

## **Smart Metering Rollout Strategy Consultation**

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**Respond by:** 19th May 2015

- 1. Do you agree with the minded to position to set a de-minimis obligation for all large suppliers to install, commission and enrol 1,500 SMETS 2 meters or 0.025% of total meter points (whichever is the lower) within six months of DCC Live? Please explain your rationale and provide evidence.**

We agree with the rationale to impose a minimum target for meter installations within the first 6 months, however the industry must ensure that any minimum target that is set enables the robust testing of the DCC system. It would also be beneficial as Gas Network Operators to have the minimum split by gas and electricity meters to enable us to plan our resources effectively.

Annual roll-out plans are to be submitted and circulated via Ofgem from early 2016 which will have penalties for falling outside the tolerance which has been set. We are also currently receiving individual roll-out plans from suppliers as per an SPAA agreement which will be consolidated by DECC. It is important that they align with the Ofgem annual roll-out plans to ensure consistency.

- 7. Do you agree with the position not to mandate GTs and iGTs to become Users at the present time? Please provide evidence to support your position.**

Yes, we are currently working closely with the DCC to establish the costs and benefits of becoming a user as a gas transporter and to establish the ideal time to join to maximise benefits to the customer. We are also investigating non-financial benefits including the overall customer journey.

- 12. Do you agree that the Government does not need to regulate to exclude operation of SMETS meters in PPM mode from the scope of it's minded to policy position on 'Install and Leave'? Please explain your company's strategy for handling PPM where the WAN is not available at the point of installation.**

If meters are installed without WAN coverage it could increase the volume of erroneous calls to the National Gas Emergency Service which could prevent us from attending genuine emergencies from customers. This is because without WAN coverage any issues will not be identified and resolved by the supplier. If we attend site in these instances we will have to walk away because we will not be able to resolve issues with meters which is not a good customer experience. It could also stop customers from being able switching to an alternative supplier.

**13. Do you agree with the proposal to enact the New and Replacement Obligation in mid-2018?**

This could have an adverse effect on vulnerable customers because Gas Network Operators will not be able to replace a leaking gas meter with a dumb meter under PEMS (Post Emergency Metering Service). A customer may have to wait several hours to have their gas supply restored because the gas supplier will have to send their own engineer, whereas under the current PEMS arrangements the Gas Network Operator can do this immediately while on site. For a customer who is elderly or infirm on an extremely cold night, it could have serious safety implications for the customer. If there was a deviation to the N&R obligation for Network Operators to install dumb meters in exceptional circumstances, this would have a positive impact to the overall customer experience.

If the 'Install and Leave' obligation is in place and there is no WAN coverage then, neither a smart or dumb meter could be installed to affected properties which would leave the customer without a gas supply.

There is currently no expected timescales for the dual band solution and if it is not in place before the N&R obligation, it could mean that some customers are left without a gas supply because neither a Smart or Dumb meter can be installed if there is an issue with their existing meter.