

[REDACTED]

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Dear Mr MacFaul,

Response to Ofgem regarding the 'SMART Metering Implementation Programme'

As a private individual I would be grateful if you would please consider the following along with other responses to your consultation prospectus.

Please find attached comments which do not naturally fit into the first round questions Ofgem asked in order to meet 28th September dead line.

Should my wish to have the following detail captured by Ofgem prove not easily understood by your analysts then please contact me on the mobile number above.

Yours sincerely

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Control and monitoring of the whole process.

The preparation for ensuring the process of entering each premise supplied by electricity and gas in the UK is a major task.

The setting of guidelines and mechanisms which ensure consumers are provided with the best possible service and experience is fundamental to how the carbon producing energy reduction, identified in the business case for SMART, is achieved.

Ofgem is now given the sole responsibility to ensure that the completion of the programme of meter change is at the least cost initially and at the least cost for the consumer in the years to come.

The certainty for ensuring that happens is in the setting of clear and uncomplicated control systems. The Licensing process has proved to be flawed in that "catch up" is always being played by Ofgem because those who are regulated do not consider the environment is stiff enough for the most part, and weakness in some areas to apply discipline around identified breaches has not been followed up with sufficient vigour by Ofgem.

Dealing with anomalies in current customer billing.

The opportunities provided by the whole exercise are great.

For instance the identification of meter to supply point / premise / consumer will be at a level which has not been possible since privatisation. The issues which arise as a consequence of identification of consumer to meter will exercise the skill and ability of consumer representatives at all levels and if not dealt with properly / consistently will provide media opportunities which will impact on the credibility of the whole process. I refer to issues such as wrong multipliers for readings, crossed meters in flats, where the customer is receiving the invoice for energy passing though the wrong meter which was assumed to be serving their premise. Sub-deduct meters in domestic and I&C situations which have not been assigned / read before / properly. Premises will be identified where Sub-deduct meters could be removed or reconnected with an individual supply. A standard response to these issues must be produced so that all Suppliers can use the same process so as not to create inequitable situations and produce over work for consumer groups.

Customer protection against rogue suppliers of SMART metering equipment.

Ofgem should publish guide lines as to the typical cost and installation of the levels of equipment both in the I&C and domestic markets in order to ensure rogue traders have the minimum room for exploitation of any, but mainly, vulnerable and less able customers.

Customer protection against the unnecessary provision of expensive tariffs configured to repay and over reward energy suppliers.

The customer will pay for all the costs of SMART Metering directly or indirectly. Ofgem should monitor in detail and publish the equipment charges and tariff structure of all energy suppliers and transporters both distribution and transmission to identify those who are seeking to make the introduction of SMART metering into an opportunity to disproportionately increase profits.

Provision of information on energy consumed in domestic premises.

As the Prima Facie evidence for energy consumed is the meter index and hence the basis on which charges are levied, it must be published wide that the information read on the IHD or any other similar equipment is an indication only of the energy used and will be less than the full / likely invoice. Metering, transportation and other costs will have to be added afterwards in order to provide the consumer with their invoice.

The setting out of processes to handle erroneous reading / energy calculations.

At present the penultimate reading is the earliest a Supplier can go back to in order to account for errors in the meter along with a meter test. A new equitable process will need to be created in order to ensure any failure to accurately record the energy through a fault in the communication mechanism or meter will have to be created.

Geo-positioning of meters.

Historically the identification of the location of the right meter particularly in sprawling I&C locations has been a significant issue particularly with the demise of the frequent visit by the knowledgeable Meter Reader. I recommend that all meters installed through the SMART meter programme should be located using a GPRS device set on the meter at the time of installation and the location recorded. Return to that particular meter would then be made considerably easier by the use of another GPRS device.

Use of DCC for all non domestic meters.

Half the energy (gas and electricity) used in the UK passes through I&C meters. To not include this in the DCC is a missed opportunity of criminal proportions if real concern about carbon reduction is a driver for the introduction of SMART Metering. The consequential loss of coordinated and format similar information will be greatly missed and will undermine any opportunity to identify easily the amount of energy used during a year or part of a year in a speedy and helpful way.

Data security

The availability of information which hitherto has not been able to be coordinated is significant. The ability of suppliers to identify similar manufacturers and their energy use in detail, minute by minute or hour by hour, is a dangerous set of data which can be sold to those who would like to use / abuse it. Significant control processes must be applied now to drive away those who would seek to do this. Personal data is protected but the opportunity to identify companies / competitors energy costs by buying data if not properly protected could be a commercial risk outside of the control of the company and at the least lead to cherry picking of energy users who fit into the energy profile being championed by a supplier.

Making the introduction of SMART a competitive process

The process of introducing new meters to the countries supply points is a massive undertaking and one which should be done geographically so as to maximise impact for suppliers of hard wear, infrastructure and management of the work force by reducing travel time between addresses. I suggest therefore that the process should be taken out of the hands of competing elements such as suppliers and placed in the hands of meter organisations which are outside of the competitive market.

This will provide for the removal of incentives to gain marketing evidence or to brow beat customers into accepting a more expensive product. The standard SMART meter can be installed so that no barriers to switching are created. The monitoring of progress can be identified geographically so as to avoid smoke and mirror statistics provided by those who might seek to gain advantage by inflating or deflating figures.

Customer disruption in the domestic market.

The customer experience is key to the continued roll out programme particularly in Domestic property. The installation of a gas meter and an electricity meter are different, requiring specific skills and the work may need visits by each practitioner. This disruption to the customer routine should be managed by work being carried out as I state above, geographically street by street, providing opportunity for knowledge sharing and neighbour support in the location / neighbourhood and additional security for the older and less able.

Customer disruption in the I&C market.

Loss of production / business processes will inevitably occur in the event of meters being exchanged. Those who are to exchange the meters must not be allowed to charge inflated rates for something which they have not had a say in the requiring of the provision. As a consequence of both these issues consideration will need to be given to compensating firms who in the present climate are fully dependent on a continuum of work where the impact of ceasing production will cause a disproportionate impact on them.

Processes for dealing with faults found as a consequence of the rollout of SMART.

How faults found in premises are to be dealt with is key. Gas escapes, faulty appliances or electrical installation faults will be uncovered and how these are dealt with are as big an issue as selling or obtaining marketing details. A clear process and clear responsibilities must be drawn up before the programme starts and published as to what is allowed for and what is not. The person carrying out the meter exchange should be skilled so as to carry out any basic repair work or because the team is in the area they should have someone on call in order to minimise consumer disruption.

Every premise visited

The visitation of every energy using premise to action equipment exchange at a point close to where the energy supply enters the premise must be the best opportunity for identifying issues around that area since conversion to natural gas, doubly so because it affects both electricity and gas.

The opportunity to identify necessary data around that location is great and should not be missed. While in the property asset information could be gained which can indicate investment planning for the future.

Detailed questions should be answered such as:-

The quality of cross bonding / equipotential earthing.

The size of the supply

The condition of the service

The sealing around the area of the entry points to protect from or avoid the ingress of gas during an escape in the road or footpath.

Residual lead connections.

Etc.

The biggest inhibitor to roll out.

Ofgem needs to agree with the Chartered Institute of Accountants and HMRC an accounting process that facilitates businesses to equitably deal with enforced stranded assets without negatively hitting their accounts. This in turn will release businesses from the inhibiting impact of the unseen cost of meter exchange before reaching their expired life and so encourage the exchange of meters in a timely fashion in order to meet the roll out time frame.