

## Evidence gathering session on rollout issues agenda

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Agenda items circulated in advance of the Evidence gathering session on rollout issues

From Ofgem  
To Stakeholders  
cc  
Date 19 April 2010

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### 1. Agenda / information note

#### *Introduction*

In consultation responses and at the last rollout stakeholder workshop on 22<sup>nd</sup> February 2010, there have been a range of views presented about how the rollout should proceed. Some stakeholders have argued that strong positive engagement among local communities will be particularly powerful in generating the necessary awareness, enthusiasm and take up and in favour of measures to ensure local coordination of smart meter installations. Others have argued that trying to coordinate independent suppliers would increase the cost and complexity of the rollout, and outweigh the potential benefits from coordination. We plan to use the day as an opportunity for stakeholders to provide quantitative and qualitative evidence to support or contrast these views. Therefore, if attendees have any evidence that they wish to supply ahead of the event or bring to the event we would be very grateful.

#### *Agenda*

1. 9-45 – 10.00 Coffee
2. 10.00 – 10.20 Introduction and context
3. 10.30 – 12.45 discussion in two breakout groups
4. 12.45 – 13.15 Lunch
5. 13.15 – 15.30 Continued discussion in breakout groups from the morning
6. 15.30 – 16.00 Wrap up and review

#### **Issues around local coordination**

Many stakeholders supported some form of local coordination during rollout. However, views differ as to how this should be conducted: some stakeholders have expressed a desire for installation to be coordinated with Local Authorities whilst others suggest an area by area model, or coordination around specific types of installations. Concerns have also been raised that inappropriate “coordination” could reduce supplier’s ability to find the lowest cost installation programme. We therefore want to understand where there are trade-offs between costs and benefits in this approach, and what pragmatic measures will be required to allow coordination between suppliers where there are potential savings or consumer benefits as well as the linkages between customer engagement efforts and local coordination.

## Breakout sessions

In two groups we would like to explore how the options for local coordination vary at different levels which have been suggested by stakeholders:

1. Coordinating for customers to receive a single installation visit for both gas and electricity smart meters (for both dual fuel and separate gas and electricity supply scenarios);
2. Coordinating for multiple installations in blocks of flats;
3. Coordinating so that existing meter reading arrangements can be phased out in the most economically and efficient way;
4. Suppliers working with local authorities and other local organisations;
5. Coordinating or prioritising to support low carbon initiatives;
6. Coordinating or prioritising to support smart grid objectives;
7. Coordinating or prioritising specific groups of customers;

For the above scenarios, we want to consider the following questions.

- Whether coordination could provide quantifiable benefits for consumers, and how those benefits are quantified?
- To what extent will suppliers have an incentive to make that coordination happen?
- What steps need to be taken to allow coordination to happen?
- How could parties be made responsible to make that happen?
- What analogous situations in other sectors might provide useful evidence?

The benefits and drawbacks of different types of coordination may well vary over the course of the rollout. Therefore, when discussing the above scenarios we would like to keep in mind the following dimensions:

- Customer requests
- Discretionary vs. non-discretionary installations (e.g. new builds or replacement meters).
- Pre/during/post installation activities
- Customer characteristics
- Geographic area

## Feedback session

At the end of the day we intend to have a short plenary session to pull the discussions together. After the event we intend to publish a summary of the discussions.