

ESTA RESPONSE TO:



Smart Metering Spring Package – Addressing Consumer Protection Issues Ofgem

Issued: 07 February 2011

Closes: 13 April 2011

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ESTA Energy Services and Technology Association

ESTA is the UK Industry Body representing suppliers of products, systems and services for Energy Management. The 120 members cover Energy Consultants, meter, AMR and controls manufacturers through to full Energy Services/Contract Energy Management.

ESTA is engaged with UK Government policies on Energy and Climate Change, The Green Deal, Energy Performance of Building Directive, Part L Building Regulations, Display Energy Certificates, Carbon Reduction Commitment, Energy Services Directive and the roll-out of smart and advanced meters. It also provides UK input to developing international energy management standards and Chairs several BSI committees.

ESTA members are key to the realisation of a low carbon, secure and affordable energy future. Our members provide equipment, systems and services for energy management to reduce energy demand at source and including renewables.

Our response is a majority consensus of the members involved. Where ESTA members respond directly, they may offer differing opinions on some issues which we respect as expressing their own definitive view.

Key points:-

ESTA

- ◆ welcomes Ofgem's consultation into the effects on the industry of 'early movers' in the roll out of smart meters and that Ofgem *'will continue to work with existing industry fora to promote interoperability across the range of advanced metering solutions'*.
 - ◆ believes the various working parties and discussion groups have agreed that non-domestic is different to domestic. Non-domestic i.e. Industrial and Commercial (I&C) consumers should not be caught up in issues that are specific to the domestic arena and impractical to implement. It is recognised that at the lower end of non-domestic there is an uncertain boundary. At this boundary non-domestic consumers should be given the choice of opting to be a part of the domestic smart metering initiative or treated along with the conditions defined for larger non-domestic consumers.
 - ◆ is concerned regarding early adoption of meters by non-domestic I&C consumers without sufficient safeguards in place. ESTA recommends that both remote disconnection and switching to prepayment for non-domestic I&C electricity consumers is not included for gas meters larger than U6 and single phase electricity. Where smaller meters are used to supply a non-domestic consumer they should be included as an option in supply agreements to be deactivated. This would provide the necessary security for non-domestic organisations and allow suppliers to maintain payment control for single site small business near the domestic boundary. Protection for both supplier and consumer could then be agreed. Concern regarding the technology is more around administrative error than a legitimate payment issue.
 - ◆ believes that the non-domestic I&C consumers should have unfettered access to the data held in the meter and the supplier should only access data for regulated purposes.
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Smart Metering Spring Package

ESTA members have and are continuing to provide important input into the development and execution of the Government's smart meter programme. The technical knowledge encapsulated within the ESTA membership is second to none. We welcome therefore the statement that Ofgem *'will continue to work with existing industry fora to promote interoperability across the range of advanced metering solutions'*.

ESTA however is concerned with the inclusion of the term non-domestic in the scope of this document. Non-domestic Industrial and Commercial (I&C) consumers should not be caught up in issues relating to the domestic arena. Where the boundary of domestic and non-domestic meets, the consumer should be given the choice as to which they are and accept the terms governing each. Where multi-site commercial operations exist it is likely that aggregated billing and monitoring and targeting is already in place and are as such already engaged in advanced metering solutions providing much of the smart metering mandate objectives. We would advise therefore that the term non-domestic is qualified within consultations and issues surrounding I&C consumers consulted on separately.

ESTA would also caution the smart meter rollout by 'early movers' with legacy advanced metering solutions already in place in non-domestic I&C businesses. It would be a retrograde step to install and incur additional cost where no overall benefit to monitoring and efficiency measures can be made, and where installation of smart meters in premises under multi-site agreements, could counter monitoring and management already in place, especially until final specifications have been agreed for mandated meters.

ESTA is also concerned regarding the use of remote disconnection and/or pre-payment switching for non-domestic I&C consumers, especially in regard to multi-site operations where the consumer may have many accounts with the supplier. Administration errors from either side could result in switching sites to pre-payment mode which could effectively achieve the same result as remote disconnection in some cases. It is recommended therefore that both remote disconnection and switching to prepayment for non-domestic I&C electricity consumers is not included for gas meters larger than U6 and single phase electricity. Where smaller meters are used to supply a non-domestic consumer they should be included as an option in supply agreements to be deactivated. This would provide the necessary security for non-domestic organisations and allow suppliers to maintain payment control for single site small business near the domestic boundary. Protection for both supplier and consumer could then be agreed. Concern regarding the technology is more around administrative error than a legitimate payment issue.

It is noted that consumers do not need to accept the installation of a pre-standards meter and ESTA would request that clarity is provided to the non-domestic I&C sector by suppliers wishing to install such as consumer-led smart meter roll-outs via meter operators may already be underway.

In the non-domestic I&C arena unfettered access to data by the consumer is key. This can be implemented either through additional regulation around the accessibility of the HAN interface or via a provision in the meter specification for a robust and proven backup communication alternative. This could be either direct-connect or optical port, to ensure continued access by supplier, consumer or incoming supplier.

Response covering specific questions as laid out in the consultation.

Question 12. Are there any protections that should be considered regarding disconnection and prepayment for non-domestic customers? If so, what are these? Please provide evidence to support your views.

ESTA recommends that both remote disconnection and switching to prepayment for non-domestic I&C electricity consumers is not included for gas meters larger than U6 and single phase electricity. Where such smaller meters are used to supply a non-domestic consumer they should be included as an option in supply agreements to be deactivated. This would provide the necessary security for non-domestic organisations and allow suppliers to maintain payment control for single site small business near the domestic boundary. Protection for both supplier and consumer could then be agreed. Concern regarding the technology is more around administrative error than a legitimate payment issue.

In addition, voluntary compensation measures should be transparent for non-domestic I&C customers and take into account loss of and inconvenience to a business where the supply is cut-off in error. Also, transparency regarding the reconnection time should be clear including stepped compensation for situations where a minimum reconnection time is exceeded.

Question 16: Do you have any views on the appropriateness of an obligation to offer terms for use of communications services as part of the Spring Package, and the timeframe for any such obligation?

The DCC should be required to provide specific services to support domestic smart metering.

Data for all consumers should be available and not restricted.

Where required independent service providers will provide minimal data to the DCC.
