



ELECTRICITY
ASSOCIATION
OF IRELAND

127 Baggot Street Lower
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Date: 28/05/2021

RE: EAI Response to CRU Consultation on Smart PAYG

By email to: smartmetering@cru.ie

EAI welcomes the opportunity to respond to CRU's Consultation on Smart Pay-As-You-Go (PAYG). We understand that the objective of this consultation is to inform policy decisions which need to be made for Smart PAYG to go live in 2022 and indeed where appropriate reconsider policy decisions made in 2015. EAI is the representative body for electricity suppliers on the island of Ireland and this consultation on Smart PAYG concerns two distinct groups of electricity consumers, as PAYG services uniquely serve both lifestyle choice and financial hardship customer. As such, the policy requirements of these two very different cohorts of customers must be carefully considered in the CRU's policy formulation in the next number of months.

The EAI welcomes the new capability of Smart PAYG services as they have an important role to play in the overall management of consumer debt across the market as well as for consumers in financial hardship. With these improvements however, the user experience for Smart PAYG will be very different from the user experience for the PAYG solutions currently in the market. In this response to this consultation, the EAI makes the following suggestions on Smart PAYG to help ensure it is an attractive solution for customers.

1. We believe there is an opportunity to explore more frequent 'within day' reads to suppliers to support better customer service in line with GDPR.

EAI members have concerns about the deterioration in customer experience that the proposed Smart PAYG meters will offer to those in financial hardship, compared to the customer experience these financial hardship customers have now. For example, customers will no longer have live balances on their meters and will instead rely on suppliers to provide them with balance updates on at least a weekly basis. This places customers, in financial hardship in particular, at higher risk of entering the disconnection process and potentially being disconnected compared to now and will likely disincentivise Smart PAYG take up. Customers also no longer have alarms alerting them when credit is close to zero. To mitigate these impacts, in an attempt to replicate the current customer experience, we believe access to a minimum of 2X12 hourly data reads should be provided to suppliers seeking these reads.

Our understanding is ESBN connects to smart meters every two hours so this is feasible. If an ESBN market messaging approach is not possible, suppliers could avail of reads via the API or webservice which would reduce a layer of complexity for ESBN. We believe this data will be essential to more accurately providing customers with a 'Stay Connected' amount as well as providing more options to customers in terms of the regularity at which they can obtain more up-to-date credit balances. We need to bear in mind that many customers manage their credit and top ups very closely and often from day-to-day. At present the 'Stay Connected' amount will be based on data with a time lag of

approximately 12 hours meaning customers may not top up by a sufficient amount to stay connected or get reconnected. Furthermore, if access to within day data for suppliers was granted we believe this would enable customers to better manage their top ups (e.g. within day data would enable twice daily updates on balances to be provided by suppliers via a customer's choice of communication). Better management of top ups by consumers would mitigate the likely regularity customers might find themselves in negative credit and the disconnections process or falling into emergency credit in the first instance.

2. We believe the timeframe set out for the reconnection process is a challenging timeline and is heavily dependent on unregulated payment partners.

EAI's earlier response to the Call for Evidence explained that we believe the timeframe of 15 minutes set out for the reconnection process is a challenging timeline. We still believe this to be the case as this process relies on unregulated payment partners. Suppliers also depend heavily on unregulated payment partners for credit balance updates.

While we understand that suppliers will be responsible for submitting the re-energisation request to ESNB within 15 minutes from receiving the top-up information and ESNB will be responsible for re-energising the smart meter within 15 minutes of receiving a re-energisation request from the supplier, we understand that communication with the customer will remain with the supplier throughout the re-energisation process including during the 15 minutes before re-energisation that ESNB is responsible for. To this end, we suggest that consideration be given to putting policies in place surrounding the 15 minutes where ESNB are responsible for the re-energisation as there is such a policy for suppliers. These policies might address what contingencies are in place and what communication suppliers can expect to have with ESNB. The communications stream between suppliers and customers must be protected throughout the entire stay connected and reconnection process and ESNB will have a key role to play in this regard.

Lastly, the proposed go live of Smart PAYG is Q4 2022. Given the dynamic nature of real time payments and remote disconnection/re-energisation, the ability to deliver this will be dependent on robust testing by all stakeholders. We would ask that the regulator keep this go live date under review.

Conclusion

EAI looks forward to further engagement with CRU to ensure that the regulatory framework provides a Smart PAYG solution that is optimal for consumers. While individual members may raise matters in respect of the specific questions in the consultation paper, this high-level response seeks to ensure that the CRU give due consideration to key matters in this process.

We hope you find the above response useful and should you have any questions in relation to this response, please do not hesitate to contact us.

The Electricity Association of Ireland, 28th of May 2021