



# Consumer Engagement Plan (in relation to non-domestic responsibilities)

3 October 2019

## 1. Introduction

1.1 In May 2019, the Department of Business, Energy & Industrial Strategy (BEIS) published “Smart Metering Implementation Programme: Government response on proposals to improve non-domestic consumers’ awareness of smart metering.” That document set out the government’s policy decision to extend Smart Energy GB’s remit in relation to microbusiness consumers. At the same time as publishing this document, BEIS laid before parliament changes to the supplier licence conditions that reflect this change in remit. These changes have now come into effect.

1.2 As set out in the Standard Conditions of Electricity Supply licences and the Standard Conditions of Gas Supply licences, Smart Energy GB<sup>1</sup> keeps under review its Consumer Engagement Plan, and fulfils its duties to “make appropriate amendments” to said plan “from time to time”.

1.3 Pursuant to that responsibility, and reflecting the recent extension of the company’s duties in relation to non-domestic (microbusiness) consumers, Smart Energy GB had a duty to publish an amended version of our Consumer Engagement Plan, by 3 October 2019, which we are fulfilling through the publication of this document.

## 2. Results of summer 2019 consultation with energy suppliers

2.1 Smart Energy GB ran a consultation over the summer (2019) to get further views from suppliers about the microbusiness task. The consultation opened on 19 July 2019, and closed to responses on 16 August 2019.

2.2 The consultation was sent to all members of Smart Energy GB, Energy UK and ICOSS (for these two organisations to distribute to their members and/or respond themselves if they wished) and BEIS.

2.3 A total of 11 energy suppliers responded to the consultation. Seven of these respondents are large non-domestic suppliers and 4 are small non-domestic suppliers. No other organisations responded to the consultation.

### Consultation conclusions

2.4 Modelling has indicated that an annualised campaign budget of c£5m would be required to meet any ambition for a national engagement campaign to reach the breadth of the GB microbusiness market. However from the responses to this consultation the prevailing (but not universal) view of energy suppliers is that they believe that their plans for the installation of smart meters amongst microbusiness consumers in 2020 should be supported by

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<sup>1</sup> Referred to in those licences as the “Central Delivery Body”



national engagement activity of no more than £1 million.

2.5 A level of budget for national engagement in 2020 of no greater than £1 million would be insufficient to materially raise awareness levels among the wide range of microbusinesses of the availability of smart meters, nor their desire to take up smart meters if treated as a universally targeted. Therefore, the campaign will need greater prioritisation and targeting. One way in which a budget of less than £1 million could be more effectively focused to have an impact could be for suppliers and Smart Energy GB to agree on the target sector(s) within the overall microbusiness consumer base to be targeted in 2020 e.g. by industry sector or geographical location. How the campaign will be focused will be addressed in the next steps.

### **3. Next steps**

3.1 The large non-domestic energy suppliers have the responsibility for determining the task that they want Smart Energy GB to fulfil, via their responsibility to set and keep up to date the relevant Performance Management Framework (PMF) for Smart Energy GB's microbusiness task.

3.2 In order to develop the PMF, the large non-domestic suppliers will be attending a workshop (scheduled to take place on 10 October 2019) during which the large non-domestic suppliers will consider the stages in the microbusiness smart meter installation customer journey, the points at which there may be value to improving the success within that journey with activity from Smart Energy GB and thus (shortly after that workshop) provide Smart Energy GB with the PMF for our non-domestic task in 2020.

3.5 The Smart Energy GB board will therefore continue to keep the Consumer Engagement Plan in relation to the 2020 microbusiness task under review and, as appropriate, publish updates to this plan as and when Smart Energy GB receives instruction from the large non-domestic energy suppliers on the task they wish us to deliver in 2020 and so are able to produce our activity plans and budget for 2020 as appropriate.

**3 October 2019**