

Smart Metering Implementation Programme – Roll-Out Team
DECC
3 Whitehall Place
LONDON
SW1A 2AW

Dear Sir/Madam

Smart Metering Implementation Programme: consultation on draft licence conditions and technical specifications for the roll-out of gas and electricity smart metering equipment (August 2011)

AMDEA is the UK trade association for large and small domestic appliances; heating; water heating; floor care and ventilation. We represent manufacturers at UK, European and International level; with government and EU political institutions; in standards and approvals; with non-governmental organisations; with consumers and in the media. AMDEA protects and promotes its members' interests in all these fields.

We welcome the opportunity to contribute to the debate on the proposed roll-out of “smart meters”.

Many of our members are already looking at ways in which domestic appliances could be integrated into a future “smart grid” and have been engaged in research into ways of achieving this.

However, we have not responded to the questions individually since the main points that we wish to make are not concerned with the detail but the basic premise of this proposed “roll-out”.

It is of particular concern that these proposals appear to concentrate on the desirability of giving consumers a visual display unit rather than addressing the potential for future smart grid integration.

While we appreciate that the UK Government is at this stage primarily looking at ways to encourage domestic users to reduce their energy use, and indeed our members' products have already made significant contributions to those efforts, we are extremely concerned that the current proposals for new meter installation in the UK are essentially promoting what is often described as a “dumb meter” that will do little more than provide householders with a reading and possibly allow suppliers to offer some limited time-based tariffs.

AMDEA
Rapier House
40-46 Lambs Conduit Street
London WC1N 3NW
Tel.: +44(0)20 7405 0666
Fax: +44(0)20 7405 6609
info@amdea.org.uk

Chairman: Uwe Hanneck, Chief Executive: Douglas Herbison
A company limited by guarantee
Registered in England No. 1465823

Not only is this insignificantly ambitious for such a vast undertaking, but it fails to take into account the imminent need for compatibility and interoperability with power supply networks in other countries. Our members' products are manufactured for global distribution and we would not want to reach a point where the specifications for the UK market differed from those of the rest of the EU or even the world.

We would therefore agree with Question 4 - the smart metering equipment installed should be compliant with the latest update of SMETS; the SMETS for new installations should be updated not only for changing safety or security requirements, but also to meet any new requirements set by future EU Directives and Regulations. The retrofit of new requirements to existing meters should be mandatory for safety or security issues and evaluated in terms of societal cost/benefit for other changes.

It is essential that this roll-out of meters is undertaken with some assurance that they will not rapidly become obsolete as the technologies and standards to support the "smart grid" are developed.

We are particularly concerned that it is now suggested that dynamic time-of-use tariffs should not now form part of the specifications as these are not likely to be needed until a future date. If the installed meters are unable to be upgraded to include this option it will be necessary to remove them at some, possibly not that distant, date in order to install meters that can offer truly smart functions.

The draft Energy Efficiency Directive requires Member States to make time use tariffs available. In addition DG Energy's Smart Grid Task Force has stated that demand response is the key feature of the smart grid and is the only way to increase the use of renewable energy, the supply of which is inherently unpredictable.

The tariff capabilities are therefore a key aspect of the specification.

In order to take full advantage of the potential for smart grid technology, load balancing, i.e. matching demand to supply is essential and this will only be achieved if the electricity supply is able to communicate with energy-using products. It is therefore essential that smart meters have built in communications technology. Indeed, anything else will actually slow down the uptake of true smart grid technology because no consumer will want to pay to upgrade their meter to a dumb one with some kind of readout in year one, only to be told they need to upgrade again a few years later to incorporate communications capabilities: they will feel, and will be in practice, cheated. A "dumb" meter brings virtually no benefits for consumers (other than possibly swapping suppliers more easily); it only benefits electricity distributors since they will be able to cut costs and manpower by dispensing with meter readers.

We would therefore urge the Government to rethink its approach. It would be a pity to sacrifice the potential for smart technology that could effectively manage the balance of energy demand and supply in a short-term rush for a UK-based option that may ultimately (and possibly quite rapidly) become obsolete.

Yours faithfully