

daniel.simpson@energynetworks.org

25<sup>th</sup> July 2016

Dear Daniel

### **Response to the Consultation on Radio Teleswitch Broadcasting Provision from 1 January 2018**

The National Energy Foundation was established in 1988. We are an independent, national charity at the forefront of improving the use of energy in buildings: understanding energy use; improving new and existing buildings; helping householders save energy and money; providing impartial advice; undertaking research and innovation and tackling fuel poverty.

Radio teleswitching has proved to be a useful tool in helping protect some of the most vulnerable customers, and in limiting heating costs at times of severe weather. Indeed, the persistence of customers on teleswitched tariffs suggests that there is still a need for this sort of tariff, albeit one that tends to be a fairly blunt tool. As such, we would not support the withdrawal of the system prior to the introduction a viable alternative – which, as indicated in the consultation document, is likely to be achieved at least in part through the national roll-out of smart meters. For this reason, we believe that it should continue in operation until 2020.

Recognising that the number of customers on these tariffs has fallen, and may do so more rapidly once the roll out of smart meters accelerates, we believe that the costs of maintaining the service should be socialised (ie. spread across all customers) rather than attributed to the declining numbers of often low-income customers who benefit from the service. We would also encourage a specific smart meter project to assist these customers in early switching to ensure that they are using smart meters as quickly as possible. This should be coupled with advice to ensure that they are on the most appropriate tariffs and understand how to maximise benefit of their new smart meter as well as ensure a smooth transition from the teleswitched tariff.

We urge that a longer term solution be considered for Scotland, in particular, where this service has historically been more popular and there are concerns about the ability to use smart meters to switch tariffs in remote areas.

#### Questions

1. Do you understand the purpose for this consultation?

Yes

2. What is your company's current role or interest in the Radio Teleswitch Service?

We have no direct involvement, other than our longstanding concern to assist UK residents in the ability to have affordable warmth.

3. Does your company have any need for the Radio Teleswitch Broadcasting Service to continue past 31 December 2017?

n/a

4. If you need the service to continue past 31 December 2017, how long would you need the service for?

n/a

5. If you are a Supplier; a. How many of your time switches are Radio Teleswitches controlled using the broadcasting service? b. What would be the effect on your consumer's switching schedules should the Radio Teleswitch Service cease?

n/a

6. If it is decided to extend the service, what is your view on how the cost of extending the service should be recovered? Options could include: a. Socialised recovery across all network users, b. Recovered only from MPANs with Radio Teleswitch SSCs, c. Recovered only from network users who indicate a need for the service to continue.

We prefer option a. Socialised recovery across all network users. Those with electrical heating systems have not had the benefits of gas which provides a cheaper alternative for heating; there is therefore a higher incidence of fuel poverty amongst these residents. This section of society should be protected as much as possible from increasing costs.

7. Are there any other issues which haven't been captured?

Not really. There may be a need for more research, including half hourly monitoring of internal temperatures and energy consumption, to compare the outcomes for homes currently using an active teleswitching process before and after switching to smart meters, to ensure that the post-2020 provisions are both fair and effective.

Yours faithfully



Mrs Gabby Mallett  
Director Households and Communities