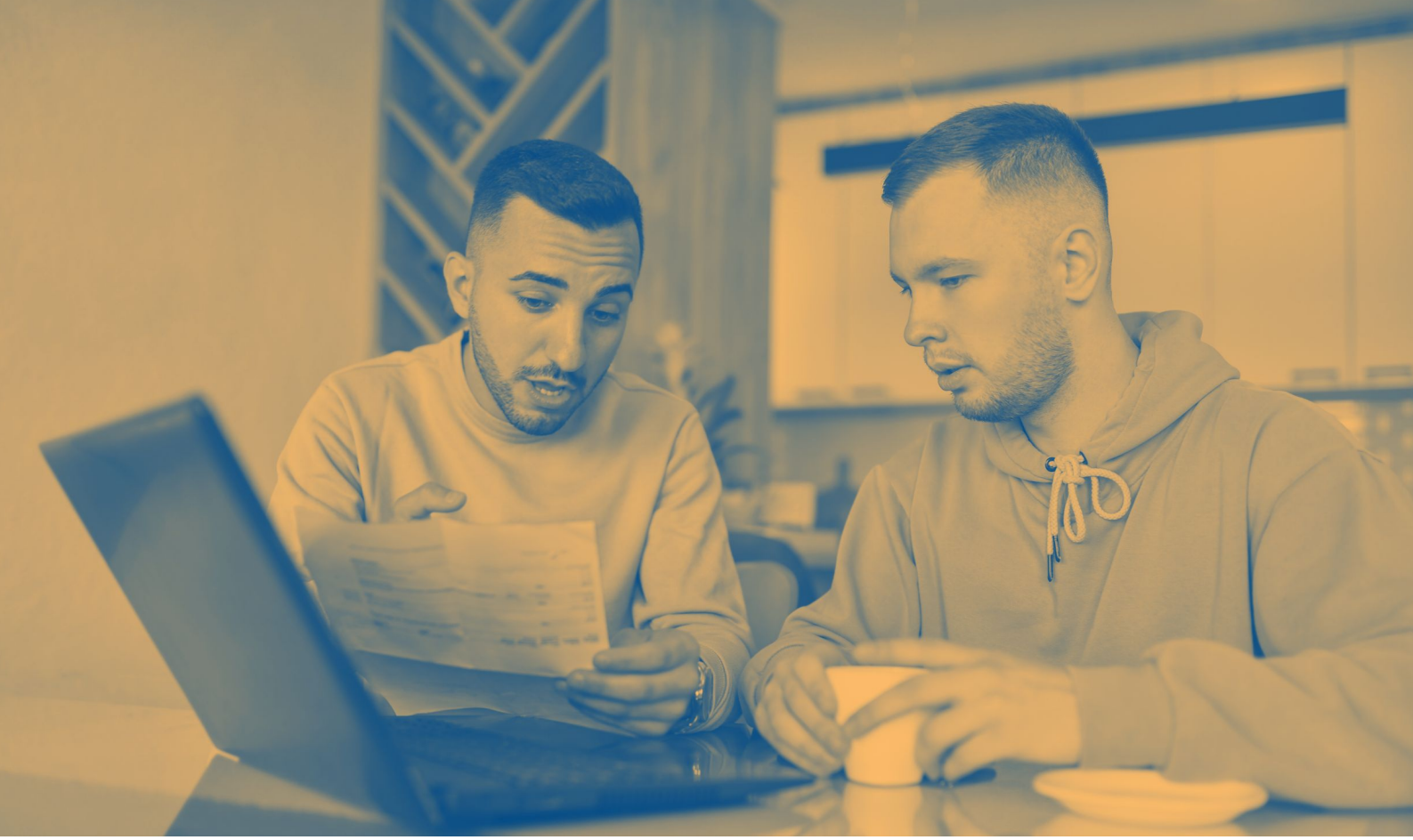
Fully Operational:

Maximising consumer protections and transparency in smart metering

August 2026



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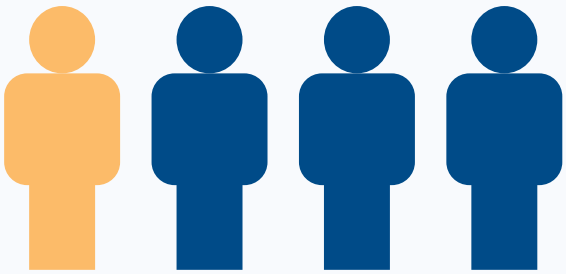
Executive summary

Executive summary

Our latest research shows some unwelcome trends in people's experiences of smart meters.[1] **Consumer satisfaction with smart meters has decreased and more people are regularly having to give manual readings.**

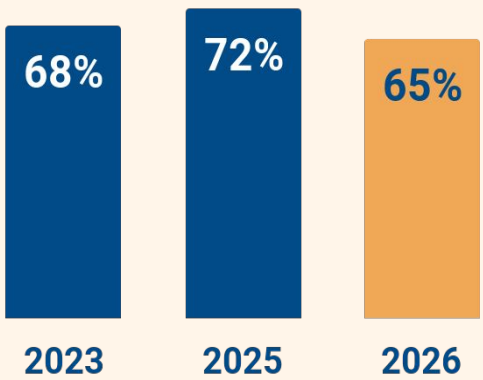
Despite a continued increase in smart meters officially operating in "smart mode," households are feeling let down by meters that aren't working as they expect.

1 in 4 people are providing manual readings at least once a month.

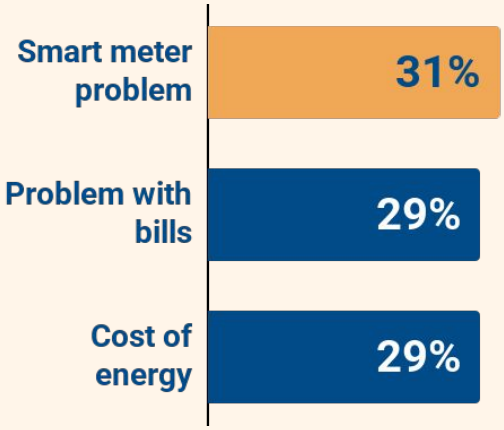


More people are regularly having to give manual readings.[2]

Consumer satisfaction with smart meters has decreased.



Smart meter problems are the most common complaint to energy suppliers.[3]



At a time that bills are rising, people are likely to place even higher value on their smart meter working as it should, so they can track their usage and avoid catch-up bills. As low carbon technologies become more widely adopted, there are also growing numbers of consumers who need a functional smart meter to access energy tariffs with the best value.

In addition to the proposals we made in our "State of the Smart" report in February 2026, this paper sets out two key recommendations to help turn these unwelcome trends around:

1

We recommend that Ofgem presses ahead with implementing a smart meter guaranteed standard.

This would require suppliers to make automatic compensation payments to consumers with a smart meter not operating in smart mode. Importantly, Ofgem should stick to the plan of including scenarios where other organisations are involved.

To ensure the GSOPs are taken seriously, we think Ofgem should publicly report on supplier compliance with the GSOPs for smart metering.

2

We recommend that the government updates the definition of an "operating" smart meter in public reporting.

In public reporting, a smart meter should be considered "operating" if:

a) The supplier is receiving automatic (remote) meter readings from the smart meter; and

b) The customer receives an accurate bill as a result of the smart meter operating as described in (a); or

c) For smart prepayment customers, the customer has not experienced any failures when topping up in the last 30 days.

1. Ofgem should press ahead with new Guaranteed Standards

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We strongly support Ofgem's intention to implement a Guaranteed Standard of Performance (GSOP) requiring suppliers to provide automatic compensation if a consumer's smart meter is not operating in smart mode. Consumers should be compensated for standards falling short. A requirement for automatic compensation would give teeth to the new licence obligation requiring suppliers to take all reasonable steps to fix smart meters within 90 days.

> … the licensee must take all reasonable steps to ensure that a Smart Connection is established promptly, and in any event within 90 days, after the date on which the licensee first became aware of the circumstances
>
> Department for Energy Security and Net Zero, Smart metering policy framework post 2025[4]

GSOPs for smart metering are something that we at Citizens Advice have recommended for several years, as a way to raise the standards that consumers should expect from smart meters.[5] In February 2026 Ofgem implemented 3 GSOPs for smart metering, following previous consultations.[6]

- GSOP 1 requires suppliers to compensate consumers where they are not offered a smart meter installation appointment to take place within 6 weeks of the request.
- GSOP 2 compensates consumers where a smart meter installation fails due to a fault within the energy supplier's control.
- GSOP 3 requires suppliers to provide compensation for failing to investigate smart meter problems and update consumers within 5 working days.

Ofgem has said it intends to make a final decision about the implementation of a smart meter guaranteed standard (GSOP 4), that would provide consumers with compensation if suppliers don't fix smart meters, in the latter half of 2026.[7] We welcome the reassurance from Ofgem that they "plan to move forward with GSOP 4" as they believe is "the correct approach" and "in the best interests of the consumer."[7]

Companies shouldn't be let off the hook for more complex problems

In cases where people contacted their supplier about a smart meter problem, 22% of people said their supplier had told them the issue couldn't be resolved at the moment or they have passed it onto another organisation to look into/fix.[8]

In the scope of the smart meter guaranteed standard, we strongly agree with Ofgem's intention to include scenarios where

actions of "another party" would be part of the pathway to remedy the situation. Ofgem has said that the inclusion of these scenarios is about "incentivising suppliers to ensure the utmost efficiency within their smart offerings" and should "forge a more efficient and effective process between suppliers and the DCC."[9]

We've previously raised the importance of closing the accountability gap between the Data Communications Company (DCC) and suppliers.[10] A smart meter guaranteed standard or GSOP 4 provides a good opportunity to start closing this gap, by incentivising suppliers to do all they can to work effectively with the DCC to resolve issues.

There is evidence of a significant variance across different suppliers when we look at the number of "not operating" smart meter scenarios.

Amongst the six largest domestic energy suppliers, the proportion of households providing at least monthly manual meter readings, despite having a smart meter, ranges from 17% to 29%.

17% — **29%**

The variance is higher still for consumers who have provided manual meter readings since getting their smart meter installed, ranging from 35% to 55% across suppliers.

35% — **55%**

This is echoed in data from the Citizens Advice energy supplier star rating. Amongst the same six largest suppliers, the proportion of "operational" smart meters (according to the definition used in public reporting) ranged from 88% to 95%.

We think a substantial factor contributing to this variance is likely to be that some suppliers are more successful resolving smart meter issues - including with other organisations like the DCC - than others. We appreciate there will be additional factors, for example there may be specific challenges for those supplying more households in urban regions like London or certain housing types.

However, our data suggests that such factors don't fully account for the variance between suppliers. For example, if we exclude London households from our polling data, the proportion of consumers providing at least monthly manual meter readings still ranges from 15% to 27% amongst the six largest domestic energy suppliers.

Some suppliers appear to be doing a significantly poorer job of resolving issues involving other organisations. The implementation of GSOP 4 should incentivise these suppliers to improve their approach and do more to resolve more complex issues, rather than being let off the hook.

A few years ago, Kate's supplier offered her a smart meter. She was happy with this because the meters are in the basement. She had a couple of engineer appointments but the smart meter installation still wasn't successful and it wasn't clear to Kate why this was.

Lately she's escalated the issue with her supplier because she's become interested in trying a time-of-use tariff. An engineer identified that the issue is with some wiring under the remit of the network operator and said they'd pass the issue onto them. She didn't hear anything for a while so contacted her network operator, but they said they hadn't been notified and would need more information from the supplier.

Kate is fed up with having to chase this herself and is now losing interest in the idea of trying out a time-of-use tariff.

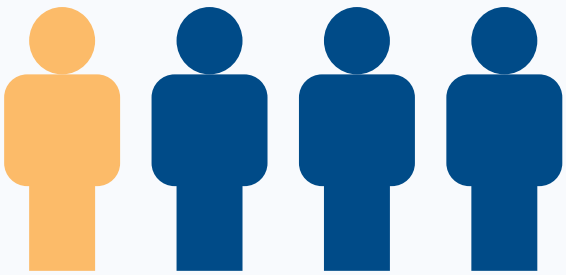
Kate, 56, North East England

Citizens Advice consumer service

Consumer satisfaction depends on higher standards

Our evidence shows that people are less satisfied with their smart meter and their expectations are not being met.[1] We expect the introduction of the three GSOPs already implemented to have a positive impact on some of these trends. Any further delay to the introduction of GSOP 4 risks reducing and undermining this positive impact.

1 in 4 people are providing manual readings at least once a month.



More people are regularly having to give manual readings.[2]

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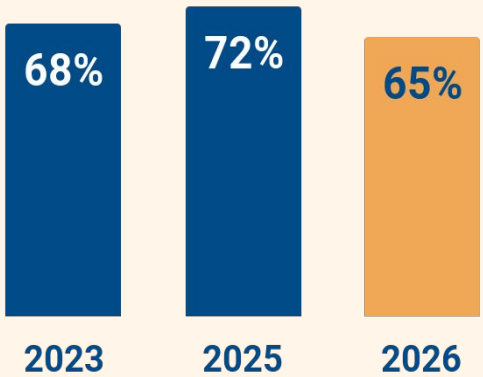
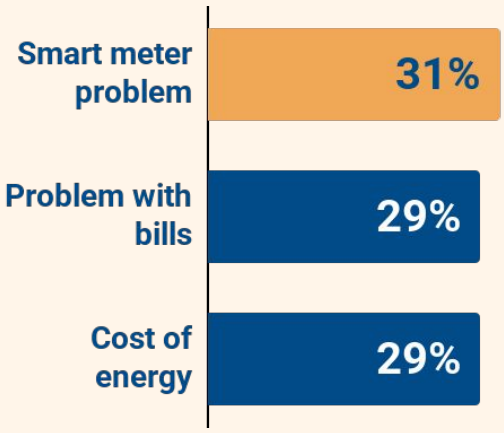


Smart meter problems are the most common complaint to energy suppliers.[3]



To ensure the GSOPs are taken seriously, we think **Ofgem should publicly report on supplier compliance with the GSOPs for smart metering.** By publicly sharing how well different suppliers are meeting the GSOPs, Ofgem can better equip consumers to make decisions about their choice of supplier. This supports Ofgem's proposal, as part of its move towards outcomes-based regulation that consumers should "get clear, accurate, and timely information to help them make informed choices."[11]

A higher standard of smart metering is especially important to enable wider access to smart-enabled products and services like time-of-use tariffs. The minimum requirement for a smart meter to support a time-of-use tariff is the ability to reliably provide automatic readings on a half-hourly basis. When smart meters continue to fall short of this, people understandably remain unconvinced about moving to time-of-use tariffs and smart-enabled products.

Fewer people with a smart meter have are accessing smart-enabled products or services

For more people, their smart meter isn't meeting their expectation to not have to provide manual readings

Last year, Hamza had an electricity smart meter installed along with solar panels. He signed up to a smart export tariff, hoping to receive payments from his supplier when the solar panels supplied electricity back to the grid.

However, his smart meter hasn't been working properly since; the display is blank and his account doesn't show any automatic readings. An engineer came to look at the meter and said that a second appointment would be necessary. Despite contacting his supplier several times, this second appointment still hasn't happened.

Hamza is disappointed that it's now been a year without any of the smart export payments expected since he signed up. He'd been considering other low carbon technology such as an electric vehicle but this experience has put him off.

Hamza, aged 46, South East England

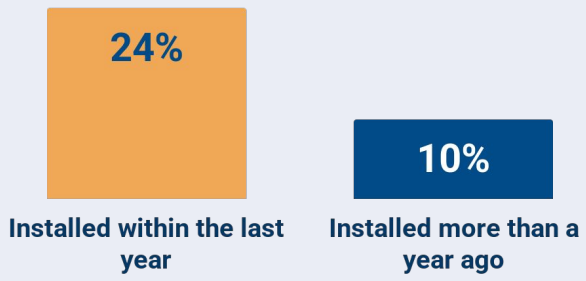
Citizens Advice consumer service

Fixing problems early can improve public perceptions

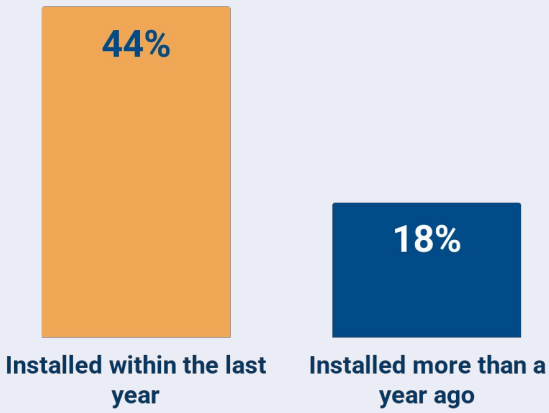
Nearly 1 in 5 people (19%) without a smart meter told us they had rejected a smart meter because their friends or family have had bad experiences, or they've heard negative reports in the media. This hasn't improved in recent years (17% in 2023).

Our evidence suggests that people with more recent smart meter installations are more likely to report issues.

A significantly higher proportion of households who had their meter installed in the last year experienced issues



Those with more recent installations were also much more likely to have to provide monthly manual meter readings.



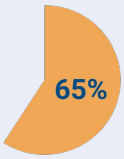
This first year may be the time when people are more likely to talk about their experience of having a smart meter with other people. Even if these issues are eventually resolved and their experience becomes positive, first impressions and early experiences matter. We are concerned that poor experiences early on could be impacting public perceptions of smart meters.

It is pivotal that suppliers ensure smart meters work well from the start, and otherwise they work proactively and quickly to fix issues. The narrative can be improved; after the first year respondents are broadly more satisfied with their meter.

The experiences and perceptions of prepayment customers and small businesses serve as examples of some of the reputational risks that exist around smart metering.

Prepayment

One of the major benefits promoted by smart prepayment meters is being able to top up the meter remotely, online or via an app.



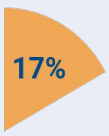
Overall happiness with the meter is similar for both prepay and credit consumers (65% vs 67%)

Yet close to half (44%) say their smart meter didn't meet their expectations of offering new ways to top up.

Small businesses

We asked small business consumers why their business doesn't have a smart meter, in separate polling due to be published separately shortly.[12]

Almost a third (28%) say it's because they think smart meters are either unreliable or inaccurate



17% said they've heard negative things about them

A way forward

Without action, consumer experience and perceptions of smart metering will continue to bear the brunt of "not operating" smart meters. Accountability and the impacts of sub-standard smart meter quality should lie with the companies with the power to fix the issues. As intended, **Ofgem should press ahead with implementing Guaranteed Standard (GSOP) 4.**

Ultimately, we think there is a case for Ofgem and the government to ensure that accountability is shared between suppliers and the DCC. In 2027, the DCC's contract is up for renewal. As we've said previously, this marks a good opportunity to formally close this loophole by ensuring that contracted third parties are also accountable when things go wrong.[13] This would bring energy into line with other consumer markets like broadband where accountability to consumers is not lost through the use of contracted third parties.

2. The government should update the definition of an “operating” smart meter in public reporting

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In public reporting, a smart meter should be considered "operating" if: (a) the supplier is receiving automatic (remote) meter readings from the smart meter; and (b) the customer receives an accurate bill as a result of the smart meter operating as described in (a); or for smart prepayment customers, the customer has not experienced any failures when topping up in the last 30 days

We've previously discussed the need to move to a more consumer-centric measure of how many smart meters are working.[14] The government's post-2025 policy framework for smart metering and the new Guaranteed Standards (GSOPs) signal a new era, rightly focusing on high-quality smart meters that work as expected by consumers. In this context, an update to the way smart metering is reported on publicly, across government, Ofgem and the Citizens Advice energy supplier star rating, can help validate and incentivise this higher standard.

Transparent, meaningful information benefits consumers

The government and Ofgem regularly publish public figures on how many smart meters are "operating." However the definition of what constitutes an "operating" smart meter is not shared publicly. Regardless of what the definition is, this in itself is problematic.

In the move towards outcomes-based regulation, Ofgem has proposed that consumers should "get clear, accurate, and timely information to help them make informed choices."[15] We agree; consumers should be equipped to make informed decisions about their choice of supplier based on which has more working smart meters, if this matters to them, and advocate for themselves if they're experiencing problems with their smart meter.

Our energy supplier star rating compares and ranks energy suppliers' customer service based on a variety of metrics. One of these metrics is the number of operating smart meters for each supplier and we use the same figures that suppliers provide to the government and Ofgem for their public reporting. We intend to continue aligning this metric with how operating smart meters are counted in public reporting, to ensure consistency and avoid any additional reporting requirements for suppliers. However, change needs to be considered by government.

Reporting is currently out of sync with regulation

The new Guaranteed Standards (GSOPs) for smart metering

In February 2026, along with the implementation of new GSOPs for smart metering, the government confirmed the definition of a "not operating" smart meter following consultation.

A smart meter is considered "not operating" if any one of these conditions apply, a: (a) the supplier **is not receiving remote meter readings**, (b) the customer receives an **inaccurate bill** due to a lack of remote readings, or (c) the in-home display **is not displaying accurate**

real-time information about the customer's energy consumption. In the case of prepayment meters, one condition must be met: (d) the customer **is not able to pay remotely**.[16]

To flip the definition around, it follows that a smart meter is "operating" if all 3 of these conditions are met: (a) the supplier **is receiving remote meter readings**, (b) the customer receives **accurate bills** based on remote readings and (c) the in-home display **is displaying accurate real-time information** about the customer's energy consumption. In the case of prepayment meters: (d) the customer **is able to pay remotely**.

The new licence obligation on suppliers to fix smart meters

In March 2026, a new obligation was introduced to the supply licence requiring suppliers to fix smart meters within 90 days. This includes issues involving "another party" (for example, the Data Communications Company).

> … the licensee must take all reasonable steps to ensure that a Smart Connection is established promptly, and in any event within 90 days, after the date on which the licensee first became aware of the circumstances
>
> Department for Energy Security and Net Zero, Smart metering policy framework post 2025[17]

Public reporting on smart metering

In the government and Ofgem's public reporting, the definitions used for figures on the number of "operating" and "not operating" smart meters are not publicly available.

Our understanding is that, in public reporting, a smart meter is considered "operating" if it has issued at least one automatic (remote) reading within the previous 35 days, including instances where an inaccurate bill has been issued. We use the same definition in our energy supplier star rating, which compares and ranks energy suppliers' customer service based on a variety of metrics.[18]

We think there is room for improvement. Counting a smart meter as "operating" if it has issued any automatic readings within the previous 35 days sets a very low bar and is out of sync with the higher benchmark now set by the GSOPs.

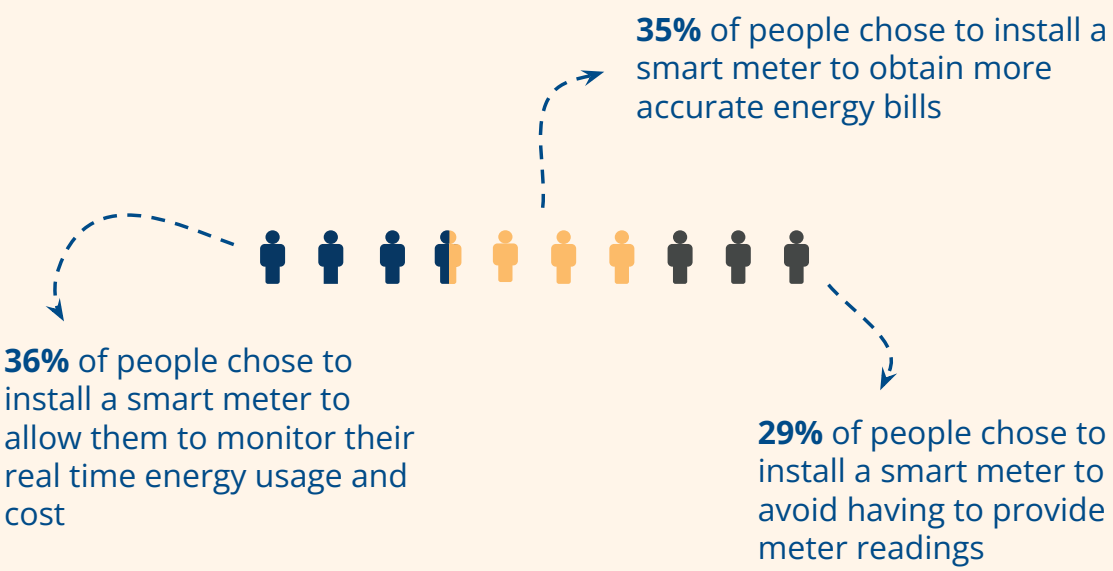
We understand that public reporting requirements currently allow an extension to the 35-day timeframe for scenarios where actions of "another party" (for example, the Data Communications Company) are part of the reason that automatic readings are not issued. We accept that the government may wish to continue this approach and make allowances for issues involving other organisations.

Ultimately, we think it's important that companies aren't let off the hook for fixing more complex

smart meter problems. We think there is a case for Ofgem and the government to ensure that accountability is shared between suppliers and the DCC. In 2027, the DCC's contract renewal marks a good opportunity to formally close this loophole by ensuring that contracted third parties are also accountable when things go wrong. This would bring energy into line with other consumer markets like broadband where accountability to consumers is not lost through the use of contracted third parties.

Public reporting of operating smart meters should be consumer-centric

We know that people expect smart meters to bring a range of benefits, something that is front and centre of the public campaign on smart metering.[19]



It isn't right that public campaigning proclaims numerous benefits of smart meters and sets a high benchmark for what an operating smart meter can do, whilst the performance benchmark in public reporting remains low.

The way smart metering is currently reported to the public doesn't reflect what consumers are fully experiencing and justifiably come to expect from smart meters. Benefits that our evidence tells us consumers care about, such as obtaining more accurate energy bills and monitoring their real time energy usage, are not guaranteed by smart meters that meet the current definition of an "operating" smart meter in public reporting.

The introduction of the GSOPs, and how they define an "operating" smart meter, along with the

new licence obligation requiring suppliers to fix smart meters, have rightly raised the benchmark for what consumers should expect from smart metering. The GSOP definition takes the focus away from the basic, tickbox exercise of declaring a smart meter "operating" if it's recently issued a single automatic reading, and instead places value on the consumer-centric outcome of accurate billing based on automatic meter readings.

A way forward

In practice, we appreciate that it may be challenging for suppliers to confirm that a smart meter has met all conditions from the GSOPs definition, particularly regarding in-home display information (condition c). Taking this into account, we propose a focus on accurate billing based on automatic meter readings (condition b) for the public reporting definition, and a focus on ability to top up remotely (condition d) for prepay customers. It should be straightforward for suppliers to report on whether they have issued accurate bills based on automatic meter readings. This balances consistency and high standards with what's proportionate and reasonable to ask of suppliers.

In public reporting, a smart meter should be considered "operating" if:

a) the supplier is receiving automatic (remote) meter readings from the smart meter; and

b) the customer receives an accurate bill as a result of the smart meter operating as described in (a); or

c) For smart prepayment customers, the customer has not experienced any failures when topping up in the last 30 days

It's important that a clear timeframe is specified for reporting purposes. We propose that the timeframe should be sufficiently recent to provide a meaningful and up-to-date picture for consumers, while also being practicable for suppliers to report on. For example, "the previous billing cycle" could provide an appropriate time frame. It is also vital that a reasonable and safe time frame is set for prepay customers given the risks of self-disconnection and the severity of impact on vulnerable consumers.

In the Citizens Advice energy supplier star rating, we will continue to align with how operating smart meters are counted in public reporting, ensuring consistency with the current approach and avoiding additional reporting requirements for suppliers. However, there is a need for greater transparency for consumers, including a simple and consistent definition of an operating smart meter and clear, meaningful reporting.

Ruth has had problems with her smart meters for almost 2 years.

On several occasions, their supplier has sent out engineers who claim to have fixed the issues, but they continue to be billed based on estimated readings.

When she speaks to her supplier, she's told that her meters are in "smart mode" so appear to be operating as far as they can see.

The gas meter is situated in the garage, high up above the electricity meter. Ruth is short-sighted and can't read the meter without using a stepladder.

Ruth, aged 86, South Wales

Citizens Advice consumer service

Conclusion

Conclusion

Operational smart meters are a key part to future-proofing our energy system. Not only does smart metering provide a pathway for suppliers to bring forward more innovative products and services, it provides the data and agency consumers need to make informed decisions about their energy use and costs.

Our research findings demonstrate that at a time when smart meters should be more reliable, fewer households are satisfied with their experience. The drawbacks featured in our paper also create barriers to energy security for many and the transition to clean energy.

The policy proposals we put forward in our State of the Smart report earlier this year included a robust set of measures to improve consumer experience, transparency and trust. This package included closing the accountability gap and reducing the back billing window to six months. However, with the latest results showing a 7% drop in satisfaction and an increase in consumers regularly providing manual readings, Citizens Advice also urges DESNZ and Ofgem to agree on a more simple and transparent measurement of operational/smart mode in order to capture the true scale of the problem and incentivise higher standards.

Our results also highlight why it is imperative that Ofgem follows through on its plan to implement GSOPs for smart metering. This will provide a path to recourse for households and mitigate the time spent waiting on the DCC or suppliers to take responsibility for smart meter problems. With this, Ofgem should also make performance data around GSOPs publicly available at supplier level.

It's also important that consumers can understand the criteria used to determine if their smart meter is truly working, and that this is reported based on the services they should be receiving. **Without this the trust that the government and the sector wishes consumers to place in smart technology will continue to be impacted when smart meters are not meeting expectations around fundamentals like accurate billing or usage.**

The Government and Ofgem have an opportunity to further strengthen the smart meter rollout, with better data that reflects the real-world experiences of consumers and stronger action where standards are not met. This is vital to support households already using smart meters and help build confidence among those yet to make the switch.

Endnotes

1. Polling for Citizens Advice. Savanta interviewed more than 4000 people between March and April 2026, including 200 digitally disadvantaged individuals contacted by phone. Data was weighted to be representative of GB adults and included both homes with smart meters and without smart meters. A further wave of polling took place in May 2026 to recontact 800 respondents for further insights.
2. Regularly = A few times a year or more
3. Ofgem (2026) Energy Consumer Satisfaction Survey January 2026: findings reportnnnnnnnnnnnnnn, p. 51
4. DESNZ (2026) 'Amendments to Electricity Supply Standard Licence Condition, Gas Supply Standard Licence Condition and DCC Licence (annex C)', Smart metering policy framework post 2025
5. Citizens Advice (2024) Get Smarter: Ensuring people benefit from Smart Meters
6. Ofgem (2026) Ofgem to roll out tougher smart meter rules from February
7. Ofgem (2026) Supplier Guaranteed Standards of Performance: Final Decision on smart meter Guaranteed Standards
8. Ofgem (2026) Energy Consumer Satisfaction Survey January 2026: findings report, p. 62
9. Ofgem (2026) Final Decision on smart meter Guaranteed Standards
10. Citizens Advice (2026) State of the Smart: Consumer experiences of smart meters
11. Ofgem (2026) Consumer outcomes strategic direction
12. Citizens Advice commissioned research, pending publication later in 2026
13. Citizens Advice (2026) State of the Smart: Consumer experiences of smart meters, p. 18
14. Citizens Advice (2026) State of the Smart: Consumer experiences of smart meters
15. Ofgem (2026) Consumer outcomes strategic direction
16. See Appendix for the exact wording of the GSOP definition.
17. DESNZ (2026) 'Amendments to Electricity Supply Standard Licence Condition, Gas Supply Standard Licence Condition and DCC Licence (annex C)', Smart metering policy framework post 2025
18. Citizens Advice, Compare energy suppliers' customer service
19. Smart Energy GB, Get a smart meter

More detail on the GSOP definition

"Not operating as intended"

"not operating as intended" means operating in a manner where -

(a) the supplier **is not receiving remote meter readings** from the smart meter, either using the means provided by a smart meter communication service or otherwise;

(b) the customer receives an **inaccurate bill** as a result of the smart meter operating as described in paragraph (a);

(c) the in-home display **is not displaying accurate real-time information** about the customer's energy consumption, including tariff or expenditure information; or

(d) in the case of a smart meter intended to operate as a prepayment meter, the customer **is unable to pay remotely** in advance for the consumption of gas or electricity through that meter.

Regulation 5A, The Electricity and Gas (Standards of Performance) (Suppliers) Regulations 2015

"Operating as intended"

Considering the converse of the wording above for "not operating as intended", it follows that the definition for an "operating" smart meter is:

(a) the supplier **is receiving remote meter readings** from the smart meter, either using the means provided by a smart meter communication service or otherwise;

(b) the customer receives **accurate bills** as a result of the smart meter operating as described in paragraph (a).

(c) the in-home display **is displaying accurate real-time information** about the customer's energy consumption, including tariff or expenditure information; **and**

(d) in the case of a smart meter intended to operate as a prepayment meter, the customer **is able to pay remotely** in advance for the consumption of gas or electricity through that meter.

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on the issues that matter to them.

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Published August 2026.

Citizens Advice is an operating name of
The National Association of Citizens Advice Bureaux.

Registered charity number 279057.

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