



Consultation Response

National Energy Action response to Smart Meter Guaranteed Standards

About National Energy Action

National Energy Action (NEA), the fuel poverty charity, campaigns so everyone can afford to live in a warm, safe and healthy home. This is something denied to millions because of poor housing, low incomes, and high bills. Working across England, Wales and Northern Ireland, everything we do aims to improve the lives of people in fuel poverty. We directly support people with energy and income maximisation advice, and we advocate on issues including improving the energy efficiency of our homes.

Background to this response

NEA has a long-standing interest in smart meters and their rollout in Great Britain and Northern Ireland, particularly with regard to their impact on vulnerable consumers. NEA believes that smart metering has the potential to provide real benefits for vulnerable and low-income householders, but only if these individuals are effectively engaged and supported throughout their smart meter journey. NEA has carried out the following projects to inform and support the smart metering programme:

2013: Smart for All: Understanding Consumer Vulnerability During the Experience of Smart Meter Installation: NEA for DECC and Consumer Focus.

NEA's report for the UK Government examined consumer vulnerability during smart meter installation and provided recommendations. Phase two focused on support needs for vulnerable consumers to engage with smart meters. Fieldwork in March 2013 involved 33 participants from various regions, using qualitative methods like interviews and focus groups to gather insights.

2014: Developing an Extra Help Scheme for Vulnerable Smart Meters Customers: NEA for Citizens Advice.¹

This research looked at how suppliers and other stakeholders can help vulnerable consumers through the smart meter change. The rich detail of this research aimed to help delivery partners

shape their plans; answering questions such as how to define vulnerability, the importance of choice, and the role of different communication channels.

2015 – 2018: SMART-UP²

NEA's EU-funded study across five countries showed that tailored energy advice helps vulnerable households use smart meters and in-home displays effectively. Support increased engagement, understanding, and usage frequency. Post-intervention, households were more likely to check electricity usage, set budgets, and change energy habits, benefiting low-income households significantly.

2015 – 2018: Energywise³

NEA was a partner on the UK Power Networks-led project energywise; exploring how fuel poor customers can benefit from a smart meter and participate in energy saving and demand-side response opportunities. The project successfully installed 230 credit smart meters and 93 prepayment smart meters in the homes of 323 social housing tenants living in the deprived borough of Tower Hamlets in East London. In targeting this group, the project generated valuable learnings on how to engage and support energy consumers identified by previous research as vulnerable to realising benefits from their smart meter and in-home display. Specifically: low-income households, social housing tenants, prepayment meter consumers and those who do not speak English proficiently.

2016 – ongoing: Smart Energy GB in Communities

NEA and Energy Action Scotland lead Smart Energy GB's partnerships, engaging people in the smart meter rollout. They provide training, grants, and resources to support advisers and vulnerable households. Since 2016, they've trained 1,751 professionals and awarded 300 grants. NEA also advises the BEIS Consumer Reference Group (now known as the Consumer Forum), on smart meter challenges.

2024 – ongoing: NEA Smart Meter Symposium

NEA's inaugural Smart Meter Symposium discussed benefits and challenges of smart meters for low-income households. Key issues included loss of functionality when switching suppliers, poor installations, and manual readings. Emphasis was on post-install aftercare and clarifying accountability between suppliers and the DCC for connectivity issues. Clear jurisdictions were deemed essential.

Summary of Our Response

NEA welcomes the proposals to enhance the consumer experience of smart meters, particularly the focus on post-install aftercare and remedy. NEA has continually advocated that Ofgem uses and enforces its existing regulatory controls in this area, to better support, engage, and protect consumers through the rollout. This consultation represents a positive and significant step towards that end.

NEA strongly believes that the smart meter rollout has the potential to provide real benefits for vulnerable and low-income households. In particular, the capacity of smart meters to end estimated billing, to provide greater control over personal energy use, and to make payment for 'pay as you go' energy much more convenient are key aspects of the rollout for fuel poor households. Many low-income consumers ration their energy use, particularly during the winter due to fear of a shock bill. Smart meters will help put consumers in control of the energy they are using and give them clear oversight of the cost. Smart metering is also a central part of the journey towards a more flexible energy system, where consumers can access time-of-use tariffs and participate in flexibility schemes. In recognition of these benefits, National Energy Action strongly advocates for, and engages in, ensuring that vulnerable and low-income consumers have access to information and support so that they are not left behind in this transition.

Our response to this consultation is based around three key themes:

- Ensuring that vulnerable and fuel-poor households are supported through the smart meter rollout and enabled to access the smart-enabled future energy market
- The need to prioritise and provide clear communication to vulnerable households through all stages of the smart meter install and remedy journey
- The need to consider consumer detriment against the feasibility and mandated pace of smart meter remedy standards

Each of these is summarised below, before an expansion of our ideas in the answers to the questions posed in the consultation.

Ensuring that vulnerable and fuel-poor households are supported through the smart meter rollout and enabled to access the smart-enabled future energy market

NEA's longstanding work in both informing the smart metering programme through policy and research and supporting the practical delivery of the rollout has highlighted the many benefits of smart metering. These benefits are particularly significant for the vulnerable and low-income cohort that NEA works with.

Smart meters are vital in providing households with more control and oversight of their energy costs but are also central in enabling the future energy market in which smart time-of-use tariffs, demand side response, and flexibility more generally will play a key role. The benefits of smart metering are particularly pronounced for prepayment households, some of which are explored below:

- **Choice of energy tariff** - smart metering should enable a more competitive market for prepayment metered households, giving more choice in energy tariffs, as infrastructure barriers are removed.
- **Range of vending options available** - smart prepayment meters offer more vending options than legacy meters, including online payment options. This could lead to time savings for the household.
- **Remote top-ups** - smart meters offer the ability to top up without leaving the home to purchase any top-up equipment, and the ability to top the meter up without being physically near the meter. This is particularly beneficial to those with limited mobility, and could lead to both time savings, as well as savings on travel costs.
- **The lack of need to change meter to change payment type** - smart meters can operate in either credit or prepayment mode, whereas a legacy prepayment meter would have to be replaced to move to credit payment. This gives households greater flexibility to choose their preferred payment method and reduces the cost for households who are required to be moved to a prepayment option in order to repay energy debt.
- **The potential for new innovative energy tariffs** - smart meters offer the opportunity for new time-of-use tariffs, that offer lower prices during some periods, and higher prices in others, with the opportunity for savings for the household. Legacy prepayment meters mostly cannot offer these tariffs.
- **Better information relating to budgeting and financial management** - smart meters can provide more information on energy costs, and remaining credit in an up-to-date manner. This can help households in their budgeting and financial management.

Beyond the direct benefits of smart meters to vulnerable and prepayment households, the use of smart meter data can enable better identification and targeting of support to vulnerable low-income households. In more effectively identifying areas of fuel poverty and self-disconnection, financial support, retrofitting, and advice can be more targeted and effective, while also providing greater insight into the impacts of programmes and schemes aimed at reducing fuel poverty. This of course is reliant on ensuring that the remainder of the rollout is a success, which itself will be aided by stronger standards governing smart meter installations, aftercare, and remedy.

In highlighting the benefits of smart meters for vulnerable and low-income households, the potential detriment of barriers and difficulties that a user may encounter in their journey to getting a smart meter and their post-install experience are also brought to the fore. This is why it is vital that such households are supported throughout the smart meter rollout and enabled to access the many benefits that come with the smart-enabled future energy market.

The need to prioritise and provide clear communication to vulnerable households through all stages of the smart meter install and remedy journey

Both the benefits of smart meters and the potential disbenefits when things go wrong highlight the need for vulnerable low-income households, particularly those on prepayment, to be prioritised in this consultation regarding guaranteed standards of performance, and in the wider

smart rollout. Clarity of communication and accessibility are also vital for low-income and prepayment households, where household members are more likely to have a disability and are more likely to be less educated. For energy suppliers, this should take the form of clear and accessible communication to the household throughout the smart meter appointment, installation, and aftercare. Accessible in-home displays (AIHDs) are also a crucial element in ensuring that those with additional needs, such as visual impairments, are able to access the benefits of smart metering.

This need for prioritisation and accessibility cuts across all the proposed standards in this consultation:

- **Installation appointment availability** – vulnerable households, particularly prepayment users, face a greater disbenefit in waiting for a smart meter appointment. These households should be prioritised and ‘front of the queue’ in this standard. Further to this, all suppliers should be directed to offer an accessible in-home display (AIHD) to households on the Priority Services Register when they first request a smart meter appointment, and AIHD installations should also be subject to this standard regarding appointment availability.
- **Failed installations** – cases in which an AIHD is not provided where requested should be treated as a failed installation and therefore within the scope of this standard, and subject to the same compensation.
- **Investigating smart meter operational issues** - prioritisation should be considered in this standard due to the way in which certain characteristics make a non-functioning smart meter a greater potential hazard for the most vulnerable households. As such, households on the Priority Services Register should be at the front of the queue of smart meter operational remedy.
- **Smart meters not operating in smart mode** – there is significant disbenefit to vulnerable households, particularly those on prepayment, of a smart meter not operating in smart mode and having to manually give meter readings, top up in person, and the loss of oversight over energy usage and costs. These households should therefore be prioritised in the remedy of such issues and clearly communicated to throughout the process, regardless of whether their case is considered ‘in scope’ or ‘out of scope’ of the standard.

The need to consider consumer detriment against the feasibility and mandated pace of smart meter remedy standards

There is a balance to be struck in the proposed standards between the potential consumer detriment of smart meter failures and the feasibility of the additional expectations placed on suppliers regarding their standards of performance. While NEA welcomes the proposals to enhance households’ experience of smart meters, certain timescales for remedy and compensation included in the proposals are a cause for concern, and potentially fail to recognise the consumer detriment of waiting a significant time for remedy.

Specifically, NEA is concerned with the standard proposing that a household’s smart meter must fail to operate in smart mode for 90 days before compensation is received. Depending on the time

of the operational issue, this could see a household waiting an entire winter for remedy, while lacking access to the benefits of a smart meter.

While it is reasonable that short, intermittent periods of non-smart operation should not trigger automatic compensation, 30 days is a more reasonable timeframe here, balancing the needs of consumers for swift remedy and considerations around feasibility.

Likewise, while the inclusion of recurrent payments for extended non-smart operation is welcome, such a long timeframe of 365 days for further compensation after the 90-day compensation payment trigger would provide suppliers with a great deal of time to remedy a persistent case of non-smart operation before facing any further penalty. This is unlikely to incentivise any kind of urgency in these cases where a household has already faced a long period of non-smart functionality.

Answers to the consultation questions:

Clarification of regulations

Question 1. Do you agree the 2015 regulations should be updated to reflect the current metering landscape and explicitly mention smart meters?

While smart meters are effectively already included in the scope of the 2015 regulations, there is merit in making this explicit.

Question 2. If yes, what areas of the 2015 regulations do you consider should be updated to reflect that they apply to smart metering?

The General Interpretation section of the 2015 regulations should be updated to explicitly reference smart meters.

Smart meter installation appointment availability

Question 3. Do you agree that a new standard to ensure requests for smart meter installation appointments are fulfilled within a set number of weeks is right for consumers?

Yes, this brings clarity to the previously ambiguous 'within a reasonable time' timeframe and standardises the maximum period within which a household can expect a smart meter appointment to be fulfilled. Prescriptive rules are appropriate in this area as regulations regarding smart meter appointment wait times should not be open to interpretation.

Introducing a specific appointment timeframe within this standard is key for removing the uncertainty of waiting for a request for a smart meter to be fulfilled. This standard is particularly important for some of the most vulnerable households, such as those with prepayment meters, who potentially have the most to gain from the installation of a smart meter.

Through smart prepayment and the ability to top up online, there is a reduced risk of long periods of self-disconnection occurring due to forgetfulness (perhaps due to a medical condition), or where mobility issues mean that the customer finds it difficult to get to a place where they can top up, or even to access the meter in their own home. The introduction of this standard can provide vulnerable households with more certainty as to the length of time it will take for their smart meter request to be fulfilled.

Question 4. Do you agree that six weeks is an achievable timeframe to meet?

This timeframe is achievable and will incentivise suppliers to maintain sufficient installer capacity and flexibility across regions to meet demand.

Question 5. Do you agree this should apply to new/first time smart meter appointments only?

In the main, this is a reasonable application. There are however a number of examples where replacement appointments should also fall under this standard.

A replacement smart meter appointment that follows a failed installation should be within the scope of these standards, to ensure that any consumer detriment or negative perceptions stemming from a failed installation are both compensated and remedied in a swift and standardised manner.

While representing a small portion of cases, scenarios in which a household's SMETS1 meter loses smart functionality when switching, cannot be migrated/enrolled to the DCC network, and requires a replacement (SMETS2) meter should come under the scope of the above standard.

Accessible in-home display (AIHD) installations for households on the Priority Services Register should be covered by this standard, even if they constitute a 'replacement' installation rather than a 'new/first time' appointment. The value of such devices in enabling households with additional needs, such as visual impairments, to realise the benefits of smart metering necessitates firmer regulation.

Question 6. Do you agree that this should only apply in cases where a consumer is technically eligible to have a smart meter installed, and what do you consider those cases to be?

It is right that this standard should apply to cases where a smart meter install is deemed to be technically workable, based on typical criteria such as connection and signal strength, geography, and housing specifications.

There is however a risk of perverse incentives arising from this application of the standard, where harder to reach areas or properties with patchier signal coverage will likely be seen as a greater risk to installers and therefore be deemed to be technically ineligible given the potential penalty for a non-working smart meter install. While this aligns with the intention to reduce the number of failed installations or non-working smart meters, there could be some fringe cases where a consumer is on the threshold of technical eligibility but is deemed ineligible by a supplier or installer, and therefore not covered by the above standard, due to the risk of penalty for a failed installation.

In such cases, and in cases of more obvious technical ineligibility, it is crucial that the nature of the issue, and any route or indication of timescale to remedy, is clearly communicated to households.

Question 7. Are there any other exemptions that should be considered with this standard?

No

Question 8. Do you agree a consumer could receive this compensation every six weeks should a supplier not be able to offer an appointment in that time frame?

Yes, compensation should be recurrent to account for the inconvenience of potentially waiting 12 weeks or more for a smart meter appointment. This could effectively amount to an entire winter which, for particularly vulnerable households attempting to have a smart meter installed, represents significant consumer detriment.

Question 9. Are there any other factors not clearly outlined you think need to be considered?

All suppliers should be directed to offer an accessible in-home display (AIHD) to households on the Priority Services Register when they first request a smart meter appointment. This should also be subject to the above standards regarding appointment availability to incentivise greater awareness and deployment of AIHDs. This could help to ensure that these devices are installed, where appropriate, in the first instance, and in a prompt and standardised manner.

Smart meter installation failures

Question 10. Do you agree a new standard to ensure consumers receive compensation for failed smart meter installations, where the failure is within a supplier's control, is right for the consumer?

Yes, the above standard correctly recognises the importance of getting smart meter installations right the in the first instance.

Question 11. Are there any scenarios within an energy suppliers' control leading to failed smart meter installations that have not been covered?

Where an installer has incorrectly assessed a property to be suitable for an install, for example where signal strength has been assessed as adequate from the roadside rather than within the property where the meter is to be sited.

It is rightly noted in the consultation that the following failed installation scenario is considered within an energy supplier's control:

- Installer did not have the correct meter/asset equipment

It is right that this scenario should be covered by the standard, but cases in which an AIHD is not provided where requested should also be explicitly considered within the regulations regarding failed installations, and subject to the same standards and compensation.

Question 12. Do you agree this should be applicable to both first time and replacement smart meter appointments?

Yes, a failed replacement appointment is as likely, if not more, to cause consumer detriment and negative experiences.

Question 13. Do you agree there should be no restrictions on the number of times a consumer could receive this compensation?

Yes, compensation should be paid for every successive failed installation, however unlikely this is to occur.

Question 14. Are there any other factors not clearly outlined you think need to be considered?

All suppliers should be directed to offer an accessible in-home display (AIHD) to households on the Priority Services Register when they request a smart meter appointment and should face penalty for failure to provide such a device where requested. This should also be subject to the above standards regarding failed installations to incentivise greater awareness, demand, and deployment of AIHDs.

Investigating smart meter operational issues

Question 15. Do you agree that this standard would support customers with suspected problems with their smart meters, and IHDs?

The introduction of this standard, and its application to IHDs as well as the meter itself represents a positive step. Requirements for greater urgency and levels of communication throughout the remedy process are particularly welcome, and will be key to strengthening confidence in the smart rollout.

Aftercare was a key issue for panellists in NEA's Smart Meter Symposium last year, highlighting the need for renewed focus on post-installation support and remedy.

Question 16. Do you agree the best approach is to expand on the existing "Faulty meter" and "Faulty prepayment meter" standards?

The expansion of the above standards within the 2015 regulations to cover smart meter operational issues is the right approach. NEA urges that this includes explicit reference to AIHDs and that these are held to the same standards as standard displays.

Question 17. Are there any other factors not clearly outlined you think need to be considered?

Prioritisation should be considered in this standard, recognising the greater potential detriment for vulnerable households experiencing operational issues with their smart meter. Certain characteristics make a non-functioning smart meter a greater potential hazard for the most vulnerable households. As such, households on the Priority Services Register should be at the front of the queue of smart meter operational remedy.

Smart meters not operating in smart mode

Question 18. Do you agree a new standard to ensure consumers receive compensation for a smart meter that does not operate in smart mode, which is within a supplier's control to resolve, and has not been resolved, is right for consumers?

NEA agrees with this standard in principle, recognising the consumer detriment that can arise from the sustained loss of smart functionality.

Question 19. Do you agree with our initial views of "in scope" and "out of scope"?

The initial definitions are reasonable but highlight the need for clear delineation in this area and, in cases deemed to be 'out of scope', the need for clear communication as to the party at fault and the expected pathway and timescale for remedy.

The idea of an 'accountability gap' between suppliers and the DCC was raised in the 2024 Citizens Advice research⁴ and was a key discussion topic in NEA's 2024 Smart Meter Symposium. While households are generally more concerned with the swift remedy of smart meter issues rather than identification of the responsible party, panellists stressed the need for jurisdictions to be clearly defined.

While bridging this gap and clearly defining jurisdictions are important steps, there is a need for firm regulation to ensure that both suppliers and the DCC are incentivised to remedy smart meter issues promptly and held accountable for failure. The consultation represents a positive step in this direction for suppliers, but for cases deemed 'out of scope' of the standards, there remains uncertainty as to what they can expect in terms of remedy.

With this in mind, the DCC should also be held to guaranteed standards regarding smart meter remedy, with clear standards, expectations, and communication throughout the remedy journey in cases deemed to be within its control. This should be enacted through the DCC's licence conditions if not here.

Question 20. Do you agree with our initial views on what constitutes a "smart meter" and "not operating in smart mode" for the purposes of this proposal only?

Yes.

Question 21. How do you consider "actions of another party" could be clearly defined for this proposal?

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Question 22. Do you agree that 90 days is an appropriate timeframe to resolve smart meters not operating in smart mode in the future?

NEA is concerned with the extent of the timescale to resolve smart meters not operating in smart mode, due to the potential consumer detriment incurred over this period. Depending on the time of the operational issue, this could see a household waiting an entire winter for remedy, while lacking access to the benefits of a smart meter.

While it is reasonable that short, intermittent periods of non-smart operation should not trigger automatic compensation, 30 days is a more reasonable timeframe here, balancing the needs of consumers for swift remedy and considerations around feasibility.

Question 23. Do you agree consumers should receive compensation for both gas and electricity meters if applicable?

Yes, smart meter operational issues should be compensated for regardless of the fuel.

Question 24. Do you agree that for each instance of an “in scope” smart meter not operating in smart mode, the consumer should receive another compensation payment if the meter remains not operating for 365 days, and for every other 365-day period thereafter?

While the inclusion of recurrent payments for extended non-smart operation is welcome, such a long timeframe for remedy after the 90-day compensation payment trigger would provide suppliers with a great deal of time to remedy a persistent case of non-smart operation before facing any further penalty. This is unlikely to incentivise any kind of urgency in these cases where a household has already faced a long period of non-smart functionality.

The 90-day window already represents potentially an entire winter which, coupled with the above, could in some cases see a household compensated only once for their smart meter not operating in smart mode across an entire year.

Question 25. Are there any other factors you think need to be considered that have not been covered in this section for this proposal?

In cases where a household reliant on a virtual WAN device (VWD) loses (possibly deliberately) internet signal and therefore connection to the DCC – getting back online can be prohibitively complex.

For many households in or at risk of fuel poverty and who prepay for their energy, self-disconnection is a harsh reality for those who are struggling to afford their energy bills. It can occur on a frequent basis, especially where a consumer is only able to afford to top up their electricity meter by very small amounts each time. Similarly, the need to cut back or forgo certain household items could mean that a customer decides (after the installation of VWD) to end their broadband service as a means to afford other household essentials instead.

In the instance of a smart credit consumer experiencing a loss of internet signal and therefore connection to the DCC, the reliance upon manual meter readings could be a concern. For instance, the accessibility of the meter itself may be an issue.

Based on our experiences supporting prepay clients to get back on supply, the manual entry of a 20-digit UTRN number can sometimes be an issue, particularly for clients with literacy issues, dexterity issues or a learning disability. A route to accessing additional support from the supplier or a third party would give some added protection and be beneficial.

¹ [Developing an Extra Help Scheme for vulnerable smart meter customers, NEA for Citizens Advice, 2014](#)

² [Smart Up, NEA, 2018](#)

³ Energywise, UKPN, 2018

⁴ [Get Smarter: Ensuring people benefit from Smart Meters, Citizens Advice, 2024](#)