



Statutory consultation on the post-2020 smart meter rollout supplier reporting requirements

General comments

We are surprised that Ofgem has chosen to consult on the post-2020 smart meter rollout reporting requirements before a decision has been reached on the post-2020 regulatory framework. Suppliers have raised significant challenges to the proposals, in particular the unrealistic expectation of the current number of customers who are willing to have a smart meter installed. We would expect Ofgem to re-consult on the reporting requirements if this results in any significant changes to the framework.

We would welcome confirmation on whether Ofgem intends to update its price cap methodology once a decision has been reached to ensure that the calculation of smart costs in the cap are a fair reflection of the new obligation.

Reporting requirements for energy suppliers

Whilst the move to obligate more suppliers to complete reporting is a welcome one, we do not believe that the reporting requirements for suppliers should be linked to the threshold for becoming an obligated supplier under the Warm Home Discount (WHD) and Energy Company Obligation (ECO). As Ofgem states in its consultation document, the post 2020 smart framework will apply to all suppliers in the market regardless of size and so too should all reporting requirements.

Annual Reporting

E.ON is supportive of all suppliers reporting their annual milestones for the year ahead, and performance against last year's milestones, to Ofgem annually by 31 January each year.

However, we do not support the continued policy of differential treatment of different market participants (based on customer numbers or anything else). The continued exemption of small suppliers from certain obligations is detrimental to consumers and has created a significant source of imbalance and distortion in the energy retail market. Large suppliers incur a myriad of costs which small suppliers do not. The cost of operating in the market should apply equally to all participants and all suppliers should be subject to the same reporting requirements. We do not believe that having a smaller customer portfolio would mean that it is more difficult, or disproportionate, to provide the same level of reporting as large suppliers.

Publication of Information

E.ON is an advocate of transparency, and is supportive of the proposed requirement for suppliers to publish performance milestones and performance against them. However, we believe that suppliers should be allowed a short period after 31 January to publish their headline annual milestones for the year ahead and their delivery against their milestones for the preceding year. January is a busy month for the provision of regulatory reporting and, through necessity, submission may occur on 31 January itself; for practicable reasons it may not be possible for this information to be published on the suppliers website to the same timescales.