



Department for
Energy Security
& Net Zero

Department for Energy
Security & Net Zero
3-8 Whitehall Place
London SW1A 2AW
www.gov.uk/energysecurity

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

28 January 2026

Dear Colleague,

VIRTUAL WAN ARRANGEMENTS: CONCLUSIONS ON REMAINING SEC SUBSIDIARY DOCUMENT CHANGES FOR VWAN SOFT LAUNCH

On 18 November 2025, DESNZ published its fourth and final consultation¹ on a series of changes to SEC Subsidiary Documents in the run up to Soft Launch of the Virtual WAN Arrangements. The effect of the changes would be to complete the subsidiary document updates needed for Soft Launch and to enable Soft Launch to commence. Overall, the response to the consultation was generally positive.

In addition, DESNZ has over the past few weeks been assessing progress towards meeting the Live Service Criteria for Virtual WAN Soft Launch². Given the assurances that I have received from the DCC and SEC Panel I am of the view that, in principle at least, those Live Services Criteria have been met.

However, as has been reflected in the submissions from the SEC Panel's Testing Advisory Group (TAG) and from DCC's Chief Operating Officer, it is clear that there has been insufficient time for energy suppliers to adequately test the solution in the User Integration Test environment (UIT).

Consideration has been given as to whether the implementation of the core solution should continue to go live or not on 30 January 2026 as planned. Whilst the VWAN solution changes were put into effect in UIT-B on 18 December 2025 and into UIT-A on 5 January 2026, testing in those environments with Virtual WAN Communications Hubs (VWCHs) did not commence until recently and a number of configuration and other issues have arisen since they were introduced delaying the start of meaningful User testing. The fact that the VWAN changes have been in UIT for some time does provide some confidence that the VWAN changes have not had a detrimental impact on the wider DCC systems. We have also received assurances, sent on behalf of the DCC's Chief Operating Officer, that the DCC is confident that existing services will remain unaffected by the release of the VWAN code. It is however recognised that energy suppliers have not had sufficient opportunity to test in UIT and are therefore, we recognise, likely to need more time in testing before they are sufficiently comfortable deploying VWAN in the live environment.

Another aspect for consideration is that if the VWAN changes are not implemented as planned, it will be necessary to remove them from the systems release planned for 30 January 2026. This could have implications both for the 30 January upgrade and for the subsequent upgrade that is planned during the next High Impact Maintenance Window (HIMW) in February which would be the next opportunity to make the VWAN changes. It is also the case that if the VWAN changes are

¹ Links to the four consultations and responses to the first three can be found in the table in Annex 7.

² Please see <https://smartenergycodecompany.co.uk/documents/sec/vwan-lcs-letters-to-dcc-and-sec-panel-251103/>

implemented on 30 January and if there are subsequently issues with the solution, it is likely that VWAN fixes might then be able to be made without the need to wait until the next HIMW.

In summary, therefore, whilst acknowledging that suppliers are likely to wish to have more time to become comfortable with the VWAN solution in test before deploying it in the live environment, in light of the fact that the VWAN changes are unlikely to have an adverse impact on the wider system and in order to protect the systems release planned for 30 January and those planned for February and March, I have decided to re-designate the subsidiary document changes for VWAN Soft Launch with effect from 30 January 2026 requiring DCC to implement the core service.

This will allow DCC to make the systems upgrades which include the VWAN changes for 30 January, and for suppliers to begin deploying the solution in the live environment from a time at which they are comfortable in doing so, once they have completed the testing they think is needed before doing so.

The conclusions document covering the 18 November 2025 consultation is attached at Annex 1 to this letter and I am issuing the direction to re-designate the relevant subsidiary documents for incorporation into the SEC with effect from 30 January 2026 (copies of which also form annexes to this letter) as set out at Annex 2.

Yours faithfully,



James Cosgrove
Deputy Director
Smart Metering Implementation Programme

(An official of the Department for Energy Security & Net Zero authorised to act on behalf of the Secretary of State).

Annex 1: Consultation response

Annex 2: Direction to re-designate subsidiary documents

Annex 3: SEC Appendix H - CH Handover Support Materials V6.0

Annex 4: SEC Appendix I - CH Installation and Maintenance Support Materials V10.0

Annex 5: SEC Appendix AB - Service Request Processing Document V13.0

Annex 6: SEC Appendix AC - Inventory, Enrolment and Decommissioning Procedures V10.0

Annex 7: SEC Appendix AZ - Virtual WAN Transition Document V4.0

Annex 8: Table setting out stages of subsidiary document changes for Soft Launch

Annex 1: Consultation Response

1. Introduction

- 1.1. On 18 November 2025, DESNZ published its fourth and final consultation¹ on a series of changes to SEC Subsidiary Documents in the run up to Soft Launch of the Virtual WAN Arrangements. Changes were proposed to the following documents:
 - CH Handover Support Materials – SEC Appendix H
 - CH Installation and Maintenance Support - SEC Appendix I
 - Service Request Processing Document- SEC Appendix AB
 - Inventory, Enrolment and Decommissioning Procedures - SEC Appendix AC
 - Virtual WAN Transition Document – SEC Appendix AZ
- 1.2. An explanation of the changes to the documents was included within the consultation and for expediency is not repeated here. The effect of the proposed changes would be to enable the commencement of Soft Launch for Virtual WAN, planned to take effect on 30 January 2026. This means that energy suppliers can commence the installation of Smart Metering Systems that include one of the limited number (1008) of Virtual WAN Communications Hubs (VWCH) that have been made available. When a VWCH is installed in addition to a Virtual WAN Device (VWD) that is connected to the consumer's internet, the DCC can commence communication with the Smart Metering System over the internet³.
- 1.3. We proposed to re-designate all the revised subsidiary documents for incorporation into the SEC on 30 January 2026 (or as soon as practicable within 1 month thereafter).
- 1.4. Within the consultation we noted that we were aware that there is a need to further update the VWAN Interface Specification (SEC Appendix BA) to provide additional detail in several areas to support the development of VWDs into the future. We explained that our intent was to update this document following the Soft Launch in Q2 2026.
- 1.5. We also invited views on whether there was a need to require the DCC to carry out the necessary testing and assurance to support any changes to the WAN Selection Arrangements (WANSAs)⁴ via additional obligations in the VWAN Transition Document.
- 1.6. Finally, it was noted that changes are needed to the User Interface Services Schedule (SEC Appendix D) and potentially SEC Section H in order to introduce target response times for Service Requests and Alerts where these are processed for a Smart Metering System that relies on VWAN. We stated that we were proposing to keep these matters under review during Soft Launch and to revisit them in due course.

2. Consultation Questions

- 2.1. We asked the following consultation questions:
 1. Do you have any comments on the proposed subsidiary document changes?
 2. Do you have any comments on the proposal to re-designate the new versions of the documents for incorporation into the SEC with effect from 30 January 2026 (or as soon as practicable within 1 month thereafter)?

³ In practice, the VWCH will select whether to communicate via the SMWAN or the internet and select the internet only if the SMWAN signal is not sufficiently robust.

⁴ <https://www.smartdcc.co.uk/media/m3gp1fx/wan-selection-arrangments-v10.pdf>

3. Do you have any views on the need for additional testing and assurance to support any change of the WAN Selection Arrangements?

3. Consultation Responses

- 3.1. We received five responses to the consultation, three from energy suppliers, one from the SEC Panel and one from the DCC. All respondents either agreed with, or did not have any comments on, the proposed subsidiary document changes and the proposed date of the subsidiary document re-designation (in one case subject to the re-designation date providing sufficient time for comments and feedback to be addressed).
- 3.2. One respondent raised the general issue that there was an increasing number of departmental requests for information from energy suppliers. They suggested that there should be an explicit end date on the additional reporting requirements proposed for suppliers participating in Soft Launch that were set out in the Virtual WAN Transition Document. We accept that where requests for information from industry are made, these need to be underpinned by a legitimate need for that information and should only be in place for as long as necessary. We do not however think that an explicit end-date on the reporting for Soft Launch is needed as the Virtual WAN Transition Document is itself ephemeral and is planned to be removed from the SEC once there is wider availability of Virtual WAN. The Soft Launch reporting arrangements will therefore fall away as part of this process. Separately we will be consulting on proposals for reporting on VWAN under the enduring arrangements later this year, and in developing those proposals, we will take into account the potential impact on industry of any such requirements.
- 3.3. Two respondents raised issues on the WAN Selection Arrangements (WANSAs), questioning its robustness, particularly in relation to prepayment operation. It is recognised that further work on WANSAs is needed and DESNZ and DCC in conjunction with those industry parties participating in Soft Launch will continue to assess the optimum WANSAs settings during the Soft Launch period. Linked to this, two respondents supported our suggestion that there may be a need for additional testing and assurance of the WANSAs during Soft Launch and we will be consulting on further changes to the Virtual WAN Transition Document to support this in the near future.
- 3.4. As proposed in the consultation document, we will also be keeping the WAN Interface Specification under review, with a view to providing any necessary additional detail and will be bringing forward proposals relating to target response times for Service Requests and Alerts processed over the Virtual WAN route.
- 3.5. One respondent raised a number of questions relating to the Virtual WAN Arrangements more generally. These questions and our responses to them are set out below.

Scope of obligations

- 3.6. The respondent asked whether beyond H18.7, H18.8, and H18.9, are there any other proposed changes they need to comply with, and if so, sought a reference to the document and location.
- 3.7. Whilst DESNZ cannot provide an exhaustive list of which licence and SEC obligations apply in any particular circumstances it is noted that in addition to the obligations in H18 of the SEC, there are also additional obligations in supply licence conditions relating specifically to VWAN. These include new condition 28.1(d) (electricity and gas) that relates to prepayment meters being operated via VWAN, and 28.7(f) (electricity and gas). Also licence conditions 49.20A and 49.20B (electricity) and 43.20A and 43.20B (gas) relate to the provision and connection of Virtual WAN Devices.

Customer Reconnection Requirement

- 3.8. The respondent noted that DESNZ had stated that if a customer self-disconnects their VWD, suppliers should encourage reconnection. They noted that this does not appear in the proposed licence changes and asked whether this was still a requirement.
- 3.9. This has not been written as an explicit requirement, however we think doing this is implicit in the all reasonable steps obligation in 49.20B (electricity) and 43.20B (gas) and in the operational licence conditions in both licences, and potentially in conditions that are being progressed as part of the post 2025 policy framework [Smart metering policy framework post 2025 - GOV.UK](#).

Consent for Inherited VWAN Customers

- 3.10. The respondent noted that SEC H18.7 requires gaining consent to connect a VWAN-enabled device to a customer's internet. They asked whether there was a need to capture consent again on change of supplier if the VWD is already connected. We do not believe that seeking re-consent in these circumstances is necessary, however H18.8 requires a periodic reminder to the customer that they have consented, and this would apply in relation to VWAN customers inherited on change of supply⁵.
- 3.11. The respondent went on to ask If such re-consent was not required, how future requests for information will handle VWAN data to avoid anomalies caused by churned meters. Our view is that this matter would need to be considered on a case by case basis in the event that any future request for information is issued and would depend on the information requested.

Consent for VWAN Customers

- 3.12. The respondent asked what would happen if a customer redacts their consent for VWAN but does not self-disconnect the VWD and how this impacts compliance with H18.7 and H18.9. Our view is that SEC H18.9 (which requires the supplier to notify the customer of the consequences of disconnection and if the customer still wishes to disconnect, inform them how to do so) applies in this circumstance, we think it is for the customer to effect the disconnection if necessary after being informed how to do so, should they wish to withdraw their consent.

Activation After Installation

- 3.13. The respondent asked if a VWD is installed via the SMWAN as a PPMID, and the customer later enters Wi-Fi details to activate VWAN, how this impacts compliance with H18.7. Whether or not a VWD would automatically connect to the DCC in such circumstances depends on the VWD functionality. We believe that energy suppliers should discuss such matters with VWD manufacturers to ensure that VWD functionality leads to appropriate outcomes. Again, we note that suppliers have an obligation to provide periodic notifications to consumers whose internet is being used for smart meter communications.

Frequency of Notifications

- 3.14. The respondent asked whether there was any indication of the expected frequency of notifications that a consumer has a VWD connected to their internet and that they have authorised its use under H18.8 (e.g., annually, semi-annually, monthly). We have not set out explicitly a required frequency for this although we have previously indicated that we think that it should be at least annually⁵.

⁵ Please see our previous proposals on these matters in paragraphs 4.27-4.30 of this document [Ref](#) on these matters.

Disconnection/Reconnection Guidance

- 3.15. The respondent asked whether there will there be a mechanism for VWD providers to share steps for disconnecting and reconnecting from the VWAN service. In general, we believe that information on the operation of VWDs will be made publicly available by VWD manufacturers but that more generally this is an area that suppliers and VWD manufacturers should work together on to ensure appropriate solutions.

Annex 2: Direction to re-designate the subsidiary documents

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 30 January 2026:

- i) the CH Handover Support Materials previously designated and incorporated into the SEC as Appendix H is hereby re-designated and incorporated in the form set out in Annex 3 to the covering letter of this direction;*
- ii) the CH Installation and Maintenance Support Materials previously designated and incorporated into the SEC as Appendix I is hereby re-designated and incorporated in the form set out in Annex 4 to the covering letter of this direction;*
- iii) the Service Request Processing Document previously designated and incorporated into the SEC as Appendix AB is hereby re-designated and incorporated in the form set out in Annex 5 to the covering letter of this direction;*
- iv) the Inventory, Enrolment and Decommissioning Procedures previously designated and incorporated into the SEC as Appendix AC is hereby re-designated and incorporated in the form set out in Annex 6 to the covering letter of this direction; and*
- v) the Virtual WAN Transition Document previously designated and incorporated into the SEC as SEC Appendix AZ is hereby re-designated and incorporated in the form set out in Annex 7 to the covering letter of this direction.*

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

This direction is also being notified to the SEC Administrator

Annex 3: SEC Appendix H - CH Handover Support Materials V6.0

Published separately.

Annex 4: SEC Appendix I - CH Installation and Maintenance Support Materials V10

Published separately.

Annex 5: SEC Appendix AB - Service Request Processing Document V13

Published separately.

Annex 6: SEC Appendix AC - Inventory, Enrolment and Decommissioning Procedures V10

Published separately.

Annex 7: SEC Appendix AZ - Virtual WAN Transition Document V4.0

Published separately.

Annex 8 – Table explaining the four stages of SEC subsidiary document changes in the run up to Soft Launch.

Stage	Description	Date of consultation	Date phase goes live	Documents Affected	Comments
1	Principal obligations on DCC to provide VWAN-related Services switched off. Arrangements for ordering VWAN CHs put in place.	28 July 2025 Available here	11 September 2025 Available here	VWAN Transition Document v1.0 WAN Selection Arrangements v1.0 CHTSv1.6 marked up to v1.7 GBCSv4.3 marked up to v4.4 CRP666 version 0_3	CHTSv1.6 and GBCSv4.3 were already incorporated into the SEC. CRP666 is maintained outside the SEC. The WAN Selection Arrangements is published on the DCC website as v1.0. CRP666 version 0_3 was shared and discussed with TBDG and its subgroups, and subsequently closed on 11 September 2025 via the usual process for technical approval.
2	Switch on of the VWKI Services to allow VWD Manufacturers to subscriber for VWAN Device Certificates and to access copies of: - The Root VWKICA Certificate; - Issuing VWP CA Certificates; and	18 August 2025 Available here	17 October 2025 Available here	VWAN Transition Document v2.0 Virtual WAN Interface Specification v1.0 VWKI Certificate Policy v1.0 VWKI Registration Authority Policies and Procedures v1.0 VWKI Interface Specification v1.0 VWKI Code of Connection v1.0 ⁶	The Certification Practice Statement was shared with SMKI PMA in advance of switching on the VWKI Service, but is not a public document. Documents listed are now incorporated into the SEC

⁶ Please note that the VWKI Code of Connection and the VWKI Repository Code of Connection are combined into a single document.

Stage	Description	Date of consultation	Date phase goes live	Documents Affected	Comments
	- VWP Certificates.			VWKI Repository Interface Specification v1.0 VWKI Repository Code of Connection v1.0 ³ VWKI Certification Practice Statement v1.0	
3	Changes to coincide with the 6 November SEC Release	16 September 2025 Available here	6 Nov 2025 Available here	GBCS v4.4 (draft) CHTS v1.7 DUIS v5.4 (draft) MMC v5.4 TSAT v25 VWAN Transition Document v3.0	Documents listed are now incorporated into the SEC
4	Soft Launch	18 November 2025 Available here	This document	VWAN Transition Document v4.0 SEC Appendices: H, I, AB, and AC.	