



# Net Zero by Industry Delivering smart meters



**Smart meters can help consumers save on their energy bill, with 50% of smart meter owners saying it has helped them to save money<sup>1</sup>.**

With 14.4% of households expected to be in fuel poverty in England in 2023<sup>2</sup>, they can help consumers to save money and reduce energy consumption.



**No one should be obliged to install a smart meter, but energy suppliers can do much more to support the rollout and educate households to realise benefit.**

With Government reinforcing clear adoption targets, ensuring compliance, and encouraging suppliers to simplify installation to make it as convenient as possible for consumers to adopt.



**We must work on delivering a smart meter value proposition that truly resonates with customers, focused on financial motivation.**

Government should encourage suppliers to introduce and publicise more flexible pricing models that incentivise consumers to provide demand flexibility which supports our grid.



**We must not allow the consumer to become suspicious of “smart”, as a key enabler to our Net Zero electricity grid and the deployment of time-of-use tariffs.**

We need to redefine the negative connotations associated with “smart” by addressing these specific concerns – without this our future energy grid potential will not be realised.

<sup>1</sup> Smart Energy Outlook (Smart Energy GB, 2021)

<sup>2</sup> Annual Fuel Poverty Statistics in England (DESNZ, 2023)

## Smart meters are key to delivering prosumers.

Reaching Net Zero is only cost effective with energy efficiency. The remaining meter rollout and upgrade should refocus on educating consumers on the basics of energy efficiency and how to consume energy smartly. Smart devices can help reduce energy consumption by optimizing energy usage, with 86% of people willing to adopt smarter energy use within their homes<sup>3</sup>. It is well known that smart thermostats can reduce heating costs, but first you need smart meters to make it possible for consumers to monitor and manage their energy usage and take advantage of time-of-use tariffs, which a household cannot move onto without a smart meter.

This is especially important to support Government's target to reduce peak power demand by 15 GW through demand side response by 2050<sup>4</sup> – an intelligent way to balance electricity supply and demand and utilise renewable energy whilst it is abundant, removing the need for costly energy curtailment which could peak at £2-4 billion a year around 2030<sup>5</sup>.

To enable our future energy system, consumers must trust these systems and understand that their information is safe and will not be shared without their consent. The interests of the consumer should be at the heart of government policy as we develop the energy infrastructure for net zero.

## Smart technologies must be trusted to manage energy.

Smart meters are one of several crucial smart technologies that UK households will need to support our move to Net Zero. Government and suppliers need to work with industry to make these devices simple to use, trusted and beneficial for consumers, so that consumer demand drives the programme.

- **Smart meters** enable our future energy grid. They must not become a siloed Initiative.
- **Consumers** should be told that most technical issues and barriers have now been addressed.
- **Government** should support smart device innovation which allows simple set up and use.
- **The remaining rollout** should focus on supporting consumers to use energy smartly.

<sup>3</sup> How to build a Net Zero society (The Behavioural Insights Team, 2023)

<sup>4</sup> Delivering a smart and secure electricity system Analytical annex (BEIS, 2022)

<sup>5</sup> Network Options Assessment 2021/22 Refresh (National Grid, 2022)

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