

Smart Metering Implementation Programme  
Policy and Consumers Team  
Department of Energy and Climate Change  
Orchard 3  
LG Floor  
1 Victoria Street  
London  
SW1H 0ET

19 May 2015

Dear Sirs

**Re: Opus Energy Response to 'Smart Metering Rollout Strategy' dated 24 March 2015**

We write to provide our response to the above consultation;

About Opus Energy

Opus Energy is a supplier of gas and electricity to business sites in the UK. We supply energy to approximately 250,000 supply points covering both the SME market and the I&C / Corporate business market. We have over 600 employees in the UK, based in Northampton and Oxford.

**Consultation Response**

**Q2** Do you agree that given the importance of consumers continuing to receive smart metering benefits upon change of supplier, all suppliers should be Users at DCC +12 months?

**Opus Energy Response:**

Yes. Interoperability of metering and communications equipment on churn is key for the consumer, ensuring that smart benefits can continue to be received on change of supplier. If all suppliers are DCC users this will remove the need for a site visit on each DCC to non DCC change of supplier. We believe that DCC+ 12 months is a realistic and achievable timescale for procurement of shared services and/or preparation for system readiness to ensure all DCC Users have secure and fit for use systems once they are ready to go live.

**Q9** Do you agree that 'Install and Leave' should be permitted when expected WAN coverage is not available; but only in cases where HAN is established?

**Opus Energy Response:**

Yes. Allowing 'reactive' install and leave where WAN was expected but not available should only be permitted where the DCCs postcode WAN coverage checker informs suppliers that WAN is currently available – meaning that it has been established previously and the assumption is that it can be restored within the 90 CSP day obligation once the issue is raised via the self-service interface. It is

difficult to quantify the risk of consumers being left for longer than 90 days without WAN as there are no processes in place to identify how the CSP will resolve the issues.

We consider that reactive install and leave should only apply where the CSP has forecasted WAN is available and setting any kind of date limit on the condition is in effect the same as allowing proactive install and leave with a minimum limit – the challenges of which are detailed in the answer to question 10.

We do not believe install and leave should be mandated as the decision to install and leave will be based on a number of factors and should be a decision taken by the supplier and consumer:

- The installer having a hand held terminal to be able to configure the meter without WAN
- The consumer is in pre-payment mode and non WAN availability causes considerable issues such as the consumer being unable to top-up their credit.

**Q10** Do you think there are grounds for the Government enabling 'proactive' install and leave and would your organisation use it as part of their rollout strategy? Please explain how you would mitigate the potential challenges to consumer experience?

#### **Opus Energy Response**

We agree with the Government that enabling install and leave where there is no WAN coverage at the time of installation or expected for some time will cause a detrimental effect on consumers in a number of ways including:

- An additional site visit from both old and new suppliers on change of supply for tariffs and security credentials to be updated at the meter.
- Suppliers will need to visit the site when a change of tenancy occurs to update tariffs and obtain a meter reading resulting in potentially incorrect invoices for the new and old tenant particularly if the change of tenancy notification is delayed.
- Landlord properties that are non-consuming or empty will require a site visit once consumption restarts or a new tenant moves into the property.
- Any price or tariff change such as renegotiation on renewal will require a site visit to update the smart meter.

Each time a site visit is required there is cost associated which in some cases may be passed onto the consumer directly. Additional site visits cause inconvenience for the customer and the supplier and for this reason we agree with the government minded to position not to allow proactive install in leave. We would not use proactive install and leave in our rollout strategy and would question whether SMETS installed meters that are not communicating will be counted towards rollout obligation.

**Q13** Do you agree with the proposal to enact the new and replacement obligation in mid-2018?

#### **Opus Energy Response**

Yes we agree with the government's proposal. We would also ask that consideration is given to specific circumstances where New and Replace may be compromised and further guidance is required:

- Customer refusal of smart meter – should suppliers install a non-communicating SMETS meter acting as a dumb meter and will this be consistent across all suppliers.
- No WAN available or expected for certain areas of the country, where SMETS is installed as part of New and Replace, this should not be considered 'proactive' install and leave.
- Difficult to install sites where a smart meter cannot be fitted due to technical or space issues

Guidelines will be required for the above scenarios to ensure all suppliers are following the same procedures and the consumer experience is consistent. It is also important to ensure that a SMETS installation going ahead due to New and Replace does not leave suppliers open to issues of non-compliance where other obligations are in force – for example Install and Leave and taking all reasonable steps to install smart meters.

**Q14** Do you agree with the proposal to set a SMETS1 end date of DCC Live + 12 months? Please provide evidence for your answer.

**Opus Energy Response**

Yes – we do agree that a SMETS1 end date is required. In view of the fact that all relevant suppliers will be DCC Users by DCC Live plus 12 months we would expect that by this stage all suppliers will be able to utilise the DCC fully to enable SMETS2. Setting the end date in concurrence with the DCC User date will help to achieve consistency across consumers as far as the smart services available to them and to lessen the burden of suppliers needing to run multiple processes to handle SMETS1 (installed or inherited) and SMETS2 alongside AMR/Advanced and dumb metering.

**Q15** What are the advantages and disadvantages of a SMETS1 'cap' in individual suppliers both in combination with an End Date and as the sole means that SMETS1 meter installations are regulated? How could such regulation be best designed? Please provide evidence for your answer.

**Opus Energy Response**

We agree that a SMETS1 end date is preferable to a cap on the volume of SMETS1 meters on individual suppliers. This is particularly in view of the fact that the government are minded not to extend the advanced meter exception date past April 2016 and suggest that SMETS1 are a suitable alternative. To set a cap on SMETS1 installs in this situation could potentially put a supplier in a situation where they are no longer able to install advanced metering or SMETS1 – unable to source SMETS2 and as such their rollout strategy comes to a stop; consumers are unable to benefit from any kind of advanced or smart meter.

Please do not hesitate to contact me with any queries.

Yours sincerely

**Regulations Manager**

