



Department  
of Energy &  
Climate Change

# Smart Metering Implementation Programme

## DECC's Policy Conclusions:

Early Learning Project and Small-scale  
Behaviour Trials

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# Executive Summary

## *Introduction*

This report is published by DECC to summarise the Government's view of the key findings of a series of DECC-commissioned independent research projects. These draw on evidence of consumer experiences of credit and pre-payment smart meters since 2011 – the 'Early Learning Project' (ELP) – and a set of small-scale trials on behaviour change interventions.<sup>1</sup> The aim of this research was to add to our understanding of how best to deliver the consumer benefits of smart metering, and assess the need for any changes to the policy and regulatory framework.

This report sets out the Government's conclusions about future smart metering consumer engagement policy and delivery priorities, and the next steps it will take, working with Ofgem, Smart Energy GB, suppliers and other parties to ensure that they are fully implemented, taking account of further evidence around the costs and benefits of different activities.

As part of its policy to roll-out smart metering in Great Britain by 2020, the Government has established a comprehensive policy and regulatory framework for consumer engagement. This includes an overarching strategy, with supplier obligations e.g. on in-home displays (IHDs), conduct of the installation visit and centralised engagement (by Smart Energy GB). This framework is intended to place consumer interests at the heart of the roll-out, and ensure that smart meter benefits are optimised and fairly distributed.

Consumer benefits are expected to include greater convenience, financial savings from improved energy management, and, in the longer-term, a more active consumer role in the energy system. As the ELP evidence published alongside this report demonstrates, smart metering is already delivering immediate benefits; building on this initial platform, it can in the future play a key role in transforming how consumers buy and use energy.

At the time the ELP was in the field, energy suppliers were developing, and still continue to develop, their consumer engagement approaches; and some aspects of the policy and regulatory framework were not in place. The results therefore do not represent an evaluation of the full policy design and regulatory framework. The research focused on understanding the mechanisms by which consumers were being engaged, and from this drawing out evidence and forward-looking conclusions about expectations and requirements for the main roll-out stage.

## ***Key research finding: A positive early consumer response to IHDs and smart metering***

The ELP provided substantial new evidence confirming the value of In Home Displays (IHDs) to consumers as the central element in the process of consumer engagement - many consumers seeing the IHD as "the smart meter". The vast majority of consumers involved in the research recalled being provided with an IHD, and in most cases they were still continuing to use them, up to two and half years after installation. Continued use of the IHD to monitor consumption was associated with consumers being more likely to report energy saving benefits.

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<sup>1</sup> All publications available at <https://www.gov.uk/government/publications/smart-metering-early-learning-project-and-small-scale-behaviour-trials>

The research with both credit and prepayment customers revealed consistently high levels of satisfaction and consumer value from smart metering, both for credit and prepayment consumers. For many of the latter the convenience of the IHD in not having to access energy meters to monitor credit status and being able to top up remotely, was reported as improving their daily lives.

Most consumers, including those who generally had little interest in technology, reported finding the IHD easy to use. However the research suggested that encouraging consumers to develop the habit of using their IHD to monitor their energy consumption, for example using the IHD to look for trends, or to check that no appliances have been left on, is likely to enable them to gain more benefits; this highlights the importance of the way that IHDs are demonstrated and explained by suppliers.

### ***Key Government conclusion: ELP and Behaviour Trials evidence supports existing consumer engagement obligations***

The ELP research confirmed previous Government conclusions about requirements for engaging consumers before and during the roll-out. Key elements established by the existing framework include the importance of:

- energy suppliers' and Smart Energy GB's engagement in advance of installations, to increase awareness and set consumer expectations;
- third parties (such as community groups and housing associations) being involved in engaging consumers;
- consumers being engaged through several media and multiple delivery parties, in a coordinated way;
- the central role of meter installers as 'agents of change', through explaining smart metering, discussing how IHDs can be used help save energy, and offering tailored advice on energy efficiency;
- ensuring a high quality consumer experience at installation, including allowing sufficient time for advice and explanation.

Achieving and maintaining these during the main installation stage will be critical to the delivery of consumer benefits, through encouraging consumers to engage subsequently with smart meter and IHD information.

Although a broad range of consumers were observed to have been effectively engaged and to be using smart meters, the research showed that some types of consumers had lower levels of engagement and hence greater needs for support. This confirms the value of the requirements for vulnerable, low income and prepayment customers within the existing policy and regulatory framework.

### ***Key research finding: Further steps could help to deliver increased consumer benefits***

DECC's steady-state projections for the main roll-out fall within the confidence intervals of the energy consumption reductions observed in the research for both gas and electricity. However evidence suggests that larger energy savings are achievable; it is realistic to expect durable energy savings of 3 per cent provided engagement is effective, and larger savings are feasible in the future.

Further steps have been identified, which could help to ensure that benefits are fully delivered and distributed fairly to consumers. These include meeting the additional information and support requirements of pre-payment customers, encouraging a 'monitoring' approach to the use of the IHD, and ensuring that IHDs are correctly calibrated.

Both the installation visit and follow-up support were found to be important if consumers are to benefit fully: both to familiarise them with the IHD and how to use it, and also to provide practical, relevant advice. This includes advice on how to use energy efficiently and avoid waste, and steps to improve the fabric of the home.

Consumer needs will vary substantially, and this means that consumers could benefit from suppliers obtaining advance information about their needs, ensuring that training enables installers to tailor demonstration and advice to the individual needs of consumers, and also to consider the role of tailored follow-up advice (e.g. through extra help provided in-home to certain types of consumers).

The ELP identified categories of energy user who would particularly benefit from tailored, follow-up support to ensure they are able to fully realise the benefits of smart meters:

- Householders with specific difficulties, due to low levels of literacy, long-term illness, age or disability
- Tenants
- Low-income consumers
- Prepayment consumers.

### ***Key Government conclusion: Next steps in response to ELP and Behaviour Trials evidence***

To support suppliers and Smart Energy GB in their work with these categories (and potentially with a wider range) of consumers, the Government is planning to lead on some further work in 2015 as a result of ELP evidence:

- A project to develop good practice energy efficiency advice and guidance materials to be used at the point of installation, support installers in delivering tailored advice appropriate to the customer's needs, and potentially in follow-up support.
- A project to assess the planned provision of follow-up support for vulnerable consumers and whether further steps are required to ensure benefits are realised for key groups of consumers.

Furthermore, the Government notes that some suppliers are looking to trial alternative devices to the IHD but are constrained in trial design by the current licence obligations. We are therefore exploring ways of facilitating suppliers to undertake controlled trials of alternative devices whilst still meeting their roll out obligations, and will look to bring a consultation forward as soon as possible.

The Government will report over time on progress and further evidence as it becomes available, through the Programme's annual report and other outputs.

# 1. Introduction

## Purpose of this document

- 1.1 The Government's vision is for every home and smaller business in Great Britain to have a smart meter. The roll-out of smart meters by energy suppliers will play an important part in Britain's transition to a low-carbon economy, as well as help us meet some of the long-term challenges we face in ensuring an affordable, secure and sustainable energy supply.
- 1.2 The Government has established the Smart Metering Implementation Programme (SMIP) to deliver its vision. Energy suppliers are required to roll out electricity and gas smart meters by 2020, supported by a Data and Communications Company with responsibility for communications infrastructure. At present, the Programme is in its 'Foundation' stage in which technical specifications and the communications infrastructure are being put in place, and suppliers are developing their roll-out strategies and customer journeys.
- 1.3 Some suppliers have begun installing smart meters to learn from early roll-out experiences (over a million meters had been installed under the Programme by the end of Q3 2014<sup>2</sup>). Plans for a national consumer engagement campaign are being made<sup>3</sup>; and wider market developments that can build on the smart meter platform are beginning.
- 1.4 In 2012 DECC decided to use the Foundation stage as a major opportunity for learning about consumer engagement requirements. It therefore established a research programme, the Early Learning Project (ELP), focussing on early smart meter installations by different energy suppliers. The policy aim was to provide evidence against which to assess the framework which had already been put in place, and to guide plans for consumer engagement being developed by Smart Energy GB and energy suppliers. Subsequently it was also decided to carry out some small scale trials (Behaviour Trials) to test ways to deliver energy saving advice to consumers, which could be used to support the roll-out of smart meters.
- 1.5 The research covers installations between 2011 and early 2013, with our analysis of energy saving impacts based on installations in 2011 only. Suppliers' approaches have continued to evolve since then, and Smart Energy GB is gearing up its activities. Therefore the research does not reflect the expected outcomes of the main roll-out stage. Instead it was focused on understanding the mechanisms by which consumers were being engaged, and from this drawing out evidence and forward-looking conclusions about expectations and requirements for the main roll-out stage.
- 1.6 This document, published alongside five research reports<sup>4</sup>, summarises the key findings for DECC, and sets out the Government's policy conclusions and how DECC will be taking

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<sup>2</sup> <https://www.gov.uk/government/collections/smart-meters-statistics>

<sup>3</sup> Smart Energy GB's Consumer Engagement Plan is available at their website:  
<http://www.smartenergygb.org/national-rollout/about-smart-energy-gb/essential-documents>

<sup>4</sup> All Smart Meter Programme research publications can be accessed from:  
<https://www.gov.uk/government/policies/helping-households-to-cut-their-energy-bills/supporting-pages/smart-meters>



them forward with other parties. In doing so it recognises that the positive impacts of smart metering for consumers will continue to develop over time.

## Consumer Engagement and Benefits

1.7 Consumers have been placed at the heart of the Programme, because of the transformational impacts which smart metering could have on how consumers buy and use energy:

- **Greater convenience:** smart metering will bring an end to estimated billing, eliminate the need for meter reading, deliver a better prepayment experience and provide a platform for easier switching between energy suppliers.
- **Savings for consumers:** smart meters and In Home Displays (IHDs) will provide consumers with near real time information on their energy consumption, helping them save energy and money, and enable other ways to access and act on energy data, such as via Consumer Access Devices (CADs) and home energy reports.
- **Longer term transformation:** smart metering, combined with other developments such as new home energy management technologies and services, has the potential to radically alter the way consumers engage with their own energy use, and interact with the energy market. These should support both increased energy efficiency, and enable more flexible demand management as part of a future smart grid.

1.8 Early research studies, such as the Energy Demand Research Project<sup>5</sup>, showed the importance of consumers being effectively engaged in order to deliver financial and longer term transformation benefits. The Government therefore published a Consumer Engagement Strategy for smart metering in December 2012<sup>6</sup>.

## Consumer Engagement Strategy

1.9 As noted above, the Government published a policy framework for consumer engagement in the 2012 Consumer Engagement Strategy and associated Licence Conditions. The aims of the Consumer Engagement Strategy are:

- To build consumer support for the roll-out, by increasing confidence in the benefits of smart meters and by providing reassurance on areas of consumer concern;
- To facilitate the realisation of consumer benefits, by building acceptance of the installation of smart meters and by helping consumers to use smart metering to manage their energy consumption; and

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<sup>5</sup> <https://www.ofgem.gov.uk/electricity/retail-market/metering/transition-smart-meters/energy-demand-research-project>

<sup>6</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/43042/7224-gov-resp-sm-consumer-engagement.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/43042/7224-gov-resp-sm-consumer-engagement.pdf)

- To ensure that vulnerable<sup>7</sup>, low income and pre-payment consumers can benefit from the roll-out.
- 1.10 The Strategy envisages that these aims will be achieved through a combination of awareness raising; the provision of reassurance on areas of consumer concern; the countering of misinformation and the following four levers of energy saving behaviour change:
- **direct feedback** – near real time consumption data through an In Home Display (IHD) (potentially complemented by other platforms);
  - **indirect feedback** – aggregated or non-real time data, e.g. historic or comparative information on bills;
  - **advice and guidance** – on energy and energy reduction (by paper, web, mobile, face-to-face or phone) and the development of applications and services, such as home energy reports, that can help interpret data and point towards better choices;
  - **motivational campaigns** – designed to raise energy literacy and motivation to reduce consumption. This includes marketing campaigns and a range of community delivered initiatives.
- 1.11 In addition to identifying *what* constitutes effective consumer engagement, the Strategy also sets out *how* consumer engagement will be delivered. It sets out a delivery landscape comprising energy suppliers; an independent body (set up and funded by energy suppliers through licence conditions) and the Government. The independent body was established in 2013 and is now known as Smart Energy GB.
- 1.12 The Strategy also concludes that third parties such as community groups, charities, local authorities and housing associations, will have an essential part to play in engaging consumers (particularly vulnerable, low income and prepayment consumers). Both the Strategy and supporting Licence Conditions provide for Smart Energy GB to play a key role in facilitating and coordinating the involvement of these third parties.

## Regulatory Framework

- 1.13 The Consumer Engagement Strategy is underpinned by a regulatory framework designed to protect consumers' interests. In addition to being required to set up and fund Smart Energy GB, energy suppliers are required by Licence Conditions to offer an IHD to domestic consumers that provides historic and near real time energy consumption and cost information. The IHD must be designed in a way that makes it easily accessed and understood by a wide range of consumers. Where the standard IHD is not accessible to a particular group of consumers, energy suppliers are required by the Equality Act 2010 to

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<sup>7</sup> Smart Metering Licence Conditions define vulnerable consumers as 'energy consumers with low incomes and those who face additional barriers to accessing the benefits of smart metering because of personal circumstances or characteristics'. For more information on vulnerability in the context of the smart meter installation see the 'Smart for All' 2012 study undertaken by NEA for DECC and Consumer Focus, <http://www.nea.org.uk/Resources/NEA/Publications/2012/Smart-for-All-Understanding-consumer-vulnerability-during-the-experience-of-smart-meter-installation.pdf>

consider what adjustments are needed to ensure that these consumers are not disadvantaged relative to others.

- 1.14 Licence Conditions also require energy suppliers to develop and monitor performance and compliance against the Smart Metering Installation Code of Practice (SMICoP)<sup>8</sup>. The SMICoP (published April 2013) sets minimum requirements that energy suppliers must meet in interacting with their customers to ensure that they receive a good service prior to and throughout the installation process. This includes providing consumers with clear and accurate advice and guidance about the smart meter, IHD and energy efficiency. The SMICoP requires energy suppliers to identify and meet the needs of vulnerable consumers around the time of installation.
- 1.15 Finally, a privacy policy and regulatory framework has been put in place to give consumers control over who sees their energy consumption data, apart from where this is required for billing or other regulated duties.

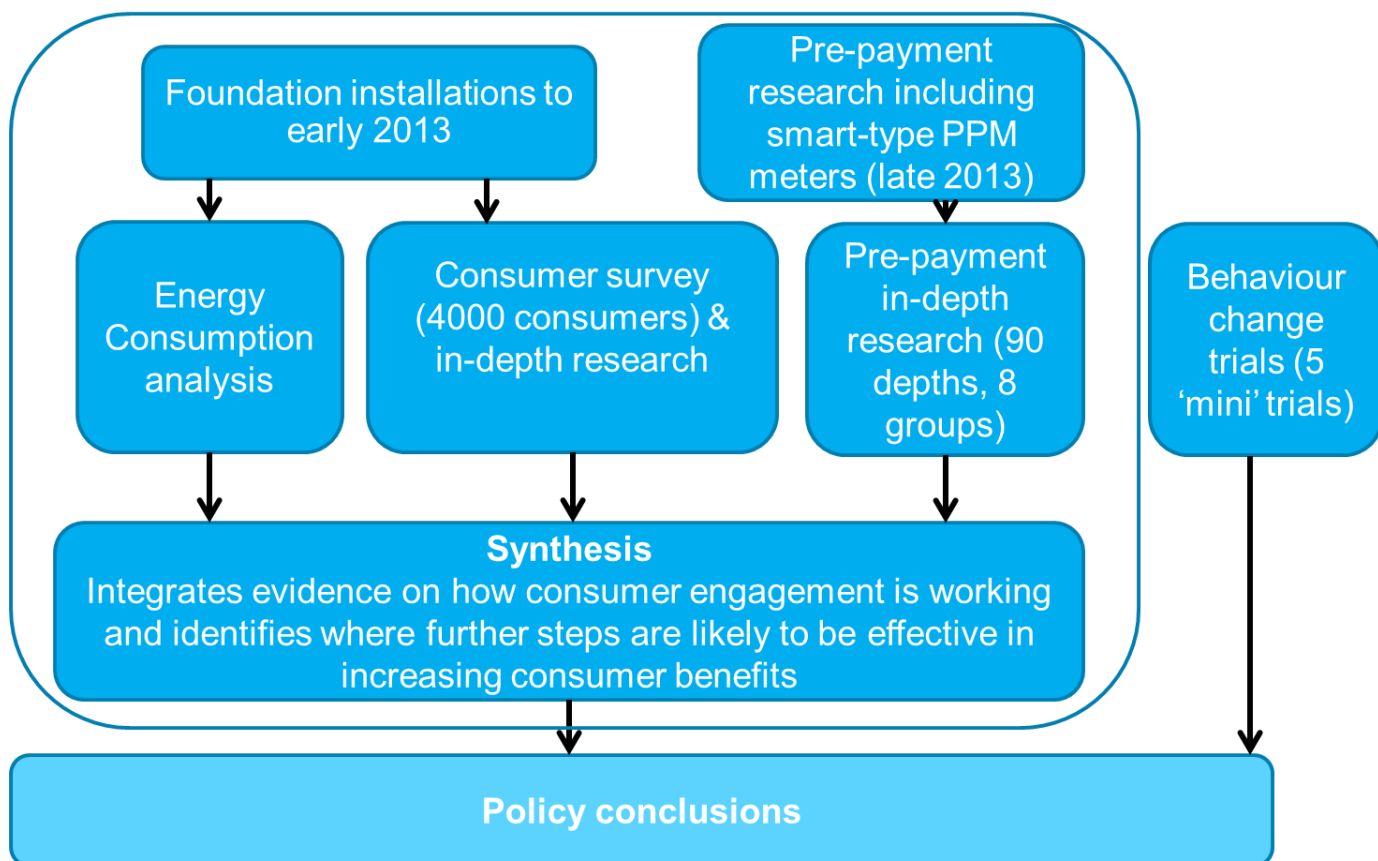
### **The Smart Metering Early Learning Project**

- 1.16 DECC initiated the Smart Metering Early Learning Project (ELP) in the second half of 2012. Delivering the ELP fulfils a commitment in the Monitoring and Evaluation Strategy to assess consumer benefits from smart metering at an early stage, to determine whether Government, energy supplier and Smart Energy GB consumer engagement strategies and plans are likely to be sufficient to deliver the Programme objectives, and to inform subsequent policy decisions and further research.

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<sup>8</sup> <http://www.energy-uk.org.uk/publication.html?task=file.download&id=4892>

**Figure 1: Components of the Early Learning Project and Behaviour Trials**



1.17 There are four core parts to the Early Learning Project:

- 1) **'Consumer Survey and Qualitative Research'** - A quantitative consumer survey of 2000 smart-type<sup>9</sup> and a matched sample of 2000 legacy meter customers, and follow-up qualitative research with smart-type meter customers (conducted by Ipsos MORI);
- 2) **'Energy Consumption Analysis'** - An analysis of energy consumption changes following installation of smart-type meters (conducted by DECC statisticians);
- 3) **'Prepayment Qualitative Research'** – Research into the experiences of pre-payment meter customers, including smart pre-payment customers of one small supplier (conducted by Creative Research); and
- 4) **'ELP Synthesis Report'** - A 'synthesis' project which brings together the findings from across the ELP with wider evidence to draw overall conclusions about consumer engagement approaches and benefits (led by the Oxford University Environmental Change Institute).

1.18 In parallel to the ELP, DECC funded a set of small-scale behaviour trials with an independent evaluation conducted by MEL Research, and published as a **'Behaviour Trials Synthesis report'** in parallel to the ELP reports. The trials were designed to test community-based consumer engagement approaches to reduce household energy consumption which might be deployed alongside the roll-out of smart meters. A range of

<sup>9</sup> Smart -Type Meters usually have two-way communications between the meter and supplier, but may not meet the full Smart Metering Equipment Technical Specification

consumers took part in the trials (which did not involve smart meters) including: families with children; consumers with pre-payment meters, long term health conditions, and/or low incomes; and high energy users.

- 1.19 Taken together, this research provides robust evidence as to “what works”, and informs what can be expected to work in the future, in terms of consumer engagement to deliver energy-saving and other benefits. This is primarily derived from the in-depth analysis of the ELP evidence drawn together by the Synthesis project<sup>10</sup>, supplemented by external evaluation of the Behaviour Trials.
- 1.20 The ELP results do not predict the outcomes of the main roll-out phase, for two reasons. First, the engagement methods, roll-out approaches and commercial incentives of energy suppliers in the main roll-out phase will differ to those studied in the ELP. For example, activities by Smart Energy GB, and new services such as individualised reports on home energy usage, were not in place when customers included in the research received their smart meters, and the smart pre-payment customers were drawn from one small supplier. The Smart Metering Installation Code of Practice<sup>11</sup> was also not in force at the time most installations covered by the ELP were conducted.
- 1.21 Second, the consumers receiving smart meters in the Foundation Stage are not entirely representative of the GB population<sup>12</sup> so the overall pattern of outcomes is also likely to be different in the main roll-out. That said, Foundation credit smart meter recipients do not appear to represent a narrow, self-selected group of ‘early adopters’ – compared to the GB population, they appeared no more likely to feel they were struggling with their energy bills, and less likely to consider the environment a priority or to like having the newest gadgets in their home.

## Early Learning Project - Policy Response

- 1.22 The purpose of this report is to summarise the context and key conclusions of the ELP and small-scale Behaviour Trials, and to set out their implications for consumer engagement policy and delivery for Government, Smart Energy GB and energy suppliers.
- 1.23 The remaining Chapters of this Report are structured as follows:
- Chapter 2 - summary of key findings and assessment of implications for the policy framework.
  - Chapter 3 - conclusions and policy responses relating to consumer engagement **before and during installation**;
  - Chapter 4 - conclusions and policy responses relating to **consumer engagement with smart metering information**;
  - Chapter 5 - conclusions and policy responses relating to **post-installation changes in energy use**;

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<sup>10</sup> The methods and sources are described in Chapter 2 of the synthesis report

<sup>11</sup> <http://www.energy-uk.org.uk/policy/smart-meters/smart-metering-installation-code-of-practice.html>

<sup>12</sup> As described in the Consumer Survey and Qualitative Research, Chapter 1: ‘The profile of the population of early smart meter customers comes from two suppliers only and will have been influenced by the targeting and engagement approaches suppliers were testing and refining over this period. For example, this sometimes focused on specific geographical areas and housing types.’

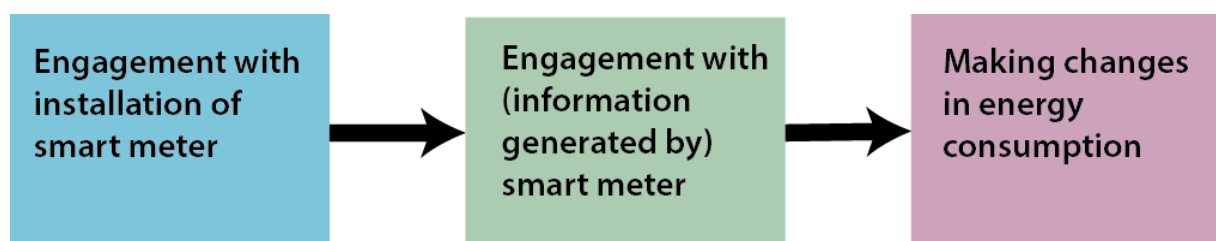
- Chapter 6 – summary of all conclusions with plans for action by Government and key partners on the basis of ELP evidence.

## 2. Key research findings and implications

2.1 This section sets out DECC's view of the key high level findings from the ELP reports and Behaviour Trials of what constitutes effective consumer engagement before, during and after the installation of smart meters, and begins to consider these against current requirements.

2.2 The ELP synthesis has identified three transition points that consumers must journey through in order to make lasting changes to their energy consumption (see below). These form the structure for the remaining chapters. High-level findings and conclusions that are not tied to a single transition point are detailed in this chapter.

Figure 1: Household transition points for behaviour change



### A positive early consumer response to smart metering

2.3 The research with early credit customers revealed consistently high levels of satisfaction with smart metering, with 72% expressing positive satisfaction and only 4% expressing dissatisfaction. Similar views were expressed by prepayment customers.

2.4 The provision of IHDs appeared to be a key factor here:

During the in-depth interviews, many respondents considered their IHD to be their 'smart meter', so tended to focus on that when talking about how satisfied they were. They commonly expressed satisfaction with the IHD in terms of increasing their awareness of, and control over, energy use in the home; improving their ability to plan and budget for bills; and providing a personal, engaging and user-friendly interface.

[ELP Consumer survey report, section 2.1](#)

2.5 The ELP research with smart pre-payment consumers from one small supplier showed the IHD as improving their daily lives, through the convenience of not needing to access their meter. There is evidence that this was helping consumers to experience periods without energy less often, due to the IHD making it easy to see when their credit was running low. The advantage of not having to access the meter is a particularly important benefit for those consumers who, for various reasons, find this hard to do:

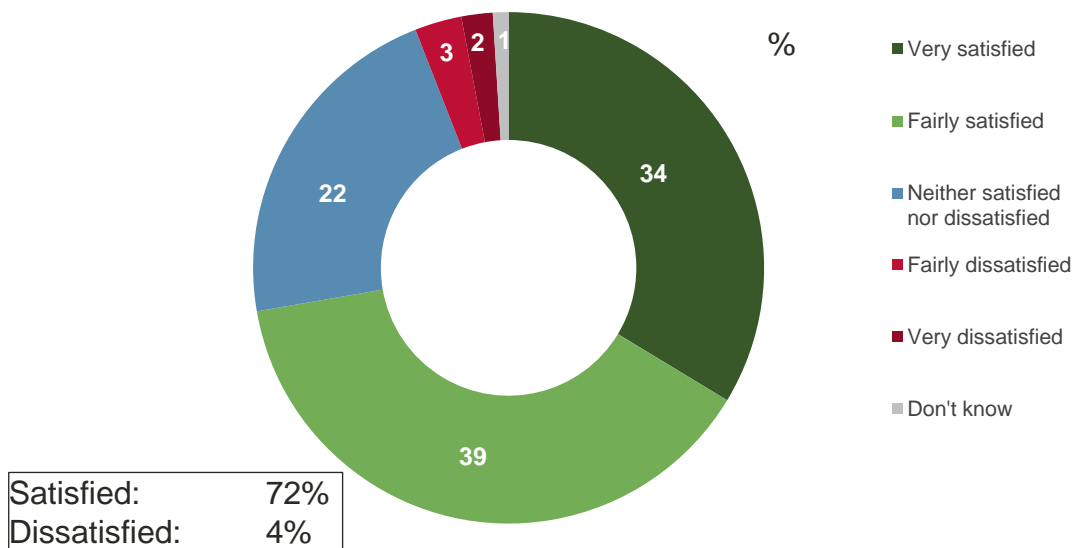
“It makes a big difference because I can go to the corner shop just here and I can top up on my card. I don’t have to read the electric meter and I don’t have to crawl on the floor in the cupboard at the bottom for the gas meter, because the gas meter is actually on the floor and I can’t bend you see ....”

**ELP Pre-payment Report, survey participant**

2.6 Some smart credit customers also attributed their satisfaction with their smart meter to the greater convenience and billing accuracy associated with automated metering. For legacy pre-payment consumers, the possibility of topping up their smart meter remotely was seen as an advantage.

**Figure 2: Overall satisfaction with smart meter and IHD (credit customers)**

*Overall how satisfied or dissatisfied are you with your smart/new meter(s), including the in-home display if you received one?*



Base: All smart meter customers who knew they had a smart meter or who are believed to be a smart meter customer but only recall having a meter replaced (1,959), 4th October 2013 – 1st February 2014

Source: Ipsos MORI

2.7 Overall, customers reported high levels of satisfaction with the installation process and few expressed any concerns about their smart meter. Nine in ten (89%) of the surveyed smart meter customers who were at home for the installation said they were satisfied with the installation, including over half who were “very satisfied” (55%). Most in-depth interview respondents said that the process was relatively quick and hassle free, and findings among pre-payment meter customers showed similar levels of satisfaction with the installation visit.

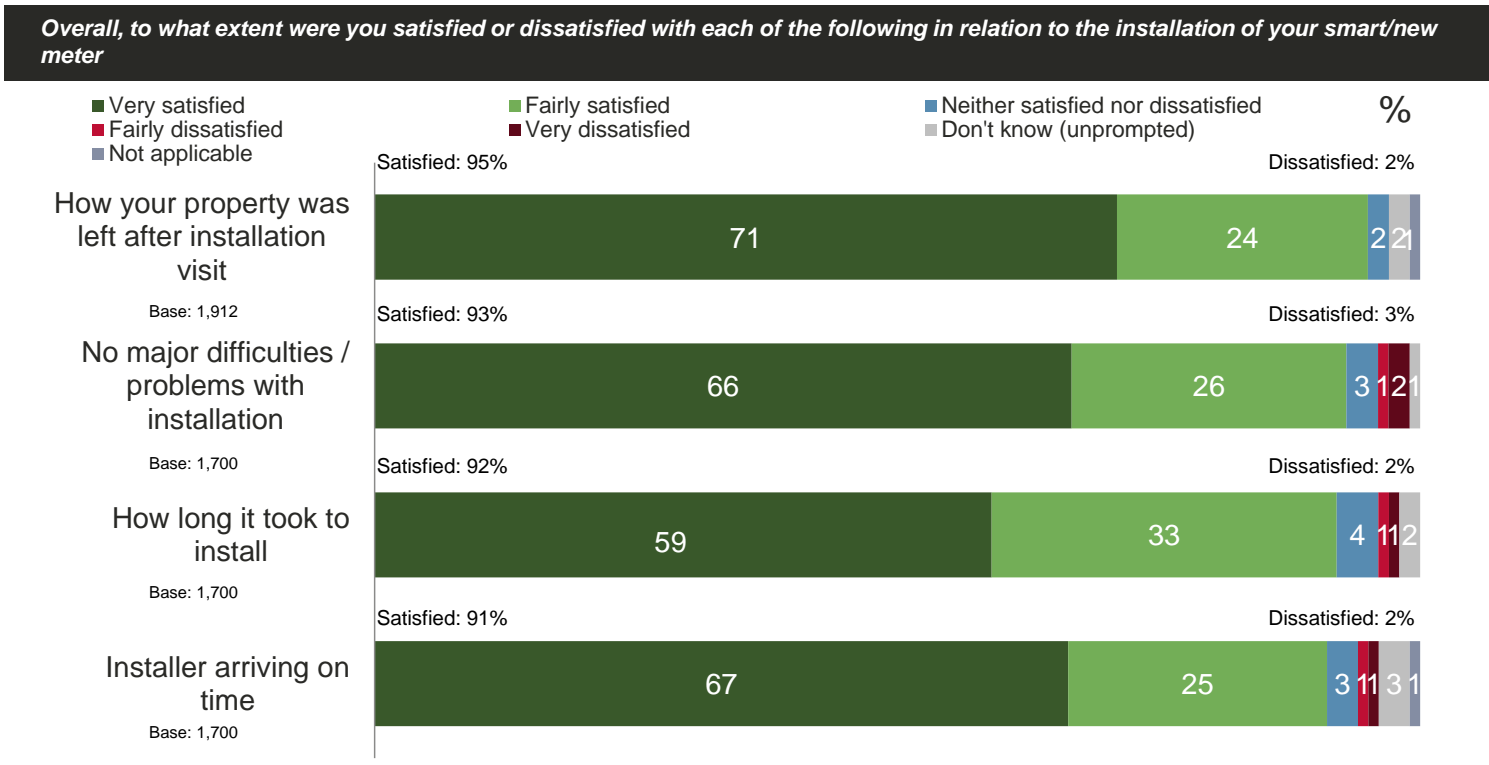
2.8 Satisfaction with the experience of a credit smart meter installation was most strongly associated in the consumer survey with satisfaction with the practical aspects of the experience, such as the appointment booking process and the way in which the property was left following the installation<sup>13</sup>, indicating the importance of energy suppliers

<sup>13</sup> Section 6.5 of Ipsos MORI report



continuing to ensure that this is a high-quality, trouble-free and relatively speedy process, as is occurring to date. Figure 3 below shows how high levels of satisfaction were also recorded for other key aspects of the installation visit.

**Figure 3: Satisfaction with different aspects of the installation visit**



Base: All smart meter customers who knew they had a smart meter or who are believed to be a smart meter customer but only recall having a meter replaced, and who were living at their current property when the smart meter/new meter was installed (1,912 for 1<sup>st</sup> statement). Other three statements additionally based on only those present for the installation (1,700), 4th October 2013 – 1st February 2014

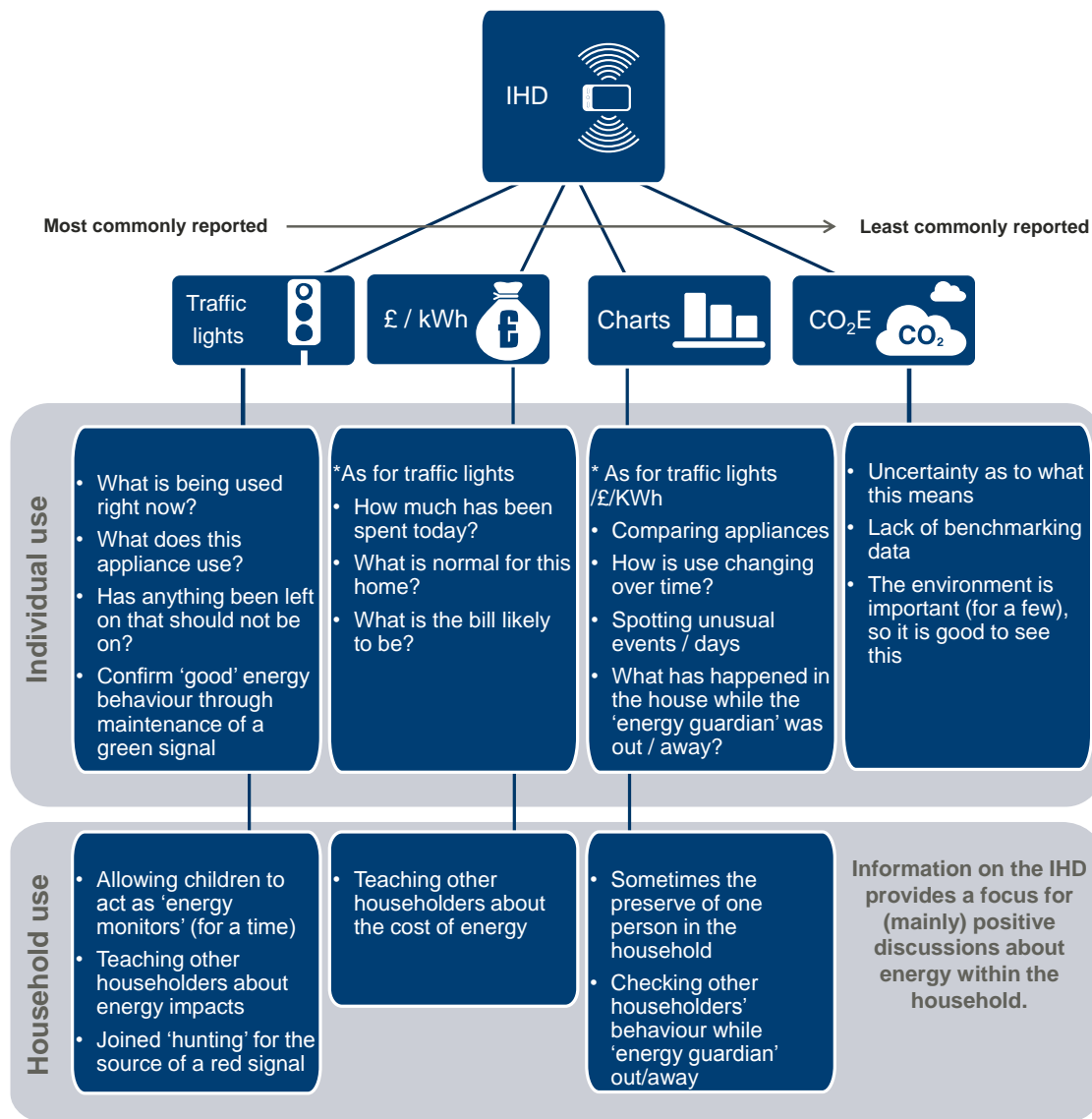
Source: Ipsos MORI

## Strong consumer engagement with In Home Displays

2.7 The ELP provided substantial new evidence confirming the value of IHDs. Findings confirmed that the In Home Display (IHD) is a key part of consumer engagement; the ELP Synthesis report describes IHDs as ‘the first and most visible element of smart metering for the customer’, with very high levels of uptake and encouraging figures on sustained usage at this early stage. 96% of consumers with an IHD had plugged it in at some point since the installation visit, and six in ten still had it plugged in and in use when they were interviewed. These customers had their IHDs for between six months and over two years by the time they were interviewed, and those who had received them more recently were no more likely than those who had received them two years earlier to still have their IHD plugged in. As described below, a ‘monitoring’ approach to using the IHD was associated with a greater likelihood of customers reporting certain benefits associated with energy saving.

2.8 For credit customers, the “traffic light” (red, amber, green) element of the IHD appeared to be the most frequently used. Figure 4 below summarises evidence from across the credit consumer survey and in-depth interviews on the different ways that credit customers used their IHDs.

Figure 4: Summary of information used on IHD (credit customers)



2.9 In contrast to the figure above, smart pre-payment customers mainly used the IHD to monitor their credit balance: this was on the first screen of the IHDs provided, although other models exist which combine credit balance and current usage information as shown in figure 5 on the next page.

Figure 5: Smart pre-payment IHD default screen and an alternative model's screen that combines the two



2.10 The research showed that most (71%) of credit consumers found the IHD easy to use, and as noted the box below these are not limited to those who are particularly technically minded. However older smart meter customers, those from lower social grades, those with the lowest total annual household incomes (below £16,000), those with no formal qualification and those who lived with someone who had a long-term health condition or disability were less likely to say the IHD was easy to use or to say they knew how to operate its different functions. This suggests that these groups may need more or better help, as described in Chapter 5.

'...prior technical interest was associated with more adept and varied use of the IHD, but the Early Learning Project survey results showed that people do not need to be unusually technically-minded in order to benefit from having an IHD: more were using an IHD than the number who stated an interest in gadgets, and some interviewees 'who reported a general lack of technical ability ... said that the IHD 'did not bother them' and they were happy to use it and play with it'.'

**ELP Synthesis Report**

2.11 **These findings support the Government's decision to mandate the offer and explanation of IHDs to all consumers.** However the research has also identified aspects where improvements could increase consumer benefits further: making sure that installers' demonstration of IHDs promotes their effective use, including by pre-payment consumers;

calibration of the “traffic lights” (covered in chapter 4); and providing complementary forms of feedback, such as home energy reports.

## Promoting effective use of the IHD

2.12 ELP evidence indicated that better information, in particular around using the IHD, would be of benefit for particular groups of customers to ensure they are able to access benefits of smart meter technology. In particular, a greater focus is needed on the quality, clarity and suitability of demonstrations and usage instructions provided for consumers during installation:

‘Evidence from both installer and householder viewpoints showed how meter installers have a critical role in communicating with customers during an installation, encouraging them to use the IHD in ways that help them to manage their usage, providing relevant energy efficiency advice and indicating where further guidance can be found.’

**ELP Synthesis Report**

2.13 Although consumers may be able to learn useful information about their energy consumption from only a short period of use of the IHD, the ELP found that customers who went on to use the IHD in additional ways were more likely to report certain benefits. Those who used IHDs to monitor trends and anomalies in their energy consumption over time or as part of daily routines (a ‘monitoring approach’) appeared more likely to report benefits associated with energy saving<sup>14</sup> than those who used them simply to check on the power demand of different appliances (an ‘information approach’).

## Alternative forms of feedback

2.14 The synthesis report suggested that different forms of feedback, including summarised, historic feedback (such as via home energy reports) are likely to be complementary to feedback via the IHD, hence may be expected to increase benefits in the future where provided:

‘The VaasaETT report on energy efficiency through ICT comments that: “There is a lot of debate in the field of smart meter enabled energy efficiency and demand response about which forms of feedback work best, but what this research ...has shown, is that multiple feedback channels work best...different feedback channels have different purposes... typically, successful programmes put many of the above forms of feedback together in one programme...”

**ELP Synthesis Report**

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<sup>14</sup> Those who took a monitoring approach were more likely to agree that they: had tried to reduce the amount of energy they use; think there is more they could do to reduce the amount of energy they use at home; believe it is more important to save as much energy at home as possible; know what uses the most electricity in their home; feel in control of what they spend on energy bills; give at least a fair amount of thought to the amount of gas and electricity they use; and say that their thermostat is set to a lower temperature than a couple of years ago..

## Confirmation of DECC's existing consumer engagement priorities

2.15 Overall, the ELP validates the Government's existing consumer engagement policy and regulatory framework as necessary to achieving consumer benefits (including the provision of IHDs, as discussed above). The research endorsed Consumer Engagement Strategy priorities for:

- Third parties (such as community groups and housing associations) to be involved in engaging consumers;
- Consumers to be effectively engaged through several media and multiple delivery parties, in a coordinated way;
- A focus on the specific engagement needs of vulnerable, low income and prepayment consumers to ensure they can fully benefit from smart metering.

## Role of third parties delivering consumer engagement

2.16 ELP and Behaviour Trials reports indicated the difference that can be made by involving third parties. The synthesis report highlighted: "the value of third parties (for example housing associations and NGOs) disseminating (general) information and providing more detailed advice and guidance, in co-ordination with Smart Energy GB and suppliers" (synthesis report summary).

2.17 Existing knowledge of consumers' needs and channels of face-to-face contact will be highly valuable in enabling third parties to tailor communications effectively for supporting specific groups of consumers, such as tenants in social housing using pre-payment meters:

'Social landlords were perceived to have a role in encouraging on-going engagement especially in regard to helping respondents develop more effective energy management strategies and behaviours. While respondents acknowledged a role for various methods of providing this engagement, their preference was for face-to-face contact.'

**ELP Prepayment Meter Qualitative Research**

2.18 Third parties involved in delivering energy saving advice face-to-face during the Behaviour Trials included housing associations, community energy organisations and schools. In terms of the 'messenger', there was little evidence that delivering energy saving advice through an unpaid community volunteer and a paid professional/ambassador had a different impact. What mattered more was the value of the information provided and the use of face-to-face, personalised delivery methods: e.g. home visits were found to be more effective in encouraging energy saving behaviour than letters or emails.

## Coordinating consumer engagement

2.19 ELP and Behaviour Trials evidence pointed to the conclusion that joined up planning and delivery of consumer engagement activities at every stage of the customer's journey is essential for energy suppliers and Smart Energy GB:

'The quality and effectiveness of activities in the supply chain, including installer training, partnership development with third parties, coordination of Smart Energy GB and supplier engagement activities, will ... have a significant impact on householder engagement and benefits.'

ELP Synthesis Report

- 2.20 Effective coordination with third parties will mean that the right parties engage and reinforce one another, and will also promote effective use of resources among third parties, as many will not have the resources to engage with numerous energy suppliers and Smart Energy GB.
- 2.21 Licence Conditions establish the broad requirement that Smart Energy GB's Consumer Engagement Plan<sup>15</sup> must describe how Smart Energy GB has taken into account the need to co-ordinate its consumer engagement activities with those undertaken by other parties. Within the constraints of commercial confidentiality, Licence Conditions also require energy suppliers to cooperate with Smart Energy GB and ensure they do not act inconsistently with the Smart Energy GB's activities.
- 2.22 Smart Energy GB are coordinating their engagement plans with energy suppliers by using smart meter roll-out plans, alongside other sources of data. Their Consumer Engagement Plan establishes the role of their organisation alongside energy suppliers:

Smart Energy GB	Smart Energy GB and Supplier
<ul style="list-style-type: none"> <li>• Generate understanding of what a smart meter is;</li> <li>• Create interest and desire to have an installation (informed by explaining benefits);</li> <li>• Communicate supplier-neutral understanding of how to access an installation &amp; generic understanding of what to expect.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Both:</b> Explaining how to use the smart meter to reduce energy consumption;</li> <li>• <b>Smart Energy GB:</b> social norms and provides broad advice to the public;</li> <li>• <b>Individual energy suppliers:</b> dialogue with their own consumers;</li> <li>• 1-to-many by Smart Energy GB, across channels &amp; with partners</li> <li>• 1-2-1 dialogue between the supplier and each individual customer</li> </ul>

**Extract from Smart Energy GB, Consumer Engagement Plan 2014**

- 2.23 Smart Energy GB are also developing a partnership delivery model that will support third parties. The model works from the bottom up, with frontline local community organisations who have existing relationships with consumers at its foundation, moving up through regional network organisations (such as Housing Associations), up to major national partners with significant national infrastructure. The partnership relationships will be independently evaluated and audited under Smart Energy GB Performance Management Framework to ensure their effectiveness.

<sup>15</sup> Details of Smart Energy GB's plans and activities can be found on their website. <http://www.smartenergygb.org/national-rollout/about-smart-energy-gb/essential-documents>

## Vulnerable, low income and prepayment consumers

- 2.24 The ELP research provided a range of evidence that consumers from these groups are likely to need more help if they are to obtain the full benefits of smart metering. Older smart meter customers, those from lower social grades, those with the lowest total annual household incomes (below £16,000), those with no formal qualification and those who lived with someone who had a long-term health condition or disability were less likely to say the IHD was easy to use or to say they knew how to operate its different functions.
- 2.25 The ELP Prepayment Meter Qualitative Research concluded that extra help for vulnerable consumers would be needed to enable them to realise the full range of benefits of smart meters. The ELP synthesis report also noted that tenants and low income consumers will be more restricted in the options open to them to save energy than home owners and higher income consumers.
- 2.26 These findings support the emphasis placed on these groups by the existing policy framework – more detail is provided on this and further steps to support them in the following chapters.

## Further steps on consumer engagement should lead to increased energy saving benefits

- 2.29 **The types and levels of benefits observed in the ELP are not a prediction of future benefits that might be realised during the main roll-out stage.** Both energy saving and wider consumer benefits (such as from additional services and easier switching) will be affected by the design and future delivery of the roll-out. However the ELP enables us to identify the critical factors, and also further steps that should help to optimise benefits (taking account of both costs and benefits). Detail on these is set out in the remaining chapters.
- 2.30 Levels of energy consumption reduction for early credit smart meter customers, measured 12 months after installations during 2011, were statistically significant for both electricity (95 per cent confidence intervals<sup>16</sup> of 1.6 - 2.8 per cent) and gas (95 per cent confidence intervals<sup>17</sup> of 0.9 - 2.1 per cent). DECC's steady-state projections for the main roll-out fall within these confidence intervals, for both gas and electricity.
- 2.31 ELP evidence suggested that larger energy savings are achievable. Based on these early results and wider evidence, the synthesis researchers concluded that it is realistic to expect durable energy savings of 3 per cent, provided engagement is effective, and that larger savings are feasible in the future.
- 2.32 ELP evidence confirmed the validity of headline findings from the Energy Demand Research Project<sup>18</sup>, that:
- Consumers need to know what to do: what means should be deployed to save energy

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<sup>16</sup> Based on a matched pairs sample of 6,070 smart electricity meters to traditional electricity meters.

<sup>17</sup> Based on a matched pairs sample of 5,145 smart gas meters to traditional gas meters.

<sup>18</sup> <https://www.ofgem.gov.uk/electricity/retail-market/metering/transition-smart-meters/energy-demand-research-project>



- Quality matters: information needs to be clear, easily seen ...and presented in an attractive way
- Quantity also matters: a balance needs to be struck between providing sufficient information and avoiding information overload... regular small nuggets of information appear to be more effective than a single delivery of comprehensive information
- People and households are not all the same: the literature suggests that the more closely an intervention can be tailored to particular households or individuals, the more effective it is likely to be

2.33 ELP findings drill down from these general findings into a more detailed analysis of findings and required responses. Specific actions are set out in the remaining chapters. The further steps envisaged, combined with implementation of existing plans, are anticipated to deliver levels of benefits at least in line with the IA projections in the future. High quality consumer engagement will also help to promote longer term transformational impacts on consumer engagement in the energy market:

‘...with a well-designed and delivered roll-out, a ‘virtuous spiral’ is possible, with more satisfied and knowledgeable customers engaging further with innovative market offerings, and with a greater interest in future developments in low carbon and low-impact energy services.’

**ELP Synthesis Report**



# 3. Engagement before and during the installation visit

'The [ELP] project offers indications of what a good installation process looks like. It requires co-ordinated advance information at national, local and household levels; well-organised logistics and appointment systems; sufficient time allocations for installers; and well-designed training and materials. Installation needs to take account of the circumstances, predispositions and knowledge of different households.'

ELP Synthesis Report

- 3.1 This chapter presents the findings and current approaches that relate specifically to the consumer experience before and during installation. Where evidence suggests more can be done to complement current approaches, potential further actions are explored.

## Pre-installation engagement – awareness raising

### ELP Findings

- 3.2 The ELP confirmed the importance of awareness raising activities, as identified in the Government's Consumer Engagement Strategy. The ELP research found that where consumers had existing knowledge of smart metering before installation, they were more likely to engage with the IHD. ELP research indicated that consumers may be more predisposed to engaging with the installation process if they receive good quality and detailed information about the process immediately prior to installation, and that pre-installation engagement for consumers needs to be enhanced against that in place at the period studied in the ELP.

'81% of smart-metered customers who were surveyed for the Early Learning Project, up to two and a half years after installation, recalled receiving some form of message prior to installation, if only to confirm the date and time. About a fifth remembered being sent something that prepared them for the new technology, in the shape of booklets explaining how IHDs and smart meters would work. This suggests that **there is scope for improving preparatory information, using more than one medium**'.

ELP Synthesis Report

- 3.3 The ELP suggested that it will be important, for successful uptake (and engagement with the installation process leading to the achievement of benefits), to continue to present installation as something that consumers are encouraged to accept for the benefits it offers, rather than as a routine replacement or a mandatory rollout.

'International experience suggests that maintaining a voluntary approach to installation will be important in presenting smart meters as a positive choice, rather than a fit-and-forget visit (as in routine replacement) or an imposition (mandatory roll-out). General information

and community-level contacts can both offer an important introduction to the ‘customer journey’, influencing expectations and addressing concerns.’

**ELP Synthesis Report**

- 3.4 The research also concluded that householders can be expected to increasingly obtain information about smart meters from early smart meter users:

‘As the roll-out progresses, we can assume that there will be greater opportunities for households to learn about smart meters informally from neighbours, friends and family who have had them installed. This suggests that suppliers and Smart Energy GB might consider the extent to which customers most likely to respond positively could be targeted early on, as well as how to address any dissatisfaction that emerges.’

**ELP Synthesis Report**

### **Current approach**

- 3.5 In view of the finding at paragraph 3.2, the Government expects that energy suppliers will meet existing pre-installation information requirements, as detailed in Smart Metering Installation Code of Practice section 2, including identification of customers with additional needs. The ELP evidence validates the Smart Metering Installation Code of Practice provisions for pre-installation communication with the customer and energy suppliers must ensure that provision of pre-installation information is included within their consumer engagement plans:

‘It is each Member’s responsibility to ensure that;

... 2.7.12. Their communications regarding the Installation Visit should clearly explain to the Customer what the Installation Visit will entail; the need for the Customer to be at the premises, an indication as to how long a typical Installation Visit takes, that safe access, working conditions, and access to the meter will be required, that the gas and/or electricity supply will be shut off, that the operation of the Smart Metering System will be demonstrated, and that Energy Efficiency Guidance will be offered...’

**The Smart Metering Installation Code of Practice**

- 3.6 The findings at paragraph 3.3 validate the Government’s current approach: smart meters will be rolled out as standard but it will not be a legal obligation for an individual to have a smart meter.
- 3.7 Smart Energy GB’s Consumer Engagement Plan sets out an approach that is consistent with the finding at paragraph 3.4. The Plan aims to create a sense of social change for everyone throughout Great Britain through their work to deliver their first two objectives:
1. To build consumer confidence in the installation of smart meters.
  2. To build consumer awareness and understanding of how to use smart meters and the information obtained from them.

- 3.8 Smart Energy GB’s performance against its statutory objectives will be monitored and evaluated through its Performance Management Framework. Their current plans for

building confidence and raising consumers' pre-installation awareness of smart meters include:

- A series of online educational films to ensure customers get the maximum benefit from their installations by preparing them for their visit, available on Smart Energy GB digital channels and for energy companies and partners to use.
- Assets (including the Smart Energy GB logo and 'Gaz and Leccy' graphics) made available at minimum licensed cost to energy suppliers to support installations (including vans, installers' uniforms, direct mail and educational literature).
- National campaigns to raise general awareness and interest in smart meters, to lay foundations for detailed guidance during and after the installation process.
- A website (in English and Welsh) with detailed information for consumers on smart meters, including on the installation process and how to use a smart meter once installed. Other language support will be added.

3.9 Furthermore, in terms of the national campaign through the media, Smart Energy GB's 2014 Consumer Engagement Plan states that:

**'The role for paid media marketing channels in 2015 is to start the normalisation of the existence of smart meters; educate and reassure those who are interested in the benefits of smart meters but concerned they will be too complicated for them to use or that there are hidden negatives; hand-hold those that need additional support and ensure we are reaching vulnerable audiences and are providing the help that they need via partnerships; and critically, maximise the acceptance of installations for those predicted installations in the 2015 rollout and seed as this builds further into 2016.'**

3.10 In the context of a supplier-led roll-out, it is for energy suppliers to consider in their rollout and engagement plans whether to take into account the ELP finding at paragraph 3.4 about early targeting of customers more likely to be positive. Smart Energy GB's Consumer Engagement Plan 2013 highlighted a similar consideration for their campaign:

**'The behavioural model that underpins our thinking is based on the assumption that smart meters should be positioned as a new innovation. The model suggests that an innovation will be adopted first by those who are predisposed to innovations and who can see a clear relative advantage in it (early adopters) and only later, once the innovation has been normalised, will the late majority follow. Our early messaging is therefore likely to be of most relevance to people nationally and within local communities who shape opinions, while later on during the roll-out, broader communication will need to engage the majority.'**

3.11 However, the Government expects that all groups of consumers will be appropriately engaged during the roll-out and Smart Energy GB have equally acknowledged in their plans that they have 'a duty to engage low income and prepayment customer groups to ensure that no one gets left behind', and that as a result, they will also need to 'put in place programmes of communication designed to provide more in-depth support and help for those who need it' throughout the roll-out period.

## **Further Action**

- 3.12 The Government will review energy suppliers' plans and the quality and content of materials for pre-installation consumer engagement within the Annual Supplier Reports, as part of benefits management and monitoring work to assure larger supplier consumer engagement plans meet quality expectations.
- 3.13 The Smart Meter Installation Code of Practice governance provides the mechanism to audit compliance with the Code and survey consumers to check their experience of installation, including engagement prior to installation. Ofgem will monitor the outcomes of the Smart Metering Installation Code of Practice independent compliance audits and consumer surveys. If the results of either are not satisfactory, Ofgem can take action including directing a review of SMICOP and requesting the relevant modifications to be made.
- 3.14 In addition to that, Government and Smart Energy GB will be monitoring aspects of consumer experience and satisfaction levels. The Government also intends to continue to play a role in building consumer trust and confidence pre-installation by working with Smart Energy GB to ensure that accurate information on smart meters is easily accessible for consumers and using Government channels to counter misinformation so that consumers' concerns are understood and addressed.

## Pre-installation engagement – channels and messages

### *ELP Findings*

- 3.15 A further area of ELP pre-installation findings centered on the channels and messages that are used to raise consumer awareness of smart metering. For example, the research indicated that setting realistic expectations of potential benefits will be an important element of any awareness raising campaign, as will directing and 'pacing' public information campaigns so that people opposed to smart metering, or unwilling to adopt new technology, will not be alienated in the early stages of rollout. Chapter 4 of the ELP Synthesis Report discusses this evidence in more detail, drawing on international comparisons.
- 3.16 The ELP synthesis also concluded that consumers will be most effectively engaged pre-installation through a mixture of general national-level public information, and more tailored local and household level information. It suggested that this local work could potentially include whole-neighborhood awareness raising strategies that build on existing local and community networks.

### *Current Approach*

- 3.17 Smart Energy GB's Consumer Engagement Plan 2013 highlights that:

**'The phasing of the smart meter roll-out programme presents several challenges for engagement: we must build and maintain momentum, keep our message fresh and interesting, and ensure that we don't leave anyone behind. To do this we will need to adopt sensible and pragmatic ways to help us phase messaging, targeting and budget best to reflect the needs of consumers throughout the roll-out period.'**

3.18 Smart Energy GB's Engagement Plan sets out their approach to phasing their messages throughout the life of the campaign:

- At the start of the programme we will focus on the bigger picture – control for the individual and for the nation.
- The beginning of mass roll-out offers the opportunity to 'launch' an exciting and new technology to help put consumers in control.
- Once mass roll-out is underway, the emphasis may shift to demonstrate how early adopters have benefitted from the control that smart meters offer.
- Towards the end of mass roll-out, when smart appliances or more innovative tariffs offer further ways to help control energy use and lower costs, we may focus on these developments as new incentives to 'say yes'.

3.19 Smart Energy GB's Consumer Engagement Plan 2014 further clarifies their approach to using a range of communication channels to engage consumers, in particular for paid media:

'Our approach to using paid media will be to ensure we are being **as targeted as possible**, efficiently and effectively reaching people who may be contacted by their energy suppliers as part of installations aimed to take place in 2015, while starting **a suitable but not excessive level of priming and building interest** in those who may have to wait longer to receive their smart meter.'

3.20 The research findings confirmed the importance of Smart Energy GB and energy suppliers both having key roles to play in undertaking national and local campaigns, and that there will be value in third parties working with energy suppliers and Smart Energy GB to contribute to the dissemination of general information, as well as to undertake local and household-specific preparatory work for the rollout. The central coordination role of Smart Energy GB with energy suppliers and third parties is detailed in chapter 2.

## The installation visit and energy efficiency advice

### Findings

3.21 With regard to the installation process, the ELP concluded that a positive installation experience has the potential to be a key moment in the overall customer journey towards better management of energy consumption. ELP findings emphasised the importance of energy suppliers ensuring that installers are appropriately trained and equipped to engage consumers and provide appropriate consumer engagement advice:

'Implications for consumer engagement include the value of:

- suppliers ensuring that workforce incentives and outsourced contracts ensure that meter installers are allowed sufficient time to offer a positive installation experience, including demonstration of the IHD with **an opportunity for discussion, and tailored energy efficiency advice**;
- suppliers, with the support of Smart Energy GB, designing 'customer journeys', installer 'scripts' and supporting material to take account of differing customer needs and maximise the potential for long-term customer benefits.;

- energy suppliers collecting basic information about customers ahead of the installation, so that installers can **tailor advice and guidance** to suit the needs of individuals (including but not limited to the vulnerable);
- **training for installers (whether in-house or contractors) in communication** as well as technical skills, along with basic **energy efficiency advice training.**'

**ELP Synthesis Report**

3.22 Evidence also strongly highlighted the additional information required by pre-payment meter customers at the point of installation in order for them to access the full benefits of smart PPM technology:

'There was a clear expectation that support would be provided by energy suppliers to help customers make the transition and that this support should take account of customers' preferred learning styles and communication channels. The installing engineer was perceived to have a key role to play although concerns were also raised about whether installers would have the time to do this adequately.'

**ELP PPM Qualitative Research**

3.23 The small-scale Behaviour Trials indicated that supporting materials also provide an important and cost-effective means of engaging consumers, but they must be drafted and used in a well-designed and tailored manner if they are to be effective. Examples of the materials used by community organisations delivering the trials can be found in the Behaviour Trials Synthesis report, including advice and guidance leaflets, magnets, lesson plans, and web portals.

"A lot of the advice was new to me. It was useful in telling me that I should have a 4 minute shower instead of a bath... also to turn plug sockets and lights off. It was very relevant in how to bring my bills down. It was the right advice."

**Small scale Behaviour Trials Synthesis report**

3.24 Findings from the small-scale Behaviour Trials also supported 'the benefit to be gained from matching the appropriate degree of complexity and applicability of the advice, to the consumer's prior level of knowledge.' The most effective trials for encouraging consumer to change their behaviour had the following common elements:

- the trial increased the target audiences' knowledge of ways to save energy where this knowledge was previously unknown;
- where it was also associated with an increase in the self-belief that actions/measures were relevant and easy to undertake;
- and where certain specific motivational devices (prompts and free practical aids) also aided change.

**Small scale Behaviour Trials Synthesis report**

### **Current Approach**

3.25 Under the current policy framework, suppliers will take the lead role in consumer engagement and advice at the point of installation. The Smart Metering Installation Code of Practice is consistent with ELP findings regarding the importance of tailored information for customers and an overall positive installation experience. It sets clear expectations for



the materials provided by suppliers, so that the information is in the appropriate format and tailored for groups with specific needs and vulnerable customers.

- 3.26 Standards for installers in terms of training and accreditation are also set out in the Smart Metering Installation Code of Practice to ensure that 'Installers are trained and competent to provide Energy Efficiency Guidance that is appropriate to the customer's needs.'
- 3.27 The Smart Metering Installation Code of Practice enables wider Government initiatives and third parties, such as Smart Energy GB and its partners, to be identified as 'sources from which [consumers] may obtain additional and impartial information or assistance about improving the efficiency with which they use the electricity and/or gas supplied to them'.
- 3.28 The Smart Metering Installation Code of Practice also requires energy suppliers to ensure that engagement material complements any materials provided by the Programme and is consistent with Smart Energy GB's campaign. As noted in the Consumer Engagement Strategy, it would be desirable for Smart Energy GB to develop elements of the written material left with consumers, and for them to work with energy suppliers to coordinate the involvement of third parties in the provision of any required extra support to vulnerable, low income and prepayment consumers at the installation visit. Smart Energy GB plan to produce assets and generic materials that can be used by energy suppliers and third parties to engage consumers. DECC and SEGB will work together to ensure accuracy and consistency of respective communications materials for consumers.

### **Further Action**

- 3.29 The Government intends to support the installation stage of the consumer engagement process by working with partners to develop best practice material and a supporting toolkit for the provision of tailored information at the time of installation, and potentially in follow-up support (as discussed in chapter 5). Smart Energy GB will work closely with DECC in an advisory role on this project during 2015, as will a range of other stakeholders.
- 3.30 Smart Energy GB is also planning a specific strand of work to define, segment and provide additional communications to those consumers who may find it more difficult to adopt or get the full benefit from a smart meter. This work aims to identify and support vulnerable individuals and households, and will be primarily partnership based and underpinned with targeted paid media support (such as specialist publications). Smart Energy GB also plans to establish both an expert behaviour change panel and a panel with expertise in the needs of vulnerable individuals/groups in 2015, to advise on the detailed implementation of their activity for those groups.
- 3.31 The Government will also keep energy suppliers' pre-installation and installation engagement plans and activities under close review and will consider the need for further regulation if necessary.

# 4. Engagement with Smart Metering Information

‘The in-home display (IHD) was found to be the first and most visible element of smart metering for the customer.’

**ELP Synthesis Report**

‘An IHD connected to a smart meter was seen as offering a significant benefit as the customer would no longer need to access the meter itself on a regular basis. This was confirmed by those respondents who were already pre-paying for their energy via a smart meter; in a number of cases, the ease of accessing information from the IHD was a major factor in their decision to switch.’

**ELP Prepayment Meter Qualitative Research**



## IHD design and forms of feedback

### ELP Findings

- 4.1 **The research concluded that it is desirable for IHDs to be designed so that they can be used at different levels of complexity whilst also having very clear, simple functions that allow consumers to manage their energy consumption.** It found that IHD designs provided to households covered by the ELP research generally proved easy to use, with high levels of satisfaction and continued usage. However, it also noted that there is still a need to continue testing designs that encourage users to adopt a range of different functions.
- 4.2 The ELP reports wider evidence that different types of feedback can complement each other<sup>19</sup>, and suggests that meter data should be used to develop multiple sources of information, including home energy reports with comparisons with similar households and tailored advice. The second generation of smart meters and design of the DCC are designed to maximise the ways that smart meter data can be analysed and presented.

### Further Action

- 4.3 The Government is keen that innovations supported by evidence are seized to maximise consumers' energy savings and their engagement with the energy market. It has been suggested that, for some types of consumer, presenting real-time data on alternative devices to the IHD might provide additional benefits. However, there is a lack of evidence

<sup>19</sup> ELP Synthesis Report, Chapter 5 'Engagement with Smart Meter Information'



on the enduring energy saving benefits of these alternative devices for different types of consumers, compared to In-Home Displays. The Government notes that some suppliers are looking to trial alternative devices but are constrained in trial design by the current licence obligations. We are therefore exploring ways of facilitating suppliers to undertake controlled trials of alternative devices whilst still meeting their roll out obligations, and will look to bring a consultation forward as soon as possible.

## Calibration of the “traffic lights”

- 4.4 ELP evidence also drew attention to the importance of the real-time ‘traffic light’ feedback for consumers, as the Synthesis Report states: “Almost all participants in the Early Learning Project qualitative research agreed that the IHD traffic light signals were simple and intuitive, but the research found that frustration or confusion sometimes set in if the display was often amber or red, and a respondent did not understand why this should be the case. This was exacerbated where respondents were under financial pressure. Calibrating the IHD to fit with household consumption could help make sense of the thresholds of green, amber and red, and also, in some circumstances (e.g. a large household) make ‘green’ become an ‘achievable’ goal.”

“Some expressed a desire to understand the thresholds of green, amber and red, or to have the IHD calibrated to their household, so that green would become an ‘achievable’ goal.

*“We’d like to change the point at which it changes as that would give us a target. At the moment we feel that green is not achievable. I notice the colour every time I walk past it.”  
Low income, 18-34, IHD plugged in”*

**ELP Consumer Survey and Qualitative Research**

## Current Approach

- 4.5 The Government expects that energy suppliers will meet Licence Condition requirements to offer accessible IHDs that offer a range of basic functions. The Government also welcomes energy suppliers’ current work with the RNIB to ensure smart meter data is easily accessible to blind and partially sighted consumers through an IHD or similar appropriate display technology.
- 4.6 The technical specification for the IHD provides for an accessible interface, offering a range of ways of accessing information while allowing scope for innovation in functionality and how information is presented. As noted in chapter 2, how IHDs display both credit balance and consumption information to pre-payment customers may be important; in the future, providing real-time information or prompts on tariffs may support demand-side response services<sup>20</sup>. Enhanced IHDs might also display prompts about energy efficiency steps, or combine energy and other types of data to deliver useful information.

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<sup>20</sup> E.g. see <http://www.washingtonpost.com/news/energy-environment/wp/2015/01/29/americans-are-this-close-to-finally-understanding-their-electricity-bills/>

- 4.7 In the light of the ELP findings about calibration, energy suppliers should ensure that the high energy usage threshold is adapted to the individual circumstance of each household. Without this, the effectiveness of the IHD in enabling consumers to change their behaviour and thereby reduce their energy consumption may be reduced, which could result in consumer benefits being lost. The Smart Metering Installation Code of Practice paragraph 3.5.1 states that:

'It is each Member's responsibility to ensure that;  
An IHD is offered at the Installation Visit and if accepted, installed in an appropriate location and **set up as far as practicable to meet the needs of the household e.g. tariff and payment type**'

**The Smart Metering Installation Code of Practice**

### **Further Action**

- 4.8 The Government intends to collect information on energy supplier IHD offers, including their plans for ensuring they are accessible to different consumer groups. It will also keep under review the need to publish these offers, an intention that was set down in the 2012 Consumer Engagement Strategy.
- 4.9 Smart Energy GB will signpost energy supplier websites and contact details through their website and support consumers in using IHDs through generic advice and guidance.

## **IHD usage**

### **ELP Findings**

- 4.10 **The ELP concluded that the way in which the IHD is used can have an impact on consumer benefits.** It finds that householders who use the different functions of IHDs to monitor trends and exceptions in their energy consumption over time (a 'monitoring approach') appear more likely to report benefits associated with energy saving than those who use them simply to find the cost and usage of different appliances and activities (an 'information approach'). The research therefore highlighted that there is most value in installers promoting a long term 'monitoring approach' to the use of the IHD during the installation and beyond.

IHD Implications for consumer engagement from the detailed Early Learning Project research confirm the value of:

(...)

- particular emphasis on encouraging a 'monitoring approach' to use of the IHD in installer explanations, Smart Energy GB advisory material and any follow-up support;
- taking particular care to promote a monitoring approach and appropriate design for prepayment customers. This will be especially important to enable them to exploit the full potential of the IHD...'

**ELP Synthesis Report**

- 4.11 Further ELP findings reflect the fact that the on-going use of the IHD post-installation is more likely if consumers have been encouraged to get the most out of the IHD at

installation (see Chapter 3). In particular, the research noted that it will be important for installers to tailor advice on the IHD to the different needs of the consumer. This will be particularly important for consumers who may be less confident with using technology and, therefore, the functions of the IHD.

‘Older smart meter customers, those from lower social grades, those with the lowest total annual household incomes (below £16,000), those with no formal qualification and those who lived with someone who had a long-term health condition or disability were less likely to say the IHD was easy to use or to say they knew how to operate its different functions.  
**ELP Consumer Survey and Qualitative Research**

### **Current Approach**

4.12 ELP evidence confirmed the importance of energy suppliers meeting the requirements in section 3 of the Smart Metering Installation Code of Practice to demonstrate to consumers how to use the smart meter and IHD to improve their energy efficiency, and to ensure that written installation material signposts where customers can go for a reminder of the IHD’s functionality. The Smart Metering Installation Code of Practice requires energy suppliers effectively demonstrate how the IHD functions can be used to help consumers manage their energy consumption, with adaptations specifically made for pre-payment consumers, groups with specific needs and vulnerable consumers.

4.13 The Smart Metering Installation Code of Practice is aligned with the ELP’s specific findings regarding the importance of demonstrating the IHD and the range of functions for credit and pre-payment consumers:

‘It is each Member’s responsibility to ensure that;

3.6.1. Use of the Smart Metering System is demonstrated to the Customer in a clear and accurate manner, and is easy to understand, including what information is available from the Smart Metering System, how this can be accessed, and use of the IHD (where provided);

3.6.2. Where a Smart Metering System is to be operated in Prepayment mode, the Customer is provided with a demonstration of the Prepayment functions – including, where appropriate, tariff detail, debt screens, releasing emergency credit and re-enabling supply, and guidance (with demonstrations where possible) on getting credit and the topping up process;...’

#### **Smart Metering Installation Code of Practice**

4.14 Based on ELP findings, the Government remains of the view that installers are best placed to lead on providing tailored advice and guidance on the IHD at the installation visit, but there is also a role for Smart Energy GB in providing generic advice on how information provided through the IHD can help consumers manage their energy consumption.

4.15 Furthermore, through Smart Energy GB’s partnership work, community level organisations will be provided with training and assets to provide additional support via existing relationships with groups such as vulnerable consumers, including for the use of the IHD. This work will support Smart Energy GB in achieving their third and fourth statutory objectives:

3. To increase consumer willingness to use smart meters to change their behaviours so as to enable them to reduce their energy consumption.

4. To assist vulnerable, low income and pre-payment consumers to realise the benefits of smart metering systems while continuing to maintain an adequate level of warmth and meet their other energy needs.

### **Further Action**

4.16 The Government is planning its monitoring and evaluation activities, which will include understanding the consumer experience of installation and consumer benefits. Furthermore, the Government will monitor the outcomes of both the Smart Metering Installation Code of Practice independent compliance audits and consumer surveys. If the results of either are not satisfactory, Ofgem can take action including directing a review of SMICOP and requesting the relevant modifications to be made.

4.17 Furthermore, as set out in Chapter 3, Government will also be developing good practice engagement materials for installers to support the provision of energy efficiency advice, and monitoring their delivery. These materials will take into account the ELP finding that IHD demonstrations should promote more diverse and 'monitoring' uses of the IHD. They will include information on what best practice in the provision of IHD advice and guidance looks like.

# 5. Post-installation changes in energy

## use

'Installation is not an isolated episode, and customers continue to learn to use their smart meters well afterwards. The Early Learning Project evidence suggests that subsequent learning will be enhanced by a good installation experience and may be set back by an unsatisfactory one.'

ELP Synthesis Report

### Follow-up advice from energy suppliers and third parties

#### Findings

- 5.1 The ELP concluded that as a result of pre-installation engagement and a positive installation experience, consumers can continue to learn to use their smart meters and IHDs, and that follow-up engagement could help encourage them to take a longer-term monitoring approach to using their IHD, with resulting increased benefits.
- 5.2 Whilst the installation experience can have a positive impact on future IHD use, the ELP concluded that there are limits as to what consumers can learn about the IHD during a single installation visit, even in ideal conditions. It therefore suggested that there would be value in energy suppliers and third parties providing follow-up advice soon after installation to help people further understand how to use their IHDs to help them manage their energy consumption. This could also be valuable where the bill payer was not present at installation.

'...people can only absorb so much new information at any one time: the installer's visit can be a significant station on a learning pathway, but is most productive when customers learn something that is linked with prior knowledge, and that can then be developed through experimenting with the IHD, discussing energy-related topics with others, and seeking further advice.'

ELP Synthesis Report

- 5.3 The ELP identified categories of energy user (which are not mutually exclusive) who would particularly benefit from tailored, follow-up support to ensure they are able to fully realise the benefits of smart meters: householders with specific difficulties such as low levels of literacy, long-term illness, age or disability; tenants; low-income consumers; and prepayment consumers.
- 5.4 The ELP Synthesis Report also noted that 'not everyone is present in the home when their smart meter is installed. Some will move into dwellings that already have a smart meter; others will simply not be there at installation. They may be able to enter the customer journey at the second transition point', i.e. engaging with smart meter information, which can then be reinforced by follow-up engagement at the third transition point. This finding points to the need for energy suppliers to provide written material to consumers who move

into a property with an existing smart meter, or to those who request it. This is particularly important for the private rented sector on change of tenancy.

- 5.5 The ELP Prepayment Meter Qualitative Research concluded that extra help for vulnerable consumers would be needed to enable them to realise the full benefits of smart meters, as many may lack the confidence or competence to use the technology, and to understand the particular issues that could arise with smart pre-payment, such as what to do if a top up fails to register.
- 5.6 Furthermore, ELP findings indicated that some elderly consumers have struggled during installation and therefore be likely to benefit from follow-up advice and support:

'...older smart meter customers (aged 65 and over, particularly those of 75+ years) were generally less satisfied with aspects of the installation and generally less able to recall aspects of installation (as were those from lower social grades.) Some older interview respondents reported finding the information provided at installation difficult to take in, or being overwhelmed, while others felt they were not good at understanding technology, and would need **further time or support** to become familiar with it.

**ELP Synthesis Report**

- 5.7 The ELP conclusions indicated that it would make sense in terms of benefits delivery for Smart Energy GB to develop early plans for using post-installation engagement to encourage behaviour change. The engagement will need to be tailored to the needs of different groups, including those who may find it more difficult to realise energy consumption benefits (as identified at paragraph 5.3). As for other stages of the consumer engagement process, it would be appropriate to use local third party organisations for follow up engagement activities.

'Implications for consumer engagement include the value of:

Smart Energy GB taking on roles in support of behaviour change and energy efficiency, for example:

- developing advisory and other supporting materials;
- mobilising, supporting and coordinating local networks and partnerships;
- acting as a facilitator for knowledge exchange;

(...)

- suppliers and Smart Energy GB paying special attention to the needs of households who are vulnerable, in fuel poverty or on low incomes, prepayment customers and those living in rented accommodation;

- building up institutional knowledge and know-how among a range of actors involved in implementing the roll-out.'

**ELP Synthesis Report**

- 5.8 A key finding from the ELP and small-scale Behaviour Trials was that the most effective form of support for consumers is face-to-face, and the ELP highlights the considerations that must be made when implementing this type of consumer engagement.

Face-to-face support, including advice about effective energy management strategies, was often felt by respondents to have the greatest potential to engage interest and change behaviour. However, they also commented that this will depend on who delivers it and how

- 5.9 As outlined in chapter 3, the behaviour trials found that the most effective method for encouraging energy saving behaviour was through in-home interventions. The trials found no significant difference between a trained professional compared to a local volunteer, but delivery of direct face-to-face engagement resulted in more people claiming to have made a change in their energy behaviour.
- 5.10 The main conclusion from the trials was that community-based engagement through third parties is deliverable, particularly where strong partnerships can be built or relationships are already established. Consumers benefitted most from advice that was tailored to their level of energy literacy, i.e. which provided advice that was previously unknown, and was associated with an increase in the self-belief that actions to save energy were relevant and easy to undertake. The trials concluded that specific motivational devices and practical aids also supported changes in energy behaviour.

### Current Approach

- 5.11 The Smart Metering Installation Code of Practice currently covers the period up to a credit customer's first bill or pre-payment customer's first top-up. It does not provide for circumstances around change of tenancy.
- 5.12 The SMICoP does enable the conversation about energy efficiency to continue beyond the installation visit, if the customer requests more information:

'3.7.7. Where the Customer requests energy efficiency information over and above the Energy Efficiency Guidance provided at the Installation Visit, the Customer is given appropriate details of where and how they can obtain tailored or suitable advice; and 3.7.8. Where the Customer requests Energy Efficiency Guidance to be given at a later date, the Member records this and follows it up as appropriate.'

### Smart Metering Installation Code of Practice

- 5.13 Energy suppliers' customer journeys establish follow-up activities for customers post-installation and Government will monitor supplier plans through Annual Supplier Reports submitted to the Programme.
- 5.14 Smart Energy GB's Consumer Engagement Plan is consistent with the recommendations from the ELP. The Plan has been developed in close consultation with stakeholders. In November 2014, Smart Energy GB held a series of five stakeholder consultation events across Great Britain. In the course of these events, they sought stakeholder input on how Smart Energy GB should work with partners to communicate with consumers who need additional help following installation. Their plans for assisting consumers post-installation include:
- Defining, segmenting and providing tailored communications to those consumers facing additional barriers.
  - Providing organisations with existing capacity to support vulnerable consumers, in particular through assets which will help them to have meaningful interactions with those



consumers about smart meters. This work is a key part of Smart Energy GB's Partnership Strategy.

5.15 As detailed in Chapter 3, Smart Energy GB is also planning a specific strand of work to define, segment and provide additional communications to those consumers who may find it more difficult to adopt or get the full benefit from a smart meter. The outcome of this work will be reported in their next update to the Consumer Engagement Plan and will provide the basis for planning work to meet their fourth statutory objective (to assist vulnerable, low income and pre-payment consumers to realise the benefits of smart metering systems while continuing to maintain an adequate level of warmth and meet their other energy needs.)

### **Further Action**

5.16 The Government plans to make an assessment in 2015 of the planned provision of follow-up support for vulnerable consumers and whether further steps are required to ensure benefits are realised for key groups of consumers. Such support could include reviewing consumption data and providing tailored advice on energy-using behaviours and straightforward measures, such as draught proofing, which the consumer (or in the case of tenants, their landlord) could undertake. Developing or extending channels for individual, face-to-face support is likely to have resource and organisational implications.

5.17 Chapter 3 notes that the Government will work with Smart Energy GB, energy suppliers and third parties to coordinate and develop best practice materials and supporting toolkits for the provision of energy efficiency/IHD advice which could also be used in extra post-installation support. The Government also intends to undertake more research into how consumer engagement can drive energy consumption behaviour change in the smart metering context. This should provide a valuable input to Smart Energy GB's behaviour change work and complement their own planning and programme of research, which is required to align with the Government's Monitoring and Evaluation Strategy.

5.18 The Government is not currently minded to further regulate to ensure that post-installation support is provided. However, it will closely monitor developments in this area and amend existing licence conditions if required. As indicated in chapters 3 and 4, Ofgem can review the Smart Metering Installation Code of Practice if evidence suggests that consumers' post-installation engagement needs are not being met, and consumers are not able to benefit from smart meters to make enduring changes in energy use.

## **Wider energy efficiency initiatives**

### **ELP Findings**

5.19 A general conclusion from the ELP synthesis was around the importance of linking up consumer engagement with smart metering and the data it provides, and wider



opportunities and initiatives to deliver energy efficiency. More specifically, the research finds that post-installation engagement could encourage:

- Changes to routine energy consumption behaviours and practices;
- Purchase of insulation and efficient appliances;
- Improved understanding of smart meters and IHDs as a platform to enable access to other energy management and energy efficiency options. (e.g., intelligent appliances, energy management phone apps and personalised monitoring systems).

'...there is potential for smart metering to contribute to energy-saving through changes in routine behaviours and practices, and by encouraging the purchase of insulation and efficient appliances. These changes can be prompted and then supported, at least in part, by improved feedback from the IHD and more accurate and informative billing'

**ELP Synthesis Report**

5.20 The ELP synthesis concluded that smart metering may represent a stepping stone through which consumers pass into further developments in energy management. Smart meter technology supports and enables wider innovations that will help consumers manage their consumption.

'Smart metering can be seen as a point of entry to a more feedback-rich environment (for which there is evidence of an appetite) that will enable consumers, prosumers and suppliers to improve energy management radically, with the development of smarter grids, TOU tariffs and energy service offerings. Learning about the uses of smart meters and IHDs can be a 'point-of-entry' for many households into understanding and choosing options. The justification for investing in the installation process is therefore not limited to immediate or short-term benefits.'

**ELP Synthesis Report**

### **Current Approach**

5.21 Wider work by DECC in the area of household energy efficiency is taking account of the opportunities presented by the roll-out of smart metering for energy efficiency policy and delivery. For consumers in fuel poverty, rented accommodation or in vulnerable circumstances, active promotion of both local and national initiatives (such as Energy Companies Obligation) via smart metering consumer engagement can help to increase the overall benefits that they receive. Increased benefits will be achievable by using raised awareness and understanding of the opportunities and benefits from energy efficiency, with delivery of energy efficiency measures.

5.22 The SMICoP makes provision for energy suppliers to use smart metering as a way to join up other energy efficiency schemes for consumers in section 2.4 'Engagement and Customer Awareness':

'It is each Member's responsibility to ensure that their communication materials regarding Smart Metering System installations and energy efficiency goods and services;

...Point the Customer to sources from which they may obtain additional and impartial information or assistance about improving the efficiency with which they use the electricity and/or gas supplied to them, for example, generic information about the Green Deal programme...'

### The Smart Metering Installation Code of Practice

- 5.23 In addition, the availability of smart meter data should (subject to appropriate privacy controls) provide an additional means of connecting consumers with energy efficiency opportunities. For example, the Energy Saving Trust has piloted an online platform (Smart Meter Advice Portal<sup>21</sup>) for analysing energy consumption and other data to generate specific recommendations about energy efficiency improvements.
- 5.24 Through the Smart Energy GB partnerships delivery model, it may also be possible to develop linkages to existing local energy efficiency initiatives.

### Further Action

- 5.25 The Government will continue to gather evidence on the benefits of linking smart metering with other energy efficiency interventions to maximise their uptake and the levels of energy savings achieved. For example, there is likely to be scope to use smart data to identify cost-effective energy efficiency measures.
- 5.26 The Government will monitor and evaluate market developments. These might include energy suppliers and third parties providing paper-based or electronic information with recommendations on energy efficiency actions and interpretation of data to create household-specific recommendations. The Government is keen to see innovation by energy suppliers and third parties such as energy management services companies, in products and services that will help consumer better understand and take control of their energy consumption post-installation.

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<sup>21</sup> <http://smap.solsticecloud.com/>

# 6. Conclusions

## Findings

6.1 The Early Learning Projects and small scale Behaviour Trials combined show us the key transition points and vital elements of the energy consumer's smart meter journey, from early awareness to long term behaviour changes.

6.2 The evidence from these projects highlighted the necessary components of effective consumer engagement before, during and after the installation of smart meters, and was consistent with the established policy framework, energy suppliers complying with the Smart Metering Installation Code of Practice, and the plans of Smart Energy GB. Done right, with all parties meeting their obligations and objectives, smart meter consumer engagement can be the cornerstone for establishing sustained behaviour change and energy reduction across Great Britain.

6.3 The major ELP conclusions can be broadly summarised as:

- The ELP indicates that a large majority of early recipients of smart meters have had a positive installation experience and have used their IHD (chapter 2).
- ELP evidence supports the provisions of the current policy framework, in particular the establishment of the SMICoP and Smart Energy GB, for consumer engagement before and during installation, and the benefits of coordinating consumer engagement activities by multiple delivery routes, including through third parties (chapter 2).
- There are three key transition points for consumers (engagement with installation; engagement with the meter data; making changes in energy consumption) where there are opportunities to maximise the benefits of smart meter technology (chapter 2).
- Prepayment consumers have additional information and support requirements to ensure they can make the transition to the full range of smart prepayment functions (chapter 3).
- Installers have an important role in engaging and advising consumers during the installation visit, and maintaining the quality of this activity will be important (chapter 3).
- Providing specific customer groups with suitably tailored information at installation and in supporting materials could help to meet their additional needs and to overcome barriers to accessing the full range of smart meter benefits (chapter 3).
- The IHD is an important tool for engaging consumers with smart metering information both at the point of installation and in the longer term (chapter 4).
- Encouraging a 'monitoring approach' to information displayed on the IHD, and an appropriate calibration to the household consumption level could be more effective in enabling consumers to use smart metering data to change behaviour and reduce energy consumption (chapter 4).
- Certain groups of energy customers would benefit from post-installation support, and when this was tested in the small-scale Behaviour Trials the most effective delivery

mechanism appeared to be face-to-face from a trusted party with whom the consumer has an existing relationship (chapter 5).

## Implications for Government

6.4 The findings from the ELP and small scale Behaviour Trials supported the existing policy and regulatory framework established by Government. As such, the Government is confident that energy savings and wider consumer benefits from smart meters can be delivered through Licence Conditions, the Smart Metering Programme's current Consumer Engagement Strategy and supported by links to wider Government energy efficiency initiatives.

6.5 The Government will work to ensure that plans and progress by all parties remains consistent with requirements to maximise outcomes for consumers. If monitoring and evaluation work indicates that requirements are not being met or are not fit for purpose to deliver desired outcomes for consumers, the Government will review and consider whether to amend the regulatory requirements.

6.6 The Government is planning to lead on some further work in 2015 as a result of ELP evidence:

- A project to develop good practice energy efficiency advice and guidance materials to be used at the point of installation, and support installers in delivering tailored advice appropriate to the customer's needs, and potentially in follow-up support.
- A project to assess the planned provision of follow-up support for vulnerable consumers and whether further steps are required to ensure benefits are realised for key groups of consumers.

6.7 DECC's Smart Metering Implementation Programme Annual Report will provide an update on progress with post-ELP work.

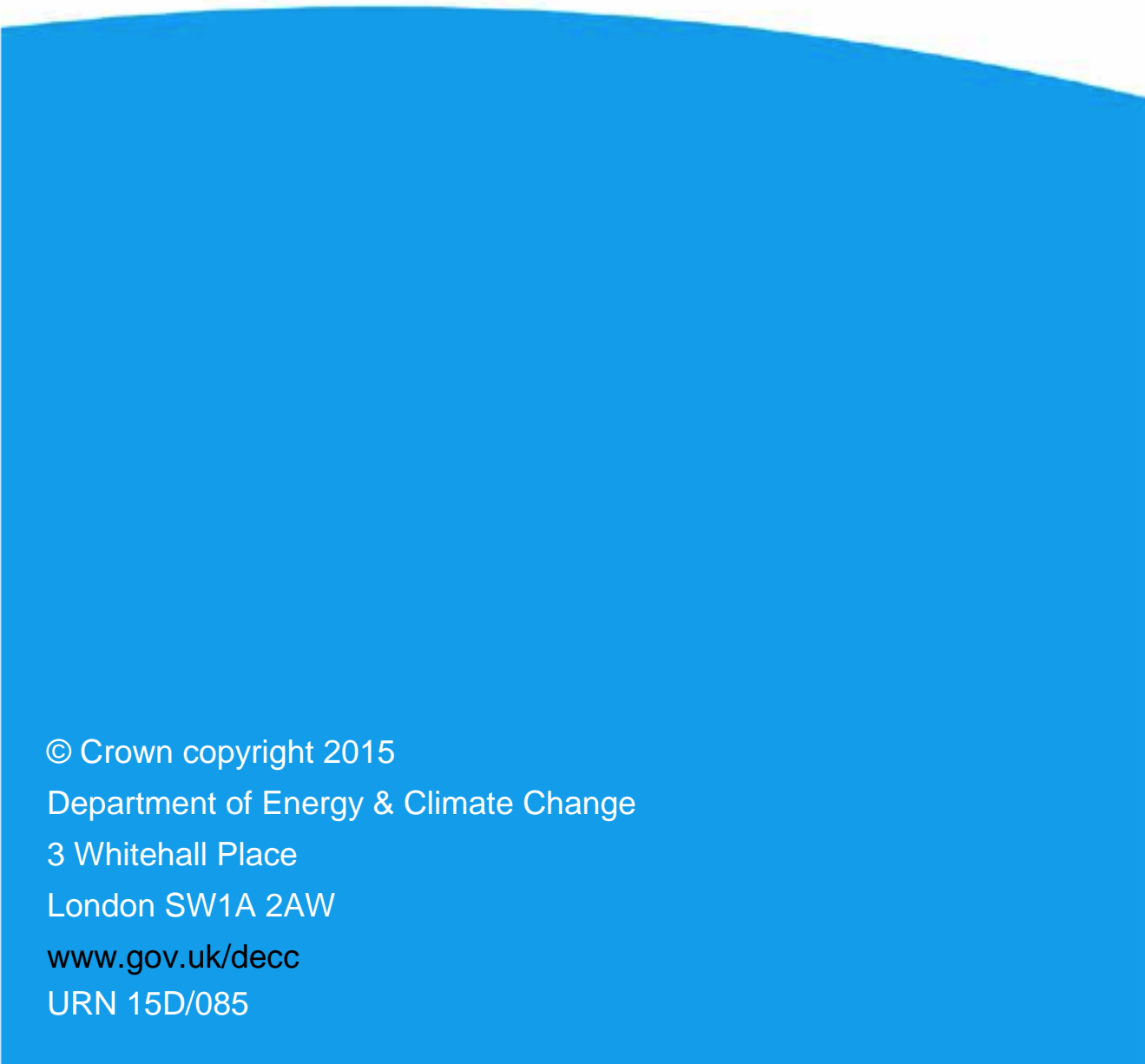
## Implications for Smart Energy GB

6.8 Research findings are consistent with Smart Energy GB's plans and progress to date. Their campaign is set to complement and support supplier roll-out at each step of the customer journey. Smart Energy GB will play a fundamental role in coordinating the engagement of energy suppliers and involvement of third parties, to ensure that consumers are engaged in the right way, at the right time and via the right combination of media.

6.9 Smart Energy GB's Partnership Strategy will support a wide range of campaign partners and enable organisations to have the capability to support consumers in the long term. Smart Energy GB will also work to achieve specific objectives to ensure that vulnerable consumers are able to access the benefits of smart meters, with progress against the achievement of all their objectives being monitored and reported on through their Performance Management Framework.

## Implications for Energy Suppliers

- 6.10 Research findings showed a strong level of satisfaction with installation and support the existing requirements of the Smart Metering Installation Code of Practice, in particular for energy suppliers to provide energy efficiency advice, and identify consumers with additional needs so that the installation process advice can be tailored accordingly. The Government will monitor and evaluate consumer outcomes, and Ofgem or the SMICoP Governance Board are able to undertake a review of SMICoP if evidence indicates that additional requirements for energy suppliers are needed, in particular in the context of post-installation support and the provision of energy efficiency advice.
- 6.11 Findings supported the existing requirements for energy suppliers to develop accessible formats of the IHD and to ensure that appropriately tailored explanations and demonstrations are given to consumers. Key findings for energy suppliers are the specific evidence around the potential of targeting positive early adopters, the importance of promoting a 'monitoring approach' to the IHD and ensuring accurate calibration to each household's consumption levels.
- 6.12 The Government notes that some suppliers are looking to trial alternative devices but are constrained in trial design by the current licence obligations. We are therefore exploring ways of facilitating suppliers to undertake controlled trials of alternative devices whilst still meeting their roll out obligations, and will look to bring a consultation forward as soon as possible.



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