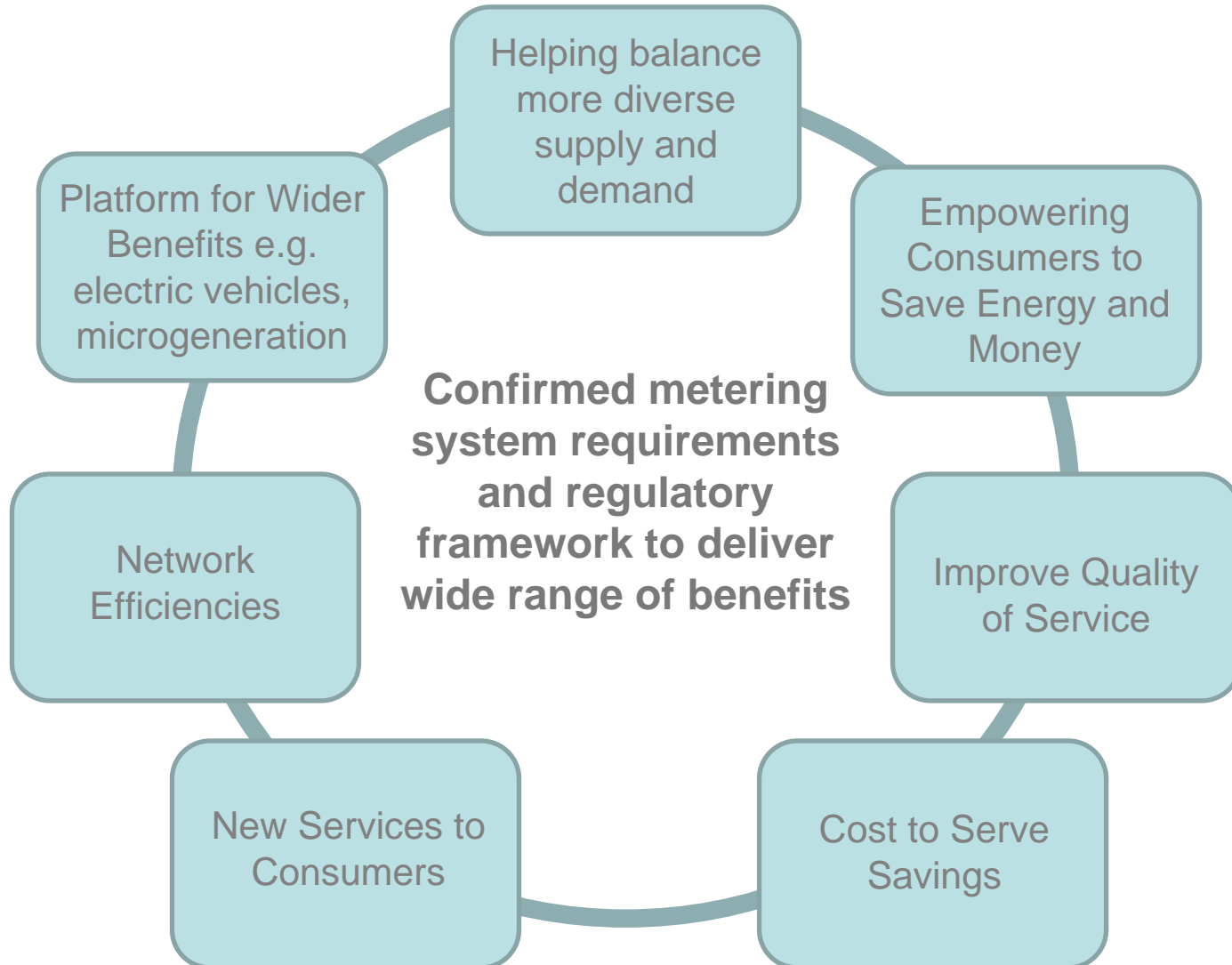


GB Smart Customer Response Trials Workshop - Engaging consumers

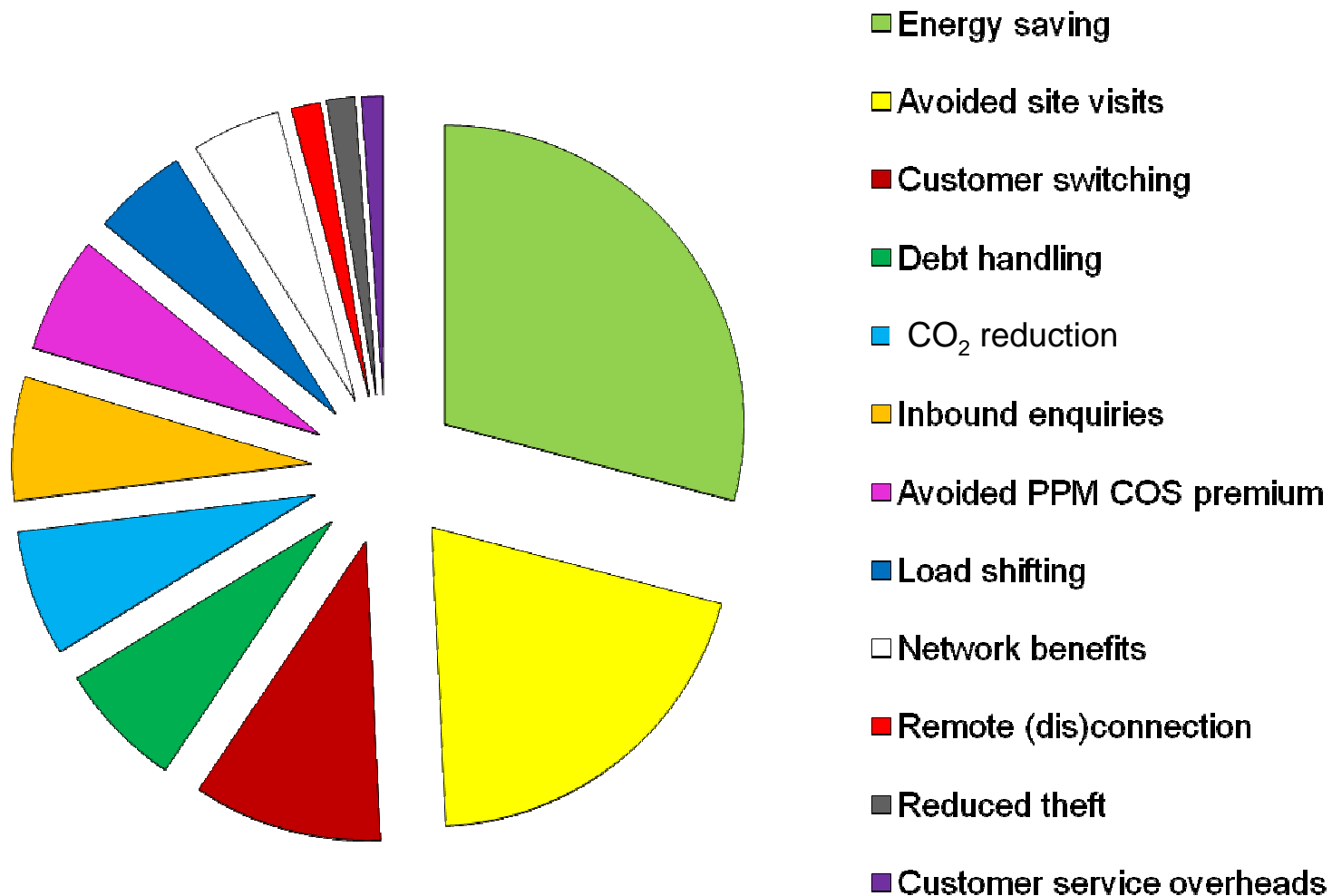
Maxine Frerk, DECC

25 May 2011

Benefits



Projected Benefits in the Domestic Sector



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

- 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)

- 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

- 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