A guide to smart meters for small businesses

What is a smart meter?
Smart meters are the next generation of gas and electricity meters currently being rolled out in homes and small businesses across Great Britain by energy suppliers. Half of eligible businesses already have a smart or advanced meter installed.

Smart meters digitally measure how much energy you’re using and send your meter reading directly to your energy supplier at agreed intervals, putting an end to estimated bills. Smart meter data also enables the development of new and innovative products and services to support businesses and their energy use.

Benefits for small businesses

Control
Smart meters can give you more control over your business’s energy spend thanks to the data they provide. Being more aware of how much energy you’re using and when you’re using it means you can make small changes to make your business more efficient.

Our research shows that businesses with smart meters are twice as likely to have monitored their energy use in the last week compared to businesses without one, and they’re also more likely to actively manage their energy use. *

Accuracy
Smart meters give you accurate energy bills, so you pay for the energy your business actually uses, rather than through estimated bills.

This is because the smart meter digitally measures how much energy you’re using in near-real time, and sends your meter reading directly to your energy supplier at agreed intervals.

This means you will no longer have to send meter readings to your supplier, and puts an end to estimated bills.

Cost saving
Your smart meter can provide energy use data to help you make more informed choices about how you use energy in your business.

Businesses with smart meters are more likely to have used this information in the last 6 months to make changes around the business, for example reviewing working habits to reduce the need for energy or changing lighting to be more energy efficient. They’re also more likely to research and purchase more energy efficient appliances and equipment. *

How to get a smart meter for your business

Whether you rent or own your business space you may be eligible for a smart meter if your business has the following:

- fewer than 10 employees or their full time equivalent (including the business owner)
- an annual turnover of less than £1.67 million; or
- an energy consumption of no more than 100,000 kWh of electricity per year; or a gas consumption of no more than 293,000 kWh per year

If you don’t have your own gas and/or electricity meter, ask your landlord if they plan to get one for your building.

Smart meter offerings may vary between energy suppliers, and each supplier could have different related terms and conditions. You may also be able to get a smart meter if you have a small business with more than 10 employees. Contact your energy supplier or broker for more details.

*Yonder commissioned by Smart Energy GB, Smart Energy Microbusiness Tracker, June 2022
Case study
Amaryllis Hair Salon, Cardiff

Tiffany Hall and Rebecca Ryce are the co-owners of Amaryllis, an eco-friendly salon based in Cardiff with six employees. They recently had a smart meter installed by their energy supplier to help save money and make their business even more sustainable.

We strongly believe in looking after the planet for the next generation, so it’s hugely important to us that our salon is as eco-friendly as possible.

We had already made a number of energy saving measures to the business, but despite this we sometimes struggled to keep track of how much energy we were using or which equipment and activities were causing unnecessary waste and additional costs.

All that changed when we had the smart meter fitted. It was very easy to arrange and the installation itself was quick and simple. We were instantly provided with access to our energy use and costs, which has made it much easier to identify what is using the most energy, at what times, and to take actions to cut down.

It has also been a very useful tool to help our staff manage our salon’s energy use. Now that they are able to see how much the energy they’re using costs in pounds and pence, they are more aware of taking steps like turning the water boiler off or unplugging electrical items from sockets at the end of the day. As well as being better for the environment, this has undoubtedly saved us a lot of money over time, as we are not needlessly paying for energy to run items that are not in use.

Ultimately, knowledge is power when it comes to saving energy. It can be hard for small business owners to know where to start when they want to cut their energy use and costs — especially when they can’t see how much they’re using and at what times. With a smart meter you will get accurate bills, no more estimates, and the visibility you need to make changes to the way you use energy.

FAQs

Will my business be charged to get a smart meter?
Through the national rollout, many small businesses can get a smart meter at no extra cost. Depending on your business’s energy supplier and tariff, you may be charged for a part of the upgrade or for access to your energy usage data. Your supplier will let you know about any charges upfront.

Can I get a smart meter if I rent my business space?
Yes. If you rent your business space and pay your own energy bills, then you can ask your supplier to install a smart meter, or they may contact you directly to offer one.

You may need to check with your landlord that any changes to your meter are allowed within your rental contract.

If your landlord pays the energy bills, then you should ask them if they plan to get one for your building.

How long does installation take?
Installations normally take about two hours and are arranged in advance so that you can make any necessary arrangements beforehand to ensure minimal disruption to your normal business operations.

I’m worried about disruption to my business. Can I arrange installation outside of working hours?
Your energy supplier will work with you to find a time that’s convenient for you both. Contact your supplier to find out what is available.

Find out more about the benefits of smart meters for small businesses at: smartenergyGB.org/about-smart-meters/small-businesses