

Liz Chester,  
Social Policy Manager  
Ofgem  
9 Milbank  
SW1P 3GE

Secure Meters (UK) Ltd  
Secure House  
Moorside Road  
Winchester  
SO23 7RX

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Sent via email to [liz.chester@ofgem.gov.uk](mailto:liz.chester@ofgem.gov.uk)

### **Smart Metering Spring Package – SECURE METERS' Response**

Dear Madam,

We are grateful for the opportunity to respond to this consultation. Please find our responses below as requested.

For any questions concerning our response please contact me via: [jim.nield@securetogether.co.uk](mailto:jim.nield@securetogether.co.uk)

Yours Sincerely



Jim Nield  
General Manager – Program Delivery

## Secure Meters' Response to Ofgem's Spring Package

Secure Meters (UK) Ltd (formerly PRI Ltd) welcomes the additional consumers protection detail provided in OFGEM's Spring Package.

Our responses to the questions raised and the highlighted issues are detailed below.

Secure Meters Group is an international supplier of Smart Metering solutions that has been actively involved in the UK market since the mid-1980s, pioneering a number of intelligent metering solutions along the way. Secure has extensive experience of prepayment metering and associated systems with its very successful deployment and operation in Northern Ireland Electricity in the UK. The solution was developed not only to assist Northern Ireland Electricity with its revenue collection but to make prepayment a socially acceptable method of paying for energy consumption while providing energy and cost saving information to consumers. The technology was the first to be deployed in the UK with an In Home Display and pioneered the 'Friendly Credit' non-disconnection concept. Today there are over a quarter of a million users in Northern Ireland alone, with Secure generating over 1.4 million encrypted transactions per month on-line.

We believe that Secure has valuable expertise to bring into the work being undertaken by OFGEM and DECC, particularly on prepayment/pay as you go.

With regard to the use of emergency credit and friendly credit we believe this is particularly important for homes with electric heating either on credit or remote enable-disable or on smart prepayment. In winter months such homes make use of cash payments and need the flexibility provided by emergency credit and friendly credit functions.

## Prepayment and remote disconnection

### Prepayment

**Question 1:** Do you agree with our proposal to issue guidance on safe and reasonably practicable and require suppliers to have regard to this guidance through a licence amendment? If not, what else is needed?

**Secure:** We agree that guidance should come from OFGEM under supplier licences. Due consideration is needed for cash payments for top-ups. We agree that some of this could be addressed by current and future innovations with smart metering.

**Question 2:** Do you agree with our proposal to require suppliers, where they know or have reason to believe that prepayment is no longer safe and reasonably practicable for a customer, to offer an alternative payment method or some other form of action?

**Secure:** It is important to ensure that the customer has a choice of prepayment metering as an option, so the supplier should take all reasonable efforts to provide this, including cash payments.

**Question 3:** Do you have any comments on our proposed guidance regarding taking into account whether it is safe and reasonably practicable for a customer to pay by prepayment?

**Secure:** Retailers maintain an 'At Risk' register which details consumers who, for whatever reason, must not be disconnected. This in conjunction with the visit to install the Prepayment Meter we feel is sufficient.

**Question 4:** Do you agree with our view that the current notification periods for switching to a prepayment meter are sufficient?

**Secure:** Yes.

**Question 5:** Do you agree with our proposal to require suppliers to give customers information on using a prepayment meter ahead of switching them to prepayment?

**Secure:** Yes, as part of the prepayment tariff option documentation.

**Question 6:** Do you consider it necessary to explicitly require suppliers to provide the ability to top-up by cash where payment is made through a prepayment meter?

**Secure:** Yes, it is widely accepted that 15% of households have to pay by cash. These households are generally vulnerable or low income households.

## Disconnection

**Question 7:** Do you agree with our proposal to issue guidance on identifying vulnerability prior to disconnection and require suppliers to have regard to this guidance through a licence amendment? If not, what else is needed?

**Secure:** See response to question 8.

**Question 8:** Do you have any comments on our proposed guidance regarding identifying vulnerability prior to disconnection?

**Secure:** Retailers maintain an 'At Risk' register which details consumers who, for whatever reason, must not be disconnected. This code should also ensure that 'Fuel Poor' and the elderly are also identified and that as in Australia for example customers are not disconnected during the winter period (where the household is on electric or gas heating).

**Question 9:** Do you agree that suppliers should ensure rapid reconnection and provide compensation on a voluntary basis where any customer has been disconnected in error?

**Secure:** Yes, based on the circumstances leading to the disconnection.

**Question 10:** Do you agree with our view that the current notification periods for disconnection are sufficient?

Secure: Yes.

**Question 11:** Do you agree with our proposal to explicitly set out in the supply licences that load limiting and credit limiting amount to disconnection in certain circumstances?

Secure: Yes, subject to the tariffs being offered and explained to the customer.

**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.

Secure: Adequate information (e.g. on an IHD or on Internet based service) should be provided to the customer. Outbound account alerts can also be considered as a protection mechanism for the non-domestic customers. Alternatives to disconnection e.g. Load limiting or managed credit should be used.

## Commercial Interoperability

**Question 13:** Do you agree that there should be an obligation on the original supplier to offer terms for use of the meter?

Secure: No comment

**Question 14:** Do you have any comments on the requirement for terms to be reasonable and non-discriminatory and factors we would propose to take into account?

Secure: No comment

**Question 15:** Do you agree with the proposed obligation that terms should be transparent?

Secure: No comment

**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?

Secure: No comment

**Question 17:** Do you have any comments on our proposed approach for dealing with prepayment?

Secure: Careful consideration is required to how prepayment is introduced so that the functionality and innovation is not limited by licence obligation.

The clause 4.31 should be reviewed as the Prepayment top-up can also be achieved in manually e.g. via keypad. In case of failure of the communication media, it is essential that manual operation be retained for customer convenience and improved service.

**Question 18:** Do you believe there should be a de-minis threshold before commercial interoperability obligations apply and if so, at what level should it be set?

Secure: No comments.