

# Final Guidelines of Good Practice on regulatory aspects of smart metering

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# 1. Background of Guidelines of Good Practice (GGP)

## 2. Description of GGP

## 3. Further work

# Background and scope of Guidelines of Good Practice (GGP)

- The **3rd Package** contains provisions regarding the installation of smart metering, with the aim of **better informing customers of their consumption and helping to increase energy efficiency awareness**
- The GGP aim at contributing to the effective implementation of the Directives as well as the continuous development of the European electricity and gas markets

# Key Questions

- The following questions form the basis for CEER recommendations:
  - **What level of customer service** is required so that SM will assist the active participation of customers in a safe and secure manner?
  - **What should be considered from a regulatory perspective** by Member States before and when conducting a roll-out of SM?

# European energy regulators' work on smart metering.

## Since the last Citizens' Energy Forum...

- 2.2.2011: publication of **Summary of Member State experiences on cost benefit analysis of smart meters**(C11-RMC-44-03)  
CBAs completed as of 1 January 2011:-
  - Electricity:** *Austria, Denmark, France, Hungary, the Netherlands, Norway, Poland, Portugal, Slovenia, Sweden, United Kingdom*
  - Gas:** *Austria, France, Hungary, Italy, the Netherlands, United Kingdom*
- 8.2.2011: publication of **final GGP on Regulatory Aspects of Smart Metering for Electricity and Gas** (E10-RMF-29-05)

# Legal provisions of relevance for smart metering

- Annex I of the Directives in the **3rd Package**
  - measures on consumer protection
- Article 13 of the **Directive on Energy End-use Efficiency and Energy Services**
  - Metering and informative billing on energy consumption
- **Directive on Measuring Instruments**
- **Proposal for a Directive on Energy Efficiency**

# Standardisation mandate

## M/441

- **CEER recommendations on services aim to be in line with the six additional functionalities outlined by M/441**

F1 Remote reading, meter reading of injected and consumed energy

F2 Two-way communication

F3 Interval metering/registers

F4 Remote management

F5 Interface with the home, home automation

F6 Information through webportal/gateway

**1. Background of Guidelines of Good Practice (GGP)**

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- The GGP mainly consist of a package of services
- When developing the services, one key point was to define what use/benefits a customer should be able to expect from smart metering
- Another key point was to lower the barriers regarding the customer's possibilities to act as a producer of electricity
- Vision: to reach customer awareness and participation

# 28 Recommendations

<b>GGP</b>	<b>Electricity</b>	<b>Gas</b>
Data Security & Integrity	1	1
Customer Services	12	9
Costs & Benefits	1	1
Rollout	2	2

## E/G 1. Customer control of metering data

*It is always the customer who chooses in which way metering data shall be used and by whom, with the exception of metering data required to fulfil regulated duties and within the national market model.*

*The principle should be that the party requesting information shall state what information is needed, with what frequency and will then obtain the customer's approval for this.*

# Customer Services

## **E/G 2. Information on actual consumption and cost, on a monthly basis free of charge**

*presented in a customer-friendly way as the customers' understanding of the electricity market is key for their confidence and active participation.*

## **E/G 3. Access on customer demand to information on consumption and cost data**

*those that both generate and consume electricity should have access to data at a frequency set nationally, free of charge.*

## **E/G 4. Easier to switch supplier, move or change contract**

*remote reading with smart meters, all service providers will have quick access to accurate metering data.*

# Customer Services (contd.)

## E/G 5. Bills based on actual consumption

*remote reading of the meter values, customers should no longer have to accept estimated energy bills*

## E/G 6. Offers reflecting actual consumption patterns

*develop innovative pricing formulae which reflect actual consumption. Smart metering systems should be capable of recording consumption on a configurable time basis: at least hourly.*

## E 7. Remote power capacity reduction/increase

*remote management of power capacity allows the formulation of individually designed contract enhancements that would benefit the customer in meeting his/her specific needs.*

# Customer Services (contd.)

## **E 8. Remote activation and de-activation of supply**

*a customer wishes to activate or de-activate the electricity supply, he/she can contact the relevant market actor who can do it remotely*

## **G 8. Remote enabling of activation and remote de-activation of supply**

*for safety reasons, in most cases, it is necessary that gas activation is always performed manually by personnel on-site.*

## **E 9. All customers should be equipped with a metering device capable of measuring consumption and injection**

*the meter installed should be capable of measuring injected as well as consumed energy, avoiding the need to change the meter in case a customer decides to become a producer.*

## **E 10. Alert in case of non-notified interruption**

*customer can receive immediate information on non-notified energy interruptions at his/her connection point (e.g. by sms), and act on it.*

## **E/G 11. Alert in case of exceptional energy consumption**

*immediate information on a malfunction or a sudden exceptional change in consumption could be transferred to the relevant service provider*

## **E/G 12. Interface with the home**

*meters should be equipped with or connected to an open gateway. The customer's chosen market actor should have access to this gateway.*

## **E/G 13. Software to be upgraded remotely**

*remote upgrading of software is less time consuming and reduces costs*

# Costs and Benefits

## E/G 14. When making a cost benefit analysis (CBA), an extensive value chain should be used

*Apart from the customer benefits described, a CBA should also take into account an extensive value chain, covering DSOs, suppliers, metering operators, generators, etc. and the costs involved regarding metering data security. The CBA should be quantitative as far as possible depending on the national circumstances.*

*This recommendation is not to be seen as a calculation model for a CBA, but outlines some of the possible benefits for different market actors on the smart metering system value chain.*



## **E/G 15. All customers should benefit from smart metering**

*important for all customers to be able to benefit from the services developed through smart metering systems in order to enable customers to become active on the energy market.*

## **E/G 16. No discrimination when rolling out smart meters**

*avoid discriminatory behaviour by the party responsible for the roll-out.*

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# Further Work

1. European Commission - definition and guidelines for a set of common minimum functionalities for smart metering.
2. CEER consulting on Draft Advice on the take-off of Demand Response electricity market with smart meters, related to:
  - E6. Offers reflecting actual consumption patterns
  - E12. Interface with the home

# Next steps

- Status Review on GGP on Regulatory Aspects of Smart Metering

**Thank you for your attention!**

Weblink to the report (click on the title):

**[Final GGP on Regulatory Aspects of Smart Metering for Electricity and Gas](#)**