

CER Press Release - 15th November 2011

CER Plans National Roll-out of Energy Smart Meters in Ireland

The Commission for Energy Regulation (CER) has today published a paper proposing to roll-out electricity and gas Smart Meters to all homes and many businesses across Ireland in the coming years. These Smart Meters will provide significant benefits to energy customers and to the country generally.

It is proposed to proceed with a national roll-out of Smart Meters following the completion of electricity and gas Smart Meter pilot trials earlier this year. These trials showed that a national roll-out of Smart Meters could lead to a 2.9% reduction in overall gas consumption, a 2.5% reduction in overall electricity consumption and an 8.8% reduction in peak-time electricity consumption.

A national roll-out of Smart Meters will therefore lead to lower customer bills, greater customer information and choice, lower CO₂ emissions and environmental benefits for Ireland. It will involve major investments by the network companies over the next few years. The pilot trials showed that, after carefully analysing the costs and benefits involved, Smart Meters will provide a net benefit to customers and the country in excess of €220 million over 20 years. In particular, Smart Meters will provide customers with more real-time energy consumption recording and information services, with the following benefits:

- **Better Customer Information and Choice:** Smart Meters can record customers' use of energy over short intervals, for example every 30 minutes. Suppliers can use this to provide customers with detailed information regarding their actual electricity and gas consumption and costs, through *Smart Bills*. In addition, an *In-Home Display* screen can be used with Smart Meters, providing customers with more real-time information on their energy consumption. All of this information will empower customers to reduce their energy consumption and manage their bills better.
- **Lower Energy Bills:** By recording electricity use over short intervals, Smart Meters will allow suppliers to charge varying prices to electricity customers, in what is known as *Time-of-Use Pricing*. This reflects the fact that electricity costs more at peak demand times, i.e. from 5pm to 7pm on a weekday, when more power stations are needed, and less at off-peak times. By having lower electricity prices at off-peak times, Smart Meters will encourage customers to move electricity consumption to cheaper off-peak times, thereby reducing their electricity bills.
- **Greater Energy Efficiency and reduced costs:** By facilitating a reduction in energy usage, Smart Meters will help improve energy efficiency and lower Ireland's CO₂ emissions, which is good for the environment. Smart Meters will also allow the network operator to be more efficient because it will not be necessary to visit customers' premises to read the meter, resulting in cost savings which should be passed on to customers.

The CER is proposing to roll-out Smart meters nationally in a manner which:

- Includes an *In-home Display* screen to give consumers more real-time information on both the cost and usage of electricity and gas.
- Provides customers with *Smart Bills*, containing detailed consumption and cost information.

- Involves suppliers offering *Time-of-Use Pricing* for all electricity consumers, facilitating a shift in electricity consumption to cheaper times of the day and giving more choice to customers.
- Provides prepayment services as standard with smart metering, i.e. energy consumers will be able to automatically switch between prepay and bill pay options.

The CER consultation paper published today also includes proposals for the design and functionality requirements of the national Smart Meter roll-out, as well as the procurement model and high-level timelines involved. A final decision on the national roll-out is expected from the CER in early 2012, with the process of installing meters likely to occur over the following years.

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Notes to Editors:

- The CER is the independent body responsible for regulating the electricity and natural gas sectors in Ireland. The CER protects customers by working for a safe, secure and sustainable supply of electricity and natural gas, as well as a competitive market which delivers reasonable prices and a good quality service. For further details please see www.cer.ie and the CER's customer website, www.energycustomers.ie.
- Since 2008 the CER has initiated and managed the Smart Metering Project. The CER has chaired a Smart Meter Steering Group which has also included the Department of Communications, Energy and Natural Resources, Sustainable Energy Authority of Ireland (SEAI), ESB Networks, Bord Gáis Networks and Irish gas and electricity suppliers. During 2009 and 2010, circa 10,000 electricity Smart Meters and 2,000 gas Smart Meters were installed in homes and business across Ireland, as part of the electricity and gas Smart Meter pilot trials.
- In May 2011 the CER published the results of the electricity Smart Meter pilot trials and in October 2011 the CER published the results of the gas Smart Meter pilot trials - press releases for these results are available at the following link:

<http://www.cer.ie/GetAttachment.aspx?id=c98371aa-2705-4c46-b972-6a6d04a4e712>
