



**CRU Consultation:  
CRU20169 CRU Call for Evidence on Smart PAYG  
ESB Networks Response**

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## Contents

1. Introduction.....	3
2. Questions Presented within the Consultation Document Relevant to ESB Networks.....	4
3. Concluding Comments.....	9

## 1. Introduction

ESB Networks welcomes the Call for Evidence on “Smart Pay-As-You-Go” (Smart PAYG) which acknowledges ESB Network’s role in delivering the Smart Meter upgrade and associated PAYG functionality.

ESB Networks participated fully in the development of the National Smart Metering Programme’s (NSMP) High Level Design (HLD) and detailed design phases between 2011 and 2016. Principles associated with Smart PAYG were agreed and included in the HLD. These design phases, which were led by CRU, involved extensive workshops, engagement, consultation and decisions that have shaped the final delivery stage of the NSMP and provide a rigorous basis on which all industry stakeholders are proceeding.

ESB Networks considers both the HLD and detailed design to be robust and to provide clear policy direction. Any follow-up policy consultation required following this call for evidence should be progressed promptly in order to mitigate any risk or impact on the High Level Design (HLD) planning activities which are already underway.

## 2. Questions Presented within the Consultation Document Relevant to ESB Networks

**Question 1. After the smart meter upgrade, how do you think PAYG services should be facilitated for customers who wish to or need to avail of these services but may not be eligible for Smart PAYG because of low meter connectivity at their premises?**

CRU's policy framework concluded in 2016 that "In circumstances where full participation is not possible due to technical constraints, then the objective of policy will be to protect customers by identifying and implementing pragmatic, cost-effective measures that minimise the customer impacts of any such technical constraints" "The detail of any such measures will be developed in due course, based on the level of technical performance designed for and delivered post-procurement."

ESB Networks considers the CRU's policy decision to remain appropriate. A backstop is potentially required where a customer cannot fully participate because of technical constraints. However, our view is that it is too early to develop the detail of such measures as there is presently limited experience of smart meter operation in very limited regions of the country.

In due course, the viability of the following potential options could be further investigated to address this:

#	Options Outline
1	Improve communications at the meter.
2	Where communications are not adequate, the customer may be deemed ineligible for the Smart PAYG solution as remote re-energisations and de-energisations cannot be undertaken. If their Supplier has a legacy non-Smart solution, this may be offered in its place.
3	Retain legacy solution. It should be noted that this would relate to MCC01 only and would result in the loss of Smart benefits. Maintaining a legacy system would incur associated costs which would need further consideration.

We also note that the CRU's policy framework recognises that customers who have not given ESB Networks access to install a smart meter, will not be able to avail of Time-of-Use Tariffs or Smart PAYG.

**Question 2. Given that moving to a ToU tariff remains optional, do you think offering one or more ToU tariffs to Smart PAYG customers should be mandated? Please provide reasoning for your view.**

The NSMP's HLD and Smart PAYG detailed design is based on the provision of Half Hour interval data. This data granularity provides Suppliers and CRU with the flexibility to innovate and offer different ToU tariff structured products without having to change meter configurations or retail market processes.

From an ESB Networks Programme perspective, anything that enhances TOU participation and benefits the overall programme should be encouraged. Whilst flexibility in tariff design could be beneficial for customers, mandating that Suppliers must also provide a Standard Smart PAYG tariff structure may provide a means of price comparison across Suppliers. The use of interval data for smart pre-payment customers maximises the flexibility for supplier to innovate on time of use products and allows CRU flexibility to mandate one or more time of use products.

**Question 3. Do you think the minimum requirements for Regular Balance Messages ensure an appropriate quality of service to Smart PAYG customers? If not, what is your view on how the current policy should be amended?**

ESB Networks participated fully in the development of the National Smart Metering Programme's (NSMP) High Level Design (HLD) and detailed design phases between 2011 and 2016. These design phases, which were led by CRU, involved extensive workshops, engagement, consultation and decisions that have shaped the final delivery stage of the NSMP and provide a rigorous basis on which all industry stakeholders are proceeding.

ESB Networks considers both the HLD and Smart PAYG detailed design to be robust and to provide clear policy framework for Supplier engagement with Smart PAYG customers. The framework seeks to minimise the number of customers who may be disconnected by ensuring Suppliers keep customers informed regularly of their current balance. ESB Networks continues to support the use of regular

balance messages to minimise disconnections and maintain customer confidence in and support for smart metering

With regard to the in-home channel, the HLD sets out that tariff information will not be available on the Advanced Meter Infrastructure (AMI) as ESB Networks does not hold tariff information on customers. This means that the backstop ESB Networks In-Home-Display, to be delivered in Phase 3, will not provide updates on a customer's balance.

**Question 4. For suppliers: How do you plan to set up regular messaging with your Smart PAYG customers? Please describe the planned services for both lifestyle and hardship customers.**

ESB Networks considers both the HLD and Smart PAYG detailed design to be robust and to provide clear policy framework for Supplier engagement with Smart PAYG customers. The framework seeks to minimise the number of customers who may be disconnected by ensuring Suppliers establish a "Regular Balance Message Channel" and an "Urgent Alert Channel." ESB Networks supports any initiative that minimises the number of customers that are de-energised as a result of credit balances running down unintentionally and maintains customer confidence in and support for smart metering

We note that the CRU Smart PAYG detailed design does not mandate any specific communication channel. Instead, it requires the Supplier to engage with the Smart PAYG customer at the point of sign-up to agree a suitable channel which can be updated from time to time.

**Question 5. How do you or your customers currently manage top-ups for PAYG meters? Please indicate if there are any differences in the available options between financial hardship and lifestyle PAYG customers.**

No additional comment.

**Question 6. What is your view on whether and how the payment infrastructure should be amended to ensure that customer experience around top-ups for Smart PAYG customers will be equal to or better than it currently is for (non-smart) PAYG customers?**

ESB Networks notes that the payment processes by which customers can top up their balances fall outside of the scope of the retail market systems but recognises the importance of timely crediting of

payment to customer accounts to minimise the number of customers that are de-energised as a result delays in crediting accounts and the ensuing negative impact on customer experience and confidence and acceptance of smart meters.

**Question 7. Do you think, and if yes how, that the current policy should be amended to ensure that deenergised customer premises are swiftly re-energised after conditions for re-energisation have been met?**

ESB Networks participated fully in the development of the National Smart Metering Programme's (NSMP) High Level Design (HLD) and detailed design phases between 2011 and 2016. Principles associated with Smart PAYG were agreed and included in the HLD. These design phases, which were led by CRU, involved extensive workshops, engagement, consultation and decisions that have shaped the final delivery stage of the NSMP and provide a rigorous basis on which all industry stakeholders are proceeding.

ESB Networks considers both the HLD and detailed design to be robust and to provide clear policy direction and represent a well considered, practical and pro-customer approach.

ESB Networks supports proposals for swift re-energisation but recognises that there could be implications from a payment execution perspective and any timeline should be cognisant of that. ESB Networks also note that there may be rare occasions when a Site Visit is necessary for re-energisation in the event of a technical issue.

**Question 8. Do you think setting separate backstop times for each step in the reconnection procedure would facilitate swift reconnections? What timeframes do you think would be reasonable for the process steps mentioned in Figure 2? What regulatory oversight should be applied to ensure these timelines are met?**

ESB Networks will manage to the required timeframe for our part in the Re-energisation process. However, we note that there may be occasions where remote re-energisation may not be possible and a site visit may be required. This may be due to, but not limited to, poor communications to the meter, maintenance outages to telecommunications infrastructure, a meter fault or tampering. Any timeframe requirements will need to be cognisant of these types of issue.

With regard to specific timeframes, our view is that it is too early to develop the detail of such measures as there is limited experience of smart meter operation in very limited regions of the country.

**Question 9. After the smart meter upgrade, customers who wish to or need to avail of Smart PAYG services will have to share their half-hourly (interval) data. What is your view on this?**

ESB Networks participated fully in the development of the National Smart Metering Programme's (NSMP) High Level Design (HLD) and detailed design phases between 2011 and 2016. These design phases, which were led by CRU, involved extensive workshops, engagement, consultation and decisions that have shaped the final delivery stage of the NSMP and provide a rigorous basis on which all industry stakeholders are proceeding. The use of interval data for smart pre-payment customers maximises the flexibility for supplier to innovate on time of use products and allows CRU flexibility to mandate one or more time of use products.

The policy decision framework recognised that “a customer who exercises the choice to have data collected less frequently than daily may have a more limited choice of Time-of-Use Tariffs, are likely not have access to Smart Pay-as-you-Go, and may receive less energy usage and cost information – commensurate with the data that are making available to ESB Networks, GNI and their Supplier.” ESB Networks continues to support this policy decision which is consistent with “The policy objective is to maximise participation, and to ensure that policy settings are such that the consequences for individual customers of less than full participation are reasonable and proportionate.”



### 3. Concluding Comments

ESB Networks welcomes the opportunity to respond to this call for evidence and is eager to continue to work with stakeholders across Ireland in the delivery of the National Smart Metering Programme. ESB Networks is committed to the delivery of the National Smart Metering high level design and are will be happy to further discuss any of the topics raised within this response, while recognising that any policy changes which significantly diverge from current understanding will need to be impact assessed.