



Department for
Energy Security
& Net Zero

Department for Energy
Security & Net Zero
3-8 Whitehall Place
London SW1A 2JP

The Authority (Ofgem), the SEC Panel,
SEC Parties, and other interested
parties

By email only

27 November 2024

Dear Colleague,

Smart Metering Implementation Programme: Direction to re-designate the Network Evolution Transition and Migration Approach Document as version 5.0 and the Communications Hub Installation and Maintenance Support Materials as version 6.0

Today the Department for Energy Security & Net Zero ('the Department') issued a letter to Smart DCC Ltd ('the DCC') confirming that it would enable the DCC's 4G services to go live for the commencement of the Initial Pallet Validation (IPV) Stage on 2 December 2024. We understand that the 8,960 4G Communications Hubs ordered for the purposes of IPV have been delivered to the Energy Suppliers that ordered them.

To enable go-live of the services and so the commencement of the IPV Stage, the Department is re-designating, from 2 December 2024, the Network Evolution Transition and Migration Approach Document (NETMAD) as version 5.0 to introduce an obligation on the DCC to provide Enrolment Services and Communications Services in relation to 4G Communications Hubs.

Alongside the NETMAD re-designation, the Department is also re-designating, from 2 December 2024, the Communications Hub Installation and Maintenance Support Materials (CHIMSM) as version 6.0 to introduce:

- enduring arrangements that prevent the replacement of Mesh Communications Hubs that have been operating as an Active Mesh Gateway Communications Hub or an Active Mesh Hop Communications Hub in the previous six-month period with a 4G Communications Hub; and
- an enduring obligation on the DCC starting from 1 January 2025 to provide Energy Suppliers with monthly reporting setting out, for each Mesh Communications Hubs, whether it has been operating as an Active Mesh Gateway Communications Hub or an Active Mesh Hop Communications Hub in the previous six-month period.

These two re-designations follow a DCC consultation¹ between 12 September and 11 October 2024 on changes to the NETMAD and the CHIMSM to support go-live of the DCC's 4G services from the commencement of the IPV Stage. Having considered the responses to the consultation, the DCC concluded that no further changes were

¹ <https://www.smartdcc.co.uk/consultations/chn-consultation-on-phase-4-regulatory-changes/>

necessary to address these responses but made changes to the NETMAD and CHIMSM drafting's to resolve some discrepancies identified after the consultation period. The DCC subsequently provided the Department with proposed revised drafts of the NETMAD and the CHIMSM on 14 November 2024 alongside a consultation conclusions report, both of which were published on the DCC website² on the same day. Having considered the DCC submission, the Department is re-designating, from 2 December 2024, the NETMAD as version 5.0 and the CHIMSM as version 6.0 in the forms set out in Annex C and Annex D respectively.



Yours faithfully,

James Cosgrove

Deputy Director and Head of Delivery

Smart Metering Implementation Programme

(An official of the Department authorised to act on behalf of the Secretary of State)

Annex A: Direction to re-designate the NETMAD

Annex B: Direction to re-designate the CHIMSM

Annex C: Appendix AU – Network Evolution Transition and Migration Approach
Document version 5.0 (separate document)

Annex D: Appendix I – Communications Hub Installation and Maintenance Support
Materials version 6.0 (separate document)

² <https://www.smartdcc.co.uk/consultations/chn-conclusions-on-phase-4-regulatory-changes/>

Annex A – Direction to re-designate the NETMAD

This direction is made for the purposes of the smart meter communications licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the “DCC Licence”) and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the “SEC”).

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 2 December 2024, the Network Evolution Transition and Migration Approach Document (NETMAD) previously designated and incorporated into the SEC as Appendix AU, is hereby re-designated and incorporated in the form set out in Annex C to this direction.

For the avoidance of doubt such re-designation of the NETMAD shall be without prejudice to anything done under the DCC Licence or the SEC on or after this document first being designated, or the continuing effectiveness of anything done in this document prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is also being notified to the SEC Administrator.

Annex B – Direction to re-designate the CHIMSM

This direction is made for the purposes of the smart meter communications licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the “DCC Licence”) and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the “SEC”).

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 2 December 2024, the CH Installation and Maintenance Support Materials (CHIMSM) previously designated and incorporated into the SEC as Appendix I, is hereby re-designated and incorporated in the form set out in Annex D to this direction.

For the avoidance of doubt such re-designation of the CHIMSM shall be without prejudice to anything done under the DCC Licence or the SEC on or after this document first being designated, or the continuing effectiveness of anything done in this document prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is also being notified to the SEC Administrator.