



Per email: smart_metering@ergeg.org

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EREGG consultation on Draft Guidelines of Good Practice on Regulatory Aspects of Smart Metering for Electricity and Gas (# E10-RMF-23-03)

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Dear Ladies and Gentlemen, dear Ms Geitona

EnBW welcomes the opportunity to comment on ERGEG's consultation on its Draft Guidelines of Good Practice on Regulatory Aspects of Smart Metering for Electricity and Gas.

Before commenting on selected recommendations, we would like to recall that the Third Energy Package requires a cost benefit analysis to ensure an efficient roll-out of smart meters. According to our estimates, such an analysis is likely to show that the rather high cost of a complete roll-out outweighs its rather small benefits.

Further, we would like to emphasize that some Member States such as Germany have already liberalized their metering market and chosen for a certain way of rolling out smart meters. It is thus of essential importance that ERGEG takes the individual market conditions of each of the Member States into consideration when rendering its recommendations.

Minimum customer services

In the area of minimum customer services, we would consider the adaptation of the following recommendations important.

Recommendations 1 (Electricity) and 17 (Gas): Information on actual consumption on a monthly basis

EnBW agrees that customers should be properly informed about their actual electricity or gas consumption and the cost of consumption frequently enough, i.e. on a

monthly basis, to enable them to control their consumption. In our opinion this does however not necessarily require remote data reading for every customer because in certain customer segments an interest or even a potential interest in such technologies does not exist. It is thus unlikely that customer welfare in those segments will increase on the basis of an optimization of energy efficiency. Should customers of those segments wish to receive a monthly bill there are indeed other less costly ways to achieve this, for instance by way of communicating their monthly consumption data to them via the internet.

Recommendations 3 (Electricity) and 19 (Gas): Bills based on actual consumption

EnBW believes that customers should have the choice between monthly billing based on actual consumption and payment by installments. A considerable number of customers prefer paying monthly installments in order to level out their expenses throughout the year, which is particularly true for gas where consumption can be very different depending on the season.

Recommendation 4 (Electricity): Offers reflecting actual consumption patterns

If interval metering is applied we would consider an hourly interval sufficient to correspond to the needs of the market.

In downstream systems, time-of-use registers should only be implemented off-site in order not to confuse the customer since the transparency for the customer decreases with an increasing number of registers. The flexibility of pricing and the transparency for the customer are greater if monthly reporting is applied and customer-friendly software used.

Optional services

In the area of optional services, the following recommendations require further consideration:

Recommendation 6 [Electricity]: Activation and de-activation

EnBW believes that ERGEG should not render any recommendation on activation and de-activation. In Germany, for example, there is no need to activate or de-activate electricity supply when somebody moves in or out. More generally, there is no advantage for customer to have this functionality.

Recommendation 9 (Electricity): Alert in case of high energy consumption

For interruptions, which have not been notified, we would consider it essential to equip the local networks of the DSOs with smart metering technology. However, we do not consider this functionality necessary to be installed in smart household meters.

Recommendations 10 (Electricity) and 24 (Gas): Alert in case of high energy consumption

As already set out above, EnBW agrees that customers should be informed about their actual electricity and gas consumption and its cost frequently enough to enable them to control their consumption. It should however remain the customers' choice to receive or not to receive an alarm distress signal.

Recommendation 11 (Electricity): Interface with the home

EnBW supports this recommendation as long as it remains optional for customers.

Recommendation 13 (Electricity): Information of continuity of supply

There is no need to equip smart household meters with such functionality in order to warrant higher supply security (in terms of reliability) of the low voltage grid. We would consider it sufficient to introduce smarter metering technology to the local networks of the DSOs.

Costs and benefits

Recommendations 14 (Electricity) and 26 (Gas): Costs and benefits

EnBW supports the recommendation of ERGEG that a comprehensive cost benefit analysis (CBA) should include an extensive value chain. The focus of the CBA should however be on achieving the EU's aim of enhancing customers' energy efficiency balance. In the end, it is the customer who should benefit from smart metering functionalities.

Roll-out

The following recommendations for rolling out smart meters require further deliberation:

Recommendations 15 (Electricity) and 27 (Gas): All customers should benefit from smart metering

We would consider it important that in Member States where metering is liberalized appropriate mechanisms should be put in place which ensure that primarily those customers participate in a smart meter roll-out who have been identified by the already mentioned cost benefit analysis as beneficiaries of smart metering .

One way of rolling out smart meters could be to oblige customers to choose a smart meter model, which fits their individual needs. They can then authorize metering companies or energy suppliers of their choice to install the meter and to read and handle the metering data. This approach would guarantee that all customers benefiting from smart metering are equipped with meters, which suite their personal situation. At the same time, such approach would promote a market driven roll-out of smart meters.

Recommendations 16 (Electricity) and 28 (Gas): No discrimination when rolling out smart meters

In our view, this recommendation cannot hold in liberalized markets where the customer decides which type of smart meter should be installed at what point in time.

Data security and integrity

Finally, in the area of data security and integrity, we would consider the following important:

Recommendations 29 (Electricity and Gas): Customer control of metering data

EnBW agrees with the intention to offer customers solutions which suit their needs. However, the cost of administering metering data access rights should be taken into account in this context. Both, flexibility and standardization requirements would in our opinion still be sufficiently accounted for with pre-defined clusters or groups or sets of pre-defined metering data.

EnBW hopes that its comments contribute to ERGEG's consultation on its Draft Guidelines of Good Practice on Regulatory Aspects of Smart Metering for Electricity and Gas.

We remain at your disposal should you have any further enquiries.

Kind regards.

Yours sincerely

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