Early consumer experiences of smart meters

Research summary

June 2016

citizens advice

Introduction

Smart meters offer a number of benefits to consumers and, if delivered successfully, could help to transform the consumer experience of energy supply. The consumer benefits of smart include an end to estimated bills, greater visibility of energy usage, allowing consumers to reduce their consumption, and new ways to top up for prepayment consumers. In future they are also likely to lead to new energy services and products based on the data that smart meters collect.

The rollout of smart meters to all consumers' homes is currently scheduled to be completed by 2020. Installation activity to date has consisted of a more limited, 'foundation stage' of the rollout. More than 2.3 million smart and smart-type meters had been installed in domestic properties under this phase of the rollout by December 2015.[1] Beginning in 2016 smart meter installations are projected to increase dramatically, with more than 6 million meters expected to be in consumers' homes by the end of the year.[2]

Citizens Advice, and its predecessor Consumer Futures have been actively involved in the rollout of smart meters since its earliest stages, actively representing the interests of energy consumers across Great Britain and ensuring that the value and benefit of the programme to consumers has remained paramount. As part of this advocacy role we closely monitor smart meter-related contacts to the Citizens Advice consumer service (our telephone helpline which provides free, confidential and impartial advice on all consumer issues) to allow us to identify any emerging issues consumers are facing with smart meters during the early stages of rollout. One area of repeat concern from consumers who contact us has been the loss of smart functionality (e.g. remote meter reads) upon switching supplier. These issues particularly relate to early smart and advanced meters which lack full interoperability (i.e. revert to traditional or 'dumb' mode) if the consumer switches supplier. These issues should be resolved for smart meters installed later in the rollout process with the launch of meters that meet the government's newer specifications. Because of these issues Ofgem have required energy suppliers and switching sites to inform consumers of the potential risk of losing smart functionality when they switch with early smart meters.[3]

[1] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/512048/2015_Q4_Smart_Meters_Report.pdf

[2] See figure 1 (page 28) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/477258/Smart_Meters_Implementation_Programme_Annual_Report_2015.pdf

[3] See Electricity Supply Standard Licence Obligation 25B.5, available at https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions

As such we decided to undertake research examining the consumer experience of these early smart meters. The research sought to establish how consumers felt about their smart meters, and to examine experiences and awareness of any potential switching issues. We commissioned Accent to carry out this research, which was conducted in January and February 2016. The research included qualitative telephone/web interviews with 70 smart meter users and 70 non-users, and further qualitative depth interviews with 15 smart meter users and 15 non-users. Due to the relatively low level of smart meter installations among the British population sample sizes were inevitably small. The resulting sample had a large number of consumers using prepayment mode (PPM), who made up 77% of the sample, whereas only 15% of all domestic gas and electricity accounts use prepayment.[4] As such the sample is not representative of all smart meter users, or indeed of all energy consumers, but does offer a particular insight into the views and experiences of early smart pre-pay customers. While many aspects of the smart meter experience are the same for meters in credit and prepayment mode, some may differ (for example, consumers who use prepayment are likely to frequently make payments/top up, may check their usage on their in-home display more frequently, and place a higher value on certain smart meter benefits ie ability to top up online/over the phone). Where these differences exist they have been highlighted in the full report and this summary document.

This paper summarises the key research findings, and also highlights some of the smart meter consumer experiences that we have identified through contacts to the Citizens Advice consumer service. The full Accent research report is published alongside this summary. We make a number of recommendations (summarised at the end of this report) which should tackle the issues we have identified and deliver good outcomes for consumers.

[4]Data on proportion of PPM consumers available at https://www.ofgem.gov.uk/sites/default/files/docs/2015/09/retail_energy_markets_in_2015_report_0.pdf

Key findings

This paper summarises the findings from the research undertaken by Accent on behalf of Citizens Advice and relevant case notes of direct consumer contacts to the Citizens Advice consumer service. It contains the following sub-sections:

General experience and appeal of smart meters

The research found that current smart meter users have high levels of general satisfaction with smart meters, with half of users giving the maximum satisfaction score (see figure 1). The most popular benefits of smart meters were related to visibility of energy usage (42% of consumers with smart meters listed this as the top benefit) and new ways of topping up (31%). The popularity of these benefits is in part due to the high number of PPM consumers in the research sample, and demonstrates the importance of these features for this group.

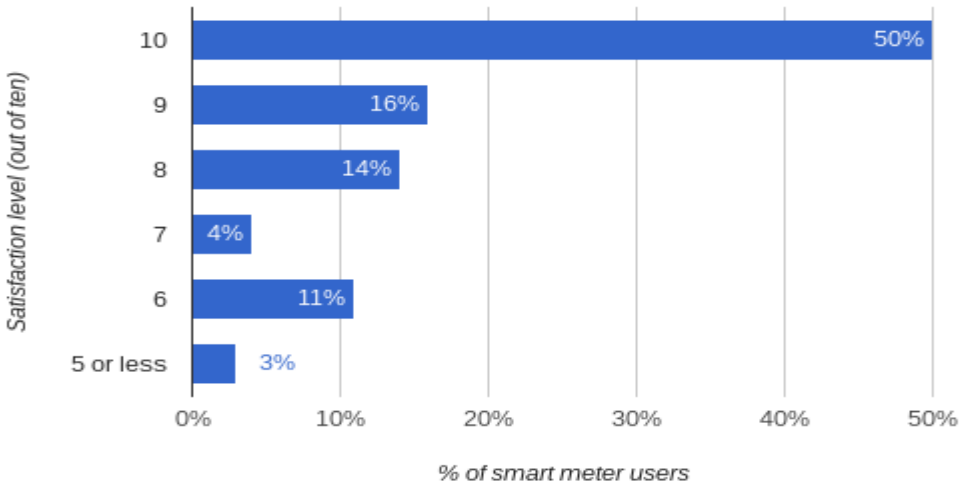

Fig 1. Overall satisfaction with the smart meter

Not only are smart meters popular with existing users, they are also highly appealing to around two thirds of consumers without a smart meter (see figure 2). These non-users feel that smart meters will be useful for them - particularly in ending estimated billing. The attraction of/appetite for smart meters is good news: it also lays down a challenge to industry to meet these high expectations and ensure that the benefits consumers expect are realised.

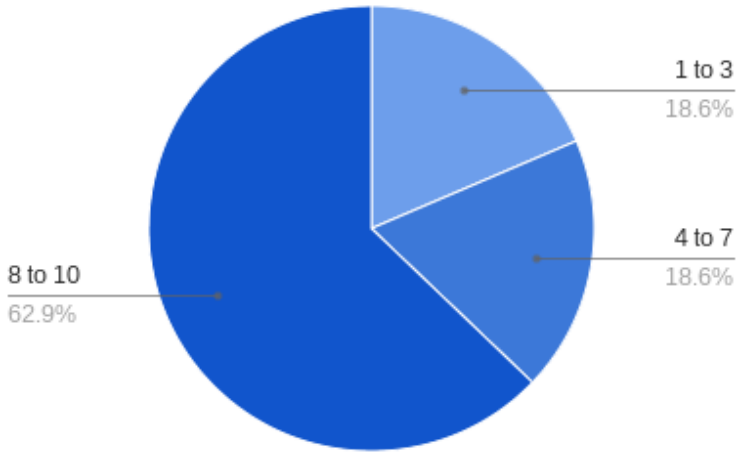

Figure 2. Appeal of smart meters to those without one currently, where 10 is extremely appealing and 1 is not at all appealing

Switching supplier with early smart meters

Most of the early smart meters being installed in consumers homes follow the first Smart Meter Equipment Technical Specifications (SMETS1)[5], although some suppliers are also installing 'advanced meters', which offer many of the same functions but do not currently meet the SMETS1 standard. Both SMETS1 and advanced meters currently communicate directly with the energy supplier. However, the majority of smart meters installed during the rollout will follow the second iteration of the technical specifications (SMETS2)[6]. These meters will communicate with suppliers via a new regulated entity, the Data and Communications Company (DCC)[7].

While the technical capabilities of SMETS1 and SMETS2 meters are broadly similar, the differences in the way they communicate mean that SMETS1 meters are not currently able to communicate with all other supplier's systems. This means that if consumers with these meters switch supplier, the meter's smart functionality will often be lost. The government intends for this problem to be resolved by enrolling

[5] https://www.gov.uk/government/publications/smart-metering-implementation-programme-technical-specifications
[6] https://www.smartenergycodecompany.co.uk/docs/default-source/sec-documents/developing-sec/baselined-sec-subsidiary-documents/smets2-v1-59-final.docx
[7] https://www.smartdcc.co.uk/

SMETS1 meters into the DCC system at a future date. Advanced meters will need to be either upgraded to meet SMETS standards, or replaced, to count towards a supplier's smart meter rollout obligations. Until this happens consumers with such meters may continue experience some functionality problems when they switch supplier.

In order to ensure that consumers are aware of the current issues related to interoperability, Ofgem's supply licence conditions mandate that energy suppliers must take all reasonable steps before installing a smart meter to explain to consumers, in clear language, that they may not be able to receive the same smart meter services if they change supplier in future.[8] Despite this, the research found that there is widespread ignorance amongst consumers about the impact of choosing to have an early smart meter installed. Only 13% of smart meter users thought that their meter functionality would be affected if they switched supplier (see figure 3), and just 3% of consumers said that their supplier highlighted any limitations of the smart meter before installation. These findings suggest that suppliers are not taking adequate steps to inform consumers about potential interoperability issues.

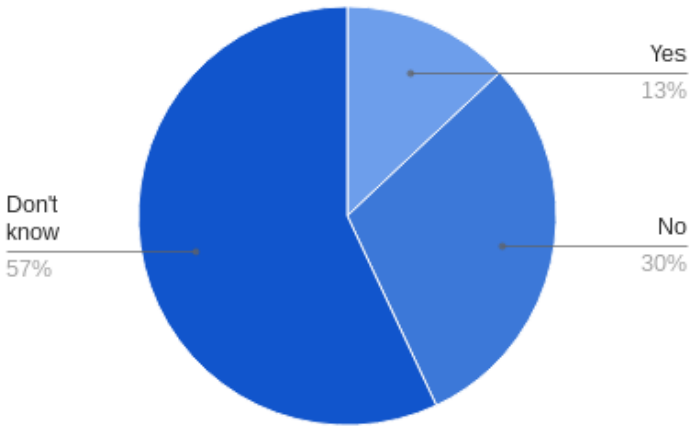

Figure 3. Awareness of whether access to smart meter data or functionality would be affected on switching supplier.

[8] See Electricity Supply Standard Licence Obligation 25B.5, available at https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions

The consumer had smart meters installed with his old supplier. The new supplier said that they cannot operate these smart meters. The supplier said that if he signed up over the phone he would have been told this. However, because he completed the switch online he was not told. The new supplier has not offered to rectify the issue or change the meter.

Consumer service call note, April 2016

Once made aware of the limitations of early smart meters during the depth interviews, the majority of consumers with smart meters said that they would still have gone ahead with the installation. This was mainly because they considered the immediate benefits of smart meters - particularly those that directly targeted at PPM consumers, such as access to lower tariffs and new ways to top up - to outweigh the potential future loss of functionality. However, a minority of consumers with early smart meters would have preferred to wait for a SMETS2 meter if they had known about these issues. Unsurprisingly the consumers who were most concerned were those who were considering a switch in the near future.

"My father had a smart meter installed, and then when he changed supplier they said they couldn't use it... which is a bit of a worry I'm thinking because we are about to change supplier... and I don't know what changing with a smart meter now is like"

Quote from Accent research depth interviews (Female, Aged 50-64, Social Class D)

Contacts to the Citizens Advice consumer service demonstrate the detriment that consumers can suffer when they lose their smart meter functionality after switching. This includes consumers who have received large back-bills because they didn't know they had to submit readings to the new supplier after switching, and consumers losing smart meter functionality that they had previously relied on. In some of these cases consumers have told us that they were not aware there would be any loss of smart functionality, despite the requirements in licence conditions that suppliers should determine if new customers have a smart meter before they switch, and if they do, inform them in plain language how their smart meter functionality may vary after switching supplier.[9]

[9] See Electricity Supply Standard Licence Obligation 25B.3, available at https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions

> The consumer found that he was £3,000 in arrears because he hasn't been billed for 18 months. His previous supplier had installed a smart meter and he had assumed that the new supplier was taking readings from the meter.
>
> **Consumer service call note, November 2015**

These interoperability issues can create new barriers to switching, as consumers face an invidious choice between switching to a better tariff and losing smart services that they value, or remaining on the worse tariff while retaining the benefits of smart functionality. There may also be implications for the enrolment and adoption of SMETS1 meters into the DCC if, following a switch, the meter has not been in communication with the supplier for a long period of time, as it may not have received firmware updates which may be necessary in order for the meter be enrolled.

> Since switching supplier the consumer now has to read her meter again. She wants to know whether she is able to switch back to ensure that her smart meter works again.
>
> **Consumer service call note, February 2016**

The lack of interoperability for early smart meters may also discourage consumers who don't currently have a smart meter from agreeing to have one installed. Awareness about this issue among consumers is currently low; only 7% of non-smart meter users are currently aware that smart meter functionality may be affected if they switched supplier. However, 43% of non-smart meter users thought that they would either definitely, or probably, not go ahead with a smart meter installation if they were told that they may lose smart services after switching.

Citizens Advice has been concerned for some time about this issue, and this research confirms the early consumer experiences that we have seen via the consumer service. The lack of information and awareness about the lack of interoperability between suppliers for consumers with early smart meters can cause significant detriment and confusion for consumers.

Furthermore, this problem could increase in scale in the next few years, as delays to DCC go-live have meant that far more SMETS1 meters will be installed as part of the smart meter rollout than originally planned.

The DCC is currently carrying out a project on the feasibility of enrolling SMETS1 meters, which is due to be published later in 2016. This will assess the cost and risk options for how enrolment can take place, but the feasible options identified by this report may not provide for the enrolment of all SMETS1 meters.[10] Advanced meters which cannot be upgraded to meet the SMETS1 standard are outside of the scope of this work. The Secretary of State will direct the DCC to proceed with one or more of the identified options for migration of SMETS1 meters, which the DCC currently expects will be completed in 2019/20.[11] It is not yet known how many of these meters will be enrolled, and therefore no longer suffer from functionality loss on switch.

The energy industry is now taking steps to develop an interim solution for interoperability issues in the period before SMETS1 meters are enrolled into the DCC. We are supportive of this initiative, but it must be comprehensive - covering as many suppliers and meter types, and as much functionality, as possible, in order to minimise negative consumer experiences. Both this, and the enduring solution developed by the DCC, should be delivered in a manner that minimises costs to consumers. Any consumer with SMETS1 meters which can never enrolled into the DCC should be offered a new smart meter should they switch supplier and be unable to retain smart functionality.

While SMETS1 meters are still being installed, suppliers must improve their communications to ensure consumers are informed that they may lose functionality if they switch supplier. This message should be given both before their smart meter is installed and before completing a transfer to a new supplier.

Billing

One of the most high profile benefits of smart meters is that they should bring an end to estimated billing. This is perceived as the most useful benefit of smart meters by non-smart meter users, with 73% giving this a score of 8 or more out of 10 for usefulness. It is also the benefit of smart meters that most non-users were aware of before taking part in the research.

“I like it. You know where you are. You’re not thinking am I paying more than I should be or am I not paying enough?”

Quote from Accent research depth interviews (Female, Aged 16-34, Social Class C1)

However, the research found that this key benefit is not always being realised by consumers with smart meters. 23% of smart meter users felt that their bills were not more accurate after having a smart meter installed, and 19% have had to

[10] https://www.smartdcc.co.uk/about-dcc/future-service-development/enrolment-and-adoption/
[11] https://www.smartdcc.co.uk/about-dcc/business-plan/

provide some meter readings to the supplier (see figure 4). While only a small number of consumers are dissatisfied with their smart meter[12], continued estimated billing was one of the main reasons given by consumers for a low rating.

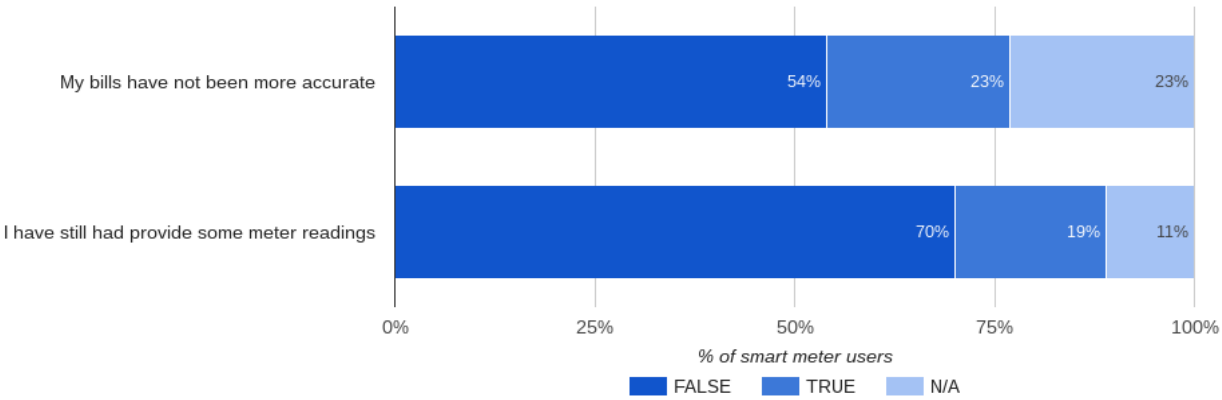

Figure 4. Smart meter user experiences (note that 'False' is positive)

We have also seen these issues emerge through contacts to the consumer service; billing issues are the second most common smart meter issue that consumers contact us about. Billing issues include backbilling (or 'shock bills'), continued estimated billing and cases where no bill has been received.

The consumer has a smart meter but has been receiving confusing and incorrect bills for over a year. The supplier has now told her that she owes £1,950. She just wants assurance that this is accurate, as it should be with a smart meter.

Consumer service call note, January 2016

An end to estimated billing is a basic benefit of smart meters which must be delivered to all smart meter users. While factors other than metering (eg back office systems) play a part in determining whether consumers receive accurate and timely bills, suppliers should have processes in place to mitigate these and ensure consumers with smart meters are able to receive, at a minimum, an accurate monthly bill.

When Ofgem consulted in 2015 on its Smart Billing proposals[13], Citizens Advice strongly supported a new licence condition to limit backbilling for consumers with smart meters.[14] Ofgem eventually decided to rely on a voluntary commitment from

[12] Only 4% of consumers gave a satisfaction rating of less than 5 out of 10 for their smart meter.
[13] https://www.ofgem.gov.uk/publications-and-updates/smart-billing-smarter-market-our-proposals
[14] https://blogs.citizensadvice.org.uk/blog/smart-backbilling-a-missed-opportunity/

energy suppliers to limit back-bills to six months for consumers with smart meters[15] but we remain concerned that this does not provide adequate protection for consumers. It is essential that consumers are able to realise the key benefit of accurate billing, and that all suppliers are held to the same standard on this. We hope that all suppliers sign up to the commitment to limit backbilling for smart meter users to six months, and go further over time until backbills are eliminated entirely. We have urged Ofgem to review their decision in 2017, and to put in place new rules to limit backbilling if there is no evidence that the voluntary commitment has been effective.

It will be vital - not only for consumers but also the reputation of smart metering - that promised benefits are delivered during the early stages of the rollout; the longer such problems continue the less faith consumers are likely to have in the technology, and the extent to which it has the potential to benefit them.

In-Home Displays and viewing smart meter data

We expect that In-Home Displays (IHDs) will be the main way in which consumers engage with their smart meter data, at least in the short term. IHDs are devices in the home which give consumers near real-time information about their energy usage (in terms of current and historic energy consumption, cost and carbon emissions). They have consistently been demonstrated in various research to be the best single tool to help consumers interact with their smart meter data.[16]

The depth interviews with smart meter users further demonstrated the value of IHDs, as overall those consumers who are using them think that the smart meter has met or exceeded their expectations.

"I'd probably say it's working out better than I anticipated but that might be just down to the fact that, if nothing else, it's made us more aware of things, and start to question, look at things a bit more, understand a bit more."

Quote from Accent research depth interviews (Male, Aged 50-64, Social Class C2)

However, 21% of consumers who participated in this research reported not being offered an IHD by their supplier and therefore may be missing out on the full benefits of smart metering. While there are licence conditions in place to ensure that all consumers are offered an IHD some supplier's initially interpreted these to

[15] https://www.ofgem.gov.uk/publications-and-updates/smart-billing-smarter-market-our-decision
[16] DECC's Early Learning analysis (https://www.gov.uk/government/publications/smart-metering-early-learning-project-and-small-scale-behaviour-trials) and data sets available in ESMIG reports (http://esmig.eu/sites/default/files/final_empower_2_demand_report_final_distr2.pdf)

mean that they could offer consumers a choice of an app (or similar device) instead of an IHD, rather than as an additional tool. This has resulted in different levels of IHD acceptance by consumers with different suppliers; for example, 96% of Utilita consumers had been offered and accepted an IHD, compared with 59% of consumers with Ovo (which had offered consumers the choice between an app and an IHD).

We identified this as an issue in 2015 and called on the government to ensure all consumers received a genuine offer of an IHD. Citizens Advice was strongly supportive when DECC proposed changes to the licence conditions to close this loophole and ensure that all consumers receive a genuine offer of an IHD.[17] These changes also allow suppliers to apply for permission to trial alternative engagement tools, such as apps, to develop an evidence base for their effectiveness in comparison to IHDs.

In addition to this issue, we are aware that one supplier, First Utility, is not currently offering IHDs when installing smart meters. We understand that they plan to offer these consumers an IHD in future. In order for these meters to count towards their rollout obligation they will also have to return to these properties to connect the IHD to the smart meter and complete the related stages of the Smart Meter Installation Code of Practice (SMICoP).[18] While this is permissible under the current regulatory and governance framework, it is our view that this approach is not ideal, resulting in a disjointed installation experience for consumers. It also delays consumers experiencing the full benefit of smart meters. This policy has also been a source of confusion for some consumers, who have contacted the consumer service to ask why they have not been offered an IHD, in contradiction of the expectations set by Smart Energy GB, DECC and others.

The supplier is offering to replace the consumer's old meter with a smart meter. She had read that these come with an in-home display, but the supplier is not offering one of these.

Consumer service call note from a First Utility customer, February 2016

In order for consumers to get maximum benefit from smart meters it is essential that they understand how to use their IHD. The SMICoP requires suppliers to demonstrate the smart metering system (including the IHD if accepted) during the installation visit, taking account of any specific needs or known vulnerabilities when

[17] https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-consultation-responses/deccs-consultation-on-amending-smart-meter-in-home-display-licence-conditions/

[18] http://www.smicop.co.uk/SitePages/Home.aspx

doing so.[19] However, of the consumers who accepted an IHD (or an alternative such as an app) 20% report not being shown how to use it. There is a clear risk that consumers who are not given this demonstration will either struggle to engage with their smart meter data, or will not do so at all. In contrast, 93% of those consumers who received a demonstration were satisfied with the explanation that was given.[20]

The research found that consumers were generally engaged with their smart meter data. 80% of consumers are viewing their smart meter data (either through an IHD, app or website) and, of these, 75% are viewing their smart meter data weekly or more often, with 40% checking the data every day (see figure 5). PPM consumers may have more reason to regularly view the data (for example to monitor credit and check when they next need to top-up etc), so these figures are likely to be higher than we might otherwise expect due to the large number of PPM consumers in the sample.

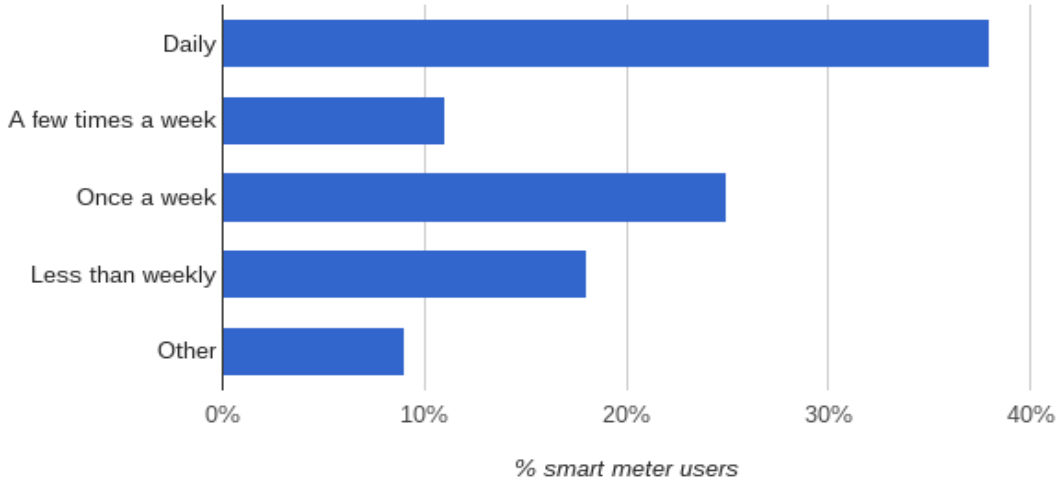

Figure 5. How regularly smart meter data is viewed

Only 10% of consumers reported that they did not view their smart meter data in any way. This group included some consumers who struggled to remember how to use the IHD. These consumers aligned with previous research by DECC, which found that consumers who found the IHD harder to use were more likely to be older, from lower social grades, have low household incomes, have no formal qualifications, or live with someone who has a long-term health condition or disability.[21] This work determined that there was a need for follow-up support to enable these consumers to use their IHD, and we understand that DECC is carrying out work to assess the current customer engagement plans for this follow-up

[19] SMICoP (3.6 Demonstrating the System to the Customer) available at http://www.smicop.co.uk/SitePages/Home.aspx
[20] 93% of consumers gave a satisfaction rating of 8 or more out of 10.
[21] DECC (2015), Smart Metering Implementation Programme: Policy Conclusions: Early Learning Project And Small-Scale Behavioural Trials, http://bit.ly/1EXlYo

support and consider what further help may be required.[22] This work is due to be completed in 2016.

Last year we published a summary report on an information request which looked at progress by suppliers towards providing extra help for vulnerable consumers during the smart meter rollout.[23] This found that there was the potential for too much information provision during the installation, especially for consumers with mental health issues or learning difficulties. We also found that there were varying plans for provision post-installation support, both in terms of whether, and how, this is delivered to consumers.

We expect all suppliers to engage with the outputs from DECC's project to improve their ongoing support for consumers after the smart meter installation, with specific regard to consumers in vulnerable circumstances.

"They explained [the IHD] to me but I've got a memory like a sieve and to use all these technologies these days it's not me.... When I went to use it , I thought 'oh, how do I use it'?

Quote from Accent research depth interviews (Female, Aged 50-64, Social Class E)

Energy saving

One of the key consumer benefits of smart meters is that an increased understanding of energy usage should help consumers take control and reduce their energy usage. In the most recent impact assessment for the smart meter programme (2014) DECC predicted gross annual reductions in domestic demand of 2.8% for electricity (credit and PPM); 2% for gas credit and 0.5% for gas PPM as a result of the smart meter rollout.[24] Furthermore, consumers themselves view energy saving as an important benefit of smart meters. It was perceived as the second most useful benefit of smart meters by non-users, with 73% of consumers saying it was highly useful.[25]

It is recognised that to realise these benefits consumers will need adequate, impartial information about how they can use energy more efficiently. Suppliers are required by SMICoP to provide consumers with information and advice about their

[22] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/477258/Smart_Meters_Implementation_Programme_Annual_Report_2015.pdf
[23] https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/vulnerable-consumers-and-the-smart-meter-rollout/
[24] https://www.gov.uk/government/publications/smart-meter-roll-out-for-the-domestic-and-small-and-medium-non-domestic-sectors-gb-impact-assessment
[25] 73% of non-smart meter users gave this feature a a rating of 8 or more out of 10 for usefulness.

smart meter and how they can use it to improve their energy efficiency during the meter installation.[26]

However, a large proportion of consumers with smart meters do not feel that this benefit is being achieved, with 24% of smart meter users in this research reporting that smart meters have not helped them to reduce their energy consumption at all (see figure 6). This finding is arguably more positive than separate polling recently carried out for Citizens Advice, which found that only 31% of smart meter users have made changes to reduce their energy use.[27]

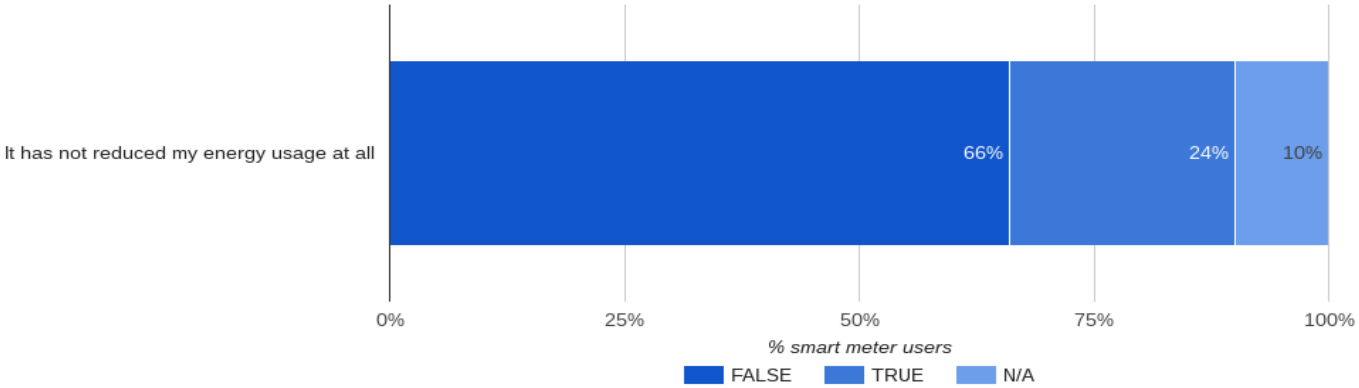

Figure 6. Smart meter user experiences (note that 'False' is positive)

Consumers want to make energy savings through their smart meter, but this research suggests they are failing to translate this intention into action. Citizens Advice recognises that some consumers will be cautious or unsure about why their supplier will be offering advice about reducing energy usage, even though doing so is to the supplier's commercial detriment.

DECC has identified the importance of good communication materials, based on evidence of what actually helps consumers reduce their energy usage. It has therefore committed to develop good practice energy efficiency advice and guidance materials to be used at the point of installation, and to support installers in delivering tailored advice appropriate to the customer's needs.[28]

This work is due to be published in 2016, and we would expect all suppliers to use DECC's offering to improve their energy efficiency information for consumers.

Our information request on extra help for vulnerable consumers[29] also looked at supplier plans for energy efficiency advice and support. This recommended that

[26] SMICoP (3.7 Provision of Energy Efficiency Guidance) available at http://www.smicop.co.uk/SitePages/Home.aspx
[27] GfK Energy Market Monitor Q4 2015 (this survey data is not in the public domain)
[28] DECC, Smart Meter Implementation Programme Annual Report 2015,https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/477258/Smart_Meters_Implementation_Programme_Annual_Report_2015.pdf
[29] https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/vulnerable-consumers-and-the-smart-meter-rollout/

suppliers should also tailor their advice to take account of the consumer's housing quality and tenure, to ensure that it is as relevant as possible for the consumer. In addition, suppliers should integrate their energy efficiency advice with government fuel poverty programmes, including direct referrals to these where necessary.

Noting Ofgem's recent guidance on cooperation during the rollout[30], suppliers should mutually share best practice on energy saving advice, including on tailoring for individual consumers and post-installation support to enable long-term behaviour change.

Installation issues

A good installation is important to ensure that consumers have a positive experience with their smart meter. During the installation the installer should explain to the consumer how to use their smart metering equipment, and offer energy efficiency advice.

While the majority of consumers were happy with their installation service, depth interviews in this research identified that the minority of consumers who were dissatisfied with the service said this was because the installer had not taken the time to explain how to use the smart meter, or had not offered them an IHD.

"When the fitter came, he was in an extreme hurry, came in like a hurricane… He didn't tell us anything… We would have liked one [an IHD]… We thought we had to probably buy it sometime…it's the first time we've had one fitted, we didn't know what to expect."

Quote from Accent research depth interviews (Female, Aged, 50-64, Social Class D)

The research also identified some issues with how suppliers offer to install smart meters and arrange the installation visits. 19% of consumers said that their supplier told them they were having a smart meter fitted and did not ask them if they wanted it. Even more concerningly, 6% of consumers were not aware they were having a smart meter installed until the installer arrived at their house. While the awareness of individual residents about a smart meter installation may sometimes be beyond the control of the supplier (eg where there are multiple occupants at an address or where the landlord is in charge of the account), suppliers should ensure that they inform consumers that smart meters are not mandatory, and always have an agreed appointment with the consumer to install smart meters before attending the property.

[30] https://www.ofgem.gov.uk/publications-and-updates/guidance-note-cooperation-between-competitors-smart-meter-roll-out

We are aware of some consumers having issues with the installation process itself based on contacts to our consumer service. Examples include cases where appointments are hard to get or repeatedly cancelled by their supplier, where the smart meter cannot be installed due to problems with their current meter arrangement, or where the supplier identifies and condemns faulty gas or electric equipment during the smart meter installation. In some cases consumers are told they will need to pay for remedial actions before the smart meter can be installed.

The consumer's electricity meter is not very accessible as it is high above the front door. The supplier said they would not be able to install a smart meter and that the consumer would need to pay around £500 to resolve the issue.

Consumer service call note, April 2016

These issues affect a small number of consumers, but can lead to very negative experiences. There is guidance in place for installers to follow in these circumstances, and suppliers should rectify any meter problems and support their customers with issues which are related to the installation. However, consumers do not always receive help to overcome these issues in a joined up manner, leaving them unsure of how they can move forward with the process. Industry must ensure that there is adequate signposting of consumers for support in cases where they require extra financial support to allow them to have a meter installed or to replace faulty gas appliances.

It is vital that approaches to difficult installations are consistent across suppliers, and indeed networks. In addition to being more equitable this will also make the provision of advice and guidance more straightforward and ensure that best practice is adopted across industry.

The consumer feels they were bullied into having a smart meter. The meter was installed yesterday, but during the installation the engineer disconnected their cooker because they identified an issue with the safety lid. This has left them with no means of cooking.

Consumer service call note, April 2015

Recommendations

This research found that most consumers are satisfied with their smart meter and are already enjoying a number of benefits from smart metering. However, the research, and contacts to our consumer service, have also shown that there are some issues, such as lost functionality when switching with early smart meters, which damage the experience of consumers with smart meters, and which do not yet have a technical resolution. In other areas, such as energy efficiency, more needs to be done to maximise the benefits of the smart meter rollout to consumers.

Suppliers, networks and their trade associations need to work together to meet these challenges and ensure that consumers get the best possible experience of smart metering. We welcome Ofgem's recent guidance note on cooperation during the smart meter rollout[31], which set out how best practice can, and should, be shared in the interests of all consumers, in areas including support for vulnerable consumers, energy efficiency advice, achieving an interim solution for interoperability of SMETS1 meters, and techniques for completing difficult installations.

We have made a number of recommendations in this summary report to tackle these problems ahead of the mass rollout of smart meters:

1. Both the interim and enduring solutions to allow SMETS1 smart meters users to retain smart meter functionality after switching should include as many suppliers and meter types, and as much functionality, as possible. The interim solution should also include advanced meters where possible, so that consumers with them are able to switch and retain smart meter services until their meter is replaced with a compliant smart meter. Any consumer with a SMETS1 meters which can never enrolled into the DCC should be offered a new smart meter if they switch supplier.

2. While SMETS1 meters are still being installed suppliers must improve their communications to ensure consumers are informed that they may lose functionality if they switch supplier, both before their smart meter is installed and before completing a transfer to a new supplier.

3. All suppliers should sign up to the commitment to limit backbilling for smart meter users to six months, and go further over time until backbills are eliminated entirely, as per consumer expectations.

4. Suppliers should engage with the outcomes from DECC's work (due to complete this year) to assess the post-installation follow-up support planned

[31] https://www.ofgem.gov.uk/publications-and-updates/guidance-note-cooperation-between-competitors-smart-meter-roll-out

for vulnerable consumers, and make improvements to their processes and materials as necessary.

5. Suppliers should take steps to improve their support for smart meter users to reduce their energy usage. We would expect all suppliers to use DECC's forthcoming good practice guidance to improve their energy efficiency information for consumers, and to share best practice. This advice should be further tailored to take account of the consumer's property and tenure type to ensure that it is as relevant as possible for the consumer.

6. Suppliers should ensure that they inform consumers that smart meters are not mandatory, and should always have an agreed appointment with the consumer to install smart meters before attending the property.

7. Suppliers and networks should work together to ensure that approaches to difficult installations are consistent and deliver good consumer outcomes. In addition to being more equitable this will also make the provision of advice and guidance more straightforward and ensure that best practice is adopted across industry.