

# A Smart, Flexible Energy System

OFGEM & BEIS

Chartered Trading Standards Institute response

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## About The Chartered Trading Standards Institute

The Chartered Trading Standards Institute (CTSI) is a professional membership association founded in 1881. It represents trading standards officers and associated personnel working in the UK and also overseas – in the business and consumer sectors as well as in local and central government.

The Institute aims to promote and protect the success of a modern vibrant economy and to safeguard the health, safety and wellbeing of citizens by empowering consumers, encouraging honest business, and targeting rogue traders.

We provide information, evidence, and policy advice to support local and national stakeholders.

We have also, as part of our recently revised remit, taken over responsibility for business advice and



Out of all these activities, the only ones that may benefit from time of use tariffs are the use of the washing machine, tumble dryer and dishwasher. The 'time of use' tariffs where costs are much lower in the middle of the night will therefore have a small impact on the vast majority of consumers. The whole rationale behind smart meters is, in the view of CTSI, completely flawed. Consumers can only run one cycle of a washing machine, tumble dryer or dishwasher every night. Busy households may need to run more than one cycle of a washing machine every day and unless they set their alarm clocks at 3am to reload the machine, no significant savings will be made.

CTSI would welcome the publication of any available and independent data that breaks down domestic activities and the typical energy consumption for each of them.

### Smart appliances

One well-publicised innovation around smart meters is the evolution of smart appliances that are capable of identifying the cheapest time to operate in relation to the consumer's tariff. The only appliances that will benefit from such smart technology will be a washing machine, tumble dryer or dishwasher. CTSI remains unconvinced that fridges and freezers that only operate in the middle of the night would be capable of maintaining a safe minimum temperature with potential food safety issues resulting.

Operating a washing machine in the middle of the night will not be practical for many households due to the noise generated that will inevitably keep occupants awake. In addition, CTSI hopes that BEIS and OFGEM are consulting with the fire service in relation to the very serious issues surrounding domestic appliance fires. A fire caused by a domestic appliance that breaks out in the middle of the night is far more likely to lead to loss of life. Given the current problems with over [5 million Whirlpool tumble dryers](#), the fire service or Whirlpool themselves would not condone their use unattended in the middle of the night.

In addition, what additional charges would be imposed on consumers who purchase a smart appliance when compared to a non-smart appliance?

### Battery Storage Systems

CTSI is extremely concerned that as smart meters are rolled out, consumers will start to be offered a range of expensive battery storage systems by an army of cold calling doorstep salesmen. The marketing literature and sales pitch for such systems will undoubtedly stress the potential cost saving benefits. However, such systems are largely untested and there is a real potential for widespread consumer exploitation. CTSI believes that promises of money savings will be highly inaccurate and unattainable.

### Vulnerable Consumers

The concept of smart energy is extremely complex and quite difficult for even the ordinary consumer to fully understand. In relation to a large number of vulnerable consumers, smart energy will be completely baffling and is likely to lead to anxiety and stress. Even the prospect of having a gas and electricity meter changed can be a serious worry and CTSI is concerned that throughout the whole smart programme, there is little consideration for the needs of vulnerable consumers. The supposed benefits of IHDs for an 80 year old consumer with early onset dementia will never be realised unless there is continuing support on a 1-2-1 basis.

### Smart meter installation process

CTSI continues to have concerns about the smart meter roll-out programme.

Consumers are not advised that having a smart meter is a choice. From data seen via Citizens Advice and from reading publicity materials available, consumers are virtually being press ganged into having smart meters installed. The option of not having a smart meter installed is not publicized by the energy sector, probably due to the targets they have been set by BEIS and OFGEM.

As more and more smart gas meters are installed, there will be a growing number of incidents where the process of turning off and then turning on the mains gas supply will lead to the condemnation of a growing number of gas appliances with consumers left to pay significant sums of money to fix something that wasn't previously broken.

When smart meters are installed, consumers are not provided with a written record of their old meter readings on the day. CTSI believes that there will be a growing number of disputes in the future over problems with incorrect bills. A simple fix now is to immediately introduce a mandatory requirement for consumers to be given a written record of their old meter readings.

#### Switching suppliers for the best deals and driving real competition

CTSI would like to repeat the concerns that it has previously expressed that just at the time when the numbers of consumers switching suppliers has reached record levels, smart meters and the potentially infinite number of tariffs being introduced will have a detrimental impact. The complexity of the smart technology and the smart tariffs will effectively diminish competition, which will result in consumers paying more for their energy than they need to.