**SMART METERS**

**What is a smart meter and how does it work?**

Energy meters in the UK rely on technology developed years ago, and in order to bring energy meters up to date the Government announced that every household in the country would be fitted with smart meters by 2020. Smart meters are a next generation meter for both gas and electricity.

Smart meters will use a secure national communication network (called the DCC) to automatically and wirelessly send your actual energy usage to your supplier. This means households will no longer rely on estimated energy bills, have to provide their own regular readings, or have meter readers come into their homes to read the meter. This will enable the consumer to be more aware of their individual use and costs, helping them to become more energy aware.

Smart meters will also come with an in-home display. This display gives the household real-time usage info, including kWh use and cost, and feeds information regarding your use back to energy supplier, on a daily, weekly or monthly basis. You are entitled to choose which frequency the information is fed back to your energy company.

**What are the benefits of having a smart meter?**

There are several benefits to smart meters:

* **More accurate bills** Smart meters mean the end of estimated bills, the end of having to remember to provide meter readings and/or have a stranger come into your home to read your meter
* **Better understanding of your usage** using the smart meter display, you can see the direct impact your habits and lifestyle have on your bill. This is particularly useful to prepayment meter customers, who can see at a glance how what they are using in their home affects the amount of credit they have left to use. By showing you how much energy you are using and the related costs, you can decide for yourself how to use that energy.
* **Faster and easier energy switching** Having up to date information about your energy consumption will eventually make switching supplier much easier and simpler.
* **Bringing Britain's energy system into the 21st century:** The future is smart, and smart meters are part of the effort to create a smart grid.
* **Innovative energy tariffs** Using the data collected on when and how households are using energy, suppliers can create more competitive time-of-use tariffs with cheaper prices for off-peak use. This option is not available at the moment.

**How much does it cost?**

Nothing. Your smart meter will be installed by your energy supplier at no charge to you. The cost of the roll out is covered already in your energy bill - the same way that installation and maintenance of traditional meters is.

**Can I switch supplier if I have a smart meter?**

Yes. Ofgem has created regulations to ensure that smart meters do not present an obstacle to consumers wanting to switch suppliers.

If a customer has a smart meter installed and then wishes to switch to a supplier that does not use smart meters yet, the new supplier must take on the customer. The smart meter will be switched to ‘dumb’ mode (with all the communications switched off) and can be switched back to smart mode as soon as the DCC is set up.

Also, if your smart meter has to be switched to ‘dumb’ mode, you can still benefit from the in-home display, which will continue to show you your usage in real time (but will not calculate that into pounds and pence until it is back in smart mode).

**Do I have to have a smart meter?**

Energy suppliers are obliged to offer a smart meter to every household by the end of 2020. The main roll-out will be completed by 2017

Smart meters are optional. In the future smart meters will be the only option to replace old meters, but consumers can request that their supplier not make use of the smart meter functionality, essentially meaning it will act as a traditional meter.

Certain properties can’t have a smart meter installed at the moment, either due to lack of wifi signal externally or internally, if the meter is located a long way from the property (ie from the basement to the top floor of a tower block). Suppliers are working to address these issues.

**Concerns with smart meters**

Some people have concerns about:

* **Estimated cost:**  Estimated at £11bn, this will ultimately be passed on to customers
* **Security & privacy:**  Who can see your consumption data and what can they do with it?
* **Health concerns:** about radio frequencies and electro-magnetic radiations produced. The evidence to date suggests exposure to radio waves produced by smart meters doesn't pose a risk to your health. Public Health England provides advice and information on the health implications of smart meters, which can be [found on the PHE website](https://www.gov.uk/government/publications/smart-meters-radio-waves-and-health/smart-meters-radio-waves-and-health).

Smart meters installed before the DCC is set up will still be able to feed data to your energy supplier but may need to be updated especially if you want to switch supplier.  Again, there will be no up front cost to the consumer.

**What should I do if my current meter needs replacing**

**If your energy company has contacted you to change your energy meter to a smart meter because your current meter needs replacing (because it's too old), then you should get it replaced as it could be a safety hazard not to.**

If you really don't want a smart meter, tell your supplier and they will probably offer to install a 'dumb' meter or a smart meter set up to work in 'dumb' mode with all the communications switched off.

A government code of practice, July 2013, sets out the minimum standards that energy suppliers have to follow when installing smart meters into customer's homes.

The code allows you to make choices on how much data your energy supplier collects from your smart meter, whether your supplier shares details about your energy consumption with other organisations, and whether your supplier can use your meter readings for sales and marketing purposes. For more information, contact your energy supplier.