

**Question 1: We welcome views on the level of accuracy which can be achieved and which customers would expect, in particular in relation to consumption in pounds and pence.**

We do not think that the IHD can truly reflect account balances unless this information is sent from the suppliers' billing system. We agree with the suggestion from customer research (referred to in 2.14) that consumers are content with indicative figures from the IHD for current costs. For cumulative costs there is more complexity arising from billing periods, VAT, discounts, account adjustments, calorific value, standing charges, billing tiers, etc.

The last of these already creates customer confusion in prepayment if consumption is erratic. If there is a marked reduction in consumption (such as when the occupiers are on holiday), meters can apply pricing adjustments to energy that has already been used, creating the impression that a charge is being made when no energy is consumed. We should seek to minimise such queries but must avoid over-engineering the IHD in an attempt to replicate the functionality of the billing systems. In our view it is preferable to be open about the limitations of the IHD and to ensure that, if there is likely to be a discrepancy, the actual bill is lower than cumulative information calculated by the IHD.

If it is determined that precise information must be provided this should be by message to the IHD at a frequency agreed with the customer. There is a question over data privacy that must be considered here however, since customers may not wish visitors to their homes to be able to see the size of their energy account balances. We are hesitant to promote further complexity and query generation through requiring a PIN before such information can be viewed but simply draw attention to this as a potential issue.

We support the view that the most meaningful comparison over time is in energy units, not expenditure.

**Question 2: We welcome evidence on whether information on carbon dioxide emissions is a useful indicator in encouraging behaviour change, and if so, how it might be best represented to consumers.**

Our experience to date is that few customers have any interest the carbon dioxide emissions associated with their energy use. It is expressed in units that are not widely understood or for which there is not an easy comparator.

As is acknowledged, the calculation is somewhat crude and does not take into account the low carbon choices made by subscribers to green tariffs.

Despite these drawbacks the calculation is very cheap to include (virtually free) and it may be preferable to allow each customer to decide whether it is of interest or value to them.

**Question 3: We welcome views on the issues with establishing the settings for ambient feedback.**

We support the conclusion from customer research that a simple visual indicator of consumption is far more effective than something which has to be read. We also agree that it is inappropriate to mandate the inclusion of information on micro-generation, which is likely to include its own method of displaying information on output.

We are uncertain whether the frequencies of IHD updates proposed are practical but support the intent behind them. We are open to advice from meter manufacturers in this area but our current understanding is that updates every 15 minutes for gas may make the life expectancy for meter batteries unacceptably short.

British Gas agrees that it is not necessary to specify details such as default screens and numbers of button pushes. We expect the design and scope of IHDs to evolve quite rapidly and regard it as undesirable to place too many

constraints on the nature of the human interface. The market can be relied upon to innovate and those with the most pleasing usability features for customers will succeed. The requirement to include an 'ambient' display is appropriate and sufficiently wide to allow different approaches to be brought to the market. We have found the traffic light approach to be popular and effective but concur with the view that its interpretation must be explained cautiously to the vulnerable and fuel poor. Our meter installation staff are trained on how to explain the display and are sensitive to the need to advise customers in such groups to ensure temperatures do not drop to unsafe levels.

**Question 4: Do you think that there is a case for a supply Licence obligation around the need for appropriately designed IHDs to be provided to customers with special requirements, and/or for best practice to be identified and shared once suppliers start to roll out IHDs?**

British Gas is intent on providing IHDs that are suitable for customers with special requirements and expects other Suppliers to respond similarly. We do not require a Licence obligation to do so but would not object if one were proposed.

At this stage the IHD design is in its infancy so we should not expect the models suitable for customers with a disability to be available in the short term.

**Question 5: We welcome evidence on whether portability of IHDs has a significant impact on consumer behavioural change.**

Anecdotally we accept that portability is a useful facility, principally because customers are often uncertain of the best position for an IHD. Thus it is useful to be able to move it, but we see little benefit in providing the unit with battery

power. Any requirement to be able to use the IHD as a mobile device is likely to be very short lived.

Where it is used to support prepayment functionality we should be wary of building any reliance on a battery powered device. Indeed, where meter access is constrained and/or when prepayment is known to be the preferred payment mode, there is a case for suppliers to offer wall mounting of the IHD as part of the installation. . However, there are benefits in having an independently powered IHD if it is used to restore credit to a PAYG electricity meter that has interrupted supply. The danger is that its batteries will be exhausted at the very time when they are needed.

**Question 6: Do you agree with the proposed minimum functional requirements for the IHD?**

Yes.

**Question 7: Do you have any views or evidence relating to whether innovation could be hampered by requiring all displays to be capable of displaying the minimum information set for both fuels?**

We do not believe this requirement would hamper innovation. It is sensible to ensure that no customers are required to take two IHDs (unless that is their choice).

**Question 8: Do you agree with the proposals covering the roles of and obligations on suppliers in relation to the IHD?**

Yes, we support the proposals including the one-year obligation to provide an IHD. It is unclear what customer demand there will be when the IHD becomes a familiar everyday item. It may be that the functions are combined

into a device that does more than simply monitor energy consumption. We can expect future demand, after installation, to be satisfied by personal purchases, or by new propositions from suppliers offering free or discounted devices. It should not be difficult for a customer to obtain an IHD if the demand exists.

As regards IHDs that are installed prior to the mandate, it is reasonable to allow customers to request a replacement within one year of the mandate, if the installed model is in some way non-compliant with the final specification. As currently proposed, the specification is reasonable and it is our view that the IHDs being provided by British Gas today would meet the requirements.

It should be noted that for very large domestic premises there may not be an appropriate gas smart meter available, and that this could make it difficult for Suppliers to provide data to an IHD (there is no smart meter above U6 size currently available). An alternative method of information provision may be required and an exemption for suppliers to provide IHDs for gas in this situation.