

SMART METER GUARANTEED STANDARDS CONSULTATION END FUEL POVERTY COALITION RESPONSE 9 May 2025

The End Fuel Poverty Coalition is a <u>broad coalition of more than 100 anti-poverty, health,</u> <u>housing and environmental campaigners, charities, local authorities, trade unions and</u> <u>consumer organisations</u>. It is also supported by academics, social enterprises and those working on the front line of fighting fuel poverty.

This consultation plays a vital role in reforming Britain's broken energy system. In 2025, we urge all policy makers to understand how their decisions can affect the affordability of energy bills, avoiding discriminatory pricing, delivering longer-term reforms that bring down the cost of energy and improving the energy efficiency of homes.

We support the full consultation responses submitted by our members, such as the Centre for Sustainable Development and Fair by Design.

And while we welcome the steps set out in the consultation, we believe that significant challenges remain and the measures outlined in Ofgem's proposals do not go far enough.

There is a pressing need for clearer and more consistent guidance regarding the circumstances under which consumers should be entitled to compensation in relation to smart meter issues. At present, the absence of well-defined criteria allows for a significant degree of interpretation by energy suppliers, potentially enabling them to avoid making compensation payments in situations where it would otherwise be appropriate. This lack of regulatory clarity undermines consumer trust and creates an uneven playing field across the sector.

A further concern is that technical issues with smart meters may prevent consumers from accessing the most competitive energy tariffs available. In many cases, customers are unable to benefit from time-of-use or other smart tariffs due to meter malfunctions or communication failures. Despite this, there is no consistent or standardised approach across the industry for compensating consumers for the financial disadvantage they may suffer as a result. This inconsistency contributes to a sense of unfairness and raises questions about the protection of consumer rights.

Additionally, there appears to be limited accountability for key organisations and private firms involved in the operation and maintenance of the smart metering infrastructure, including managed service providers and the Data Communications Company (DCC). When problems arise, it is often unclear where responsibility lies, and the processes for resolving technical issues lack sufficient transparency. This opacity not only delays resolution but also makes it difficult for consumers to seek redress or understand how their complaints are being handled.

We also have concerns about how compensation is paid for.

Let's not forget that customers (via their bills) have already paid billions towards the roll out of smart meters and have been failed by the firms responsible for it. Any compensation paid out, must be paid by the firms responsible for the failure, not through contributions from customers' bills.

But our primary concern within the direct scope of this consultation is Ofgem's overuse of and over reliance on the phrase "within a supplier's control".

This provides a host of get outs for suppliers to avoid paying compensation to customers who have been let down by the smart meter roll out.

It is the responsibility of the whole energy industry to ensure that the roll out takes place quickly, efficiently and effectively. At the moment, the system and the regulatory regime allows excuses to be made, blame to be passed and customers let down.

Smart Meters are vital in helping households manage their energy usage in a safe way and now many of the best tariffs available are only offered to households with a smart meter.

This means the failure to install a smart meter not only risks trapping people in fuel poverty due to uncertain usage, but creates discrimination against consumers who are now unable to access the best tariffs.

Therefore, compensation for the failed smart meter roll out should be generous, wide ranging and quickly implemented. After all, it is the consumers who are paying for this roll out through their bills. It is they who are being failed.

Where a fault is - genuinely - not down to the supplier, the supplier should still pay out compensation and then claim this back from the relevant organisation (e.g. Data Communications Company (DCC), installers etc).

We also urge the regulator to include the following scenarios where compensation is paid automatically.

For the scenarios below a quarterly compensation should be delivered for as long as the fault remains:

- 1. Failure of the Data Communications Company (DCC) to connect to installed smart meters.
- 2. Failure of the DCC to provide coverage to any specific location where a smart meter has been requested.
- 3. Failure to install in properties with specific architectural limitations (e.g., first-floor apartments, solid stone buildings) due to failures in technology.
- 4. Failure of the smart meters to communicate with the DCC or the supplier.
- 5. Smart meters not working properly after installation.

For the scenarios below, a one off automatic compensation should be delivered for each occasion:

- 6. Meter readings being incorrectly recorded during installation.
- 7. Failure to provide an appointment within an agreed number of weeks for installation on request.
- 8. Missed appointments (or failure to attend at the agreed time)
- 9. Failed installation appointments

We would be grateful if you could continue to keep the Coalition informed about developments in this consultation.

About the End Fuel Poverty Coalition

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We believe that everybody has the right to a warm, dry home that they can afford to heat and power.

Members of the Coalition include: Action with Communities in Rural England, ACE Research, AgeUK, All Birmingham's Children, Austerity Action Group, Association of Green Councillors, Association of Local Energy Officers, Association for Decentralised Energy, Asthma + Lung UK, Basingstoke & Deane Borough Council, Beat the Cold, Bruton Town Council, Camden Federation of Private Tenants, Carers Trust, Child Poverty Action Group, Church Poverty Action, Chartered Institute of Environmental Health, Chartered Institute of Housing, Community Action Northumberland, Centre for Sustainable Energy, Climate Action Network West Midlands, Debt Justice, Disability Poverty Campaign Group, Disability Rights UK, E3G, Energise Sussex Coast, Energy Advice Line, Energy Cities, Epilepsy Action, Exeter Community Energy, Fair Energy Campaign, Fair By Design, Foster Support, Friends of the Earth, Fuel Poverty Action, Fuel Poverty Research Network, Generation Rent, Good Law Project, Greenpeace, Groundwork, Hackney Foodbank, Heat Trust, Home Start Oxford, Independent Age, Independent Food Aid Network, Inner City Life, Joseph Rowntree Foundation, Lambeth Pensioners Action Group, London Borough of Camden, London Borough of Lewisham, Marie Curie, Mencap, Mayor of London, MECC Trust, Moorland Climate Action, National Pensioners Convention, National Union of Students / Students Organising for Sustainability, NCB, National Energy Action, New Economics Foundation, National Federation of Women's Institutes, Northern Health Services Alliance, Oxford City Council, Positive Money Tower Hamlets, Plymouth Community Energy, Redcar & Cleveland Council, <u>Repowering London</u>, Retrofit Bruton, Right To Energy Coalition, <u>Rossendale Valley</u> Energy, Ryecroft Community Hub, Save the Children, Sense, Severn Wye, Scope, Shaping Our Lives, Social Workers Union, South Dartmoor Community Energy, South East London Community Energy, Southwark Group of Tenants Organisations, South West London Law Centres, Stop The Squeeze, Tamar Energy Community, Thinking Works, Uplift, UNISON, Warm & Well North Yorkshire, Warm & Well in Merton, Winter Warmth Network, Young Lives vs Cancer, 361 Energy.

The Coalition is also part of the <u>End Child Poverty Coalition</u> and the <u>Renters Reform</u> <u>Coalition</u>. We work closely with <u>Energy Action Scotland</u>, <u>NEA Wales</u> and the <u>Fuel Poverty NI</u> <u>coalition</u>. The coordination for the <u>End Fuel Poverty Coalition</u> is provided by social enterprise <u>Campaign Collective</u>.

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