

GB Smart Customer Response Trials Workshop -Engaging consumers

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Benefits



Platform for Wider Benefits e.g. electric vehicles, microgeneration

more diverse supply and demand

Helping balance

Confirmed metering system requirements and regulatory framework to deliver wide range of benefits

Empowering
Consumers to
Save Energy and
Money

Network Efficiencies

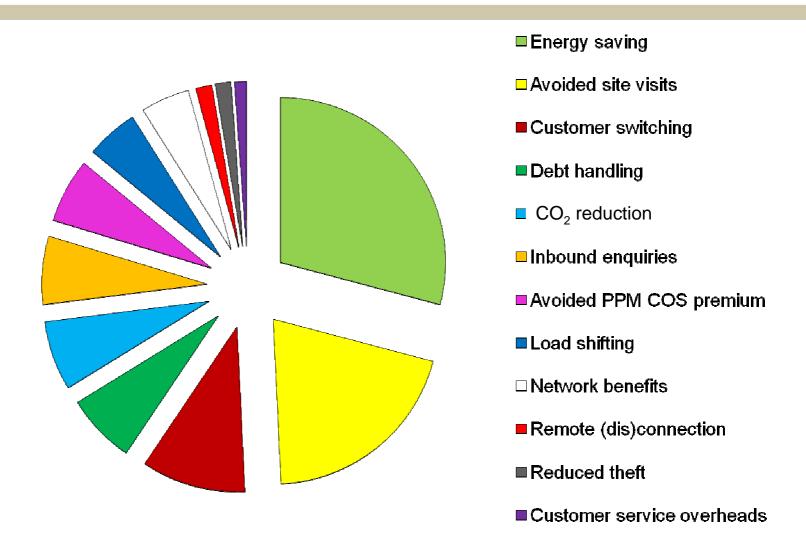
Improve Quality of Service

New Services to Consumers

Cost to Serve Savings

Projected Benefits in the Domestic Sector





Source: Impact Assessment: Smart meter rollout for the domestic sector, 2011

The Importance of Consumer Engagement



- Support for installation
- Demand reduction:
 - No / low cost measures / behaviour change
 - Investment in energy efficiency / microgen
- Load shifting / matching:
 - Behaviour change (price signals)
 - Automation

Consumer challenges



- Consumers' low trust in suppliers
- Consumers' low understanding of energy use
- Consumers' low interest in energy issues
- Habitual behaviours hard to change

Consumer engagement – current position



- Individual suppliers will have an important role to play in engaging their consumers
- Involvement of trusted third parties can be very helpful in building confidence and awareness
- A strong case for some consumer engagement activities to be carried out centrally or on a co-ordinated basis
- Further work to look at objectives, scope, governance and funding for any centrally co-ordinated activities
- To inform this work COI project to develop a behaviour change framework (barriers and incentives)
- Also keen to draw on experience from full range of pilots (inc LNCF)

Privacy and Data Access



- Key principle the consumer should choose who has access to their consumption data except where it is needed to fulfil regulated duties;
- Raises questions:
 - What are regulated duties? What level of data required?
 - How is choice effected?
 - For third parties how technically do they gain access?
 - How is consumer informed?
- Government response:
- minded to define regulated duties narrowly
- can see strength of argument for requiring explicit informed consent
- further work in next phase (inc impacts on benefits case)
- Need to take account of consumer attitudes, impact on competition for energy services; legal framework; costs and benefits of different options

Conclusions



- Getting consumers to change behaviour is a major challenge but key to delivering the benefits
- Smart metering technology will help feedback is vital
- But needs more..
- Development of a consumer engagement strategy will be key to delivery of the benefits of smart metering