

# Information Note

**07 February 2011**

## **OFGEM CONSULTS ON STRENGTHENING CONSUMER PROTECTION FOR SMART METERS**

Ofgem has today published a consultation proposing to strengthen protection for those consumers who receive a smart meter ahead of the national roll out.

The Government has mandated the roll out of smart meters to every home in Britain and the Department of Energy and Climate Change (DECC) led programme to deliver this will cover consumer protection. However, smart meters are being installed now ahead of roll out, and Ofgem sees the case for early action in some areas to ensure consumer protection and build confidence.

Ofgem's initial consultation includes proposals for consumer protection:

- to cover automated switching between payment methods and remote disconnection, both of which are enabled by smart metering, and
- to safeguard consumers' right to switch supplier when they have a smart meter.

Ofgem is proposing enforceable licence obligations to update and strengthen consumer protection in these areas in advance of the completion of DECC's Smart Meter programme. Today's announcement also includes proposals on how data privacy protections will be maintained in the interim while the final proposals for the roll out of smart meters are developed. The consultation closes on 13 April.

Ends

## **Notes to editors**

### **1. Ofgem's role in the smart metering programme**

The roll out of smart meters will be the largest changeover programme in the energy industry since the introduction of north sea gas over 40 years ago. Given the nature of the scale of this programme – a mandate from Government to roll out around 50 million meters to households in Britain – DECC Ministers will be directly accountable for this project to consumers and industry.

Ofgem is working with DECC in the first phase of this programme to design the policy and regulatory framework that will govern the roll out of smart meters. This will be finalised in a prospectus due for publication in March. In subsequent phases of the programme Ofgem will maintain its role as regulator to promote and protect consumers' interests in all aspects of the programme.

2. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's powers and duties are largely provided for in statute, principally the Gas Act 1986, the Electricity Act 1989, the Utilities Act 2000, the Competition Act 1998, the Enterprise Act 2002, the Energy Act 2004 as well as arising from directly effective European Community legislation.

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