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Dear Mr Hedges,

Thank you for inviting Citizens Advice to give evidence to the Climate Change, Environment and Rural Affairs' committee, regarding fuel poverty.

I wanted to follow up on a question asked by Jenny Rathbone, which related to whether energy suppliers are targeting prepayment customers when rolling out smart meters.

At the time, I mentioned there have been delays to the widespread availability of second generation smart meters (SMETS2) in prepayment mode. This is likely to have been a factor in how energy suppliers choose to target their customers.

In total, there have been 2.3 million SMETS2 domestic installations as of September 2019¹. While the majority of SMETS2 meters are in credit mode, we understand many of the problems with the prepayment solution are being resolved and that the rollout of SMETS2 meters in this mode continues to increase.

It is our understanding that as of November 2019, just over 19,500 SMETS2 meters had been installed across Great Britain in prepay mode. The vast majority (approx. 19,300) had been installed in the central and southern regions, which has a different communication service provider to the northern region. Wales is covered within the central region.

More generally speaking, energy suppliers have targets monitored and enforced by Ofgem, with financial penalties if energy suppliers fail to meet these targets². It is in

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/848325/2019_Q3_Smart_Meters_Statistics_Report.pdf

² <https://www.independent.co.uk/news/business/news/npower-fine-ofgem-energy-bills-watchdog-meter-installation-a8474091.html>

Noddwr EHB Y Dywysoges Frenhinol Prif Weithredwr Gillian Guy

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the best interest of energy suppliers to offer smart meters to as many households, as reasonably possible. We would expect this to happen safely, taking into account vulnerability and customer experience.

In summary, recent conversations with BEIS officials have confirmed the SMETS2 prepay solution has been successfully tested in the central and southern regions and is being rolled out to consumers. We continue to work with energy suppliers and other bodies responsible for the technical solutions to support progress.

Yours sincerely,

Rajni Nair

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