



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

31 March 2025

Dear Colleague,

Smart Metering Implementation Programme: Consultation on changes to the Smart Energy Code to support the extension of the DCC's 4G services to the north

I invite you to respond to a consultation on changes to the Smart Energy Code (SEC) to support the provision of a 4G Communications Service by the DCC in the north Geographical Region of Great Britain.

The consultation document is in Annex 1 to this letter while the legal drafting for the SEC changes can be found in Annex 2 and Annex 3 which are published separately. The legal drafting includes changes to SEC Sections A and F as well as SEC Appendix AU. Subject to consideration of consultation responses and the parliamentary process, the revised drafting for Sections A and F will be introduced into the SEC using the Secretary of State's Section 88 Energy Act 2008 powers, while the revised Appendix AU drafting will be introduced in the SEC pursuant to Condition 22 of the DCC Licence and Section X5 of the SEC.

The consultation document provides details of how to respond. The consultation **closes on 9 May 2025**.

In parallel, the DCC is consulting¹ on changes to other SEC Subsidiary Documents to support the deployment of 4G Communications Hubs in the north Geographical Region of Great Britain. The DCC is also requesting comments on its proposed changes by 9 May 2025.

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)

¹ <https://www.smartdcc.co.uk/consultations/fcn-consultation-on-the-regulatory-changes/>

Annex 1 – Consultation document

Annex 2 – Proposed changes to the main body of the SEC (published separately)

Annex 3 – Proposed changes to SEC Appendix AU – Network Evolution Transition & Migration Document (published separately)

Annex 1: Consultation document

1) General information

Why we are consulting?

This consultation seeks stakeholders' views on proposed changes to the Smart Energy Code to support the extension of the DCC's 4G services to the north Geographical Region of Great Britain by the DCC.

Timing

Responses to this consultation should be submitted by 5pm on **9 May 2025**.

Responding to the consultation

Your response will be most useful if it is framed in direct response to the questions posed, by reference to our numbering, though further comments and evidence are also welcome.

Responses should be submitted to smartmetering@energysecurity.gov.uk

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please tell us but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy policy](#).

We will summarise all responses and publish this summary on the SEC website. The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Territorial extent

This consultation applies to the gas and electricity markets in Great Britain. Responsibility for energy markets in Northern Ireland lies with the Northern Ireland Executive's Department for the Economy.

Quality assurance

This consultation has been carried out in accordance with the government's [consultation principles](#).

If you have any complaints about the way this consultation has been conducted, please email: bru@energysecurity.gov.uk

2) Background

1. On 2 December 2024, the Secretary of State issued a letter to the DCC to approve go-live of 4G communications services in the central and south Geographical Regions of Great Britain and the limited supply and deployment of 4G Communications Hubs to enable the commencement of the Initial Pallet Validation (IPV) Stage in central and south.
2. Following the successful completion of the IPV Stage on 7 February 2025, the Secretary of State now expects to issue a letter to the DCC on 7 April 2025 to approve the volume manufacture and supply of 4G Communications Hubs for deployment in central and south. This approval and the associated changes to/redesignation of Appendix AU – Network Evolution Transition and Migration Document (NETMAD) will subsequently enable the unconstrained ordering of 4G Communications Hubs in central and south from 7 April 2025 and their supply from 30 June 2025.
3. On 28 March 2025, the Secretary of State issued a non-objection letter to the DCC pursuant to condition 16.6B(c) of the DCC Licence for the extension – through the procurement of Relevant Service Capability – of 4G communications services to the north.
4. The DCC is planning to extend 4G services to the north from 30 May 2025, meaning that from that date, energy suppliers will be able to install 4G Communications Hubs in the north.

Approach to the implementation of the SEC changes for 4G in the north

5. The extension of 4G services to the north requires changes to the main body (Sections) of the Smart Energy Code (SEC) and to SEC Subsidiary Documents including Appendix AU – NETMAD. The Department for Energy Security & Net Zero ('the Department') intends to use its powers under Section 88 of the 2008 Energy Act to make the main-body SEC changes and to use powers under condition 22 of the DCC Licence and section X5 of the SEC to make the SEC Subsidiary Document changes.
6. All of the main-body SEC changes and changes to Appendix AU – NETMAD required for the extension of 4G services to the north are being consulted upon in this consultation document. They are summarised below and can be found separately in Annexes 2 and 3. Changes to other SEC Subsidiary Documents are being consulted upon by the DCC in parallel with this consultation.
7. It is noted that under the approach usually followed by the Department on such DCC programmes in the past, the Department consults upon changes to the main-body SEC while the DCC consults upon changes to SEC Subsidiary Documents. In this case, the Department is also consulting upon proposed changes to Appendix AU – NETMAD in addition to changes to the main-body SEC. The reason for this is that most of the proposed changes to the NETMAD are identical to the proposed changes to the main-body SEC – they need to be made in the NETMAD on a transitional basis until the time that the main-body SEC changes take legal effect following the completion of the process set out in Section 89 of the 2008 Energy Act. This approach of including them in the NETMAD on a transitional basis will enable the 4G service to be made available in the north from 30 May 2025. For consistency the Department is therefore consulting upon both the changes to the main-body SEC and to the NETMAD.

3) Summary of proposed changes to the main-body SEC

Context

8. The proposed changes to the SEC build upon main-body SEC changes to support the 4G CH&N programme that the Department consulted upon in September 2023 and subsequently introduced in the SEC in September 2024. This included:
 - the introduction in Section A of new terms 'Communications Technology' (being any of 2G/3G mobile, 4G mobile and long-range radio Communications Technologies) and 'Geographical Region' (being each of the three regions of Great Britain recognised for the purposes of the SEC, being north, central and south);
 - amending the definition of 'Region' to clarify that it now means throughout the SEC a combination of Geographical Region and Communications Technology (now including North, 2G/3G Central, 2G/3G South and 4G Central/South) to recognise the possibility of use of more than one means of communication technology in a given geographic area;
 - amending the definition of the 'SM WAN' to state that multiple Communications Technologies can be provided in the same Geographical Region;
 - amending the definition of 'WAN Variant' so that it also means a reference to the variations of SMETS2+ Communications Hub required in respect of each Communications Technology where two Communications Technologies exist in a single Geographical Region; and
 - proposed changes to Section F5-F9 (the sections that govern the DCC Communications Hubs service) to differentiate between 2G/3G WAN Variant Communications Hubs and 4G WAN Variant Communications Hubs where appropriate.

Section A – Definitions

9. Building upon the above changes made in September 2024, we have amended the name of the Region '4G Central/South' as well as its definition so that it is now referred to as '4G North/Central/South' and relates to the Geographical Regions covering the north, centre and south of Great Britain and the use of 4G mobile communications technology in those Geographical Regions, to reflect that 4G Communications Hubs can now be forecast and ordered in respect of the north Geographical Region also. We note that once the SEC is amended to enable the provision of 4G services in the north Geographical Region, there are no restrictions on the use of 4G Communications Hubs in the north Geographical Region that have previously been ordered in respect of the central or south Geographical Regions.
10. We have also amended the name of the Region 'North' so that it is now referred to as 'LRR North' and relates to the north Geographical Region and the use of long-range radio communications technology. This is expected to remove any possible confusion between the terms 'North' and '4G North/Central/South'. It is noted that in its current consultation on proposed changes to SEC Subsidiary Documents, the DCC is not proposing to replace the data item 'North' with 'LRR North' in Appendix AD – DCC User Interface Specification (DUIS) since doing this would require system updates and

would also impact Users through creating a new DUIS version. To cater for this we are also proposing to clarify in the definition of 'LRR North' in Section A that where the term 'North' is used in Appendix AD it shall be read as referring to 'LRR North'.

11. In order to reflect the above changes to the Region '4G Central/South' and the Region 'North', we have amended the definition of 'Region' so that it now includes 'LRR North', '2G/3G Central', '2G/3G South' and '4G North/Central/South'.

Section F9 – Categories of SMETS2+ Communications Hub Responsibility

12. We have replaced all references to '4G Central/South' and 'North' in Section F9 respectively with '4G North/Central/South' and 'LRR North' to reflect the changes made to Section A – Definitions and to apply the existing liquidated damages to the new Region '4G North/Central/South' for CH Type Faults and CH Batch Faults.

4) Summary of proposed changes to Appendix AU

13. As noted previously, the Department will use its powers under Section 88 of the 2008 Energy Act to make the above changes to Section A and Section F9. Pending the introduction of those changes, and to support the service going live from 30 May 2025, we are proposing that all of the changes to Section A and Section F9 are included as transitional variations in Appendix AU – NETMAD, which can take effect in time for the end of May 2025.
14. Appendix AU – NETMAD will also need to include a new deeming provision in order to provide that any 4G Communications Hub Forecasts or Orders submitted prior to the changes to the Region '4G Central/South' being made are treated as if they were made in respect of '4G North/Central/South'. This change is being made because going forward, 4G Communications Hub Forecasts and Orders will be placed in relation to the 4G North/Central/South Region and because, as noted earlier, from end of May 2025 any previously ordered 4G Communications Hubs will be permitted to be installed in the north.
15. To support the installation of 4G Communications Hubs by energy suppliers in the north, the DCC is planning to provide WAN coverage data to energy suppliers on 30 May 2025 which will include information on 4G WAN availability at any given location in the north Geographical Region. From 31 July 2025, the DCC will subsequently make 4G WAN coverage data in the north Geographical Region available to energy suppliers via the Self-Service Interface or a Service Request. Consequently, we are proposing to include a new section in Appendix AU – NETMAD that puts an obligation on the DCC to provide data via Microsoft SharePoint detailing 4G WAN availability in the north until such time as WAN coverage data for 4G in the north Geographical Region is available via a DUIS Service Request and/or the Self-Service Interface.
16. Considering the above, we have made the following proposed amendments to Appendix AU – NETMAD:
 - Amending the name and definition of the Region '4G Central/South' (to '4G North/Central/South') in section 2.1 of the NETMAD;
 - Amending the name of the Region 'North' (to 'LRR North') in section 2.1 of the NETMAD;

- Amending the definition of 'Region' in section 2.1 so it now includes 'LRR North', '2G/3G Central', '2G/3G South' and '4G North/Central/South';
- Including a new section 2.3 which stipulates that where the terms '4G Central/South' and 'North' are used in the SEC Sections, these are, until such time that they are amended in any such Sections, varied such that they are a reference respectively to '4G North/Central/South' and 'LRR North' (and that where the term 'North' is used in Appendix AD – DUIS it shall be read as referring to 'LRR North');
- Replacing all references to the Region '4G Central/South' with '4G North/Central/South' in section 6 of the NETMAD;
- Adding a new section 6.5 which stipulates that where a Party has submitted one or more Communications Hub Forecasts and/or Communications Hub Orders prior to amending the name and definition of the Region '4G Central/South' to '4G North/Central/South', the Party shall not be required to resubmit those forecasts or orders, and the DCC shall continue to process the original forecasts and orders as though they had been made in respect of the 4G North/Central/South Region in its entirety;
- Adding a new section 11 which requires the DCC to make available to each Supplier Party through the DCC's Microsoft SharePoint, and until such time that 4G WAN coverage data in the north Geographical Region can be accessed via the Self-Service Interface or a Service Request, a CSV file that includes the capability to interrogate by post code and postal outcode whether a 4G Communications Hub installed in a premise at any given location in the north Geographical Region is expected to be able to connect to the 4G SM WAN or cannot be confirmed as being expected to be able to connect to the 4G SM WAN;
- Removing section 3 ('Coverage Checker'), section 4 ('Initial Pallet Validation'), section 9.3 (under 'General Provisions Relating to Transition') and the definitions for 'Completion Report' and 'Initial Pallet Validation Approach Document' in section 2.1 for housekeeping purposes since these sections and definitions are no longer required as they related to arrangements in central and south Geographical Regions that have now occurred; and
- Removing the definitions for '4G Communications Hub', 'Communications Technology' and 'Geographical Region' in section 2.1 since these are now defined in Section A of the SEC.

5) Next steps

17. This consultation will remain open until 5pm on 9 May 2025. Once it has closed, we will review the comments submitted in response to the consultation and will aim to publish our conclusions by end of May 2025.
18. We are proposing to lay the changes to the main-body SEC before Parliament in June 2025 using powers conferred under section 88 of the Energy Act 2008. Considering that these changes won't take legal effect until at least September 2025 and that the DCC is planning on extending 4G services to the north from 30 May 2025, we are proposing to designate the changes to Appendix AU – NETMAD on 30 May 2025. The

temporary changes in the NETMAD have been drafted in such a way that they will no longer apply once the changes to the main-body SEC have been made subsequently.

6) Consultation questions

Consultation questions

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| 1. | Do you have any comments on the principles of the proposed changes to the main-body SEC and to Appendix AU – NETMAD set out in Sections 3 and 4 of this consultation document? |
| 2. | Do you have any comments on the legal drafting for the changes to the main-body SEC and to Appendix AU – NETMAD in Annexes 2 and 3? |
| 3. | Do you have any comments on the timing of making the proposed changes to the main-body SEC and to Appendix AU – NETMAD set out in Section 5 of this consultation document? |