

Energy Consumers Commission Project Plan 2021/2022 – Consultation

Response from Energy Saving Trust

19 March 2021

1. Do the Energy Consumers Commission's themes remain relevant in 2021/2022?

Yes, Energy Saving Trust believes that the Energy Consumers Commission's themes – energy debt, best practice and customer service, improving outcomes for vulnerable consumers, and engagement with decarbonisation – all remain relevant in 2021/2022.

2. Are these the correct areas of focus for project work to improve outcomes for consumers in Scotland?

Energy Saving Trust believes that the identified areas of focus for project work will help to improve outcomes for consumers in Scotland.

As noted in our response to the consultation on the Energy Consumers Commission 2020–2021 in October 2020 we would be very happy to assist the Energy Consumers Commission in its work to improve outcomes for Scotland's energy consumers in any way we can.

Energy Saving Trust comments on areas of focus for project work

The only area of focus that we have specific comments on is “Restricted and DTS meters”. We agree that the issues identified in this section will be important ones to address. However, we note that the introductory sentence of this section (5.6 Restricted and DTS meters) notes that “We will seek to ensure that all consumers with restricted meters in Scotland are adequately protected until a smart metering alternative can be provided...”.

Energy Saving Trust is concerned that the smart meter roll out will not fully resolve the challenges faced by restricted meter customers. As it stands, twin-element/5-terminal meters are the only type of variant smart meter that would be available to restricted meter customers, as these have separate contactors within them to allow storage/water heating to be on separate electrical circuits. Our understanding is that the energy supplier can then programme this meter using timers to energise storage heating/water heating circuits at set times. Any consumption on this circuit is then kept separated from other electricity use, so the consumer can then be billed on a different tariff rate.

This variant smart meter is the only one that would allow for smart restricted metering infrastructure. We understand that some of the larger suppliers currently have access to these meters but there are still questions about when smaller energy retail companies will have access to these.

More importantly, though, is the question of whether these meters would encourage innovative tariffs in the marketplace. Even with twin-element/5-terminal smart meters, the DNO remains responsible for energy availability. This environment does not incentivise

energy retailers to create tariffs for these customers and maintains the barriers currently in place to create smart tariffs that follow wholesale price signals. This would be rectified if DNO control was removed and replaced by a 24-hour supply (i.e. a single rate or E7-type meter).

However, SSEN particularly remains reliant on RTS in more remote areas due to the significant cost savings from avoiding grid reinforcement work¹. It is therefore unclear whether or not reliable, 24-hour supply electricity for the load demand required by storage heating will be available to these customers, without additional charge or the introduction of another means of recouping the cost of investment.

This is an area in which Energy Saving Trust has significant expertise and as noted above we would be happy to assist the Energy Consumers Commission in its work in this as in other areas.

3. Are these projects relevant to the ECC's continuing themes of energy debt, engagement with decarbonisation, supplier best practice and support for consumers in vulnerable circumstances?

Yes, Energy Saving Trust believes that these projects are relevant to the ECC's continuing themes of energy debt, engagement with decarbonisation, supplier best practice and support for consumers in vulnerable circumstances.

4. Do you have any further comments?

We would like to use our response to this question to reiterate that Energy Saving Trust and the Home Energy Scotland (HES) network that it manages for the Scottish Government would welcome the opportunity to work closely with the Energy Consumers Commission to ensure both that where appropriate relevant evidence generated by the Commission informs the advice and support offered by HES and that relevant issues identified through the advice network can be fed into the work of the Commission.

¹<https://www.ssen.co.uk/WorkArea/DownloadAsset.aspx?id=19155>