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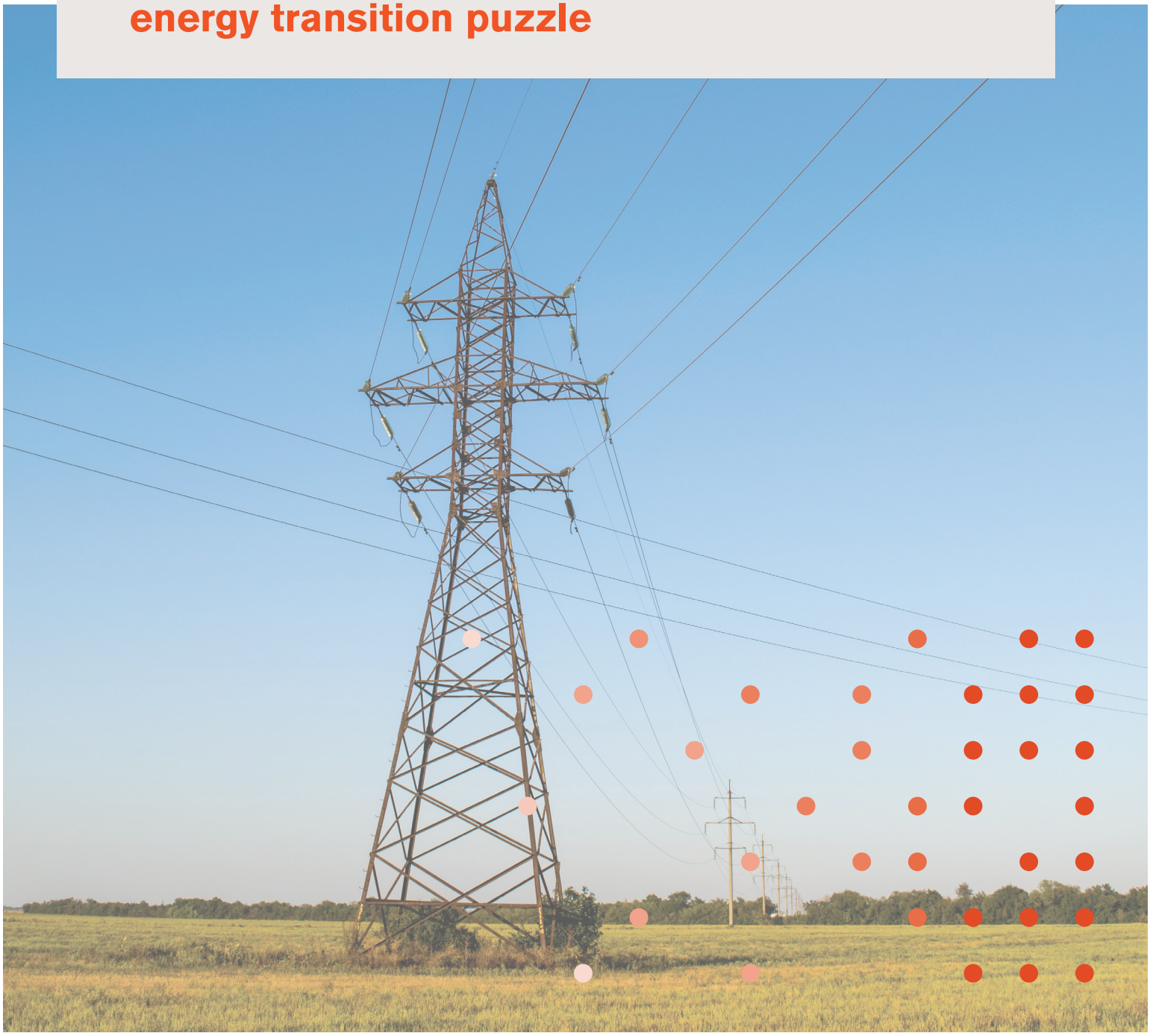
From Energy Consumer to Energy Citizen

Smart Meters - the missing piece of the energy transition puzzle



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Executive Summary

In March 2018 Landis + Gyr commissioned Essential Research to talk to Australians about the way they are using technology to better manage their energy usage.

We sought out two distinct groups:

- people from Melbourne who had smart meters installed as part of a state government roll-out
- and people from Sydney who were a mix of highly engaged in energy use around the home and those who were not.

What we discovered was that regardless of their personal experience, people are ready to take on greater involvement as active energy consumers – they're just not always sure about how to do it.

With rising energy prices and more extreme weather events, energy consumption now carries both a value-based and values-based proposition for many consumers.

While technology has made significant advances, there is a growing gap between what consumers can do to reduce their bills and energy footprint and what they are actually doing.

Bridging that gap emerges as a critical challenge to the ability of the national energy market to manage prices, supply and sustainability.

If we get it wrong, smart meters will represent a missed opportunity for the energy sector. If we get it right, we will be assisting consumers to become more active energy citizens.

Project Methodology

The research for this report was conducted in two discreet phases.

Phase 1

Phase one involved four focus groups conducted in Sydney and Melbourne in March 2018. The Sydney groups involved men and women with a mix of household types, owners and renters; one group included highly engaged energy users (active users of energy saving devices like LED lights and solar panels), the other with low interest in energy issues.

The Melbourne groups involved men and women with a mix of household types and owners and renters. Given the roll out of smart metres in Victoria, all participants had smart meters but the groups were divided into one group with low interest and use of their smart meters, the other with a high level of interest and use of their smart meters.

From these groups, six individual participants were followed up in the two weeks after the groups to explore further issues related to energy use and smart meters.

Phase 2

Phase two of the research involved six question on the Essential Report omnibus survey, seeking to quantify some of the insights about energy use gleaned from phase one. The survey was conducted online from 5th to 8th April 2018 and is based on 1,033 respondents.

Findings in detail

We know we need to get smarter about our energy usage…

Energy consumers know full well they need to get smarter about energy use around the home. All are acutely aware that energy costs have gone up and will continue to rise, while energy supply has emerged as an issue, especially during hot summer months.

There is also widespread understanding that the Australian energy market is in transition, throwing some doubt over cost and supply of energy in the future.

Energy prices consistently rate atop tier driver of Cost of Living, which is currently the number one political issue, according to our Essential Report – see http://www.essentialvision.com.au/important-issues-5

Q. Which of the following issues are the most important for the Federal Government to address over the next 12 months? Select up to 3.

	Total	1st	2nd	3rd	Vote Labor	Vote Lib/ Nat	Vote Greens	Vote Other
Cost of living	**51%**	22%	14%	15%	52%	44%	42%	57%
Improving our health system	**36%**	12%	12%	12%	40%	35%	32%	32%
Creating jobs and reducing unemployment	**32%**	13%	11%	8%	29%	33%	31%	36%
Housing affordability	**29%**	7%	10%	12%	29%	26%	28%	26%
Improving workers wages and conditions	**22%**	7%	8%	7%	29%	18%	20%	20%
National security and terrorism	**21%**	7%	8%	6%	14%	26%	10%	34%
Promoting economic growth	**21%**	7%	7%	7%	18%	31%	12%	15%
Tax avoidance by big companies	**20%**	5%	7%	8%	23%	16%	29%	21%
Promoting renewable energy	**19%**	7%	6%	6%	19%	12%	49%	13%
Income tax cuts	**15%**	4%	6%	5%	17%	15%	4%	11%
Reducing the budget deficit	**14%**	4%	5%	5%	7%	23%	4%	22%
More funds for education	**13%**	2%	5%	6%	15%	13%	28%	9%
Business tax cuts	**6%**	2%	2%	2%	4%	7%	6%	3%

April 2018

"In Australia we've been very fortunate but, we're only starting to see the beginning of huge price increases. And it will become a problem, I think, for a lot of people, if they actually start adding up what they're paying outside of their mortgage."

- Melbourne high interest group

We are beginning to be more aware of our energy use…

‘Getting smarter’ about energy use takes a variety of forms.

Checking the energy efficiency of new appliances via the star rating system is commonplace.

“When you’re buying appliances, looking for the highest ratings and not choosing the crappy ones, one star, which will suck up all your energy.”

- Melbourne low interest group

There is also daily monitoring and ‘rationing’ of the use of appliances people know or suspect use high levels of electricity.

“I don’t use the dryer very often because I know it eats up electricity.”

- Melbourne low interest group

Respondents were aware of the idea of peak and non-peak times and the impact timing could have on price and reliable of energy.

“In terms of washing the clothes, I should wash them more at night when you’re supposed to save energy than doing it during the day. I am conscious of that, when I can. If the last bill was a bit higher, then I try and not wash daily. I kind of try and save and then try and do it at night.”

- Sydney disengaged group

And the key driver of this behavioural change is price.

“I worry when I get the bill, and suddenly it’s so high compared to the one before. And you think oh, what factors are there? So I suppose I just started getting into the habit of checking if there’s any outside light left on, unplug everything, or switch everything off before you leave the house.”

- Melbourne high interest group

… but how much do we really know?

Quantitative research shows that the majority of energy consumers believe they understand what household activities are energy intensive, with 85% of those surveyed agreeing with the statement "I know what household activities have the most impact on my bill."

Q. Do you agree or disagree with the following statements? – those who say they have a smart meter (n=483)

	Completely applies	Generally applies	Total applies	Generally doesn't apply	Doesn't apply at all	Total does not apply	Unsure
I know what household activities have the most impact on my bill	38%	47%	**85%**	7%	2%	9%	6%
I believe energy companies should supply me with more information to help me better understand and control my energy use	26%	37%	**68%**	23%	6%	29%	8%
I feel I have no control over my energy use	10%	29%	**39%**	32%	22%	54%	6%

While the quantitative research shows that the majority of energy consumers believe they understand what household activities have the most impact on their bill, the qualitative research shows there are still questions, doubts and the need for more information.

Our focus groups indicate that, despite this confidence, people are not actually taking meaningful steps to manage usage. For example, participants will be assiduous in turning off power switches, but will not consider replacing old refrigerators, which use far more energy.

This sense that the public already believes it knows what is best for their energy usage, emerges as a significant barrier to further changing behaviour and embracing new technologies.

Lack of trust in energy companies undermines our sense of control

The quantitative research also shows that consumers are divided about whether they feel in control over their energy use, with 39% agreeing either completely or generally with the statement ***"I feel I have no control over my energy use"***.

This divide around 'control' was reflected in the focus groups, with some participants feeling they had control (albeit theoretically) over their energy use because they could choose to use different appliances or not.

"We have a fair bit of control. We don't have to use the air con, we could use the fans. We could change our behaviour, turn things off. We are wasting our electricity."

- Sydney disengaged group

In contrast, other participants felt there was a tenuous link between their behaviour and the electricity bill, making them feel as if they had limited control over their energy use.

"I go away a lot for work and for life and stuff like that but my bills are rising all the same. I feel like I haven't used it as much. I sometimes don't feel I have control over it because it's not predictable for me."

- Sydney disengaged group

Importantly, when it comes to consumer understanding of how energy costs are calculated by retailers, there is a spectrum from confidence to confusion.

Retailer payment structures are complex and confusing, plans are perceived as difficult to shift, there is a sense that *big energy* companies set the rules to suit themselves.

Compounding this here is very little understanding of the role of energy regulators, with a sense that in privatising the energy networks the government, and through it the public, have lost control.

This is backed from public research commissioned by Essential that finds energy companies less trusted that either banks, mining companies or telecommunications companies.

Q. How much trust do you have in the following industries to act in the public interest?

	Total a lot/ some trust	A lot of trust	Some trust	Not much trust	No trust at all	Don't know
Tourism	**70%**	18%	52%	16%	5%	9%
Agriculture	**68%**	18%	50%	15%	6%	11%
Manufacturing	**55%**	8%	47%	27%	9%	10%
Retail	**53%**	8%	45%	29%	10%	9%
Construction and development	**46%**	8%	38%	31%	14%	9%
Telecommunications	**36%**	7%	29%	35%	20%	9%
Mining	**36%**	6%	30%	30%	245	11%
Banking	**33%**	8%	25%	30%	30%	7%
Media	**29%**	3%	26%	31%	31%	8%
Power companies	**24%**	3%	21%	35%	32%	8%

Case study: Taking Ownership

Luke and his partner live in Sydney's western suburbs. With two kids, four bedrooms and a pool they have significant energy needs, especially since their split level home was built in the late 1980s and gets seriously hot in summer.

"We have some insulation in the roof but none in the walls. We are looking to get ducted air conditioning and maybe blinds or shutters as well. The solar panels have helped but really our bills are high."

Luke worries a lot about energy but doesn't feel he understands why his electricity bill is what it is. ***"I don't really understand the bill and what's happening. How many kilowatts does it take for me to use my washing machine in the day? I have no idea. I am at a stage when I want to start being more conscious about how we use electricity. I need to know more so we can do more about it."***

Information is Power

The quantitative research shows nearly 70% of energy consumers want energy companies to supply them with more information to help them better understand and control their energy use.

Q. Do you agree or disagree with the following statements – those who say that they know what household activities have the most impact on their bill (n=837)?

	Completely applies	Generally applies	Total applies	Generally doesn't apply	Doesn't apply at all	Total does not apply	Unsure
I believe energy companies should supply me with more information to help me better understand and control my energy use	26%	42%	**68%**	22%	5%	**27%**	4%
I feel I have no control over my energy use	11%	27%	**38%**	34%	26%	**60%**	2%

Energy consumers feel that if they had relevant and useable information about energy use, then they would have the best opportunity to modify behaviour and get control over their energy costs.

As one focus group participant put it ***"education always leads to empowerment and ownership of your behaviour and what you're doing at home. So knowledge is power".***

Currently, energy consumers are finding information about energy use from a variety of sources.

The first obvious source of information is the energy bill; again, the qualitative research shows that while some feel the bill provides substantial and sufficient information, others feel they need and want more detailed information.

"I don't think the bill's enough, that there's enough there that I can actually use to change my life."

- Sydney disengaged group

"I wouldn't have a clue. They could write anything on the bloody bill and I wouldn't know."

- Sydney disengaged group

"All these appliances these days are meant to be so much more energy efficient and save money yet the bills keep going up. I mean that just doesn't make sense."

- Melbourne low interest group

While the majority of energy users are currently receiving comparisons with other households' energy use on their bill; this is regarded as interesting information but not critical to behaviour change.

In contrast, information related to energy use of specific appliances and actionable recommendations tailored to actual energy use were determined to be highly relevant and influential.

One area participants nominated where information from energy retailers could be improved was in terms of 'customisation'. As one focus group participant put it, your bill is "just a snapshot" rather than a precise account of energy use in your household.

"If they specifically tailored your bill to break it into blocks … lighting, heating, fan, this is your usage. Information like that's good because then you can make a conscientious decision 'what am I going to do?'"

- Melbourne low interest group

Improved, more precise information about energy use would mean energy companies could provide more tailored advice about how to save energy, rather than generic advice that can seem either obvious or irrelevant.

"Information about energy from the company is not personalized. It's just a brochure that they've popped in with your bill. All you do is you open it, you toss that to the side and you look at what your bill is. … It would be good if they said, "you use this much on TV, this much on lights, this much on air con, this much on heating", because then you could go, 'okay, well yeah we could cut this down'."

- Melbourne low interest group

More specific information sparks a deeper engagement

Participants were also excited about some of the more complex ways that data could provide them with insights ab out their energy use, for example:

- Appliance specific energy consumption information and information.
- Fault detection - a 'heads up' about an appliance using energy inefficiently or an appliance that was in t faulty.

This is the sort of data which is already technically possible to provide, but is not readily available to most households.

"I'm really curious about how much energy my dishwasher uses in comparison to my fridge, in comparison to the washing machine. I sometimes run a load that's 50 minutes long, but there are also choices to run it for two hours. How much energy are you actually saving when you choose eco [mode]?"

- Melbourne high interest group

"If you found that the information that they gave you showed that this particular item is pulling all your juice, you'd say, 'is this item that I've got, actually worth having or should I replace it?'"

- Melbourne, low interest group

The quantitative research reflects the findings of the focus groups in this regard.

Q. How useful would it be for your electricity provider to give you information on the following?

	Very useful	Fairly useful	Total useful	Not that useful	Not useful at all	Total not useful
Alerts when your energy usage suggests you may have a faulty appliance	53%	35%	**88%**	8%	4%	**12%**
The amount of energy you, specifically, have used for particular appliances (e.g. air conditioning, pool pump, dishwashers, etc)	47%	38%	**85%**	11%	4%	**15%**
Recommendations on how to reduce your energy use, based on the way you actually use energy	44%	41%	**85%**	11%	5%	**16%**
Time of use tariff information – e.g. how much energy you've used during peak and off-peak energy/pricing periods	41%	41%	**82%**	14%	5%	**19%**
Comparisons with other households like yours	27%	42%	**69%**	23%	7%	**30%**

In short, the majority of respondents wanted more of everything. They are used to receiving and accessing more information on other aspects of their life, eg fitbits, banking, but energy companies are yet to provide the same user experience.

The best possible information about energy use was seen as helping reinforce good habits and maximise the chance to alter bad ones.

"I always hang up my washing. Same with washing the dishes. If I see that the usage of the clothes dryer is $13.41 and the dishwasher $7.17, that's $20.53. Straight away I'm thinking, 'well at least I'm saving on that'. You get a good feeling. Or where you're surprised that you're using so much and you think, 'okay, I'm going to be a little bit more disciplined'."

- Melbourne low interest group

"It'll educate you and then you'll think, 'I'm not going do that at that time, I'll do it at another time'. So I think it will make you more aware of things."

- Sydney engaged group

Case study: Drilling Down

Azeem is in his early 30s, working in IT and living in the northern suburbs of Melbourne. With three kids under six and a wife who works part-time from home, he admits it is a hectic life with not much time to stress over energy use around the home. Azeem and his family live in a weatherboard house which needs a lot of renovation and, in Azeem's view, its dilapidated state is making energy use and energy choices harder. ***"We don't have insulation in the roof or in the walls so it's an icebox in winter or stinking hot in the hotter months. So to keep the family comfy during winter we've just been burning money pretty much firing up the heater."***

The idea of having appliance specific information is highly appealing to Azeem, who is not only concerned about energy bills but also the impact of energy use on the environment. ***"I have no idea about what's happening with the dishwasher, washing machine, heater. I never really thought about the dishwasher, as to whether it's a high intensity device or not. If it is an energy sucker maybe that information, which I don't have now, is going be quite important because maybe that's where I'm losing my money."***

Azeem has a dishwasher that is an older machine but still working. Maybe more detailed energy information would help him decide about what to do with that machine? ***"I'm not armed with the information yet to assess whether it's worth the investment of a new machine with better results."***

While Azeem recognises that it isn't always possible for a busy young family to choose when to use appliances in the home, better information would at least help him identify choices when they present themselves. ***"If the energy company could educate the customers by giving information that would be great. I don't expect everyone in the society to act on it. But at least they could point us in the right direction."***

We accept better technology is the key to better energy use …

Consumers believe better technology will potentially deliver more efficient energy use now and in the future: smarter tech will result in smarter consumers. While tools like smart thermostats and home energy management systems are still largely unfamiliar, smart meters were familiar to participants, particularly but not exclusively to Melbourne residents.

When people were taken through all the possible uses of smart meters and overall their potential to improve the efficient use of energy was well appreciated. One of the more appealing aspects of smart meters was that you could access detailed and personal information via your own digital tools, whether that be an app or a dashboard online, a text or email.

"I'm quite interested in having an app I could check regularly about how much energy we've used this month on what. I am at a stage when I want to start being more conscious about how we use electricity."

- Sydney engaged group

"I prefer all things being digital. Lots of information coming and not just data. I love the idea of moving to the next century."

- Melbourne high interest group

Regardless of whether they had a smart meter, actively used the information it provided or knew what a smart meter was prior to the research, participants could see a variety of benefits of this digital tool.

Those benefits included:

- Receiving prior information about power outages.
- Real time information about energy use.
- The end of strangers from the power company poking around your backyard to read your 'old-fashioned' meter.

Among the engaged group of Melbourne participants, there was a strong belief that smart meters were making consumers more aware and more proactive in their energy use, including when it came to the purchasing of appliances.

"I think they're making people more aware of their power usage, and how they can somehow fine tune it. It gives them more flexibility."

- Melbourne engaged group)

"You can get an idea where the costs are going. You can make a judgment and say, look I had this washing machine for 20 years, maybe that's something that I need to look at. This is costing me more based on this graph, you can tell. So it may educate people also to maybe buy things that are more efficient and it'll cost them less money in the long term."

- Melbourne engaged group

One participant in the engaged Melbourne group liked the way her smart meter allowed her to prescribe the amount of energy she might use and assist her with meeting her own energy use goals.

"You've got a smart meter, you download an app and it actually logs you into your usage and it tells you how much you're using. You can set targets so that if you want to make sure you don't go over a certain amount, it tells you when you're getting close to it."

- Melbourne engaged group

Those who were renting or in share accommodation recognised that the smart meter could give them essential information when dealing with a landlord or another housemate on issues of faulty appliances or unusually high energy bills.

"Sometimes it's really hard to get a hold of our landlords and get them to do anything, so if we had concrete evidence that it was actually a fault they should deal with, that would help. We've had situations in the past where we had a bad TV connection, and they were like, 'maybe you've done something to the power point'. If we just had concrete information, then I think it would be easier to get them to deal with it."

- Melbourne disengaged group

But to use these tools we need to increase energy literacy

While there was enthusiasm among engaged smart meter users in Melbourne about what the technology could do for them, education about smart meter usage is clearly still needed.

This was reinforced in the public survey, which identified a clear demand for greater understanding of HOW smart meters could be deployed to make smarter energy decisions.

Q. How strongly do you agree or disagree with the following statements about digital or smart meters?

	Strongly agree	Somewhat agree	Total agree	Somewhat disagree	Strongly disagree	Total disagree	Unsure
I would like to know more about what I could do with a smart meter	26%	43%	69%	11%	6%	17%	14%
I think smart meters could be used more effectively in reducing my power bills	15%	40%	55%	11%	6%	17%	29%
I don't feel I have the skills or knowledge to get the most out of a smart meter	14%	34%	48%	22%	11%	33%	20%
I have a good understanding of what smart meters do now and could do in the future	11%	30%	41%	27%	13%	40%	20%

In fact, 69% of those surveyed said they would like know more about what they could do with smart meters. Less than half of those surveyed felt they had the skills or knowledge to get the most out of a smart meter.

Just over 40 percent of those surveyed felt they had a good understanding of what smart meters do now and could do in the future. This lack of awareness and understanding it perhaps why only 55% of those surveyed felt that smart meters could assist them in reducing their power bills.

Without the ability to use the tool fully and effectively, its utility in managing energy use is limited.

Case study: User Experience

Elizabeth lives in the inner eastern suburbs of Melbourne in a two bedroom house with her husband and her two young children. She works as a nurse and her husband is a teacher. Elizabeth worries about energy costs, especially given she'd had two maternity leave periods in four years, leaving the family running off one income.

"I think with kids you've got to be switched on, especially because energy bills are biggest." Elizabeth admits that her power prices are high for a small house and a small family as they are running the washing machine and dryer constantly as well as the air conditioner in summer as she is home a lot with the children. Elizabeth finds the idea of digital tools to help her manage her energy use very appealing.

"If there was an app or something along those lines, like we have with the WIFI network, I'll actually get a message from the provider saying, 'you've used 75% of your data'. You get the warning and you try and cut down usage. With energy, if you got an alert on the 16th of the month to say you're at 80% of your normal usage for the month, perhaps you can try to moderate what you use to a degree."

She also likes the idea of a smart meter helping her identify a faulty appliance in the house. ***"If we had a faulty appliance that you knew was causing you bigger bills, then of course you would be interested in replacing it. It would be like pouring money down the toilet".***

Before we embrace the technology, we need to be reassured about how our data is used...

There are high levels of cynicism among consumers about the behaviour of corporations and the benefits to consumers that flow from technological change. Trust in corporations, particularly around their handling of consumer data is low.

Consumers naturally wonder whether new technologies are put in place to benefit consumers or merely to assist in cost cutting, marketing and greater oversight of our behaviour.

Although some in the qualitative research were relaxed about energy providers knowing about the detail or their household energy use, others were highly concerned. The distinction is really about the perceived balance between benefits and costs – participants in the qualitative research wanted to know that there were clear benefits for them in the data being shared, before being prepared to accept the perceived costs or risks (e.g. in terms of reduced privacy).

"At first I thought it was good you could monitor different appliances but then I wondered whether the cost of our energy could go up. My supplier could use that against me."

- Sydney engaged group

"It just sounds like all the information goes to them and it doesn't necessarily sound like any's going back to us. Just giving [the energy company] more information, more power at the end of the day."

- Sydney disengaged group

"We give too much information already. I wouldn't like a company being able to control my energy use or monitor how much I use. To be a devil's advocate, if we're having major problems with energy, do they decide all these households here, we're not going to supply them enough for air conditioning because it's a really hot day, we're going supply it to this business area?"

- Melbourne low interest group

The quantitative research shows that, provided people can be given a clear idea of the benefits and are comfortable that safeguards will be in place, Australians are reasonably open to the data from their smart meter being collected and used. These considerations are therefore vitally important to driving acceptance and full use of smart meters.

	Total
I am comfortable with the data being collected and used as long as there are clear limits on how the data is used (e.g. requiring that it can only be shared with individual records anonymised) and as long as there are clear benefits to ordinary household consumers	**58%**
I am uncomfortable with the data being collected and used even if there are clear limits and clear benefits to ordinary household consumers.	**19%**
Unsure	**23%**

The key requirement for building trust us to be one and honest with how data will and won't be used and how this information will contribute to broader decisions in the consumers interests.

The way for energy companies to rebuild public trust – value and values

While the research reflects a scepticism about whether a technology like smart meters will be as useful to consumers as it will be to energy companies, it also offers a clear way to build public trust.

This proposition has two fundamental planks:

- Value – the proposition that people can reduce energy usage and bills by becoming more active energy consumers
- Values – the credible assertion that taking control of energy usage is port of the global challenge of addressing climate change.

Q. How strongly do you agree or disagree with the following statements about digital or smart meters?

	Strongly agree	Somewhat agree	Total agree	Somewhat disagree	Strongly disagree	Total disagree	Unsure
Smarter use of power is part of the broader response required to deal with climate change	26%	37%	**63%**	10%	6%	**16%**	20%
Smart meters benefit electricity providers and retailers	20%	37%	**57%**	9%	3%	**12%**	31%
Smart meters benefit household consumers	14%	35%	**49%**	13%	8%	**21%**	30%

There was also some discussion in the quantitative research that the information gleaned from smart meters should benefit the network as a whole, making it not only more efficient and more responsive to events like heat waves or network problems but also more effective in terms of the ongoing challenge of managing energy in a time of climate change.

"If providers could give more detailed information to people it would be wonderful for the environment because then people could see what devices, if it's working properly, what devices are using what."

- Melbourne high interest group

"They could look at if there's one area or street, whatever's using lots of energy, they could potentially look at, I think they do them in Queensland, they build solar banks. Or residential areas."

- Sydney engaged group

The quantitative research reflects this finding also with 63% of those surveyed believing that smarter use of power is part of the broader response required to deal with climate change.

Smart meters can help us shift towards more engaged, active energy citizens

At the moment, many consumers do not really engage with their energy bills or their energy usage, beyond knowing how much they have spent. This contributes to competition between companies being driven almost entirely by price – as much as retailers have tried to differentiate themselves on factors such as service, for most consumers, it is all about who can offer the cheapest deal.

Part of this is driven by a feeling of helplessness or inevitability, where consumers believe that any adjustments they do make to their energy usage will have limited real impact on their energy bill. They often believe that, even if they did everything they could (within reasonable limits in terms of inconvenience) to reduce their energy usage, the impact on their bills would still only be a few dollars.

The appeal of smart meters is therefore their potential to show consumers quickly and easily what they could do to use energy more efficiently, and to inform them of major contributors to their bill that they might have been unaware of. The ability to identify potential faults, for example, has significant appeal because participants recognise that faults can happen without being noticed, and can contribute significantly to energy bills. Being able to quantify how much energy is used for specific items is seen as very useful, because it could help them make more informed choices. For example:

- Knowing that an old fridge is costing them $X more per month allows consumers to calculate whether a replacement is worthwhile.
- Numerous participants described how they did dishes by hand rather than using a dishwasher because they thought doing so was more efficient, and a smart meter could provide evidence that that was not the case.

Most of the smart meter services tested in the quantitative research have similar appeal, and the reason for that is simply that the reasons they appeal are similar – they all allow consumers to make better informed choices about their energy usage, both in terms of how they use energy in their home and what they could purchase or replace to improve their energy use.

In turn, being able to see such information logically means that consumers will pay more attention to their bills, because the information they contain will be more actionable. Looking at the bills is likely to help consumers engage in the market more and potentially be more favourable towards it, because the additional attention they pay may encourage them to think more about whether they could get better deals if they shopped around.

There is also the potential for information from smart meters being a real differentiating factor between retailers, and consequently move the market from being one driven almost entirely by price. Numerous companies argued that, all things being equal, a retailer offering the sorts of information discussed in these groups would be significantly more appealing than one that did not, with some even saying that they would be prepared to choose a retailer offering those services even if they were a little more expensive.

It is not realistic to think that increased information from smart meters will encourage consumers to view the sector much more favourably or shift away from their general assumption that consumers are paying much more than necessary. They do, however, offer the potential to soften views somewhat, and to help household consumers feel that they can have more impact on their energy usage in the future.

In Conclusion

- We recognise that energy transition is upon us – we are embracing renewables and seeing the long-term potential of batteries.
- This research reinforces that the missing player in energy transition is actually us – most of us still regard power as a transaction and all too often we find ourselves playing the part of aggrieved consumers.
- But we are now taking the initial steps to becoming more active consumers – seeking out information about the way we use and produce energy.
- The use of digital technology – like smart meters – looms as an important tool in increasing our awareness and our ability to make more informed decisions.
- But this too is only a transition – because armed with this information there is a pathway for us all to becoming even more active players - not just consumers but energy citizens – who appreciate the shared value in minimising our footprint on the world we share.

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