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AlertMe response to Smart Meter Implementation Programme questions 28 September 2010

Context

AlertMe provides easy to use and affordable Home Energy Management for consumers that allow them to see their energy use in real time and historically, identify where they are wasting energy and helps them to make changes to save in the region of 15-25% on energy use and bills. AlertMe is the only real time, in-home, online and smartphone-enabled service of this type in Europe. We provide our services both directly to consumers and also through partners such as utilities, telecommunications companies and retailers. Our product is future proofed to work both independently and in tandem with Smart Meters.

Unlike other services that provide visibility alone, we also give consumers control and automation. Moreover, we are able to provide customers with personalised advice and tips, such as information on better tariffs and more efficient use of appliances directly related to their personal profile. By providing these tools and tips we can empower consumers to take control and make decisions that are right for them and achieve a sustainable change in behaviour. We believe that AlertMe can play a significant part in helping the Government to achieve its objectives in CO₂ reduction, energy sustainability and energy security by helping consumers to participate. In addition, we are also able to support the emergence of low carbon, distributed 'microgeneration' by providing consumers with visibility of both the energy they consume and also the energy they are generating along with the related Feed in Tariffs.

AlertMe has only responded to questions relevant to our business.

Responses to Prospectus:

Q3. Do you have any comments on the proposed approach to ensuring customers have a positive experience of the smart meter roll out (including the required code of practice on installation and preventing unwelcome sales activity and up front charging)?

Customers need to have, and believe they have, a stake in the Smart Meter roll out. This means that they should feel that there are benefits to them beyond accurate and timely bills.

The inclusion of a mandatory in-home display with each Smart Meter is a leadership decision and will provide customers with visibility and some element of control. However sustained long-term behavioural change is limited, ref Dr Sarah Darby's research at University of Oxford Environmental Change Institute published in September and Delft University published 25 August 2010. Both stress the importance of a feedback loop to effect long-term sustainable change.

If the objective of a HAN capability and display in the home is to encourage energy saving long-term with benefit for and buy-in from consumers, then the HAN/Display capability needs to:

- a. Demonstrate ongoing feedback loop for sustained behaviour change
- b. Be adaptable to next generation smart meter enabled services such as Time of Use tariffs and Demand Response/Demand Side Management.
- c. Open to new / alternative services to allow customers to replace an old display or switch to a new energy provider without losing the ability to see and manage their energy in the future.

Giving customers visibility cannot be considered a short term solution, as energy use and bills will become increasingly more complex to understand.

With regard to Codes of Practice, this is outside the scope of our business operation.

Q6. Do you have any comments on the functional requirements for the smart meter system we have set out in the Functional Requirements Catalogue?

AlertMe's proposition is to empower consumers by providing real-time energy information and control online anytime, anywhere, using the HAN. We therefore propose that all smart meters should have HAN connectivity based on one or more open standards* that allows:

- a. Provision of home energy management both from the incumbent energy provider and alternative providers.
- b. Allows customers to move provider without stranding their capability to view and manage their energy.
- c. Future development and integration of new services such as microgeneration management.

Responses to Statement of Design Requirements

Q6. Is there additional or new evidence that should cause those functional requirements that have been included or omitted to be further considered?

With regard to Requirement ID ES.11 HA.3 and IH.1, 'Supporting capture and real-time update of consumption and demand data at 5 second intervals for electricity.'

We would like to point out that by supporting capture of electricity consumption at 1 second intervals allows for richer personalised feedback for the consumer via the HAN, such as profiling of appliances in the home without the need for smart plugs and recommendations on more economic use of appliance. AlertMe can provide additional information on this as required by Ofgem. We believe this also related to Requirement HA.3

Responses to Roll out Strategy

Q4. What is the best way to promote consumer engagement in smart metering? As part of broader efforts, do you believe that a national awareness campaign should be established for smart metering? If so, what do you believe should be its scope and what would be the best way to deliver it?

Please see response to Q3. of the Prospectus above.

Should you require any further information, please do not hesitate to contact me at any time.

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*AlertMe uses Zigbee wireless connectivity in the HAN