MEETING NOTE

Smart Metering Implementation Programme - Consumer Advisory Group

27 January 2011 at Ofgem, 9 Millbank, London

Present:

Advisory Group Members: Gretel Jones (Age UK), Zoe McLeod and Holly Reilly (Consumer Focus), Jenny Driscoll (Which?), Gill Owen (PUAF)

Ofgem: Phil Sumner (Chair), Maxine Frerk, Neil Barnes, Jonathan Amos, Rachel Hay (part) DECC: Geoff Hatherick.

Items: 1 and 2: Welcome, Issues arising from the last meeting and Programme Update

Maxine Frerk provided a short update on the Programme, principally that the Government's response to consultation is expected to be published in late March. The 'Spring Package' consultation covering consumer protection issues would be published at the beginning of February. Work is currently being undertaken to prepare the ground for the next phase of the programme.

Consumer Focus said that it had received legal advice on data privacy and suppliers' current terms and conditions, and were considering next steps.

3. Vulnerable customers - workshop feedback and discussion

Rachel Hay presented to the Group a summary of the discussion at the workshop held on 20 January on the needs of vulnerable consumers during the smart metering rollout. Members of the Group raised the following points.

Information provision during rollout

- The workshop had considered the role of a central body that to help provide consistency of messaging between suppliers and support coordination between suppliers, local authorities and other parties. The Group considered that there could be merit in a central body. However, it was felt that the scope of this body would need to be considered further, along with any funding arrangements. On this point it was acknowledged that suppliers are likely to want to use their own marketing where possible.
- There was general support for a free independent 'helpline' (also free from mobiles). A model where consumers are signposted from suppliers, such as the 'Home Heat Helpline', could be considered.
- The Group considered that it was important not to stereotype vulnerability. Principles of 'inclusivity by design' could be adopted, such that main information about smart metering would be delivered in a widely accessible way. It was also

important to consider the definitions of 'vulnerable', including temporarily vulnerable groups (a member of the Group highlighted a British Standard on vulnerable definitions which could help inform this).

- It was considered that messages should be reinforced over time as they could be forgotten, particularly among some vulnerable groups, such as the elderly.
- A member of the Group considered that the standard IHDs could provide the focus for an information campaign as they will be 'tangible'. This would help promote take up and could guard against misselling of higher-spec IHDs. It is equally important that there are messages to vulnerable groups (particularly the elderly) not to switch off essential appliances or turn down heating to below adequate levels.
- A member of the Group cited the approach taken by Southern Water to help vulnerable consumers as a useful model for ongoing engagement. Under this approach, those consumers who are most impacted by the installation of water meters are provided with water and energy efficiency advice.

The installation process

- An Installation code of practice needs to cover arrangements for addressing risks around distraction burglary and bogus installers, including use of passwords and uniforms and information on the number of people visiting a property.
- Experience from Digital Switchover has shown that early input from the Serious Organised Crime Agency was important when considering issues around the installation process, such as distraction burglary. It was also acknowledged that suppliers already have in place processes for managing similar issues that arise in the context of 'business as usual' meter replacements.
- The Group thought that measures would be required to ensure consumers are not left without supply following installation. This included, in particular, circumstances where unsafe appliances are found during the installation process, but not then made safe.
- Expanding the approach to data sharing (eg between government and suppliers) to encompass a wider set of customers could assist with the installation process and information provision.
- Members of the Group were concerned about the potential for consumer detriment arising from the 'upselling' of IHDs at the point of installation.

4. Consumer engagement – further issues

Jonathan Amos introduced a broader discussion on consumer engagement. The Group made the following points:

- Consumer Focus has recently undertaken a survey exploring consumer attitudes to smart metering. The largest proportion of respondents expressed an interest in smart metering but a sizeable remainder were either apathetic or did not see the need for rollout. Some respondents expressed concerns about the costs of smart metering. Concerns around data privacy did not figure prominently in this survey.

- The Group suggested that the EDRP may provide further insight on consumers' attitudes to the installation of a smart meter.
- The Group considered that it would be useful for the programme to adopt a flexible approach to consumer engagement over the lifetime of the rollout. They also emphasised the significance of the media. It was felt that the programme should have a proactive media handling strategy, as well as reactive 'lines to take' in the event of negative reporting.
- Given that statutory meter changes occur daily without objection, it was suggested that access rates could be improved by downplaying the novelty of the installation of a smart meter. However, this could give rise to problems later, for example if the consumer later needs to interact with the meter. Furthermore, the opportunity to inform consumers about energy saving measures may be lost.

Item 5: AOB

Zoe McLeod raised a piece of research on 'Inclusivity by Design' for in-home displays, which they were commissioning Ricability to undertake covering a literature review and usability testing of some of the existing models. Consumer Focus is looking to make this a collaborative piece of work and invited expressions of interest from CAG members to contribute.