

# **Citizens Advice Response to BEIS' Consultation on Maximising non-domestic smart meter consumer benefits, improving the data offer and enabling innovation**

**September 2021**



# Introduction

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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 2014, Citizens Advice has been 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 300 independent advice centres that provide free, impartial advice from more than 2,900 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.

There are 23,000 trained, trusted and knowledgeable volunteers across England and Wales. Last year we advised over 130,000 people and over 25,000 people saved money because of our advice. We also offer specialist support to the people who need our help the most through the Extra Help Unit, where last year we helped over 9,000 people.

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

For more information on this response contact Colin Griffiths,

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# Response

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## Question 1: Do you agree with the rationale and evidence underpinning our proposals to improve the smart meter data offer for non-domestic consumers?

Yes. As noted in the consultation document and in previous work examining smart meter data access for non-domestic consumers there has been a historical lack of data access for business. This has generated both detriment and confusion for non-domestic consumers who frequently assume that they would have easy access to this data as they do in the domestic sector. Citizens Advice welcomes all steps to address this issue and improve access to usage data to allow businesses to better understand and engage with their energy usage and in doing so save money and reduce their carbon emissions.

Clearer benefits from smart meters, including better data access, may also overcome barriers we've identified in previous research which make microbusinesses less likely to choose to have smart meters installed and use them to their full potential.<sup>1</sup> Access to this data will become more important with the introduction of market-wide half hourly settlement, to facilitate consumers being able to respond to price signals from time of use tariffs.

## Question 2: Overall, do you agree that these proposals achieve the right balance between consumer needs and supporting market-led innovation in non-domestic smart energy management tools and services?

We appreciate the desire to balance a requirement that non-domestic consumers have free access to their energy consumption data in a usable format and taking steps that may be too onerous or limit potential innovation, but would encourage BEIS to go further and be clearer regarding what is expected from non-domestic energy suppliers in regard to data sharing. This policy area has already been identified as an area of market failure with suppliers not innovating or providing even minimal usage data without charging their customers, and as such there does not appear to be much innovation to limit.

We feel the baseline should be set more closely in line with the domestic sector for smart meter data. All non-domestic consumers should be able to access - at no

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<sup>1</sup> Citizens Advice (2021) [Getting through to business](#)

additional charge - their half-hourly and historical consumption data. While we would not advocate for the mandate of free In Home Displays (IHDs) for all businesses, we think there should be an option for businesses to acquire one. We would also expect businesses to be able to access this data by other means such as web portals, or apps should they choose to. As noted in our previous research many small businesses expect to receive an IHD with their smart meter based on marketing for the domestic sector which they inevitably encounter.<sup>2</sup>

**Question 3: Do you agree with the rationale and evidence underpinning our proposals outlined in Box 1 (that non-domestic smart meter customers must be entitled to a minimum baseline of free access to information based on their energy consumption data, presented to them in a user accessible format to allow insights into their energy consumption and usage)?**

Yes. With regard to presenting data in a user accessible format we would also encourage BEIS to be clear that this should mean allowing for at-a-glance insight for non-domestic consumers where possible. Data provided should also be machine readable in an open format to allow third parties to make easy use of it, should a non-domestic consumer wish to share their usage data with them. This will prevent businesses feeling 'locked in' to whatever services their supplier offers.

**Question 4: Do you agree with our evidence that data provision (which meets the criteria in Box 1) should be provided by default by the supplier as part of the standard smart meter offer without the customer having to request it in order to drive customer engagement?**

Yes. This basic level of data should be provided as a matter of course. Many consumers are unaware of what data is available to them and may not know to request it, so requiring suppliers to be proactive in providing it will be beneficial in ensuring that it reaches consumers who will have use for it.

Define regular

**Question 5: Do you agree that the proposed implementation timeframes are sufficient to enable all suppliers to meet the free baseline offer?**

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<sup>2</sup> Citizens Advice (2021) [Smart choices: Investigating microbusinesses' interest in, and understanding of, smart meters](#)

Yes, the timelines appear reasonable.

### Question 6: Do you agree that a free baseline data offer is compatible with market-leading functionalities and services?

Yes. The consultation document makes it clear that the goal is to merely set a baseline rather than to cap or limit innovation. Given current market failures in this area, such a baseline is clearly needed. As noted in our response to Q3, data should also be made available in an open and machine readable format to allow easy portability and use by consumers. This will better enable new services that help consumers understand, engage with and make best of use of their energy usage data to emerge alongside offerings from energy suppliers.

### Question 7: Do you agree with the proposals around timeliness of data provision, as set out in Box 2?

Yes. As before we are of the view that non-domestic data access should be closer to what is seen in the domestic market and - where consent is gained and the metering technology allows - as close to real-time data as possible should be provided. We would consider such level of access to be a default rather than a chargeable "extra" as this is what consumers in the domestic sector are provided with. We would expect value-added additional services to provide more tailored analytics of data rather than simply allowing a consumer access to their own usage data.

### Question 8: Do you agree with the rationale and evidence supporting our proposals for suppliers to regularly inform consumers of their available means for accessing a free version of their energy consumption data?

Yes. As noted in our response to Q4 consumer awareness of how to access their data and what level of data is available to them is likely low - requiring suppliers to regularly inform consumers will help address this and also provide a regular 'nudge' to consumers to help them save energy, money and carbon. Our research has shown that microbusiness engagement with supplier communications can be low, so information about the means of accessing energy consumption data should be provided regularly and relatively prominently.<sup>3</sup>

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<sup>3</sup> Citizens Advice (2021) Getting through to business

Question 9: Do you have any views on whether and how the market factors identified (meter storage, the role of DCDAs, half-hourly data schedules and 'smart type' meters) might affect the proposals outlined?

No Response

Question 10: Do you agree with our rationale and evidence for proposing that non-domestic consumers should be able to nominate a third party to receive up to 12 months of their consumption data free of charge and in a machine-readable format via the internet?

Yes. As noted in several of our previous responses, third parties have the potential to play a large role in helping non-domestic consumers engage with and benefit from their energy usage data. Data portability will be a crucial element in this. Some further examination of consent approaches would be useful, as would an examination of previous principles created during BEIS' work on the MiData programme for energy.

Question 11: Do you agree with the proposals in Box 4 to streamline the third party consumer consent process? We welcome views on how these can best be defined.

Yes. Data portability will be vital to encourage and catalyse new services to become available to businesses to help make the best use of their energy data. Third parties will need easy access to this data. Where this takes place outside of the DCC (where third parties are not DCC users) we would expect a simple consent-check mechanism to be in place to ensure that third parties have acquired informed consent to access the data in the specific detail and timescales requested. Previous work within the MiData programme may be useful in informing this work as it identified open source consent token systems that were robust and not onerous.

Question 12: Do you agree with our rationale for why our proposed licence changes are complementary to DCC services? IF NO, how do you think they could they be adapted to ensure they are complementary?

No response

Question 13: Do you agree with our rationale for the proposed scope of the policy changes i.e. by meter type and business size?

No response

Question 14: How can the Government best support industry to drive forward innovation for non-domestic smart meter data tools and services?

Government can best support industry by setting a clear minimum baseline of what must be provided for industry to then build their own offers upon. Setting a robust baseline will be crucial to ensure that at least a core of benefits are realised. It could consider how projects like the 'smart tariff, smart comparison' tool could be expanded to cover microbusiness tariffs as well as domestic ones.

Question 15: Do you agree that an improved non-domestic data offer will support energy suppliers to deliver the post-2020 framework by acting as an additional consumer incentive?

Yes. A key consumer benefit of smart metering is greater access to and understanding of their energy usage data. Ensuring that non-domestic suppliers are able to access this is a clear first step in demonstrating and generating these benefits and providing a compelling reason for non-domestic consumers to seek or accept a smart meter installation.

Question 16: Do you agree that the legal text proposed in Annexes A and B adequately captures the proposed policy changes in this consultation?

No response

Question 17: What types of energy supplier data offerings do you think are likely to emerge in response to the policy changes in Box 1 and Box 2?

No response

Question 18: Under our proposed licence changes, how do you think suppliers would differentiate their “for free” data offering versus chargeable services, and what do you think would drive this?

We would expect suppliers to provide consumer generated data in an accessible format for free as a matter of course. We would expect chargeable services to offer detailed analysis or tailored advice. That is to add value to the usage data generated by the consumer which should be regarded as consumer-owned by default.

Question 19: What do you foresee as being the primary costs and benefits (and to whom) of the proposed measures in this consultation? Please quantify these as far as possible (though we also welcome views on any wider system benefits which may be harder to quantify).

We would expect significant benefits to be accrued in the non-domestic sector from the proposed measures as these consumers gain consistent and easy access to their usage data allowing not only a better sense of how much energy they are using but also improving their ability to engage with additional services founded upon that data offered by either their supplier or third parties.

We would also expect this decision to grow the potential for third party offerings that make use of smart meter data as if the data are adequately portable this will be available for them to build new products and services upon.

Question 20: In your experience, how much does it cost to develop varying levels of data offerings (ranging from emailed ‘visuals’ of consumption through to online platforms, apps and more complex services). Please quantify this as far as possible. We are particularly interested in breakdowns of one-off initial investment costs vs ongoing running costs, fixed vs variable costs and costs of in-house development versus commissioned out.

No response



Question 21: Do you think there are any equalities impacts in relation to our proposals that have not been considered above? Please outline what these are, their potential impacts and how Government could take steps to mitigate them.

No response