

## **ERGEG Public consultation**

## Draft guidelines of good practice on regulatory aspects of smart metering

## Le médiateur national de l'énergie's contribution

## September 3<sup>rd</sup> 2010

Le médiateur national de l'énergie (MNE) follows with attention the smart metering experimentations driven by ERDF and GRDF (French mains DSOs) with the preoccupation that the customers benefits are taken into account.

We agree with the ERGEG's recommendations on regulatory aspects of smart metering. However, we would like to bring the following comments and complementary information on the recommendations related to the customer services, in electricity as in gas.

Concerning recommendations 1 and 17 related to the information on actual consumption on a monthly basis, we would like to precise that there are two billing systems on the French energy market:

- Some customers choose to pay each month the same amount corresponding to their monthly estimated consumption (based on the estimated annual consumption divided by 12 months) and receive once a year a regularization invoice, based on their real consumption;
- Some customers are billed at a two or six monthly frequency, on an estimated consumption basis calculated on the billing period, and once or twice a year, on their actual consumption basis.

For the first category of customers, smart metering should not change the way they are billed because these persons choose to pay the same amount monthly. However, the access to the actual consumption will enable them to check that the monthly payments are coherent with their real consumption. In case of significant gap between the actual and the estimated monthly consumption, the energy supplier must revaluate the monthly payments.

For the second category of customers, with smart metering, they should be billed monthly on an actual consumption basis.

Concerning recommendations 8 and 21 related to the access on customer demand to information on consumption data, in order that all the customers can better control their energy consumption (even the most vulnerable), we think that there must be a minimum range of consumption data accessible easily without charges.

Concerning recommendation 7, we agree on the fact that it would be simpler for customers who generate and consume electricity to have only one meter. We wish to drive the ERGEG's attention that in France, the smart meters tested by the DSO ERDF cannot meter the injected electricity. Customers who consume and produce electricity must have three meters: one for the electricity supplied that they consume, one for the electricity that they produce and inject.

In addition, concerning the minimum customer services for both energies, we recommend that for contractual modifications such as a tariff evolution, the DSO transmits to the energy supplier the consumption index of the day the tariff has changed. The supplier must use this index to bill its customers concerned by the tariff changes. At present in France, change tariffs are billed on an estimated index basis, which generates complaints.

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