

## **European Consumers' associations discuss best practices and conditions for smart meter rollout**

Following the successful introduction of the project to the international smart meter utility sector at the European Utility Week 2014 in Amsterdam, the USmartConsumer project partners took an important next step to get European consumers engaged with the benefits of smart meters. In Warsaw on the 17<sup>th</sup> of September 2015, several European consumer representatives gathered for a second workshop to discuss the best practices and best conditions for consumers to become engaged with smart meters. By means of a series of appealing presentations and (panel) discussion, the participants learned more about the importance of engaging smart metering services as well as the need for well-designed guidelines for consumer interest and protection. The second newsletter highlights the main outcomes of this European workshop.

### **Second European workshop**

The second USmartConsumer workshop displayed an impressive line-up of speakers in the field of consumer interest. Key note speaker was Monika Štajnarová, representing the the European Consumers Organisation BEUC. Invited speakers were Claudia Umlauf from the Home-owners Association in the Netherlands, Sanna Öörni from ELENIA Finland and Adam Olszewski/ Mieczysław Wrocławski from Energa operator, Poland.



*Consumer representatives from all over Europe attended the second European USmartConsumer Workshop in Warsaw*

The highlights of the presentations and main outcomes of the group and panel discussions in this workshop are described below.

- European Consumer Perspective

The key-note speaker of the workshop was Monika Štajnarová, who worked at The European Consumer Organisation (BEUC) since 2010. Currently, Monika is leading BEUC's work in the energy area, focusing mainly on consumer rights in electricity and gas markets, retail energy market design, energy efficiency and issues related to smart meter roll-out.

In her presentation Monica Štajnarová expressed that EU consumer associations support smart metering on the condition that European consumers are well-protected and empowered in future smart energy markets. In order to assure these consumer interest, the smart meter installation should be optional and free of charge. Other smart meter safeguards should be related to:

- accurately billing, with the possibility of flexible payments throughout the year;
- consumption data requirements: accurate, understandable, up-to-date, in a user-friendly format and include monetary information;
- strong data protection and privacy standards;

- upgradability and interoperability to cope with future technological innovations.

Finally, demand response and energy services should evolve to the benefit of the final customers. Consumers need advice and attractive incentives to engage with the market.



*Monica Štajnarová, representing the European Consumers Organisation BEUC, presents a smart energy market checklist for consumers to benefit from smart meters*

- Home-owners view on smart meters  
Next speaker was Mrs. Claudia Umlauf, energy policy advisor at the Dutch home-owners association Vereniging Eigen Huis (VEH). She provided the participants insights about how Dutch home-owners think about smart meters in relation to lowering their energy bill. In general, after an initial period of distrust related to privacy, most home-owners in the Netherlands today accept the smart meter, although many of them don't see any financial benefits either. In order to clearly communicate these financial benefits, the VEH considers the bimonthly cost- and consumption statement, to be provided by all energy retailers, as a crucial feedback tool. However, monitoring research shows that the energy saving effects of the bimonthly statements generate only little savings so far. Practical research by the home-owners association signalled similar effects and pointed out that most bimonthly statements lacked a good design and simple explanations. Therefore the Vereniging Eigen Huis wants energy retailers and energy providers to use all the same format for reports. A format

consumers can understand, can control and can compare with each other.

Additional small scale research showed that smart meters in combination with a display appeared to be the preferred feedback option because of the realtime feedback. The monthly report on the other hand can result in longer term effects, because of the advanced data analytics on historic consumption or related to neighbourhood comparisons.

- Smart grid from DSO perspective  
Mr. Lauri Penttinen from Central Finland Energy Agency presented smart grid services from the perspective of a Finnish DSO. He gave the speech on behalf of Ms. Sanna Öörni from Elenia (a Finnish DSO) who could not attend the event. With 97 % smart metering coverage, Finland is one of the most progressed countries in smart metering roll-outs and services to consumers. All DSOs and several retailers offer hourly consumption data free of charge to consumers via web portals and mobile apps. Hourly spot market tariffs are available from several retailers and hourly prices are available for the next day via webpages and apps. Elenia, the second largest DSO in Finland, has developed their own mobile application bringing innovative smart metering and smart grid services to its customers. The "Mukana" app offers customers their hourly consumption and billing information, as well as possibilities to check whether electricity is on at their house and to inform the utility about faults with pictures and GPS coordinates of the fault location. The app enables shorter outage times as faults can be repaired quicker. Furthermore, handling of fault notification via the Mukana app takes approx. 50% less time compared to traditional channels. The app offers customers a real-time channel for two-way communication with the utility wherever and whenever, leading to better communication with the customers. According to Elenia, typical Mukana user uses the service approximately 6 times during the month, when similar Elenia Extranet user uses the service 1,5 times and Web user 1,2 times during a month.



Mr. Lauri Penttinen from Central Finland Energy Agency

- Smart metering in city of Kalisz Poland  
Metering Infrastructure Systems, AMI (Advanced Metering Infrastructure) can also act as a mechanism to control energy consumption at particular parts of the day, and thus contribute to a more stable system operation, which in turn reduces the failure rate of the system. Such mechanism like a multi-zone fare, allows of energy consumption control. In the years 2013-2014, Energa-Operator SA carried out in Kalisz a Consumer test on a group of more than 1,000 households This checking test allows to define the multi-zone fares demand. Kalisz, as the first town in Poland covered by AMI, allowed to conduct in-depth analyses of their influence on work in smart grid infrastructure. During the testing process, participants have been divided into three groups where each one was assigned to different type of multi-zone tariff. Each of those tariffs covering the various price levels at the various time intervals, adjusted to a peak demand periods at summer and winter time. Participants in the study has previously received detailed information about the examined tariffs. The main conclusions of the test are:

- Multi-zone tariffs are effective in terms of reducing energy consumption. The introduction of tariffs resulted in significant reduction of energy consumption on weekdays.
- The tested groups have mostly reacted for changes in the tariffs at the beginning of their apply. When the shape of tariffs has not been changing, then the demand answer, ie consumer habits become more consolidated and even more deepened. At the moment when the calling plan was changed, the

households still were guided with the prices fixed at the beginning of the period.

- Personalized information on energy consumption without additional remuneration, is an incentive for energy efficiency.
- Reports which were delivered regularly, resulted in more than 5% response to the demand already half way through the project.
- The activity of customers on the website also increases in the course of the project.



Adam Olszewski/ Mieczysław Wrocławski from ENERGA OPERATOR Poland

- Consumer Expectation, market reality  
The closing session of the workshop was a panel discussion, moderated by Kamil Pluskwa-Dąbrowski, representing the Consumer Federation in Poland. Panel members Monica Štajnarová, (BEUC), Marcin Ratkiewicz (ORANGE LABS) and Henk van Elburg (Netherlands Enterprise Agency), discussed the topic of consumer expectations vs. market realisation.

New technologies such as smart meters will open doors to new business models and a range of innovative products and services. However, it remains unclear if consumers will be able to benefit from these technologies. New products and services actually respond to consumers' demands rather than to risk confusing. Moreover, as new technologies make it technically possible to process much more data than as is current practice in the energy market, compliance with data protection rules and their enforcement must be ensured.

According to BEUC it should be easy for consumers to navigate the market. For this to

happen, they need clear and accurate information on their energy consumption. They also need easily accessible, understandable, transparent and fully comparable information about available offers so that they can choose that best suited to them.

It must be realized that most consumers are passive and simply want to be able to heat their homes or switch on the lights. We believe increased consumer engagement is an important factor for the future energy market. This requires innovative ideas to empower consumers, backed by an appropriate legal framework.



*Panel discussion, moderated by Kamil Pluskwa-Dąbrowski. Panel members are Monica Štajnarová, (BEUC), Marcin Ratkiewicz (ORANGE LABS) and Henk van Elburg (Netherlands Enterprise Agency)*

### Upcoming project deliverables

The USmartconsumer project team is happy to announce the presentation of the next project deliverable, the launch of national campaigns for consumers engagement in the project partner's Member States. To foster a market driven uptake of effective smart metering services, promising national or regional 'action in the field projects' will be developed, executed and evaluated in terms of savings and consumer responses, to be disseminated as inspiring case-studies for business development in other regions and / or Member States. By dissemination through the USmartConsumer website, social networks and a series of leaflets, newsletters, press releases and (inter)national events, the know-how in this project will be disseminated throughout the European Union.

### About us


The USmartConsumer project is supported by the Intelligent Energy - Europe Programme. The European partners in this project are:

- AISFOR, Italy
- Austrian Energy Agency, Austria,
- Central Finland Energy Agency
- Centre for Sustainable Energy, UK
- ESCAN, S.A., Spain
- Netherlands Enterprise Agency
- Polish Consumer Federation National Council/ National Energy Conservation Agency
- REE!-Management, Germany
- WEMAG, Germany

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**You can download the presentations of this workshop at [www.usmartconsumer.eu](http://www.usmartconsumer.eu)**



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