

Smart metering implementation programme - rollout strategy document
consultation response by



Q1 Do you believe that the proposed approach provides the right balance between supplier certainty and flexibility to ensure the successful roll out of smart meters? If not how should this balance be addressed?

Faster roll-out

We feel that the flexibility of the roll out of smart meters should be increased to allow independent engineers to carry out installations as part of their existing client work. This will allow both suppliers and the Government a greater chance of achieving their accelerated roll out targets before 2020.

Almost 50 million 'Smart Meters' will have to be installed by 2020 if the UK is to meet its targets. All homes and many businesses will have to have smart meters installed.

Currently 2 million standard meters are installed or changed each year in the UK. Even if smart meters were used in all of these incidences, 30 million additional smart meters would have to be installed by 2020 for the UK to meet its target of 50 million smart meters. Considering that the current meter installer workforce is limited and that mass access is difficult, this target will be hard to achieve.

Independent Registered Electrical and Gas Engineers already visit by invitation 5.5 million properties a year. If over the next seven to nine years engineers install a smart meter as part of their existing visit, the Government will be greatly assisted in reaching its 2020 targets.

Reduced cost of installation

The cost of installation will be reduced if the installation is undertaken by an engineer as part of his client work. With a typical cost of such an installation to an energy supplier being around £80, it will be significantly cheaper to install a meter as part of existing work than it would be to arrange for a specific visit by an energy supplier or their agents (or sub-contractors) with all the necessary administration, management and aborted or changed visits that this entails.

Further factors which reduce installation costs are:

- As they are already highly trained (average of 7 years), independent engineers would require minimal additional training apart from a short, standardised, induction program lasting around two hours. This would familiarise them with the equipment and train them to become proficient in informing consumers of the smart meter's functions and benefits.
- Due to a higher level of training than energy retailer engineers (who are often trained only for a couple of weeks) installation by independent engineers may often be quicker.
- There would be no transport costs or time lost due to failure to install as the independent engineer would already be on site attending to other matters.
- There would be no need for costly re-visits due to customers being out.

Professional installation

The installation of smart meters is a simple task to a trained engineer and there is no reason to suggest why the installation engineer of an energy supplier (average two weeks training) would provide a better level of expertise and professionalism than an independent engineer (average seven years training).

Any independent engineer seeking to provide smart meter installation service would be required to undertake a smart meter installation induction program to ensure both standardization of rollout and also to ensure that they fully understand Smart Meter benefits and are able to explain this to Consumers. The induction program would need to be certified by a trade association or other competent authority or body. This induction program should also include instructions on assisting consumers with specific access needs.

Consumer confidence

We would agree with the suggestion put forward in section 7.20 that codes of practice should be developed to ensure that the installation is as positive for the end consumer as possible.

We note that in section 2.21 the document states that third parties such as local authorities and housing associations could 'give confidence to the roll out'. We believe that local, trusted engineers would provide exactly the same benefits.

Furthermore many households have built up relationships of trust with local, independent engineers and that the installation of a smart meter by such an individual could in many cases provide the reassurance that the engineers of suppliers could not. This would be true in particular for more vulnerable consumers who would be confident that the installation would be safe and secure.

Roll-out approach

The document states in section 2.46 that 'the programme team plans to review the progress of the roll-out...[and may]...propose that further measures should be used in order to increase its effectiveness'. We see no reason why the use of independent engineers should not be used to assist the rollout immediately and believe that it would complement which ever proposed roll-out approach was adopted.

Q2 Would the same approach be appropriate for the non-domestic sector as for the domestic sector?

Yes.

Q3. Is there a case for special arrangements for small suppliers?

We do not believe so.

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?

We believe that information from a trusted local engineer will promote consumer engagement. A national awareness campaign which promotes the use of a competent registered person for electrical work and the use of renewable energy sources would also be welcome.

Q5 How should a code of practice on providing customer information be developed and what mechanisms should be in place for updating it over time?

We would look to work in partnership with other trade associations, energy suppliers, consumer bodies and central and local government to develop a code of practice. A working group comprising representatives of all these organisations should meet at a set interval to discuss concerns and update the code of practice as necessary.

Q6. Do you agree with the proposed obligation on suppliers to take all reasonable steps to install smart meters for their customers? How should a complete installation be defined?

We regard the use of independent engineers as a 'reasonable step' to assist suppliers and Government achieve its targets. A 'complete installation should be defined as "a meter installed with full customer satisfaction".

Q7 Do you think that there is a need for interim targets and if so at what frequency should they be set?

Yes. There should be annual targets set with measures to ensure that they are being met. If some options to the installation roll-out are not working then they can they be reviewed further.

Q8. Do you have any views on the form these targets should take and whether they should apply to all suppliers?

Yes - They should take place via a central database of installations completed and the results from the surveys and random inspections (NAPIT alone could supply 500 to 1000 Approved Electrical Inspectors nationally). The same standards must be applied to all suppliers of the installation service.

Q9. What rate of installation of smart meters is achievable and what implications would this have?

Each year Electrical Installers visit an estimated 3.5 million premises and Gas Installers visit an estimated 2 million. If smart meters were installed at each of these premises by these independent engineers then approximately 10,000 smart meters could be installed each day. However, as the roll-out program progresses and widespread take-up has already taken place, this number will gradually decline as some of the premises they visited will already have smart meters installed.

The number of smart meters each individual Electrical/Gas Installer would install each day will be quite low, probably one a day on average. However, there are *tens of thousands* of independent , registered engineers so the total number of smart meters installed will be high.

The implications of using this system would be that the Government could meet its roll-out targets.

Q10. Do you have any evidence to show that there are benefits or challenges in prioritising particular consumer groups or meter type?

Not at present although these may emerge as the roll-out progresses

Q11. Do you agree with our proposed approach to requiring suppliers to report on progress with the smart meter roll-out? What information would suppliers be obliged to report and how frequently?

Yes, we agree that there should be a report on progress. They could automatically take place via a central database of installations completed and the results from the surveys and random inspections (NAPIT alone could supply 500 to 1000 Approved Electrical Inspectors nationally). The same reporting standards must be applied to all suppliers of the installation service.

Q12. Do you agree that there is already adequate protection in place dealing with onsite security or are there specific aspects that are not adequately addressed?

This would not be an issue for independent engineers as they would be installing meters as part of existing work. Local, known engineers are also more likely to be trusted by vulnerable groups and their local community. Independent engineers who belong to trade associations such as NAPIT are already certified as 'fit and proper people' (section 7.6) with extensive experience. Many are also CRB checked.

Q13 Do you agree with our proposal to require suppliers to develop codes of practice around the installation process? Are there any other aspects that should be included in these codes of practice?

We welcome a code of practice for the installation process. We would look to work in partnership with other trade associations, energy suppliers, consumer bodies and central and local government to develop this. A working group comprising representatives of all these organisations should meet at a set interval to discuss concerns and update the code of practice as necessary. There should be just one code of practice for all to adhere to. We would be happy to produce this document with or without partners

Additional Questions:

- 1) Will NAPIT engineers be able to install modified smart meters/IHD's for disabled customers?

Only engineers with CRB checks should be able to work in homes of vulnerable persons. Many NAPIT members already have these.

- 2) Who will conduct/pay for the training of NAPIT members in smart meter installation/consumer information provision.

The initial cost of the Induction Program will be free for installers registered with NAPIT, with the costs being recouped from a levy against the first installation invoice, which will also incentivise the installers to undertake more installations to recover their investment.