

Smarter energy markets

Demand-side Working Group, 16 January 2012

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- Impact of smart metering
- Our consultation
- Demand-side response

Impact of smart metering on energy markets

An catalyst for change



- Smart metering could catalyse a wide range of developments
 - ‘Back-office’
 - Consumer engagement
 - New products and services
 - Services, not fuels?

Smarter Markets Strategy

Promoting smarter energy markets



- Smart metering - a catalyst
- Reform to market & regulatory arrangements?
- Ofgem aims to realise benefits for consumers
- A long-term strategy
 - Market developments
 - Improving market processes

Demand-side response

A proposition



More efficient use of demand-side response can lower overall energy costs, but this will need coordinated changes to regulatory and commercial arrangements

- **Aims**
 - Understand impacts and effects of current arrangements
 - Identify constraints to efficient level/allocation of DSR (current and future)
 - Consider potential alternative arrangements
- **Cross-divisional**
- **Others' work**

- **Consultation closes 7 March**
 - Event
 - Bilaterals
- Strategy publication summer 2012
- Ongoing work

The background of the slide is a composite image. On the left, there are rows of solar panels under a bright sun. On the right, a hand is shown holding a white document. In the bottom left corner, a blue gas burner is visible. The overall theme is energy and customer service.

ofgem

Promoting choice and value
for all gas and electricity customers