

Frequently Asked Questions about Smart Meters

Why is Victoria getting new smart meters?

The Government of Victoria has mandated that all manually read electricity meters in the state be replaced with new remotely read “Smart Meters”. This world leading technology will create a platform that will empower customers to better understand and manage their energy consumption, and increase retail competition. It will also allow the electricity network to be more effectively managed by optimising the use of the network and deferring investment in new energy distribution and generation.

Are smart meters being rolled out Australia-wide?

Victoria is at the forefront of smart meter technology in Australia. It is the first state or territory to mandate the roll out the technology as part of the National Smart Meter Program.

How do smart meters work?

Smart meters remotely read electricity consumption and deliver data via a wireless communications network that operates between the electricity distribution business and its customer. CitiPower and Powercor’s meters will communicate over a “mesh radio” network and transfer the data over the telecommunications network to the distribution business network management system. The meter data will be processed and sent to retailers for billing purposes. The meters remotely read, connect, disconnect and adjust meter settings.

How will smart meters help consumers manage their energy costs?

The cost of generating electricity throughout the day or season depends on the amount of load demand on the network. Currently electricity charges do not reflect the cost of generating the electricity and most customers pay a flat rate regardless of the time of consumption. They also don’t know for up to three months how much power they used, or when they used it. This can result in customers who don’t have large consuming appliances such as air conditioners and dishwashers compensating those that do. Smart meter technology which measures electricity use every half hour creates the scope for electricity tariffs that reflect the true cost of generating the power.

How will consumers be able to better manage their energy consumption?

In the near future smart meters will facilitate customers being able to access their electricity consumption on internal home displays and on the web via on-line metering applications. By being able to monitor daily consumption patterns consumers can modify their behaviour to save money on their electricity bills.

How do smart meters improve the electricity network?

The network can be more efficiently utilised when peak demand is smoothed out through tariffs that encourage consumers to use off peak electricity. This reduces the need to augment the distribution network to cope with peak loads. Smart meters can also improve the network through the detection of outages facilitating faster rectification of problems. And they can also monitor the quality of supply by detecting high and low voltage.

How do smart meters improve customer service?

Smart meters improve billing accuracy, avoid the need for estimated bills, and empower customers to better understand their electricity consumption. They will provide more timely services through remote connections and disconnections. The meters also facilitate improved detection of outages and faster rectification of problems.

When will smart meters be installed?

Smart meters are being installed across Victoria by electricity distribution businesses in a four year roll out scheduled to be completed by the end of 2013. CitiPower and Powercor will install more than 1.1 million meters and will begin a pilot roll out in western and south eastern suburbs in the last quarter this year. Communications will be sent to customers prior to the suburb-by-suburb roll out.

Where are smart meters being used internationally?

Victoria is among the first places in the world to begin a roll out of smart meters to all electricity consumers. There is world-wide interest smart meter technology and roll outs are being planned or getting underway in many countries including the United States, Canada, Sweden and New Zealand.