



1 Introduction

The overall goal of the case study is to analyze complaints and exchange experiences related with smart meters. This final report provides a succinct overview of main findings on smart meter complaints handled by EEMG members.

EU Regulation 2009/72/EC concerning common rules for internal market in electricity calls upon 80% of EU electricity consumers to be equipped with smart metering systems by 2020, provided that a positive economic assessment of all long-term costs and benefits to the market and the individual consumer is guaranteed.

Essentially, smart meters are supposed to simplify the billing process and ensure that readings are up to date and accurate.

But smart meters offer numerous benefits for customers (more detailed feedback regarding energy use providing real meter readings, hourly curve, consumption pattern on a graph, enable consumers to adjust their habits in order to lower electricity bills, reduces the number of blackouts and system-wide electricity failures) and advantages for electric companies (eliminates manual meter readings, monitors the electric system much more quickly, makes it possible to use power resources more efficiently, provides real-time data that is useful for balancing electric loads while reducing power outages, enables dynamic pricing, which raises or lowers the cost of electricity based on demand, etc.).

However, negative public reaction and customer acceptance of the new meters exists and EEMG members detect incidences related with the rollout and with smart meter running.

The aim of this final report is to share the experiences related to smart meters complaints in order to help to improve its rollout, by the prevention of new incidences. From our advantaged position as mediators we can detect both the point of view of the consumers and of the energy companies. Thus, as company ombudsmen, we have a good knowledge of what is happening because we are closer to energy consumers, they contact directly to us and we provide them a customized assistance. On the other hand, Energy Companies during the mediation process deliver us relevant information about the smart meter rollout, improvements and main difficulties.

Consequently, we believe we can offer a complete and inclusive perspective. In that sense, we issued different recommendations to the Energy Companies to improve customer attention related to smart meters and malfunctions alerts detected during the mediation process.



2 Why consumers complain?

Main reasons that consumers complain in relation to smart meters are the following:

- **Incidences reported when the distributor installs a smart meter**

Occasionally, during the roll out some consumers have suffered electrical damages or power cuts due to incorrect connection of the smart meter.

⇒ *Companies refuse to accept that kind of complaints although the strong evidence of the cause-effect relationship between the installation and the damages.*

- **Complaints related to the cost of the Smart Meter**

Some customers express their disagreement with new rental cost of the smart meter, for charges related to installation costs, with the rental cost because the smart meter doesn't work or they request for reimbursement of the cost of the old meter (if it was owned by the customer)

⇒ *It's essential to inform clearly and with absolutely transparency about all costs involved in the roll out*

- **Crossed meters : meters that had been installed wrongly and neighbors were paying other's consumption**

In some cases, due to wrong installation process, meters get crossed and companies don't detect the problem until customers complaint.

⇒ *Secondary problems related to the crossed meters are related to the delay in solving the incidence and the inaccuracy in rebilling process to fix it.*

- **Customers that suffer from electrical sensitivity**

In some countries there is a growing movement against smart meters because of customers who suffer from electrical sensitivity.

⇒ *To avoid complaints and an excessive social alert some energy companies accept to remove smart meters and replace them by old ones.*

- **The meter doesn't function as smart meter as advertised : some consumers have a smart meter but a meter reader has come to take reading**

Meters of first generation or smart meters in an area without an online communication system completed do not offer remote service.

⇒ *Customers should be provided with clear information before changing the meter about specific functionalities of the smart meter fitted in their homes.*

- **Lack of smart meter install appointment with customer**

Many smart meter roll out programs have simply fixed the new meters without fully explaining to consumers what smart meters are, how they work and what they can do to make the most of them. Some customers complain because they could not check reading of the meter removed.

⇒ *During and after the installation consumers need to be provided with all relevant information (advice and support) and customer should be able to obtain and check last reading of the old meter removed in order to avoid incidences.*

- **Higher bills after smart meters were installed**

Customers file about inaccurate smart meters when they receive higher than usual electricity bills. Though a smart meter may be faulty, other variables could be to blame. Billing cycle changes, extreme weather conditions, higher consumption due to new appliances, faulty home appliances or heating and air conditioning systems can result in high electricity bills.

⇒ *In that sense, companies claim that smart meters are more accurate and that consumers were not paying enough with analog meters. Many of old analog meters were faulty.*

- **Communication errors : wrong information is being sent and customers are billed incorrectly**

If there has been an interruption in the communication signal during the time and the supplier is unable to obtain actual reading then the supplier will need to estimate the bill. This will normally be corrected on next bill.

When communication fails, the consumption is estimated and this means that bills still refer to "estimated" use. It also means that customers have credits on their accounts for the amount of estimated consumption charged.

⇒ *In the meantime consumer will be able to give to the supplier meter readings online to ensure accurate billing or a meter reader can take real reading.*

- **Incidence when customer changes the tariff**

Over the longer term smart meters should allow consumers on smart tariffs to take advantage of off-peak deals. Some consumers agree to have a smart meter which takes separate readings in day and night, when energy demand and cost are lower.

⇒ *However when smart meter has a failure the bills under the smart meter system are much higher because the meter was sending the energy company an estimated reading.*

- **Data Consumption: many customers complain that the consumption data and cost is difficult to understand in smart meters.**

Consumers' knowledge about smart meters is currently very limited. While it was anticipated that smart meters would save consumers money, consumers rarely check their meters because the system is too complex. Consequently, customers are unable to make energy consumption changes. Customers should have access to their data in order to analyze their long-term consumption data. Thus, mobile apps and web online platforms are being developed which are more user-friendly.

⇒ *Apps and web online platforms show current balance as well as consumption and cost over recent months. Accuracy is necessary and readings should be updated periodically. Some customers complain about inaccuracy when they download consumption graphs or detailed historical data.*

- **Disagreement with smart meter test/audit done by the energy company**

It's hard to verify that the new smart meter is accurate. Complainants do not trust audit of smart meter done by the Energy Company. The audit normally shows that smart meters tested are accurate.

⇒ *Suppliers should contact previously complainant to convene a date for the test. Complainant should be present so that he could rely on test result.*

3 Recommendations

- **Recommendation in case of interruption in the communication signal**
- The supplier should avoid estimated readings and ensure accurate billing. We recommended:
 - 1) to contact the customer in order to obtain real meter readings online or by phone (when meter is inside the house)
 - 2) to make sure that a meter reader comes to take reading
- **Recommendation to provide clear information before changing the meter**
- We urged the supplier to provide clear information about specific functionalities of the smart meter before changing the meter.
- **Recommendation to fix an install appointment with customer**
- We recommended the supplier to fix install appointments with customers (when they ask for it) in order to avoid inconveniences or incidences during the installation.
- **Recommendation to take a picture of final reading of removed meter**
- In order to avoid misunderstandings and disputes related with final reading we proposed the distributor to take a picture of the meter removed to prove final reading.
- **Recommendation to instruct in deep technicians on smart meter functioning**
- We suggested the distributor to coach technicians (responsible to attend energy failures) in order to help customer to detect if they have a breakdown due to their smart meter and help them to solve it.
- **Malfunction alert related with consumption data (hourly curve)**

We detected different dysfunctions : 1) sum of the hourly consumption did not match with the total daily or monthly consumption invoiced), 2) high consumptions appear in particular hours and days and zero consumption in periods with energy use and 3) the scale of the graph did not match with the values shown.

- We recommend to reinforce information in order to avoid misunderstandings. Suppliers correct rapidly those kind of incidences.

④ EEMG members experiences solving most common smart meter complaints

Each case of incidence with smart meter is looked at entirely on its own merits and individual set of circumstances.

Below are listed the most common regular actions:

- Order to test the smart meter to check whether the meter is faulty
- Remove the faulty smart meter and install a new one
- Issue accurate bills and return the overpayment (in case of overcharge)
- Where appropriate, providing support for undercharged customers in vulnerable circumstances : set up an easy payment plan of accurate bills
- Damages compensation
- Financial award in some cases, if appropriate (case of shortfall in customer service). It can be in addition to any financial goodwill that the company may have already offered previously
- Send a letter of apology for any inconvenience caused
- Send a letter confirming the meter exchange has been updated, etc
- Recalculate the bills using actual meter readings or usage before the fault
- An explanation providing a statement of the account payments and credit balance (clarifying what the customer owed, etc)
- Ensure the customer is on the best tariff that work with smart meter (single rate tariff, two rate tariff, dynamic tariff, etc)

5 Conclusions on experiences solving most common smart meter complaints

- Complaints regarding smart meters increase substantially during the first period of the roll out.
- Main problems are caused in the installation process (damages, reading mistakes, delays ...).
- In countries where the smart meter roll out is almost or fully completed we detect that global percentage of complaints associated to smart meters and readings is decreasing (even disappearing).
- It is essential to guarantee accurate information, advice and support to customers during all the smart meter roll out process in order to prevent complaints.
- It is crucial to assure a good customer service with a sufficient level of knowledge when handling new typologies of complaints related with smart meters
- EEMG members did not deal cases related with smart meters data protection
- In some countries there is a media buzz against smart meters with group actions due to electro sensible consumers. However, complaints on that subject are not relevant.