

## **MEETING NOTE**

### **Smart Metering Implementation Programme – Consumer Advisory Group**

27 January 2010 at Ofgem, 9 Millbank, London.

Present:

Ofgem: Jude Cummins, (Chair), Sarah Harrison, Neil Barnes, Phil Sumner, Adhir Ramdarshan. DECC: Geoff Hatherick.

Advisory Group members: Derek Lickorish (FPAG), Gill Owen (PUAF), Zoe McLeod (Consumer Focus), Fiona Cochrane (Which?), Gretel Jones (Age UK)

Apologies: Will Anderson (Centre for Sustainable Energy)

---

#### **Items 1, 2, 3: Introduction, Terms of Reference, Programme Overview**

The purpose of the Group was outlined, Terms of Reference were formally agreed and declarations of interest were made by members where relevant.

Neil Barnes gave an overview of the smart metering implementation programme.

#### **Item 4: Consumer issues overview**

Gill Owen gave a presentation providing an overview of the sorts of consumer issues under consideration for the smart metering implementation programme and the Group provided initial reactions on the issues raised, which included:

- How costs may impact particular groups of consumers.
- Consideration of what the overall 'up front' messages should be for consumers and how these should be delivered.
- The need for much more education for consumers to ensure they understand the implications for them of smart metering.
- There should be a consideration of links and synergies with the range of other Government energy efficiency schemes.
- How smart metering might impact competition and customers' ability to switch.
- Tariffs should provide a meaningful choice and not be confusing.
- The importance of consumers being able to access their own data (for free) and use it (e.g. with switching sites).
- How the evolution of micro-generation will be included in smart meter thinking.
- The importance of how engagement at local level would facilitate rollout. The Group considered that it would be useful to learn the lessons of the Digital Switchover programme.
- The need to consider remote switching to prepayment and remote disconnection.
- The need to consider the impact on fuel poor and vulnerable customers.

The Group discussed whether some issues, such as tariffs and marketing activities may be topics for discussion later in the programme (e.g. at Phase 2).

### **Item 5: Research activity and gaps**

The group reported on current and upcoming research activity and where gaps may exist, including:

- *Ofgem* - upcoming primary consumer research work which will be a qualitative piece looking to gauge a range of consumer views and issues around smart metering and the rollout. Plans for this work will be shared with the Group at an early stage to allow group members to feed in. Enhanced output from the Energy Demand Research Project was also mentioned, with the next report due in February.
- *Consumer Focus* - research on self disconnection with questions around smart pre-pay and attitudes to emergency credit; a piece looking at the consumer 'low carbon journey' identifying good and bad practice will include international studies on smart metering; an omnibus survey which will include some benchmarking questions around awareness and some work looking internationally at who pays for smart meters (acknowledging different market structures). All scheduled to be delivered by end March.
- *Derek Lickorish* - considered that work was needed to map the 'consumer journey' in that there is no consistent view on what life will be like for the consumer. Work was also needed to create a shared view on minimum functionality, particularly around the IHD, and to explore the trade-off between clarity over what consumers can expect in terms of the basic offering and consumer choice, innovation and competition.

In the context of security and data protection/privacy, Which? had looked at issues around data file sharing and access in relation to the internet. Consumer Focus were also doing some work in this area.

Sarah Harrison raised the potential for work around the 'language' associated with smart metering and how to get people to engage.

### **Item 6: Rollout and installation**

The Group was asked to consider the consumer issues around rollout and installation. A range of issues were raised:

#### *General issues*

- There has been a significant increase in the rate of meter installations recently. The Association of Meter Operators could provide a practical insight on installation issues.
- A lesson from the Digital Switchover approach was that the considerable planning paid dividends as once a programme is underway it would be difficult to redesign.

### *Communications*

- Communications and media management at both national and regional levels is important and it was felt that this would be a responsibility of all consumer bodies.
- There will be a need for partnering with local trusted organisations.

### *Rollout process and contact with consumers*

- It could be useful if suppliers adopt a consistent approach for contacting consumers in advance, together with a consistent message. A formal system of appointments including an appointment letter could also be a useful approach as it would help give assurance around rogue traders and distraction burglaries.
- There may be an advantage to having one central contact number for support during the process (including consumer issues post installation)
- Various approaches to rollout were discussed. For example, whether having each supplier who is dominant in an area lead rollout in that area would be the most economical approach. A 'street by street' approach may not work and appointments for individual properties may need to be made in any case.

### *Installation visit*

- Important of trust and confidence e.g. could installation be done under 'one logo'. The installation visit could be a good opportunity for supplier to build trust.
- Importance of convenience: preference for a single visit to replace both the gas and electricity meters, with a limited number of 'installers'.
- The current Priority Service Register should be improved and could be used as a key tool to identify vulnerable consumers.
- The installation visit can be a vehicle for providing energy advice and some information on the installed technology needs to be supplied on the day. There is the opportunity for suppliers to illustrate other options for data feedback. Consideration needed to be given on the appropriateness of using the visit for marketing products.
- There could be links with energy efficiency measures (e.g. CERT) perhaps using the National Housing Condition database to identify properties.

### *Priority groups*

- There were mixed views on the merits of prioritising particular groups as part of the rollout programme. There was some concern over prepayment customers as a priority and the fuel poor generally given the potential for teething problems early in the rollout.
- It is important that costs and risks are addressed for those who are first. Spreading the costs across the whole rollout could be a way of mitigating this.

## **Item 7: AOB & Next meetings**

It was considered that it would be useful to cover the following topics at the next meeting:

- Further discussion on installation issues (including priority groups)
- Minimum functional requirements for the IHD

- Remote functionality and consumer protection

Dates for the next meetings would be circulated to the Group.