

Citizens Advice Response to the DCC's Consultation on Initial Enrolment Project Feasibility

The logo consists of a dark blue speech bubble shape with a white tail pointing downwards and to the left. Inside the bubble, the words "citizens" and "advice" are written in white, lowercase, sans-serif font, stacked vertically.

**citizens
advice**

Introduction

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination. Since 1 April 2014, Citizens Advice service took on the powers of Consumer Futures to become the statutory representative for energy consumers across Great Britain.

The service aims:

- To provide the advice people need for the problems they face
- To improve the policies and practices that affect people's lives.

The Citizens Advice service is a network of nearly 400 independent advice centres that provide free, impartial advice from more than 3,500 locations in England and Wales, including GPs' surgeries, hospitals, community centres, county courts and magistrates courts, and mobile services both in rural areas and to serve particular dispersed groups. In 2012/13 the Citizens Advice service in England and Wales advised 2.3 million people on 6.6 million problems.

Since April 2012 we have also operated the Citizens Advice Consumer Service, formerly run as Consumer Direct by the OFT. This telephone helpline covers Great Britain and provides free, confidential and impartial advice on all consumer issues.

In the last four quarters Citizens Advice Bureaux have dealt with 84,000 enquiries about fuel debt, while hits to the energy section of our website doubled in October and November, the period during which suppliers announced their price increases last year. Calls to the Citizens Advice Consumer Helpline seeking advice about energy doubled in the same period.

Consultation Response

Citizens Advice, and its predecessor body Consumer Focus, have been extensively involved in the consumer experience of the smart meter rollout since its inception. An area of particular focus has been around the functionality and interoperability of SMETS1 and early 'advanced' smart meters as this has a significant impact on the consumer experience and is an area that consistently generates contacts to our Consumer Service. Two example case notes are provided below with supplier names and personally identifying information redacted:

November 2016: The consumer transferred both gas and electricity supplies to a new energy supplier. Since the switch, the consumer has lost all functionality on his display and smart meter. They have tried to contact both previous and current suppliers, however the issue has not been resolved.

November 2016: The consumer has smart meters and recently changed supplier. The new supplier would like to install new smart meters in the property. The consumer is confused why they would have to fit an entirely new smart meter system and why they cannot use the original.

In lieu of providing responses to each question in the consultation document we are instead providing general comments on the content and issues raised below.

Firstly, we welcome any steps that will help consumers with SMETS1 meters switch energy supplier without difficulty. We know that switching is an area of concern for consumers and also that, despite requirements in supply licence conditions, most consumers are not aware of the limitations of early smart meters when it comes to switching¹ and as such, reasonably, assume that their new meters and related equipment will continue to function as expected following a change in supplier. Ofgem have also noted that concerns about the switching process not going smoothly are one of the largest barriers to consumer switching². It is certainly the case that the vast majority of consumers are unaware of the technical differences between SMETS1 and SMETS2 meters, or indeed the role and workings of the DCC. When accepting smart meters consumers are trusting their energy supplier, and

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<https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/early-consumer-experiences-of-smart-meters/>

² <http://utilityweek.co.uk/news/customers-fear-bungled-switching/1293692#.WlJBv4iLSVN>

the smart meter rollout as a whole, to deliver on the promises of smart metering and provide them with an appropriate service that function as as expected.

The methods by which interoperability are achieved are therefore less important than the need for it to be achieved in a way that is straightforward and works in a consistent manner without disadvantaging consumers. Cost and time are also vital metrics as consumers will ultimately pay the costs of any measures to address these issues through their bills, and the 2020 deadline for smart meters means that more consumers than initially envisaged are likely to find themselves with SMETS1 meters installed in their homes. A summer-2018 end-date for SMETS1 meters could well increase the number of SMETS1 meters installed in consumer properties even if there are no further delays in the timeline. In August, before further delays in SMETS2 delivery had been confirmed the Government's new CBA for the programme flagged an anticipated increase in SMETS1 numbers from 5.4 to 8 million meters. It is not unreasonable to speculate that this is a conservative assessment. Indeed, the DCC's Initial Enrolment Feasibility Report estimates the market will reach at least 10 million SMETS1 meters.

One key point that warrants further consideration is the role the arrangements being made between Secure, CGI and other parties may resolve switching-interoperability issues for the majority of SMETS1 meters using suppliers' existing interfaces and business processes. It is our understanding that this process, already underway, would account for the vast majority of extant SMETS1 meters and allow consumers who have such meters to switch without losing smart functionality or the need for a new meter install.

Given that, ultimately, consumers will be paying for all costs incurred by any programme to address these issues, the costs and processes outlined in the consultation document should be compared to the equivalent processes being explored as options outside of the DCC.

We are also aware that the DCC is already attempting to deliver a range of critical products as part of the rollout, and would raise a note of caution with regard to adding further workload, particularly given the issues being experienced managing what already exists. The consultation document offers a range of options with various delivery times, with most finishing around or near the 2020 deadline, and the earliest finishing in mid-2019 (with the first SMSO going potentially live in 2018). The length of time the proposed approaches will take to address issues consumers are already facing should also be a crucial factor in evaluating which process provides the best value to consumers.