

Date: 11 February 2025

Dear Stakeholders,

**Open letter: Stakeholder consultation on modifications to the electricity supply licence to amend the current electricity metering obligations to further protect consumers.**

Ofgem is Great Britain's independent energy regulator. We work to protect energy consumers, especially vulnerable people, by ensuring they are treated fairly. On 30 June 2025, the switch off of the infrastructure which supports Radio Teleswitch Service (RTS) metering arrangements will commence. It is on this basis that we have launched a stakeholder consultation on the potential introduction of RTS specific licence conditions within the supply licence which will seek to ensure consumers are treated fairly and have access to an alternative metering arrangement following the cessation of RTS.

## Background

RTS uses radio signals to instruct specific RTS electricity meters to switch between peak and off peak rates. These electricity meters were designed to support consumers who may use electric storage systems and panel or immersion heaters in water tanks, which typically charge and heat up at night.

Since 2011, energy suppliers have been obligated to take steps to replace traditional electricity meters such as those reliant on RTS infrastructure with smart metering equipment. The same year, the BBC noted its intention to transfer longwave radio onto other BBC broadcasting platforms including digital.<sup>1</sup> The end of RTS has been known for some time, and energy suppliers have been afforded more than adequate time to engage with RTS consumers, develop technical solutions, and ensure appropriate metering arrangements are in place for these consumers. We have written to energy suppliers on an ongoing basis outlining these expectations regarding the timely replacement of RTS meters.<sup>234</sup>

The infrastructure which supports RTS, first introduced in the 1980s, has reached the end of its natural operational life. Stakeholders involved in the provision and support of the infrastructure which support RTS – including the transmitters located in Droitwich, Westerglen and Burghead – have made clear that it can no longer be maintained citing reliance on components that are no longer manufactured. Maintenance of this infrastructure is no longer practical and is too costly to continue to maintain. This also leads to a

---

<sup>1</sup> [BBC. Delivering Quality First. 2011.](#)

<sup>2</sup> [Ofgem. Smart meter rollout open letter. 2022.](#)

<sup>3</sup> [Ofgem. Smart meter rollout open letter. 2023.](#)

<sup>4</sup> [Ofgem. PPM and RTS open letter. 2024.](#)

dependence on infrastructure that may ultimately fail and leave consumers in detriment. It is therefore necessary to act now to avoid this type of scenario.

The radio signal will be switched off and RTS metering will no longer be supported from 30 June 2025. Consumers who do not receive an upgrade to their RTS metering arrangements, may experience disruption to their heating or hot water provision within their home or business, or potentially will experience higher rates of tariffs when their RTS meters fail to switch between the different rates.

Many consumers who rely on RTS metering arrangements retain concerns regarding whether they will be left potentially 'worse off' in a financial sense as a result of seeking an upgrade to their metering arrangement. These consumers are not responsible for RTS coming to the end of its operational life and therefore will likely expect that their electricity supplier can provide them with a similar tariff following the upgrade of their meter. However, it is important to note that RTS consumers will almost certainly be left 'worse off' as a result of not taking action to seek an upgrade to their metering arrangements given the risks associated with their heating or hot water following the switch off.

Electricity suppliers are currently replacing RTS meters with alternative metering arrangements. However, our monthly monitoring of supplier replacement rates indicates slower progress than required with an expectation that many consumers will still be reliant on an RTS metering arrangement following the end of June switch off date. As of January 2025, there are approximately 600,000 RTS meters remaining in Great Britain.

### **What are we proposing to do?**

Consumers with an RTS metering arrangement in their property or business are at risk of an interruption to their supply of electricity due to the switch off of the RTS metering infrastructure. These consumers may also be at risk of higher bills or going off supply. The switch off of RTS infrastructure has been known for some time, with industry previously negotiating extensions to the infrastructure on an ongoing basis to extend the service. As noted, considerable time has been afforded to electricity suppliers to plan comprehensively for the cessation of RTS and ensure that they have solutions in place for all their RTS consumers. We recognise that these extensions will have had an impact on the operational planning of suppliers with regards to replacing RTS meters; however, we expect suppliers to have existing plans and technical solutions in place well in advance of the confirmation of support for RTS ending.

As part of our statutory obligation to protect consumers, we are conducting a stakeholder consultation on the policy behind introducing RTS specific licence conditions to support existing obligations suppliers have to support and mitigate any risks to consumers. Following this stakeholder consultation, we will take feedback into account and seek to introduce licence conditions under this provision which makes metering equipment that is reliant on RTS infrastructure inappropriate. The content of the exact Supply Licence Conditions will be contained in a statutory consultation after this stakeholder consultation.

We appreciate industry efforts through the RTS Taskforce and elsewhere to expedite the rate of RTS meter upgrades and Ofgem will continue to support these efforts to engage with customers and overcome any remaining barriers. These potential new licence conditions would be put into place to ensure that customers who still have an RTS meter on the wall of their home or business are able to swiftly receive an upgrade to their meter in a timely and efficient manner.

Furthermore, for those consumers who do engage with their supplier and seek an upgrade to their RTS metering arrangement, we expect that electricity suppliers will take steps to ensure that these consumers retain their RTS tariff or are provided with a similar offering. Many suppliers have made us aware that these consumers are unlikely to experience tariff

detriment as a result of upgrading their metering arrangement. However, we believe that suppliers should take all reasonable steps to offer a tariff that leaves the consumer no 'worse off' than their existing arrangements as a result of the RTS switch off.

For the proposed policy outcomes, noted below, a Radio Teleswitch (RTS) Meter means an electricity meter whereby the domestic or non-domestic customer is required to pay for the charges for the supply of electricity on the basis of Time of Use rates in circumstances, where during each period of 24 hours one or more unit Rates apply to different periods of time which are determined by the licensee and or a Licensed Distributor and activated via the use of radio signals during that period of 24 hours.

## **What we are consulting on**

This stakeholder consultation focuses on the policy we propose, rather than the exact contents of the draft licence conditions themselves. Through this open letter, we are seeking views and considerations regarding the appropriateness of RTS Meters post 30 June 2025 and the safeguarding of consumers who are reliant on an RTS Meter arrangement beyond 30 June 2025.

Any proposed draft licence conditions will seek to address the following issues and policy outcomes, with the overarching aim being the timely replacement of RTS Meters to minimise detriment to consumers:

1. After the cessation of support for RTS Meters, supplier use of these meter types will no longer be appropriate for consumers given they are unable to receive radio signals and therefore no longer work in their intended manner. There will be an obligation on suppliers to no longer provide electricity to consumers with an RTS Meter after the cessation of support for RTS meters.
2. Following the cessation of support for RTS Meters, when a consumer with a RTS Meter changes supplier, the gaining supplier should replace the consumer's RTS Meter within thirty working days.
3. Our position imposed in point 1 and 2 may not apply where the supplier is unable to install or arrange for the installation of any replacement metering arrangement at the relevant premises despite taking all reasonable steps to do so.
4. Suppliers should take all reasonable steps to provide a tariff that leaves the consumer 'no worse off' than their existing arrangements as a result of a RTS Meter replacement.

Following the shutdown of RTS infrastructure from June 2025, consumers may experience significant detriment or interruption to their electricity supply. As such, we believe that suppliers should not supply electricity to these consumers through a metering arrangement which relies on the RTS infrastructure, and that RTS Meters should be immediately phased out of the electricity market and associated infrastructure (point 1 above). Whilst all RTS Meter consumers should be able to receive a replacement meter from their supplier, our intelligence suggests that some suppliers are more advanced than others in their provision of technical solutions for more complex metering arrangements. Therefore, we are seeking to ensure that any consumers, on switching supplier, are able to receive an RTS Meter replacement from the gaining supplier within an expedited time period and therefore minimise any potential detriment (point 2 above).

We understand there may be situations where a proposed obligation on suppliers to replace inappropriate RTS meters should not apply where the supplier is not able to install alternative metering arrangements despite taking all reasonable steps to do so. This could

include when it would result in the consumer going off supply. Therefore, we have included point 3 above to reflect these extreme situations; however, our intention is that this would only apply to short term situations such as:

- Where the supplier is unable to install or arrange for the installation of any RTS Meter replacement at the relevant premises because it will result in the consumer being off supply.
- If the situation in point 3, proposed above, applies, then the supplier must ensure they have adequate systems in place to ensure appropriate billing processes are in place to ensure that the customer is not left worse off by having their electricity supplied through an RTS Meter.

We are aware that there may be RTS Meters which are no longer reliant on RTS infrastructure because a gas connection is now in place, or an alternative metering arrangement or solution has been put in place. Whilst it is unlikely that consumers within this cohort will experience significant detriment, we still expect these RTS Meters to be replaced as part of electricity supplier efforts to install smart meters for domestic and non-domestic consumers. As part of enforcing these potential licence conditions, we will seek to understand whether a licensee has adequately demonstrated that it has taken all reasonable steps to install an RTS Meter replacement by a variety of means, including but not limited to:

- Beginning its RTS Meter replacement programme early enough.
- Having a comprehensive and adequate strategy for its RTS Meter replacement programme.
- Giving itself enough time to make use of lessons learned where things may have gone wrong.
- Implementing appropriate technical solutions.
- Having an appropriate consumer engagement strategy.

Existing provisions currently exist within the electricity supply licence which state that licensees must not supply electricity to consumers through a specific meter type (for example: SLCs 12.17 to 12.22) therefore a precedent already exists for prohibiting the use of certain meter types in providing electricity.<sup>5</sup>

## **Consultation process**

We invite all stakeholders to provide their feedback on the proposed policy outcomes, noted above. Stakeholder input is crucial in ensuring that the regulatory environment protects the interests of RTS consumers, electricity suppliers and the broader energy market.

## **How to respond**

Please submit responses by 11 March 2025 to [SmartMetering@Ofgem.gov.uk](mailto:SmartMetering@Ofgem.gov.uk). We encourage concise, detailed, and specific feedback and welcome any additional suggestions or concerns stakeholders may wish to provide. Stakeholders may wish to consider forming their response based on the questions noted below:

1. Do you agree with our proposed policy intention as set out under 'what we are consulting on'?
2. Is there anything missing in the proposed policy intention as set out under 'what we are consulting on'?

---

<sup>5</sup> [Ofgem. Electricity Supply Standard Licence Conditions. 2025.](#)

3. What are the consequences of a consumer retaining their RTS Meter following the cessation of support for RTS?
4. What are the main barriers suppliers face in their RTS replacement programmes, that we may not have considered?
5. Are there any obstacles to suppliers not providing a similar tariff arrangement for consumers upgrading to smart from an RTS Meter?
6. Do you think the exception to the replacement of RTS meters appropriately covers some of these barriers? Do you have other views on how this exception should operate?
7. Do you think the exception to the replacement of RTS meters should only be applied when it would result in a consumer being off supply?
8. Is there anything else you would like to add in your response?

### **Next steps**

Following the conclusion of the stakeholder consultation period, we will review all submissions ahead of a statutory consultation period. Following this, a final decision will be made on the introduction of any proposed licence conditions.

We appreciate your time and effort in contributing to this important consultation process. Should you have any questions or require further information, please do not hesitate to contact us at [SmartMetering@Ofgem.gov.uk](mailto:SmartMetering@Ofgem.gov.uk)

Yours sincerely,

**Charlotte Friel**

**Director  
Retail Pricing and Systems**