technologies. Alt HAN Co does not want to prescribe how a vendor group organises itself internally to meet a requirement. This is for a bidding vendor group to propose, and to the extent that Alt HAN Co might have a view on this, it is something that can be addressed within the partnership approach that is being stipulated in the Commercial Strategy.
Procurement	In the timelines, there are a maximum of four vendors for the Detailed Design stage, will Alt HAN Co be paying for all four vendors before moving onto the next stage?	Alt HAN Co is clear that the Commercial Strategy allows for it to fund up to four vendors to deliver their detailed designs in the Detailed Design stage.
Procurement	As part of the Commercial Strategy there may be a need to increase resources. How will vendors fund this?	The stage-gated Commercial Strategy explicitly allows for a ramp-up of resources deployed by bidding vendors. At each stage vendors will bid a firm pricing for resources required for the immediate next stage and provide an indicative price for the remaining stages.
Procurement	Will Alt HAN Co need to see the prototypes operating in the specific use case examples?	Alt HAN is considering carrying out a managed trial and pilot as an Alt HAN activity, rather than a vendor owned activity. This is likely to include seeing the relevant prototypes operating in specific use case scenarios (to be determined in the detailed trial approach in due course). It is accepted that the prototype trialling will be different for Large Single Premises (LSPs) and Multiple Dwelling Units (MDUs).
Procurement	On which criteria/selection points will the technologies/vendors be chosen?	Alt HAN Co will be following good practice and publishing the evaluation criteria for the selection of vendors and their technologies in the ITT. At the Stage 1 ITT response evaluation, in high-level terms there will be a competitive selection based on the quality of the Initial Design, detailed proposals for developing the Detailed Design, and outline proposals for later stages, along with the price for developing a detailed design and indicative prices for the later stages provided by the vendors in their ITT responses.
Procurement	Is there scope to be involved in some aspect of both Technology and Operational Services?	The current position is that in principle, Alt HAN Co would be prepared to consider the possibility of a vendor being able to bid for both services, subject to the ability to address any concerns about potential conflicts of interest. However, Alt HAN Co is keeping its position under consideration and depending on the nature of the proposals there may need to be further consideration of the appropriate mechanisms that would need to be put in place to address any potential conflict of interest.

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Procurement	Are we able to send follow-up questions after the ITT and Commercial related questions? Can these be discussed these with Alt HAN Co?	Yes, vendors may submit further questions to AltHANprocurement@gemserv.com. Alt HAN Co will respond where it deems appropriate to all vendors that have expressed an interest in receiving the ITT, although it may be that the appropriate response is to include the answer in the ITT so that it is available on an equal basis. Vendors can specify whether they believe a question is confidential. If Alt HAN Co agrees to this confidentiality, they will make that question confidential between the vendor and Alt HAN Co. If Alt HAN Co think it should be public, Alt HAN Co will tell the vendor first and the vendor can withdraw the question before its response is sent to all vendors. Alt HAN Co does not plan to hold any more 1-2-1 meetings as it would be difficult to fit this into an open, transparent and non-discriminatory procurement process following good practice.
Procurement	Is the Target Operating Model (TOM) set in stone?	The Alt HAN Co project team does not have the executive power to change the TOM; this would require due consideration through the Alt HAN Co governance. In this context, it is accepted that the responses to the Technology Services ITT - in particular technologies and approaches proposed by vendors – may have an impact on the detailed design of Operational Services. Vendors may wish to – and may be asked to – provide extra information about potential impacts on Operational Services with their Technology Services proposals. This would be assessed, and if deemed to benefit Alt HAN Co customers, changes to the TOM could be proposed to the Alt HAN Forum.
Procurement	Are there restrictions on where a company is based?	No. In terms of commercial status, a company does not have to be UK based, but that would be operationally sound. In terms of the technical and quality assessments for qualification, most companies are global and assessment is typically based on the written responses provided to the qualification questionnaire and accompanying documentary evidence. In terms of any due diligence including site visits, international visits have not been ruled out.
Procurement	Looking at the detailed design phase, you have included design, assurance and prototype testing. What is the plan?	The plan is to ensure there is confidence to energy suppliers that devices and/or systems meet requirements, as part of the staged Commercial Strategy. Detailed plans for this stage will be provided in the update to the initial ITT in the firm requirements for Stage 2B at the Stage 2A/2B stage-gate down-selection mini-competition. Testing and assurance will be proportionating to the devices/technologies proposed. In terms of in-building trials, Alt HAN Co would anticipate supporting vendors as part of the development partnership approach by assisting in dealing with questions such as “How do I get into a building?”.
Procurement	How long is the contract?	Alt HAN Co anticipates the contract term will be for a minimum of three years (depending on how successful the vendor is in the stages), with the potential for pre-agreed time-limited extensions to facilitate flexibility in hand-over to ongoing maintenance and support arrangements after Stage 4. The details of contract term(s) will be confirmed in the ITT.

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Procurement	Is it possible to access the attendees list from the RFI to see feedback to the original proposals?	Alt HAN Co will not be providing detailed feedback on original proposals received under the previous market engagement in response to the RFI. Alt HAN Co did commission an assessment of technologies available from an independent technical consultancy. The conclusions Alt HAN drew from this work is likely to be issued as the guidance in the ITT. Alt HAN Co will not be prescribing the technologies required, but by providing this information, it should help vendors to understand more about Alt HAN 'gap' and the Alt HAN output requirements to close the gap.
Procurement	How does the Commercial Strategy allow for vendors who have been working on solutions and have already invested in their design and development?	The Commercial Strategy includes a competitive selection – based on a mix of criteria reflecting the quality of the design/technology solution proposed and the price (for the next stage of development and overall solution once installed). This means that vendors who have been working on solutions should be able to demonstrate a design/technology solution that provides some confidence in quality terms, and/or allow for competitive pricing for further development. This should provide a good basis for such vendors to compete to enter and stay in the process. It should also be noted that Alt HAN Co is interested in getting solutions (that it has confidence in) installed as quickly as possible, and the evaluation of proposals will also include likely speed to installation as one of the elements that will be assessed.
Procurement	What were the inadequacies of responses to the RFI?	Alt HAN Co will not be providing detailed feedback on original proposals received under the previous market engagement in response to the RFI. However, in general, no previously submitted proposals covered all the use cases/associated volumes of premises making up the Alt HAN 'gap' (from LSPs to compact MDUs and sprawling low rise and high rise MDUs). Technologies proposed were not yet fully mature in terms of being commercialised, and it was not clear that proposed Alt HAN solutions would deliver the same Smart Metering quality of service and consumer experience as the standard HAN.

Question Area	Question	Answer
Technology	Is there a possibility of a technical change in the meter infrastructure and/or communications hub to accommodate Alt HAN Co? For example, covering a whole building in mesh or considering a Local Area Network (LAN) in conjunction with ZigBee?	<p>Alt HAN Co's current assumption is that Alt HAN solutions should not contemplate any changes to communications hub or meter infrastructure; Alt HAN Co is constrained by Government smart metering policy and requirements. Energy suppliers, who will use Alt HAN solutions and services, operate within the existing regulatory framework and those supporting design standards (i.e. Smart Metering Equipment Technical Specifications (SMETS), Communications Hub Technical Specifications (CHTS) and the Great Britain Companion Specification (GBCS)) and making changes relies on external parties, can be time-consuming and attract significant cost. Vendors should be mindful of the change control process in the industry, timings and the challenges around this.</p> <p>Alt HAN Co's position therefore is that since the GB smart metering end to end system (supported by SMETS, CHTS and GBCS) is in now established then we should work with it, unless there is a positive business case to be made for a change. This would only be considered if the suggested change(s) enables Alt HAN to be delivered in a more efficient and economical way without impacting the business case for other areas of the GB smart metering system. For this, a vendor would have to provide a business case and robust evidence and a full description of the necessary change to SMETS, CHTS and/or GBCS.</p> <p>Vendors should also consider options for modifying the proposed solution(s) to operate without a change GB smart metering end to end system and present those too within the ITT response.</p>
Technology	Could the District Network Operator (DNO) supply into the communications hub be used to power Alt HAN range extenders?	<p>Direct access to the communications hub power supply would require a change to the CHTS (see above). However, a safe and secure mechanism to use power at the meter connection point could be considered. Vendors should consider the accepted practice of communications hub hot shoes, flying leads and the arrangements for the Intimate Communications Hub Interface Specification (ICHIS). Clearly all proposals will need to be subject to health and safety risk assessment and appropriate and necessary approvals.</p>
Technology	Why wouldn't ZigBee repeaters work in this situation?	<p>Alt HAN Co has not ruled out any candidate Alt HAN technology that may fit with the GB end to end Smart metering system (also, see first technology question at top of page)</p> <p>Vendors should note that Alt HAN has undertaken detailed technical assessment of potential candidate technologies and benefits and constraints are evident. A summary of this technical assessment will be provided as guidance with the ITT. Vendors may provide comments or challenge, with supporting evidence, the observations.</p>
Technology	Will Alt HAN Co be using 2.4 GHz or 868 MHz or both? Wouldn't it be logical to extend 2.4 GHz?	<p>There is an option to use connections to single band communications hubs and devices (2.4GHz) and dual band communications hubs (2.4GHz/868MHz) and 2.4 GHz or 868MHz devices. Vendors should be mindful of any cost differences between different combinations of communications hubs and devices that energy suppliers will be subject to, the data rate capabilities for devices at each frequency band and regulatory constraints concerning use of 868MHz high bandwidth devices (i.e. 868MHz should only be used when a 2.4GHz device cannot connect).</p>

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Technology	What security considerations should vendors be aware of?	There is a GB Smart Metering Security Architecture that Vendors must comply with. Vendors will be required to subject their solutions to a comprehensive security risk assessment at later stages of the design process. Vendors should also consider the Commercial Product Assurance (CPA) requirements and will be asked to confirm whether proposed solutions (or parts of a solution) will require CPA certification, noting that CPA arrangements can attract significant cost, time to complete and necessary onerous requirements.
Technology	Within the presented timescales are there any allowances for interoperability testing for Alt HAN Co due to the complex nature of the problem?	All Alt HAN solutions will be required to be fully interoperable with the end to end smart metering system. The testing regime will be proposed by the vendor in partnership with Alt HAN Co with the level of testing being proportionate to the interaction with the end to end system and its level of intrusion to the same. Technical assurance and all necessary supporting testing and trialling is a feature of the procurement process and associated High-level plan.
Technology	How are the use cases going to be defined according to technology types and numbers?	Alt HAN Co is not prescribing the technology for each of the 28 different use cases. It will be for vendors to propose suitable technologies for the use cases in their response to the ITT, and propose what if anything needs to be done to develop these technologies in the proposed solution(s). The vendor will need to inform Alt HAN Co how their solution will meet the use cases, specifying how each proposed technology in their solution maps to a specific use case. Alt HAN Co will provide the information currently available on the volumes of each use case in the ITT. The intention is that the volume estimates of specific use cases will increase in accuracy as outputs from building evaluation processes and modelling (moving ahead as a parallel activity) harden assumptions.
Technology	Will Alt HAN Co consider different radio bands?	Communications hubs and devices are required to operate at 2.4GHz and/or 868MHz (set out in SMETS or CHTS) using ZigBee ZSE 1.4. Alt HAN solutions will therefore need to interface with the communications hub and devices. However, the Alt HAN range extending element of the solution is not constrained to those frequencies or application. Clearly, use of other frequency bands or physical and transport layers must conform to regulatory requirements governed and enforced by Ofcom in the UK. Necessary evidence of regulatory compliance will be a requirement. Alt HAN Co will also require evidence of attention to co-existence and necessary network management to ensure Alt HAN systems are appropriately immune from interference from other systems (smart or otherwise) and do not emit interference causing performance problems to other systems (again, Smart or otherwise).

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Technology	How is power being considered?	<p>Alt HAN may be mains or battery powered. For each, the power consumption would have to be minimal. Vendors will need to consider the safe installation and operation of solutions. Installer training is a key area that vendors should actively consider for their solution where energy supplier meter installers, with a proportionate compete level, will install.</p> <p>There have been some concerns about battery operated devices although Alt HAN Co is not ruling them out. Lessons have been learnt from gas meters and it is recognised that if Alt HAN Co is considering 10-15 year device asset lives, it would be inappropriate to have a two-year battery life. Power consumption must be economically viable and it would have to be minimal as the Alt HAN, as with all supplier equipment, will have to be designed to ensure that the consumer is not disadvantaged.</p>
Technology	Is a warranty required for this product?	This should replicate other devices, therefore 10-15 years life expectancy, but warranty could be less and subject to negotiation.
Technology	What considerations are being given the actual messages/responses that need to be sent between the technical solution and other devices?	<p>Alt HAN has undertaken detailed technical assessment of GBCS and ZigBee message content, data transport architecture and necessary message frequency requirements. This was then considered against the maximum number of devices required in SMETS, and several potential scenarios) to calculate required Alt HAN data rate requirements at a single premise level.</p> <p>We intend to provide this technical assessment as guidance with the ITT. Vendors may provide comments or challenge, with supporting evidence, the observations.</p>
Commercial	Who will own the Intellectual Property (IP) for the Alt HAN solution?	Alt HAN Co will not be looking for outright ownership of the IP - rather for the right to use the IP for Alt HAN purposes in GB – which may include the ability to pass the right to use a third party.
Commercial	What happens to a vendor's IP, design papers and/or materials if they drop out of a stage?	Alt HAN Co is seeking a licence from the vendor to use anything that has been developed for or on behalf of the Alt HAN in each stage. As a result, it is possible that the Alt HAN Co may want to share the IP from a vendor that is no longer in the process with other vendors still in the process at a future stage. Alternatively, none of the IP might be re-useable. Nonetheless Alt HAN Co would be seeking the right to transfer IP to another company if need be; this will be made clear in the contract issued with the ITT.
Commercial	As part of a business case, could vendors include further improvements to a premise, such as solar panels?	The Government set up Alt HAN Co to procure a solution to fill the Alt HAN Co 'gap'. Anything beyond this strict remit will be out of scope, but it might be something BEIS is interested in.
Commercial	What are the financial structures associated with Alt HAN Co?	Alt HAN Co has been set up and the funding arrangements established under the regulatory framework. The company is established and operating independently and paid for by energy suppliers for the sole purpose of providing Alternative HAN services.

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Operational	Who will be managing the relationships when it comes to deployment and installations? When are installations scheduled?	Deployment and installation will be managed for Alt HAN Co by the Service Management Function which is to be procured. Only shared HAN installations will need to be installed on behalf of Alt HAN Co by the Technology Services vendor. The remainder of Alt HAN installations can be carried out by the energy suppliers, on the assumption these are based on 'plug & play' principles. Based on Alt HAN Co's indicative timescale, installations are scheduled to commence from May 2019, although Alt HAN would be interested to start at least some installations earlier if possible – based on potentially accelerating the development of one or more of the proposed technology solutions.
Operational	What is the scope of the Operational Services/Service Management Function?	The technology solution proposed and selected will help define the detail of the Operational Services requirements and feedback from stakeholders will also be considered in developing the requirements. The scope will be defined after consideration of the technology solutions procurement process.
Industry	How does the Alt HAN Co Forum operate?	Alt HAN Co was set up by BEIS under the SEC with the objective for all energy suppliers to work together to supply Alt HAN services. The Alt HAN Project is the delivery function of the Alt HAN Forum & Board. The Alt HAN Forum is the decision-making body and includes representatives from energy suppliers, BEIS & Ofgem. The objectives and regulatory arrangements can be found in the Government Response on Home Area Network . Alt HAN Co is a company registered with Companies House, set up to provide services for energy suppliers. Energy suppliers are shareholders and through their supply licence have obligations to fund and contribute to the development of Alt HAN services.
Industry	What is the volume assumption for Alt HAN?	Alt HAN Co's assumption is still that 3.5% of UK dwellings will require an Alt HAN unless and until BEIS direct differently. Alt HAN Co is aware of the outcome of the 868 DBCH prototype performance assessment and that there is a significant risk of the volume being more than 3.5%.
Industry	How will you ensure that a property is suitable for Alt HAN, and this assessment is free of conflicts of interest?	Alt HAN Co is trying to understand in a proactive way what buildings are candidate buildings for Alt HAN. There is work happening now – data pilot trials and dialogue with suppliers – to try and build an early view that could be fed into the ITT. Alt HAN Co, through the Service Management function acting on its behalf, will decide which premises will need Alt HAN, with a view to which is the most economically efficient.
Industry	Will the Alt HAN solution be installed at the same time as meters?	Suppliers will fit meters at different times depending on their specific roll out plans. For instance, the working assumption for large single dwellings is to install both at the same time, while for MDUs the vendor will install the Alt HAN solution on behalf of Alt HAN Co, then when the supplier's premise is Alt HAN ready, the suppliers will fit their meters. However, Alt HAN Co needs to be mindful of particular landlord and tenant requirements.

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Industry	In an MDU there could be multiple customers using different suppliers. How will Alt HAN Co work for the different suppliers whose customers have the same needs?	This is a key part of the rationale as to why Alt HAN Co was set up – to procure a common solution for use cases such as MDUs where there may be multiple energy suppliers whose customers all have the same Alt HAN ‘gap’. It would not be sensible for each individual supplier to try and resolve this alone.
Industry	Will Alt HAN Co be subject to any instances that might prevent it from being unable to achieve its 2020 roll out obligation?	Alt HAN Co, acting for energy suppliers, is required to meet the 2020 obligation in the same way as standard smart metering. Alt HAN Co is being monitored by BEIS Stewardship Team on its delivery timelines. Alt HAN Co is interested in any parts of the timeline that can be expedited, and it is in vendors’ best interests to identify any such opportunities to Alt HAN Co; the ITT will seek feedback on this.
Industry	Is there a risk that SMETs 1 devices will be installed, as SMETs 2 are not ready, thus impacting on the Alt HAN Co solution?	Yes, this risk exists. However, our working assumption is based upon the installation of SMETS 2 meters.