

Welcome to the Energy Innovation Hub!

SMS Energy Insights Day 2024

Agenda

- Welcome & Housekeeping
- Smart Update
- Guest Speaker – Simon Dawson from Rightmove
- Smart Meter Health
- Market Half Hourly Update

1PM - Lunch & Tours

- Beyond Smart
- Guest Speaker – Steve Buckley from Loop Energy App
- R&D Update
- Open Energy Data
- Guest Speaker – Tracie Callaghan from NatWest
- Closing Remarks – Drinks and Nibbles

Smart Update

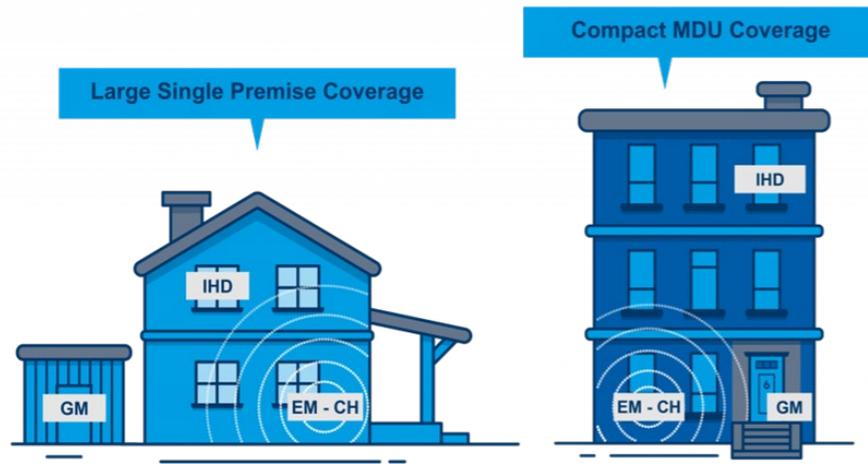
Alt HAN & RTS

SMEST2 U16

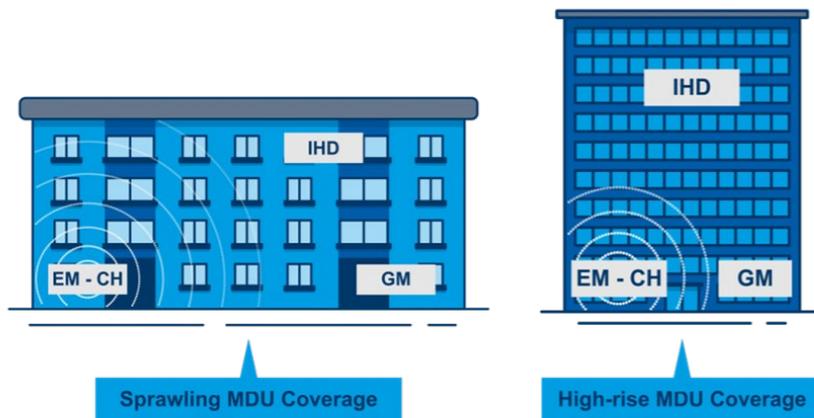
CH Exchange & 2/3G Sunsetting

Tom Woolley & Ben Sanderson

What is “Alt HAN” & What are SMS doing?



*Estimated that ~ 5% of premises need Alt Han
(~ 1.3 million customers)*



- ✓ Delivery of Test and Assurance Programmes
 - ✓ Completion of building surveys in 2022/3
 - ✓ Successful Crowded Meter Room Pilots in 2023
 - ✓ Signed up MEM for forecasting & procurement of Alt HAN Equipment
 - ✓ Awarded contract for ending Crowded Meter Room Partner
 - ✓ Commercial and Operational proposition for co-ordinated meter installs, industry wide, whilst delivering CMR work – fit smart to a building at a time!
- Could this be the opportunity to prove the value⁴ of co-ordinated, energy supplier agnostic meter installs?

SMETS U16



Flonidan U16 – SMS are ready

Key meter features

Fully SMETS compliant

Dual Band as standard
for distance issues

Same interface and
commissioning as other
Flonidan S2 Meters

SMS Status

Testing in lab complete

Successful pilot in I&C &
Domestic with different
customers & adaptors

Stock available in
warehouse

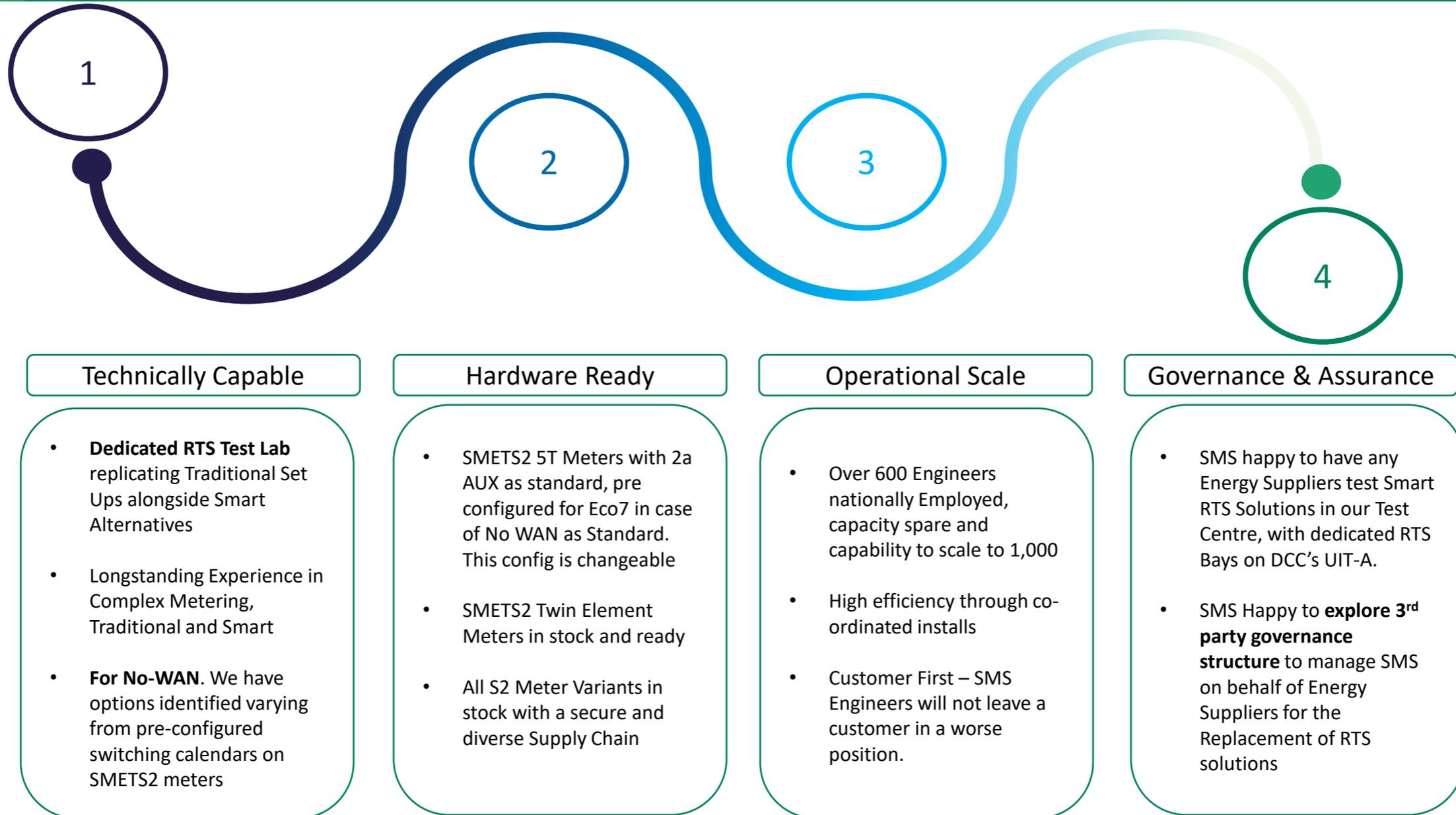
Benefits

Untapped opportunities
– previously excluded

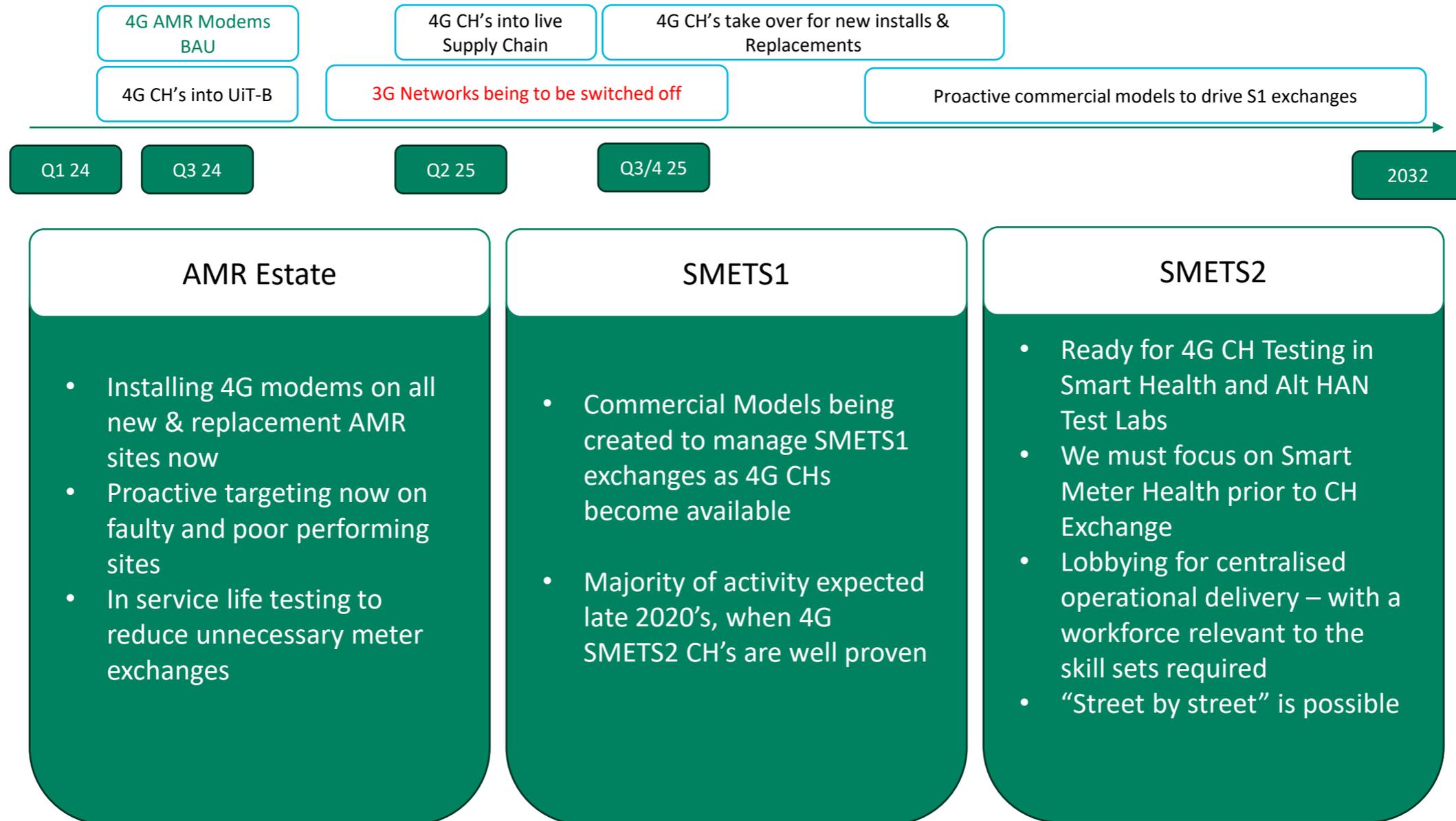
Increased customer
engagement

Cheaper alternative to
AMR

SMS's Approach to RTS Replacements



2/3G Sunsetting & 4CH Comms Hub Readiness



Simon Dawson

Rightmove

**Understanding consumer sentiment
towards decarbonization**

and

**How are we using Rightmove Data to
support pathways to Net Zero**



Accessing Rightmove consumers to understand attitudes and sentiment towards decarbonisation



Education is key to help drive change more quickly. However, the immediate cost benefits are still the biggest driver for home-owners to consider making green changes

- Our new analysis shows that based on the current rate that homes are improving, it would take 43 years for all houses for sale on Rightmove to reach at least an EPC rating of C, and 25 years for flats for sale.
- In the rental market, it would take 31 years for all houses for rent on Rightmove to reach at least an EPC rating of C, and 16 years for flats.
- Greener Homes Report data used by a lobbying group (Better Homes Alliance) including Lloyds and Kingfisher to encourage government to introduce green incentives

Educate

Give context

Promote

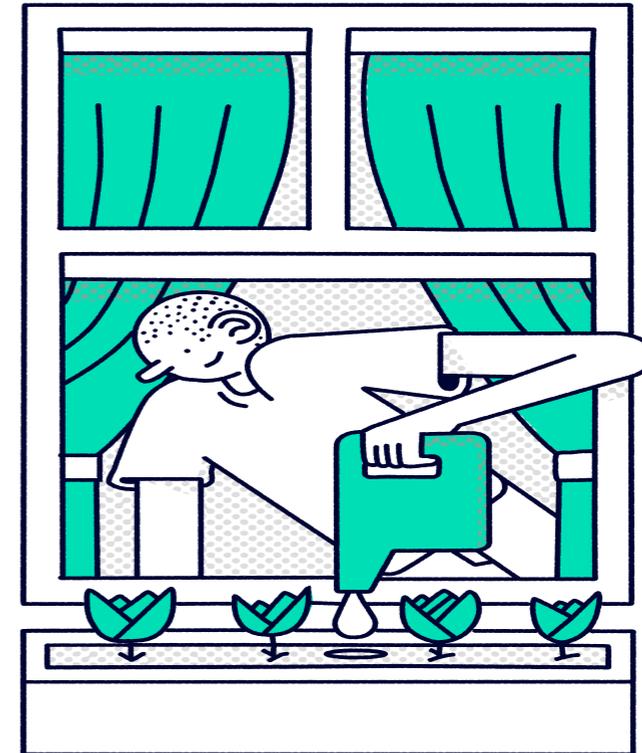
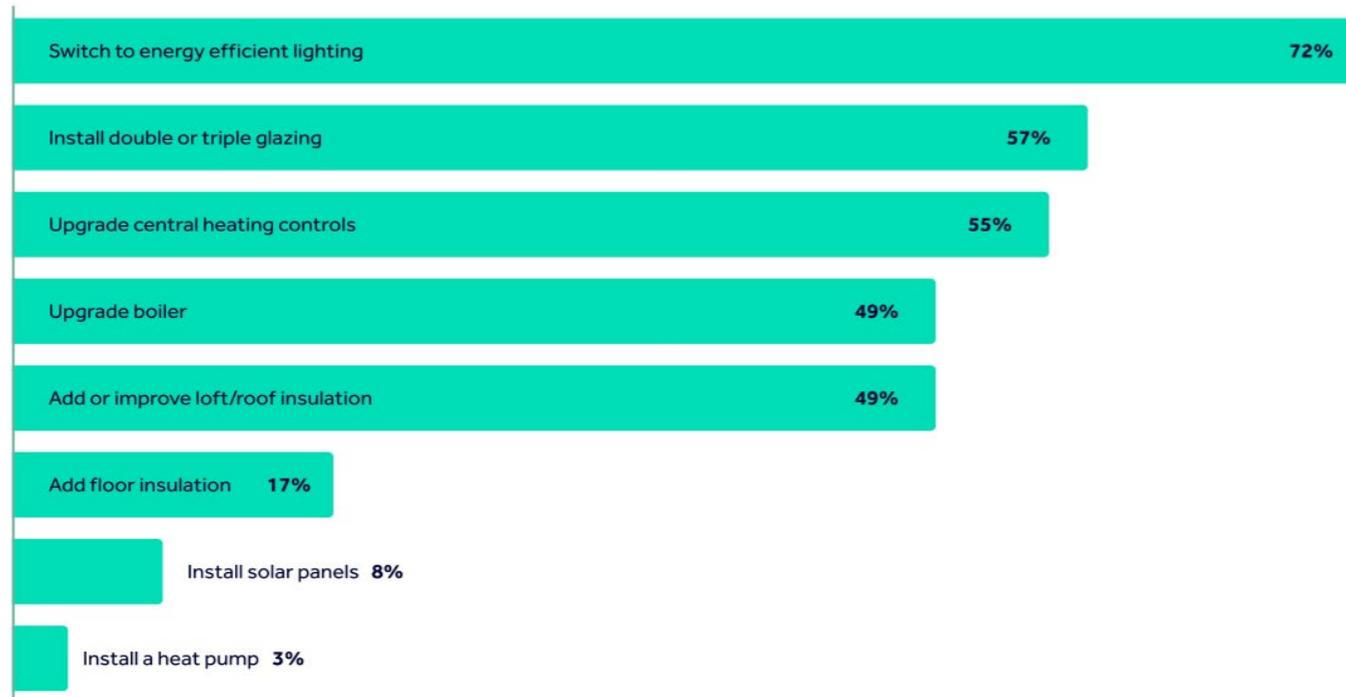
Take action



How motivated are homeowners to make positive energy efficiency changes?

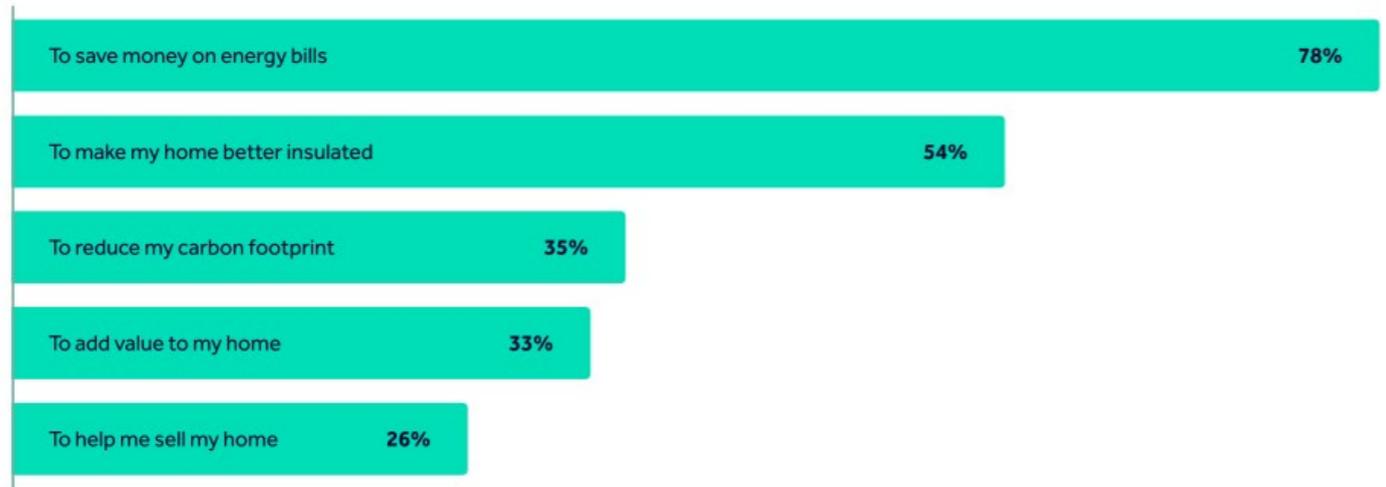
The majority of homeowners (83%) say they would consider investing in their property to make it more energy efficient

Improvement already made to home (% of home-owners)



The 'Green' influence on property owners and home-movers

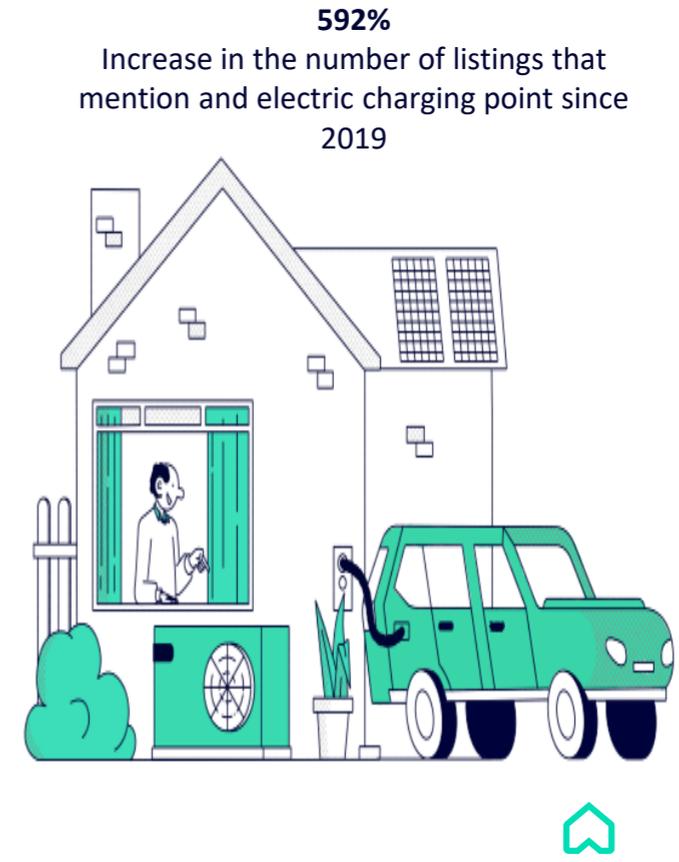
Motivators to make green improvements



19%: Percentage of renters planning to move in the next 12 months who say the energy efficiency of the home will be a major factor in choosing a property



13%: Percentage of homeowners planning to move in the next 12 months who say the energy efficiency of the home will be a major factor in choosing a property



The value of going green..

Although the energy efficiency of a home is still not a major factor for the majority of people when choosing where to live, when home-owners were asked if it's worth paying more for an energy efficient home, **only 6% disagreed.**

- Combining Latest analysis of 300,000 properties that have sold twice in the last fifteen years and have had a new EPC certificate issued, shows there is an additional 'green premium', on top of the local house price growth over time
- A property moving from an F to a C rating could increase a property's value by an average of an additional 15%, or almost £56,000 based on current average house price



The Retrofit conundrum for Landlords...

83% of Landlords are now aware of proposed legislation compared to 65% a year, although the delay has offered some time to consider whether to retrofit, repurpose, or resell

Landlords who already own five or more properties are also much more likely to increase their portfolios over the next 12 months (27%), compared with landlords who only own one property (10%).

These landlords with larger portfolios are also more willing to invest in a property with an EPC rating below a C.



33% of all landlords with properties below an EPC rating of C plan to sell rather than improve them, up from 20%



61% of landlords would not buy a rental property below an EPC rating C, up from 47%



Accessing large-scale data from the UK's number one property portal to support property value calculations

 There are over 1 million UK residential properties advertised on Rightmove every month

Over 1 million visitors to Rightmove every day, sending more than a lead every second. 

 Over 70m property listing records

 1m prospective buyer leads each month

 1.4bn user minutes pm
86% market share

 Over 1.6m Surveyor Comparable Reports each year

 Over £10 trillion worth of property valued in 2023 using our AVM

150 million
Transactional data points

24 million
Unique properties in our database

700,000
New Data points added each month



Each listing contains a wealth of property data...

Location, Property size, Property features, Key Attributes, Price, Date listed

Combining all of this data gives a unique insight into property prices, supply and demand across the UK residential property market



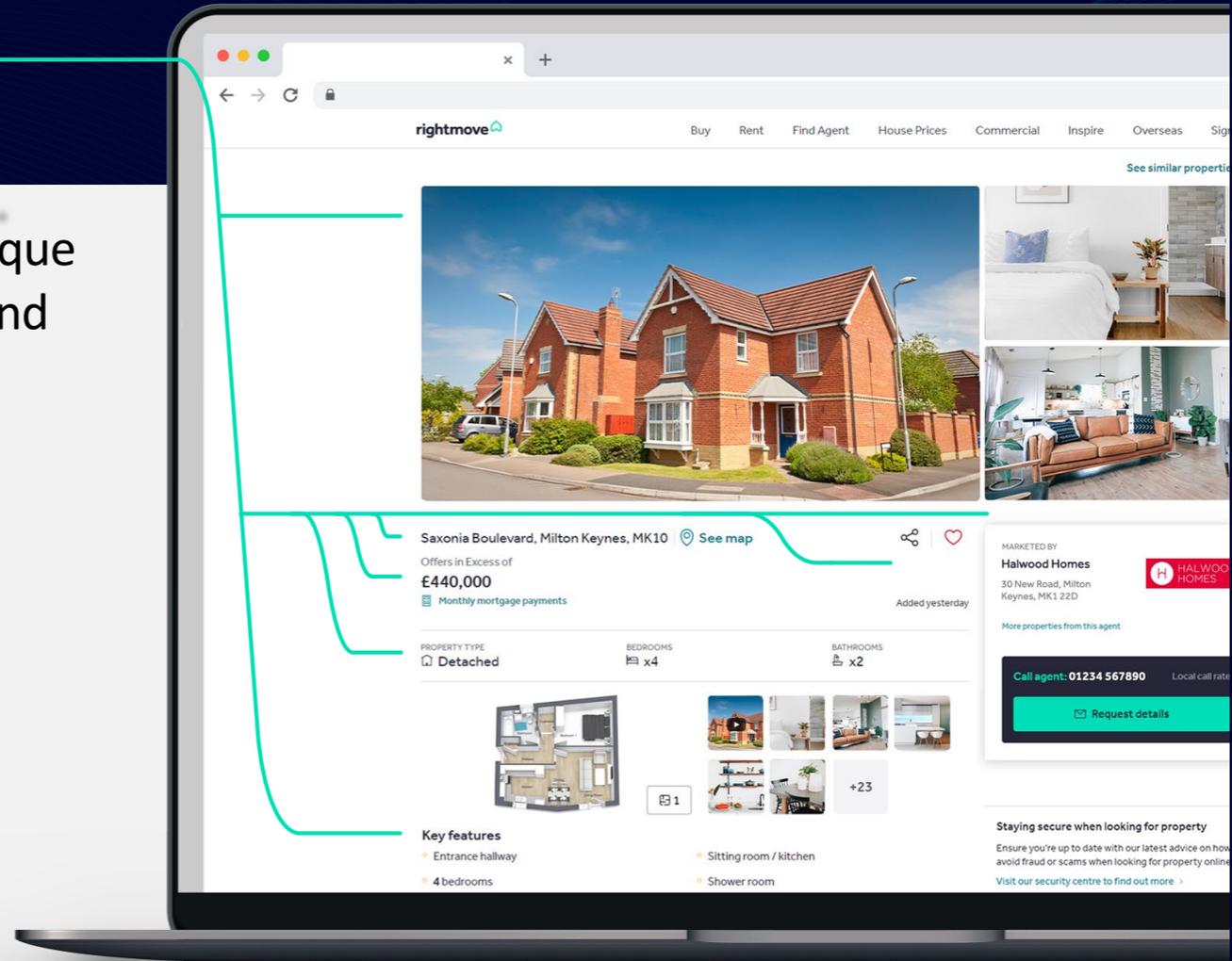
Asking prices, Number of price reductions, Size of price reductions, Rental yields



New listings, Available stock, Sales Agreed

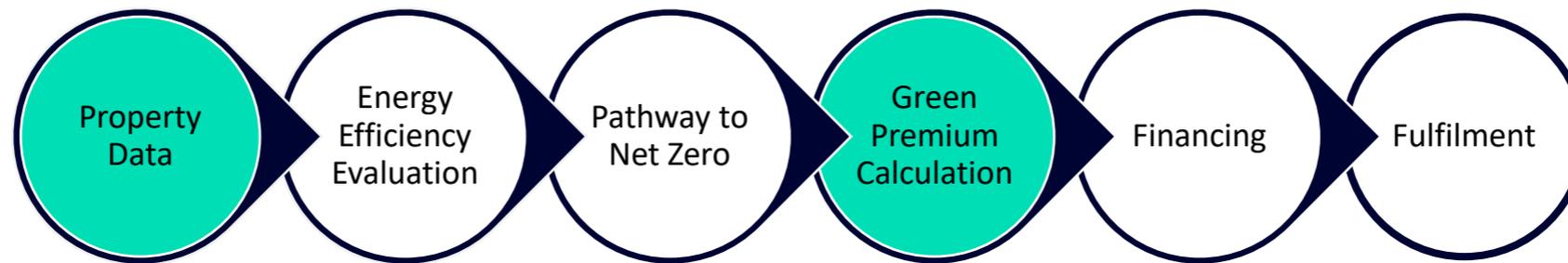


Time on market, Unique enquirers, Calls, Emails



Calculating the Green Premium

- Originally funded by the Green Home Accelerator Fund (GHAF)
- Developed in partnership with Sero, Virgin Money and Centrica



Green Premium Methodology

Pairing selling events where a contemporary EPC exists for both

Data cleansing to remove approved planning applications

Normalising results to account for property size and location

Rightmove AVM indexes to derive expected increase between selling events

Calculation returned as a valuation range which includes 68% of data points within for each band

Refined by adding costs and bill savings of retrofit enhancements



Questions?

rightmove 



Smart Meter Health

Emma Smith

Energy Sustainability Product Manager- SMS

Over
34
million

**Smart and
Advanced meters**

in the UK to date

But
25%
are
“unhealthy”

What is Smart Meter Health?

A **unique** service to optimise Smart Meter Portfolios



Why is smart meter health important?



Industry Obligations

- Ofgem installation targets
- SECAS Supplier regulatory obligations
- Portfolio performance
- Retention of 'on the wall' meter functionality

Operating Expenses

- Installation and communication issues
- Out of date firmware
- Fixable Smart Meters being removed

Impacts

SMS

- Consumer uptake of smart meters due to poor media coverage.
- The ability for customers to access industry Smart Energy Data

Suppliers

- Increase in supplier costs
- Billing Implications
- Increased customer churn

End user/Consumer

- Negatively impact on consumer experience
- Billing Implications



Introducing

The Firmware Management Platform

Get the best out of **Smart**



The Firmware Management Platform



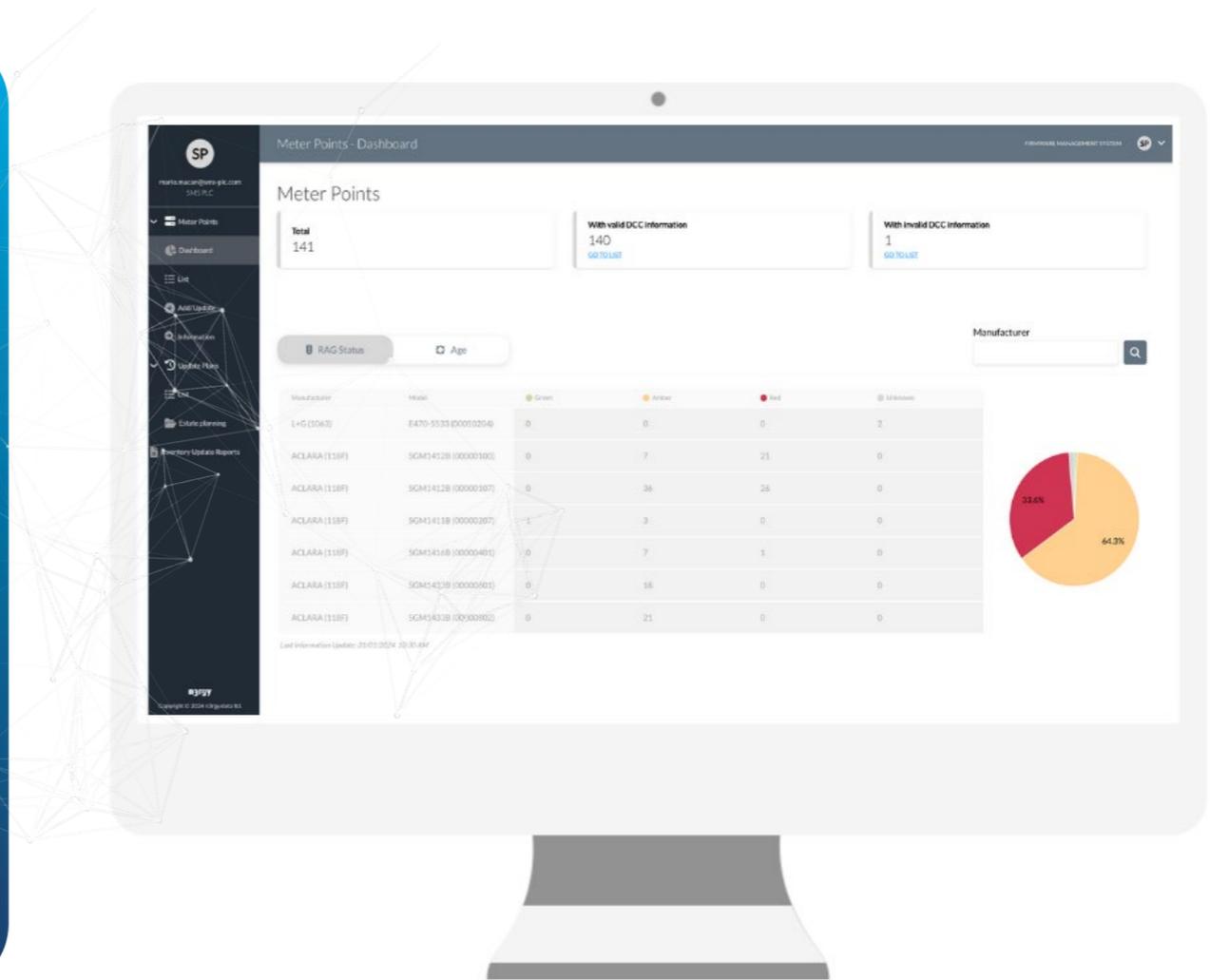
Simple Consumer Consenting

Unified access to energy data

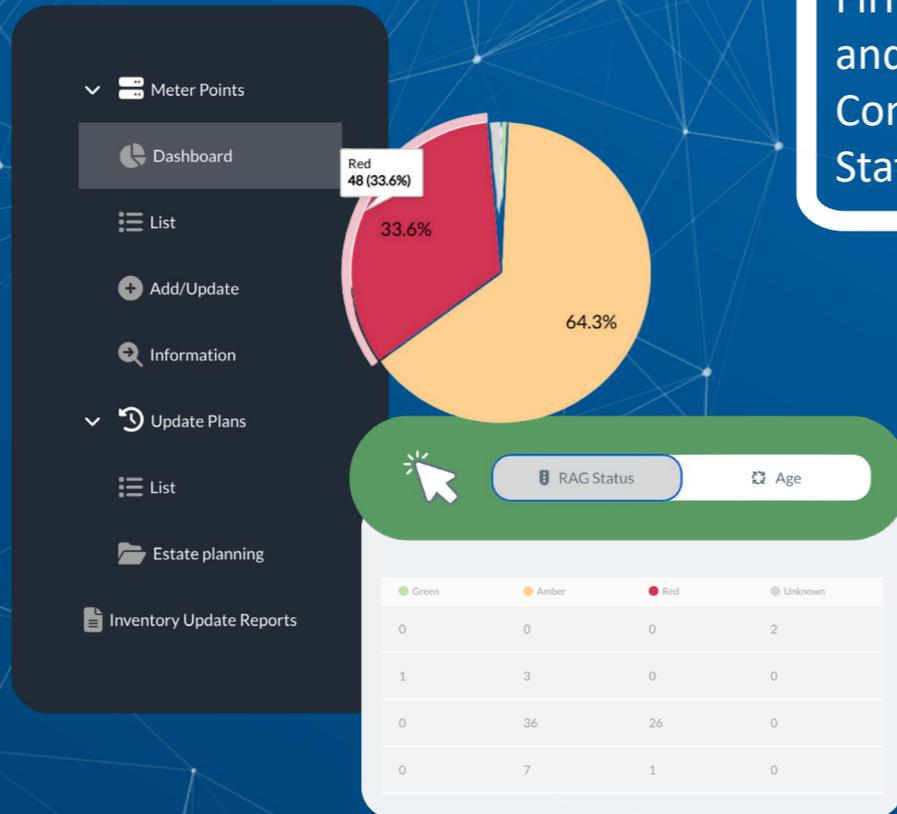


Purpose-built testing lab

SMS recommended upgrade paths



Features of the Platform



Analyse Firmware and Communication Status

RAG Status based on SMS known production issues

Supply firmware images and recommended improvements

Reporting capability with comprehensive analysis at MPXN level

Meeting the Challenges

With maintenance of a **well-managed**, compliant and **optimally performing** portfolio

✓ Enhancing the customer experience

✓ Maximise workforce for new Smart Installs

✓ Increase compliance and reduce early removal fees

✓ Preparing for market-wide half-hourly settlement reform

✗ Consumers with poor performing smart meters

✗ Unnecessary removal of meters

✗ Unnecessary costly field visits to consumers

✗ Inability to offer Smart Tariffs or services such as DFS

MHHS Update

Chris Mawer

Director Business Development, SMS

Agenda

- **What is Market Wide Half Hourly**
- **Why is it Important**
- **What is SMS building**
- **How will MHHS benefit Energy Suppliers**

What is Market Wide Half Hourly Settlement?

Market Wide

- OFGEM mandated change under the *Significant Code Review*
- Single biggest energy market reform since Privatisation
- Requires a successful Smart Meter Implementation Programme

**Pre-
Qualification
Submission**
26th April 2024

Half Hourly

- 19.5m (63%) smart & advanced electricity meters installed
- No more need for static profile classes
- Half hourly data collection as standard

**Migration
Starts**
April 2025

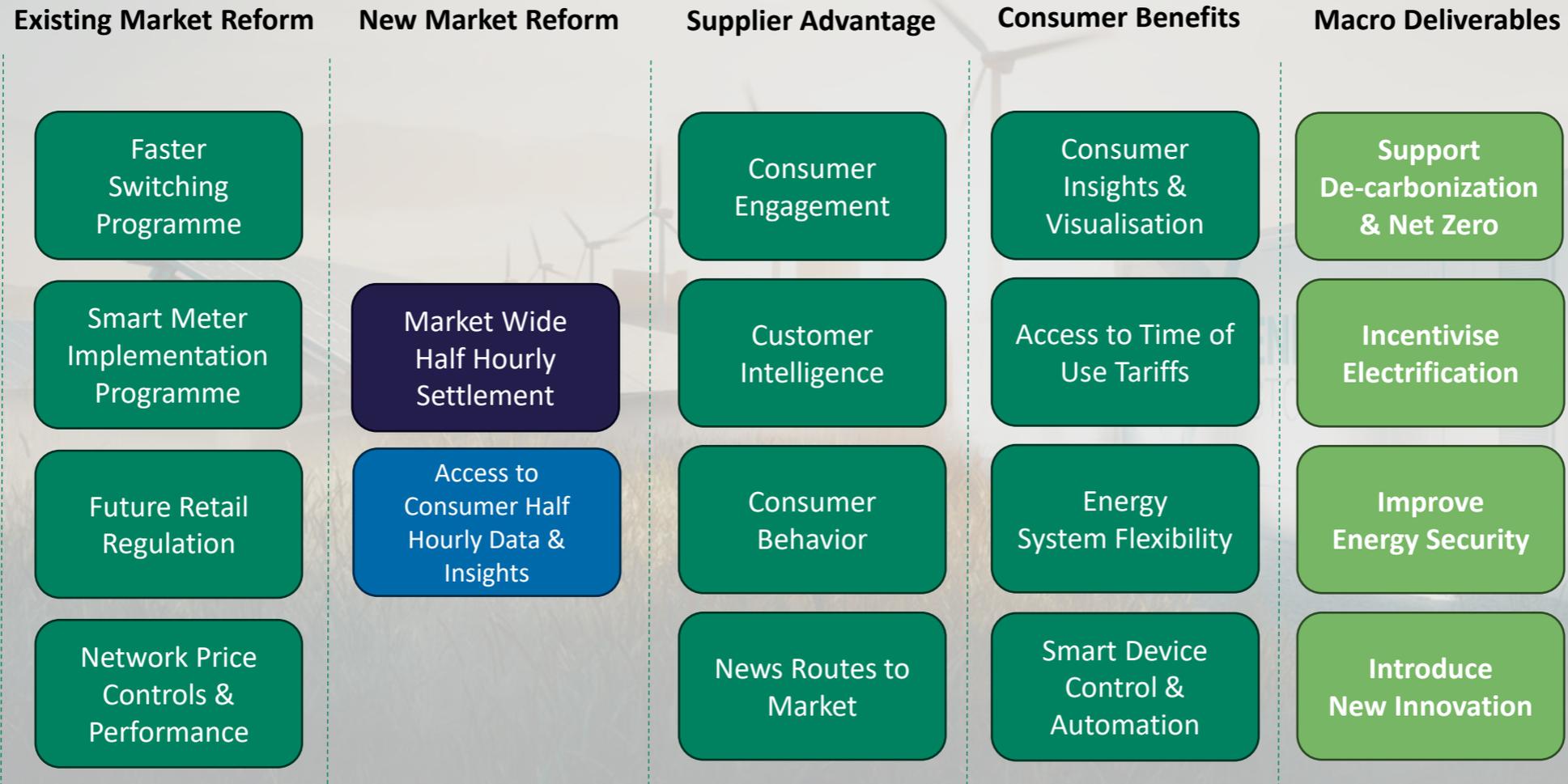
Settlement

- Accurate reconciliation of purchased vs consumed energy
- Time of use critical to deliver settlement financial benefits
- c.1m (5%) smart & advanced electricity meters settling half hourly

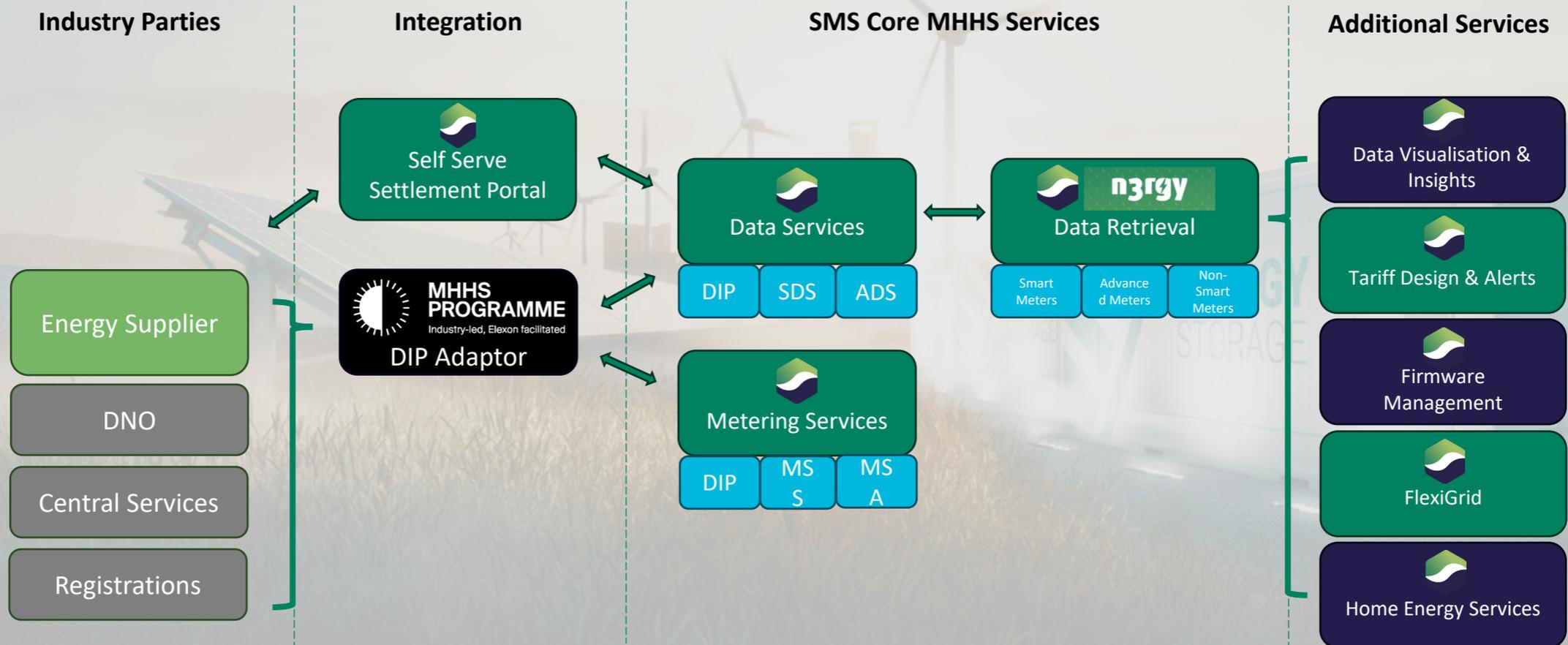
**Final
Qualification**
*16th March
2026*

**Migration
Ends**
January 2027

Why is it so Important?



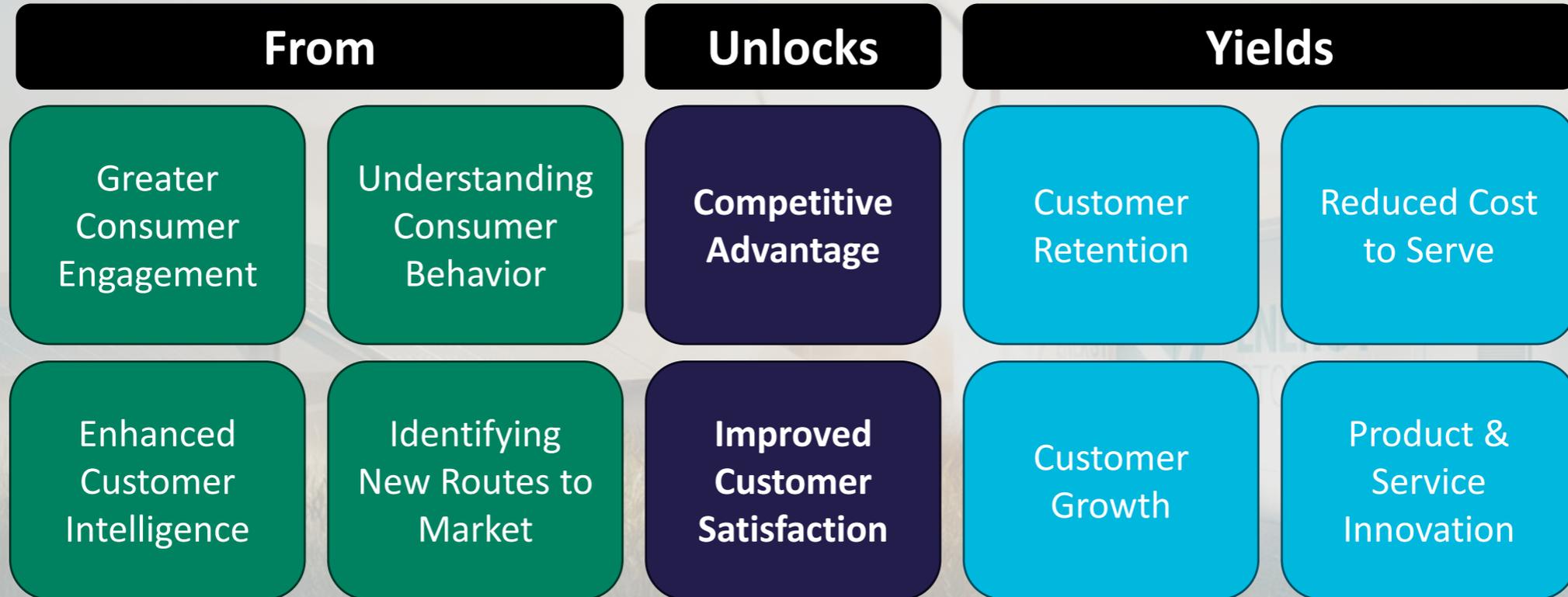
What is SMS building?



What is SMS building?

MHHS Services & Support	MHHS Service Packages			Available Now
	Standard Package	Standard + MDR Package	Fully Managed Package	
SDS / ADS Software	✓	✓	✓	
System Integration & Flows	✓	✓	✓	
Data Migration	✓	✓	✓	
Data Cleansing	✓	✓	✓	✓
Account Management	✓	✓	✓	✓
Settlement Portal	✓	✓	✓	
MDR / Back Up MDR		✓	✓	✓
Smart Health Check			✓	✓
Migration Cohort Analysis			✓	✓
Tariff Builder & Analysis			✓	✓
Firmware Management			✓	✓
Tariff Risk Alerts			✓	✓

How will Energy Suppliers benefit?



It's not just about Settlements!