

Annex A - Consultation Questions and our proposed response

Smart Metering Implementation Programme: Prospectus

Question 3: Do you have any comments on the proposed approach to ensuring customers have a positive experience of the smart meter rollout (including the required code of practice on installation and preventing unwelcome sales activity and upfront charging)?

We agree that it is important that customers should have positive experience of smart meter rollout. Also important that the opportunities provided by the rollout to identify households suitable for energy improvements and/or alternative tariffs are realised. DECC should develop a Code of Practice in consultation with suppliers, consumer groups and advice agencies so these opportunities can be realised where customers are willing to accept. Customers should be given the opportunity to take independent advice (i.e. from someone other than supplier).

Question 6: Do you have any comments on the functional requirements for the smart metering system we have set out in the Functional Requirements Catalogue?

DECC should work closely with consumer groups to ensure that there is adequate protection for vulnerable customers (are existing/proposed provisions enough)?

Question 7: Do you see any issues with the proposed approach to developing technical specifications for the smart metering system?

No comment

Question 16: Do you have any comments on the proposals for requiring suppliers to deliver the rollout of smart meters (including the use of targets and potential future obligations on local co-ordination)?

Have DECC considered geographic targets? It will be important to achieve local co-ordination, which could be tested through current programmes (for example, the Welsh Assembly Government's area-based energy improvement scheme arbed).

Question 17: Do you have any comments on our implementation strategy? In particular, do you have any comments on the staged approach, with rollout starting before DCC services are available?

No comment.

Question 18: Do you have any other suggestions on how the rollout could be brought forward? If so, do you have any evidence on how such measures would impact on the time, cost and risk associated with the programme?

No comment.

Question 19: The proposed timeline set out for agreement of the technical specifications is very dependent on industry expertise. Do you think that the technical specifications can be agreed more quickly than the plan currently assumes and, if so, how?

No comment.

Question 20: Do you have any comments on our proposed governance and management principles or on how they can best be delivered in the context of this programme?

See Implementation Strategy Q1.

Implementation Strategy

Question 1: Do you have any comments on our proposed governance and management principles or on how they can best be delivered in the context of this programme?

We particularly welcome the setting up of an Implementation Co-ordination Group which will include consumer groups.

Question 2: Are there other cross-cutting activities that the programme should undertake and, if so, why?

We welcome the importance given to the consumer protection cross cutting activity. It will be important to strike a balance of protecting consumers and taking advantage of opportunities to improve the energy efficiency of households.

Question 3: Do you agree with our proposal for a staged approach to implementation, with the mandated rollout of smart meters starting before the mandated use of DCC for the domestic sector?

Agree, as long as the risks are well managed, there is benefit in starting the mandated roll out sooner.

Question 4: Do you have any comments on the risks we have identified for staged implementation and our proposals on how these could best be managed?

No comment.

Question 5: Do you have any other suggestions as to how the rollout could be brought forward, including the work to define technical specifications, which relies on industry input?

No comment.

Question 6: Do you agree with our planning assumption that a period of six months will be needed between the date when supply licence obligations mandating rollout are implemented and the date when they take effect?

No comment.

Question 7: Do you have any comments on the activities, assumptions, timings and dependencies presented in the high-level implementation plan?

Supplier ramp-up could be shorter if they are engaged in early smart meter installation.

Question 8: Do you have any comments on the outputs identified for each of the phases of the programme?

Phase 4 outputs should capture the wider social, economic and environmental benefits of the roll-out.

Rollout Strategy

Question 1: Do you believe that the proposed approach provides the right balance between supplier certainty and flexibility to ensure the successful rollout of smart meters? If not, how should this balance be addressed?

We would like DECC to consider more area based and locally co-ordinated activity, which could tie in with our own area-based scheme and CESP.

Question 2: Would the same approach be appropriate for the non-domestic sector as for the domestic sector?

Not if the flexible approach is set without specific targets.

Question 3: Is there a case for special arrangements for smaller suppliers?

Not if the flexible approach is adopted.

Question 4: 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?

Support independent national awareness campaign. We believe this is likely to be more trusted than activity by suppliers themselves. Scope could include awareness activities, advice and information on benefits of smart meters, general advice on energy efficiency and support available, and be delivered alongside extra help scheme (for vulnerable customers. Believe should be delivered by body independent of government and suppliers, and awareness campaign should be paid for by suppliers (as will enable them to reduce their costs).

Question 5: How should a code of practice on providing customer information and support be developed and what mechanisms should be in place for monitoring and updating it over time?

Is a code of practice necessary? If information was delivered centrally by national body suppliers do not need a role?

Question 6: Do you agree with the proposed obligation on suppliers to take all reasonable steps to install smart meters for their domestic customers? How should a completed installation be defined?

Yes, agree with proposed obligation.

Question 7: Do you think that there is a need for interim targets and, if so, at what frequency should they be set?

Support interim targets

Question 8: Do you have any views on the form these targets should take and whether they should apply to all suppliers?

No comment.

Question 9: What rate of installation of smart meters is achievable and what implications would this have?

No comment.

Question 10: Do you have any evidence to show that there are benefits or challenges in prioritising particular consumer groups or meter types?

DECC may want to look to WarmFront for evidence of delivering to vulnerable consumer groups.

Question 11: Do you agree with our proposed approach to requiring suppliers to report on progress with the smart meter rollout? What information should suppliers be obliged to report and how frequently?

Yes, we agree with the proposed approach. We request that DECC include as a mandatory report from suppliers information on what proportion (and the absolute number) of their customers in Wales have had smart meters installed.

Question 12: 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?

DECC will need to work with consumer groups to ensure adequate protection is in place.

Question 13: 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?

Agree.