

Press Release

For Immediate Release

10th January 2007

Smart Meters could save 15% of Energy Consumption in UK Households. So what are we waiting for?

Smart Meters installed in the home could save 15% of the energy consumed within the household, but they are not yet available in the UK market. Scandinavia and other European countries such as Italy, have adopted Smart Metering solutions, which can offer meaningful displays in real-time, giving the total energy consumption in pounds as well as the normal kWhs. CO₂ and Carbon equivalents can also be displayed if required. The main proposition of a Smart Meter is that it enables the householder to see exactly what energy has been used, enabling them to change their behaviour to have a direct effect on the quarterly bill. Most people are now aware of turning the TV off rather than leaving it on standby and washing at 30 degrees, but are still unable to see what direct effect this has on an often estimated bill. Smart Meters are still not available on the UK market, partly due to the complicated infrastructure of the energy supply markets, as well as the lack of government incentives to make the investment a sound economic proposition.

What makes a meter 'smart'?

- Meaningful and real-time energy data in pounds as well as kWhs and CO₂ emissions on a locally accessible display.
- Facility for two way communication between Supplier and household using cost effective communication technologies.
- Ability to be remotely interrogated, eliminating estimated bills and facilitating the update of tariff and billing parameters, ending retrospective charges for energy consumption.

Why are we slow to install Smart meters?

- The energy supply industry is fragmented into three main areas: generation, distribution and supply and involves many third party agents providing services. This dilutes the commercial case for Smart Metering, as the benefits cannot be assessed effectively or completely by any one individual party.

- No commercially aware supplier of a product or service would be in a hurry to implement a system that potentially reduces demand for their product, without additional incentives to make it an economically sound proposition.
- A significant level of initial investment is required from the supplier of the metering technology, with no real legislative or other governmental incentives in place.

“There is little doubt that Smart Metering will reduce domestic energy demand significantly as well as offering additional social benefits. It’s worthy of note that the 15% demand reduction equates exactly with the 15% Government target for energy generation from renewable sources and is arguably much easier to achieve.”

Mike Peters, CEO Horstmann Controls

It’s likely to be several years before Smart Meters are routinely fitted into UK homes - apart from Jersey and Guernsey where UK companies such as Horstmann are currently supplying Smart Meters for domestic applications. However, the impetus of the European Commission’s Energy Services Directive to be implemented in April 2008, is focussing attention on this issue. Elsewhere in Europe and Scandinavia, Smart Metering is at very advanced levels of implementation. In Italy the majority of domestic and small business consumers have already been converted and most Scandinavian countries are also well advanced.

Ends

1. Smart Meters – An article on this subject is available from the press area at www.horstmann.co.uk. Mike Peters is available for interviews and/or comment, please contact Horstmann on 0117 978 8700 or 07956 406698.
2. Video footage, display visuals of a smart meter screen, press releases and photographs are also available from www.horstmann.co.uk
3. Bristol based Horstmann Controls is one of the UK’s leading designers and manufacturers of metering and controls for domestic heating. The UK office of Electricity Regulation (OFGEM) approves Horstmann for the certification of electricity meters, as does the British Electrical Approvals Board (BEAB) for Horstmann domestic products.