



Department for Energy Security & Net Zero

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Sir Geoffrey Clifton-Brown MP
Chair of the Public Accounts Committee,
House of Commons,
Palace of Westminster,
Westminster,
London,
SW1A 0AA

14 July 2025

Dear Sir Geoffrey,

I am writing with regards to the second annual Smart Metering Implementation Programme Costs and Benefits Report. This follows on from the recommendation made by NAO and the PAC in 2023, requesting that DESNZ should report Programme costs and benefits annually to Parliament.

A robust data collection exercise was undertaken to gather data to the end of 2024. Analysis was then carried out to update key costs and benefits associated with the rollout of smart meters. For the purposes of this exercise, the analysis assumes that no more installations take place after end 2024 but costs and benefits continue to be accrued for the installed smart metering base out to 2034 (the end of the business case appraisal period). This uses the same methodology as last year's report and provides a clear picture of the overall value of the rollout as at end 2024, even if no further meters were installed.

This work has been summarised in a report which I attach to this letter, showing that meters installed to the end of 2024 are expected to deliver a total Net Present Value (NPV) of £2.2bn (made up of £12.1bn costs and £14.3bn benefits associated with these meters) by end 2034. This is an increase from the NPV of £1.8bn from the 2023 report, which supports our expectation that the benefits of smart meters will continue to increase as more meters are installed in homes and businesses across Great Britain.

I have asked my officials to place a copy of the report in the House of Commons library.

Yours sincerely

DR MIATTA FAHNBULLEH MP
Minister for Energy Consumers