



The James Hutton Institute response to the DECC Consultation on the consumer engagement strategy supporting the smart meter rollout

Consultation reference:

URN 12D/033

Response prepared on behalf of the JHI by:

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Introduction

As a large international research organisation with a focus on environmental research, we welcome the opportunity to respond to DECC's consultation on the consumer engagement strategy supporting the smart meter rollout. As part of our main research programme funded by the Scottish Government, we are involved in several strands of research investigating the relationship between individuals, communities and environmental behaviours, including two energy monitoring projects (NESEMP and OrkCEmP), which have been investigating the relationship between energy feedback and energy behaviour. We have only provided responses to those questions that we wish to comment on. Non responses should be taken as a neutral response (as opposed to implicit agreement or disagreement).

Responses to Questions

Q1. Are these the right aims and objectives against which to evaluate the Government's consumer engagement strategy for smart metering? Please explain your views.

The first high level aim is to build consumer support for the rollout "by building confidence in benefits and providing reassurance on areas of consumer concern". We feel that this aim may benefit from the inclusion of a clarification which makes it clear how such confidence will be built. We would hope that independent, robust evidence would form an important part of building consumer confidence, and would welcome the inclusion of such a statement in the first high level aim. We wondered if the third high-level aim may be better



expressed as a sub-component of the second aim, given that the second aim suggests a focus on all consumers. We agree with the need to pay particular attention to issues relating to vulnerable and low-income consumers, but are unclear why this is stated as a high-level aim as opposed to a specific objective. The first specific objective includes the term “energy-consuming behaviour relating to smart meters”. We feel that the addition of the term ‘and associated products’ would add clarity, especially if particular energy feedback technologies are to be included as part of the suite of potential consumer benefits.

Q2. What are your views on focusing on direct feedback, indirect feedback, advice and guidance and motivational campaigns as behaviour change tools? What other levers for behaviour change should we consider? (See also Appendix 1.)

There is a large literature in environmental psychology and social psychology on these questions, and although there have been several very high quality studies in this domain, we believe that there are still many unanswered questions that require research evidence in order to inform policy. Whilst we acknowledge the usefulness of the MINDSPACE framework, we do not think it should be seen as a ‘model’ of behaviour change (as is implied in e.g. paragraphs 3.3 and 3.9), but rather as a ‘synthesis’ of a variety of evidence sources, mainly taken from social psychology and behavioural economics. Many general models of behaviour change do not adequately deal with the specificity of the behaviour itself – for example, the degree of information specificity is very important in terms of informational feedback – if the information provided is very general (e.g. ways to reduce a household’s carbon footprint), and the behaviour being targeted is very specific (e.g. reducing the temperature of a living room), then this can be problematic. Many of these issues are related to the design aspects of the problem – as such, we would welcome moves to focus research on the product-design and ergonomic aspects of energy feedback technologies. Applied behaviour analysts (e.g. Geller, 1987, 2003) have written extensively about this, and suggested that interventions can be instructive, supportive, or motivational. The particular combination of these three intervention types will depend to a large degree on a) what the behaviour change target is, and b) how difficult it is to motivate change for that particular behaviour. The need to balance the requirement for ongoing support and efficient deployment of resources is a key question here, as the support needs will vary depending on what behaviour is being targeted.

In appendix 1 (figure2), it suggests that both situational and environmental influences on behaviour cannot be influenced by the programme.





Notwithstanding the examples given (e.g. sociodemographic variables), we would suggest that a strict interpretation of the term 'situation' or 'environment' would lead to a different conclusion – insofar as the environment is necessarily being changed by the programme. This is true in terms of the installation process (i.e. disruption) and also the ongoing presence of some form of energy feedback display). In our opinion, these are changes in the situation/context of a person, and should be understood as such, and considered by the programme.

Q3. What are your views on community outreach as a means of promoting smart meters and energy saving behaviour change?

(see also answer to Q2). We believe that community outreach can form a very useful component of the programme, if designed well. While we believe that standardised communications should be the default for any national rollout like this, we also support the use of carefully designed population segmentation strategies (using transparent, replicable methodologies) for providing additional tailored information where appropriate. We also believe that an understanding of the various communities that people identify with (e.g. place-based communities, work-based communities, interest-based communities, etc.) is also important in designing community outreach programmes.

Q4. Have the right evidence requirements been identified for Foundation learning? What other evidence or approaches to research and trialling might we consider?

We agree with the gaps identified in paragraphs 3.21 and 3.22. We would like clarification on how the programme intends to judge whether research is "robust and well designed", and whether such a judgement would be made by the supplier or the central delivery body. Ideally, we would wish there to be a large degree of research transparency, both in terms of data analysis and research dissemination. We welcome the inclusion of non-domestic consumer engagement in the foundation learning programme, and hope that our ongoing research portfolio including the FP7 LOCAW (Low Carbon at Work) project (<http://www.locaw-fp7.com/>) may be able to provide some evidence on this topic in the next couple of years. We would also welcome the inclusion of small-scale energy production (e.g. via solar PV) in the research evidence mix, as this technology has the potential to positively influence energy consumption, whilst still reducing net energy demand. More research is needed to better understand these issues.

Whilst we welcome the suggested combination of (statistically robust) structured



pilots and qualitative consumer research, we feel that there is also a place for well-designed experimental research – particularly in the testing of alternative IHD designs. We are beginning to carry out this type of research in our group here at JHI, using a combination of visual preference and eye-tracking methods.

Q5. What are your views about the desirability of the Programme, or other independent parties, making available information on different suppliers' installation packages and their impacts? When might this best be introduced?

We think that this is a good idea – any learning that results from the programme is necessarily more robust in an arena of maximum transparency. Any statistical comparisons can only be made on information available, so we would suggest that maximising the amount of information available will allow for greater comparability of evidence.

Q6. Do you agree that a centralised engagement programme, established by suppliers with appropriate checks and balances, is the most practical solution given other constraints? If not, what other practical alternatives are there?

We agree that a centralised engagement programme established by suppliers is a practical solution, but also feel that given the need for a centralised approach, a government established body funded by industry seems to be an equally workable solution. Whatever solution is chosen, we believe it is preferable to have a standardised approach where possible for the above-mentioned reasons of comparability when it comes to any evaluation of the programme. Finding complementarity with existing programmes – such as those run via organisations like the Energy Saving Trust (e.g. insulation programmes) would also be desirable.

Q14. How can we ensure that the Expert Panel attracts a sufficient level of expertise?

We think it is important to be clear from the outset what type of expertise is required before attempting to determine the level of that expertise. There may be certain areas of expertise where a broad knowledge is advantageous, but equally there are other areas of expertise where more specific knowledge is required. We welcome the inclusion of expertise on behaviour change in the suggested panel expertise, and would suggest that a differentiation was made between expertise related to 'behaviour change' and expertise related to 'understanding behaviour', both of which we see as important and interrelated aspects of consumer engagement.



Q22. Is there value in such a brand and if so, when should it start to be visible? Should suppliers or other stakeholders be able to use the brand on their own (non-central body) smart meter communications and if so, on what basis?

The establishment of a new brand (as in the Digital Switchover programme) has a lot of merit in our view – especially in terms of establishing consumer trust. Ideally, we believe that this should be developed as soon as possible and used throughout the roll-out. On the issue of suppliers using the brand, co-branding might cause difficulties in terms of establishing the brand as a ‘national’ rollout, therefore there is probably a good argument for restricting use of the brand to the central body.

Q32. What are your views on the state of the energy services market for non-domestic consumers and its future development?

We believe that there are important links that can be made between the domestic and non-domestic sector in energy efficiency services. In terms of encouraging energy efficient behaviour, work and home environments can be mutually reinforcing, and there is a clear need for research in this area. Some of the models of individual behaviour change can be applied to the non-domestic sector in terms of organisational change, but to date there has been little work done to understand the connections between the two. From the perspective of the domestic consumer, not only is it potentially useful for individuals to gain a better understanding of the energy consumption of their workplace, it is also useful to consider the workplace as an important community in its own right. One of our ongoing European projects (LOCAW) is investigating some of these issues at present, and we welcome any developments that seek to understand better the connections between domestic energy consumption and non-domestic energy consumption.

Q36. What are your views on whether the Government should, in due course, alter energy efficiency incentives in the light of new opportunities arising from smart metering? How might any such incentives operate?

Where appropriate, we believe that the government should be open to the possibility of energy efficiency incentives evolving in light of new opportunities arising from smart metering. In this evolving landscape, we think it is very important that robust evaluation of initiatives is given more priority, so that any such alterations are informed by evidence where practicable.





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Page | 6

There are some aspects of the consultation document (e.g. the material within Appendix 1) that are not within the scope of the provided questions, but we are very happy to provide additional commentary on the developing strategy if this was felt to be relevant. We hope that our comments are useful in informing DECC's strategy on consumer engagement in what we see as an extremely important policy.

Yours faithfully

The James Hutton Institute