

Lord Duncan of Springbank PhD FGS Parliamentary Under-Secretary of State and Minister for Climate Change

Department for Business, Energy & Industrial Strategy 1 Victoria Street London SW1H 0ET

E <u>enquiries@beis.gov.uk</u>

W www.gov.uk

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Rachel Reeves MP House of Commons London SW1A 0AA

Dear Rachel,

I am writing to inform you that, following the Government's commitments to Parliament to publish a revised cost benefit analysis and clarify the post-2020 policy framework, today we have published the 'Smart meter roll-out: cost-benefit analysis (2019)' and the consultation 'Delivering a Smart System: A Smart Meter Policy Framework post 2020'.

Smart meters are the cornerstone of a national energy infrastructure upgrade that will help make our energy system cheaper, more efficient and reliable. Without smart meters, modelling for the Committee on Climate Change estimates the costs of delivering net zero emissions by 2050 could be up to £16 billion higher each year.

The roll-out of smart meters has made enormous progress and the Government remains committed to every small business and household in Great Britain being offered a smart meter by the end of 2020. To date, nearly 15 million smart meters are operating across the country and around eight in ten people with smart meters say they have a better idea of their energy costs.

We have also published a package of research reports, including a stocktake of the consumer benefits of the Programme. This report brings together the latest research from across Government, consumer groups and Ofgem and shows that those with smart meters like them; and for pre-payment consumers, having a smart meter service is transformational.

Our latest analysis shows that the roll-out of smart meters remains a good investment for Great Britain. The proposed policy framework that we have published today keeps consumers at the heart of the Programme, whilst driving the investment and momentum needed so that even more households, small businesses and the energy system as a whole benefit from smart metering.

T +44 (0) 20 7215 5000

Thank you for the Committee's ongoing interest in the Smart Metering Implementation Programme.

I have placed a copy of this letter in both Libraries of the House.

Kind Regards,

Jan Jam Bon

Lord Duncan of Springbank