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Electric Ireland response to CER/15/137 - Empowering & Protecting Customers

Electric Ireland welcomes the opportunity to respond to the Empowering & Protecting Customers consultation paper which seeks views on a range of issues relating to how best to support and protect customers, given the types of new services being introduced with smart meters and the changes that implies for the customer experience.

Q 1. Do you have any suggestions for how the information provided to customers in their Smart Bill could be used to support the transition to TOU tariffs?

Electric Ireland feel that the Smart Bill requirements have been clearly and adequately defined in NSMP decisions to date and that there are no additional requirements

Q 2. Do you have any comments on the extent to which further policy definition of format, processes and timeframes for the provision of the HDF?

Electric Ireland feel that the format of the HDF has been adequately defined, however there is additional work to be completed in agreeing a minimum timing/ Service Level Agreement for HDF provision by Networks and Suppliers.

Q.3. Do you have comments on the availability of data in the home as an effective, enduring platform for providing relevant, timely and useful information to customers? Are there any particular aspects where we consider the specification of minimum standard needs to be clarified, expanded or reduced?

It is Electric Ireland's strong opinion that the Supplier Protocol for accessing the Utility HAN needs to be developed by the NSMP. This should address standards, pairing processes and services, dual fuel implications and other questions that have been raised by NSMP participants on this issue.

Q4a Does Electric Ireland have any comments on the most effective way to complement the enduring information channels by providing all residential customers with a display device or service?

Like all other Programme participants, Electric Ireland's historical opinion has been that there are better, more efficient, future proofed solutions available to present this information to customers that the Programme needs to explore fully. We therefore welcome the move in the CER's position on the mandated IHD and the exploration of alternative options for information presentation in the customer's home. We would also repeat that it has been Electric Ireland's historical position that any mandated device or solution used to present energy usage information in the home be funded by the Programme. If the CER moves the mandated service provision from Networks to Suppliers there will be an impact on Suppliers' CBA inputs for the NSMP.

Q4b Please provide our views and evidence relevant to assessing the four options

It is our view that of the four options proposed Options C and D offer the most effective way to complement the enduring information channels. As set out in our response to Q4a limiting the offering to a device is neither efficient nor future proofed, this rules out Options A and B. With options C and D the Supplier would offer their customer an energy information "service", at a point in time aligned to the first Smart Bill and Energy Statement, and augmented when the customer opts for a Time-of-Use Tariff. It has been our historical position that the timing of the provision of information in the home would add most value and impact if synchronised with the customer opting for a TOU tariff.

Regarding the timing variants of the service provision, our preference is for variant C2/D2 which requires the minimum information service provided to the customer to make use of the "previous day". We have seen evidence from the US that next day service provision has been effective in changing customer behaviour. Real time information in the home can have a short lived impact and

once a customer becomes aware of their usage pattern they are less inclined to reference the information frequently. Suppliers can choose to innovate further and offer a real time information provision service in the home for customers who request this service and who would correspondingly value and use it the most but this decision should be left to Suppliers. This variant would have a more positive impact on the Programme CBA.

The key difference between Option C and D is the existence of a backstop service of MIHD provision by ESB Networks. We recognise that there will be a proportion of the population that will not have adequate communication infrastructure in their location to utilise, for example, an 'app' on a smartphone or a smart device. In those cases a device as set out in the original NSMP decision for Networks to provide would fulfil this requirement. We would therefore have a preference for Option C which maintains a backstop service of IHD provision by ESB Networks for these type of cases for all Suppliers, rather than mandate all Suppliers to individually acquire and install devices for these cases which would be less efficient for the Programme.

Q5. Do you have any comments on how the change to retail market operation consequent to the NSMP may warrant changing the existing framework of customer protection, and how it is delivered – including any views on the materiality of the changes highlighted as potentially material in Section 3.6?

Electric Ireland recognise that with the advent of smart metering there may be additional customer protections required however we strongly feel that a robust and effective customer engagement plan can mitigate the risks of customer confusion regarding information in the home and new services such as TOU tariffs and smart PAYG. We would also repeat our position from our response to the current consultation on TOU tariffs regarding the pace of the introduction of TOU tariffs. The CER needs to manage the balance between customer choice and customer confusion and it is important that time is allowed for adequate customer education on consumption patterns and TOU tariffs before imposing them on customers.

Electric Ireland would also support the introduction of more formal, and binding, requirements on providers of energy advice and management services, e.g. through a statutory licencing framework, to avoid the associated customer experience risks e.g. the advice or products being

sold may not be appropriate to the customer's budget or lifestyle; the advice or products being sold may be of poor quality.

On some individual items identified in the paper Electric Ireland would support an SLA for data provision by Suppliers and Networks. We agree that there are health and safety implications with gas remote reconnections and we support the extension of credit friendly times to gas.

6. Do you have any comments on the role of policy in shaping outcomes for customers who are not able or willing to participate in full in the new services and information made available through the NSMP - either as a result of technical constraints or through choices that are afforded to customers in respect of the frequency of remote data collection?

Electric Ireland concur with the CER opinion that the policy considerations for customers who are not able to participate fully as a result of technical constraints are different to customers who make a choice not to participate fully. Policy in respect of the former should seek to promote cost-effective measures which minimise the constraints on participation. The CER needs to ensure that policy settings are such that the consequences for individual customers of less than full participation are reasonable and proportionate. The CER will also need to consider policy settings for PAYG customers. For example, should an existing PAYG customer wish to avail of the Smart PAYG service but it is technically infeasible for them to receive a smart meter they should be able to retain their PAYG meter without penalty.