

# **FUTURE CLIMATE HMO LANDLORDS' GUIDE TO SMART METERS**

November 15, 2016

## **SECTION 1: SMART METERS - BASICS AND FREQUENTLY ASKED QUESTIONS FOR LANDORDS**

### **1. What is a smart meter?**

A smart meter is a modern electricity or gas meter that sends automatic readings to the energy supplier – removing the need for estimated bills or for meter readers to visit the house regularly.

Every home in the country will be offered a smart meter to replace their existing gas and electricity meters, between now and 2020.

### **2. What is the in-home display?**

Every smart meter is issued with an in-home display device (one device per home for both electricity and gas use) which enables the household to track energy use and energy expenditure in their home.

### **3. What are the advantages of a smart meter?**

The main advantage of the smart meter is more accurate bills. The in-home display makes it easier to manage and control costs of energy in the home. In time, it will be possible to connect smart meters to different advanced (“smart”) energy services that can help reduce bills further (for example by offering discounts depending on the time of day that you use energy).

For pre-payment customers, smart meters can offer a wider range of pre-payment methods. When customers switch from paying their energy bills on a contract to pre-payment, there will also be no need to change the meter, as there is currently.

### **4. How much does a smart meter cost?**

There is no charge for having a smart meter fitted (though the costs of the overall roll-out will be borne by all energy customers).

### **5. When will I get a smart meter?**

The installation of smart meters is undertaken by energy suppliers with their own customers. Different households in the same neighbourhood will therefore be offered smart meters at different times between now and 2020.

### **6. Who decides whether to get a smart meter installed in rented properties?**

Gas and electricity meters in your properties belong to the energy supplier. It is the bill-payer's decision whether or not to replace the existing gas and electricity meters with smart meters. The bill payer can contact the energy supplier to ask for the smart meters to be fitted, or the supplier may contact the bill payer.

Therefore, if your tenants are the energy bill payers, it is their decision whether or not to have smart meters installed. However, tenants may be in breach of tenancy agreements if this happens without the landlord's consent – it is important in all PRS situations therefore that both tenants and landlords are happy to have the meter installed.

The energy company will need access to your property to install the meter.

### **7. Can the landlord use the In-home display to monitor energy use in their rented properties?**

As part of the installation process, the bill payer will be given an in-home display device to help them monitor energy use. This is wirelessly linked to – and locked to - the meters in that property. It only has a range to cover the house and its immediate vicinity. Accordingly, it is only useful for tenants to track their own energy use (it's range is not sufficient for it to be used by landlords to monitor energy use remotely).

### **8. Can a meter be moved at the time of the smart meter installation?**

Yes, you can ask for the meter to be moved. If the landlord and/or the tenants requests for the meter to be moved, then the landlord will need to pay for any additional costs for this. If on the other hand the installer says they need to move the meter then the supplier may consider bearing the cost (suppliers are obliged by their regulator to make reasonable efforts to install smart meters).

### **9. What about if tenants lose the in-home display (IHD)? Can it be replaced? How much will this cost?**

If you are a landlord paying the energy bills the IHD is your responsibility and we recommend adding it to the property inventory. Where tenants pay the bills it is their responsibility to pass the IHD to future tenants when they move out. Different suppliers will make different arrangements (cost etc) for the replacement of lost IHDs.

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## **FOR SHARED HOUSES WHERE THE LANDLORD PAYS ALL THE ENERGY BILLS**

### **I. What are the issues to bear in mind?**

It is your decision as the landlord, paying the energy bills, whether or not to replace the existing gas and electricity meters with smart meters. You can contact your energy supplier to ask for the smart meters to be fitted, or they may contact you.

You will need to agree with your tenants and your energy company a time for the smart meter installation (as with any situation where you need access to your tenants' home, you should give your tenants at least a week's notice). We recommend that at least one tenant is also there when the smart meter is installed; if not, we recommend spending time with your tenant after the installation visit to explain how the new in-home display works.

At the time of the smart meter visit you will be given a new in-home display. You should pass this to your tenants as it is set up so it is only useful to monitor energy use in that property. We recommend that you spend time discussing with your tenants how they can use this to understand the energy they use in their home.

The in-home display remains your property – add it to the inventory of the contents of the property and emphasise to tenants that it will not work in any other house.

It is important you do not try to use data from your smart meter to penalise your tenants for the way they use energy.

### **II. What are the advantages of installing a smart meter?**

- As a landlord paying energy bills for your tenants, keeping the costs of energy under control is a high priority – smart meters will make it easier to do that.
- By working with your tenants, helping them to use the in-home display device, you can take more control of energy use in your property.
- Your energy bills will be more accurate (no more estimates)
- You won't have to visit the property to take meter readings, or rely on your tenants to let in meter readers.
- You'll be more easily able to switch energy suppliers, keeping bills under control
- Over time, it's likely that specialist services will emerge to help landlords and tenants use the data from their smart meters to manage energy use together.