



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

11 September 2025

Dear Colleague,

**RESPONSE TO CONSULTATION ON THE INITIAL VERSION OF THE VIRTUAL WAN
TRANSITION DOCUMENT AND ON THE DATE OF ITS INCORPORATION INTO THE SEC, AND
ON THE INITIAL WAN SELECTION ARRANGEMENTS FOR SOFT LAUNCH**

On 28 July 2025, the Department published a consultation¹ on the initial version of the Virtual WAN Transition Document in addition to the proposed WAN Selection Arrangements to be used for Soft Launch. It also invited views on CRP666 which specifies some of the VWAN requirements for Communications Hubs.

We received seven responses to the consultation.

The government response to the comments raised on the consultation is included in Annex 1 to this letter. In light of the responses, we are now designating the initial version of the Virtual Wan Transition Document (which can be found in Annex 2), and the direction designating it for incorporation into the SEC is included in Annex 3.

Yours faithfully,

Jennie Tse
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: Response to comments made on the consultation on initial version of the VWAN Transition Document and its date for its incorporation into the SEC, and on the initial WAN Selection Arrangements for Soft Launch.

Annex 2: VWAN Transition Document Version v1.0

Annex 3 Direction to incorporate VWAN Transition Document into the SEC.

¹ <https://smartenergycodecompany.co.uk/desnz-consultation-on-first-version-of-the-virtual-wan-transition-document-and-wan-selection-arrangements/>

Annex 1: RESPONSE TO CONSULTATION ON THE INITIAL VERSION OF THE VIRTUAL WAN TRANSITION DOCUMENT AND ON THE DATE OF ITS INCORPORATION INTO THE SEC, AND ON THE INITIAL WAN SELECTION ARRANGEMENTS FOR SOFT LAUNCH

1. Introduction

- 1.1. On 28 July 2025, the Department published a consultation document¹ on the initial version of the Virtual WAN Transition Document and on the proposed version of the WAN Selection Arrangements for Soft Launch.
- 1.2. We received seven responses to the consultation, four from energy suppliers, two from device manufacturers and one from the SEC Panel.
- 1.3. Whilst a number of questions and issues were raised (which we seek to address below), in general there was support for progressing with the arrangements proposed and we are therefore designating the first version of the transition document for its incorporation into the SEC today. This coincides with the bringing into effect of the licence and SEC main body changes for Soft Launch² which were signed into effect today.

2. General Comments

Views Raised

- 2.1. One respondent raised a general comment on the proposals which was whether the installation of VWAN would be restricted to “No-WAN” Premises.
- 2.2. Another respondent believed that VWAN should also be available for cases where existing WAN connectivity is insufficient to provide a reliable and continuously operational smart meter. They said that this would better reflect real-world operational needs and maximise the benefits of VWAN deployment. In addition, with Ofgem proposing to introduce Guaranteed Standards of Performance for smart meters, they believed that it is important that every opportunity to address communications issues should be explored, where it is cost effective to do so.

Our response

- 2.3. An SM WAN connection is considered to be a resilient connection to the Communications Hub as compared to a connection using the VWAN Solution and consumer internet since, for example, the connection is retained when there is a loss of power supply to the premises, or when there is a loss of consumer internet for any other reason. The VWAN solution has therefore been developed for use in No-WAN premises, but we consider that this ought to include any premises where the WAN is not present at the time of installation. We will be consulting next year on the wider licence and SEC changes to support the VWAN solution. Following the end of the VWAN Soft Launch phase when VWAN CHs become more generally available, should we find that there is more widespread use of VWAN in premises beyond these scenarios, we will separately consider at that time the implications of this and whether any regulations in respect of this may be required.

² <https://smartenergycodecompany.co.uk/desnz-published-conclusions-document-on-policy-proposals-for-vwan/>

3. Question 1: Do you have any comments on the drafting of the VWAN Transition Document v1.0 in Annex 2 to the covering letter?

Views Raised

- 3.1. All five respondents who responded to this question were supportive of the VWAN Transition Document.
- 3.2. Three respondents raised questions over the governance arrangements applying to the Soft Launch phase, one also asking how any defects identified in Soft Launch would be addressed, and another asking what the success criteria for Soft Launch would be.
- 3.3. One respondent believed that the proposed Virtual WAN Communications Hub (VWCH) allocation arrangements were overly complicated. They agreed with the proposed December delivery timescales and said that the DCC should be required to separately package and mark VWCHs.
- 3.4. One respondent requested a more granular timeline for supplier onboarding and training activities and sought guidance on fallback procedure in the event of connection failures.
- 3.5. One respondent queried whether there would be sufficient time between the Soft Launch UIT and Soft Launch itself and the CH&N MR2³ Release to fix any issues found.

Our Response

- 3.6. We can confirm that we intend to use a formal Live Service Criteria (LSC) process common to other smart metering implementations, for the introduction of Soft Launch. This is indicated by milestones included on the Joint Industry Plan administered by the SMDG⁴. We intend to consult later in year on these Live Service Criteria. There will be separate Live Service Criteria in advance of the decision to include the capability as standard in all 4G Communications Hubs, and these will take into account learnings from the Soft Launch phase. We are proposing to progress all of these matters in the VWAN Sub-Group of the Technical and Business Design Group (TBDG) and at TBDG itself where appropriate, and will be consulting with the SEC bodies as part of this process.
- 3.7. We accept that the wording on allocation of VWCHs is a little complicated, but in essence the objective is to:
 - i) allocate VWCHs based on market share for those suppliers who have indicated a desire to participate in Soft Launch;
 - ii) make adjustments so that smaller suppliers receive at least 2 VWCHs, where requested;
 - iii) make adjustments to minimise the number of cartons that DCC needs to split.

Please note that only supplier parties are able to order VWCHs for Soft Launch.
- 3.8. As far as marking VWCHs, we have supported previous comments from industry in relation to their labelling. DCC has arranged for these devices to have a “V” etched to their body at manufacture.
- 3.9. In response to the comment on onboarding, training and fallback procedures, we are not proposing to offer this outside of the discussions at the TBDG VWAN Sub-Group. The group has been established with this purpose in mind. We understand that the DCC will provide an

³ The term MR2 is used for the Comms Hubs and Networks (CH&N Programme) 4G CH Maintenance Release Two, which in the context here, is intended to be when VWCH firmware merges with the existing 4G CH firmware.

⁴ Smart Metering Delivery Group <https://smartenergycodecompany.co.uk/glossary/smart-metering-delivery-group/>

enhanced service management capability to Users during the Soft Launch period. However, it is not anticipated that any additional procedures will be required in addition to those already available.

- 3.10. The Soft Launch VWCH is built on the v9.0.3 (MR1⁵) 4G firmware platform and subsequent changes will be incorporated at MR2³. Whilst the actual date for MR2 has yet to be confirmed we are planning on the assumption that this will be in June/July 2026, some five months following the start of Soft Launch. It is acknowledged that this is a short period. However, we anticipate that modifications to the VWAN system operation are likely to be to configuration settings and not necessarily device changes, especially VWCH firmware. It is noted that any firmware changes essential for MR2 would need to be identified very early in the Soft Launch phase and that DCC are aware of the timeline involved.

4. Question 2: Do you have any comments on the proposal to designate the VWAN Transition Document v1.0 for incorporation into the SEC on 5 September 2025 (or as soon as reasonably practicable within 1 month thereafter)?

Views Received

- 4.1. The four respondents who specifically answered this question agreed with the proposal.
- 4.2. Other points raised included that:
- i) VWCH delivery schedules should be confirmed by mid-September 2025 or as early as practicable; and
 - ii) providing early clarity on the associated technical and operational requirements documents will help suppliers prepare for implementation and reduce the risk of misalignment across parties.

Our Response

- 4.3. The process of VWCH allocation to energy suppliers has been presented as part of the TBDG VWAN Sub-Group proceedings and indicative quantities of VWCH to be allocated on a pro-rata basis have been made available. The initial version of the transition document provides for these arrangements to be formalised. DCC has explained that, as provided for in the transition document, VWCHs will be delivered as part of the business-as-usual deliveries in December 2025, although DCC and Supplier Parties can agree bespoke delivery arrangements where appropriate, for example where a supplier will receive only a very few VWCHs.
- 4.4. A selection of technical and operational documents for example those relating to the VWAN Use Cases was circulated and discussed with the VWAN Sub-Group in early 2025. We are discussing with DCC whether any changes are needed to the Communications Hub Installation and Support Materials (SEC Appendix I) and if changes are needed, we will consult on them in November this year.

⁵ Maintenance Release 1 – i.e. the 4G Communications Hub versions that the DCC currently makes available.

5. Question 3: Do you have any comments on the other documents associated with this consultation including the WAN Selection Arrangements v0.4 for initial Soft Launch in Annex 3 to the covering letter and CRP666 version 2.0 in Annex 4 to the covering letter?

WAN Selection Arrangements (WANSa)

Views Raised

- 5.1. A number of respondents welcomed the WAN Selection Arrangements, although a number of both high-level and more detailed comments were received.
- 5.2. One respondent said that whilst they recognised the WANSa will be evaluated during Soft Launch, the arrangements are insufficient for enduring use, especially for prepayment customers. This was because it was possible that, in principle, the VWCH might change communication path every 60 minutes by which time any given SRV⁶ might have failed, whereas it was important for prepayment that SRVs work within a short time of sending. They put forward a number of proposals, including:
 - i) to allow the VWCH to automatically swap channel on failure and to retry on the other channel;
 - ii) to allow the supplier to change the VWCH path manually; and
 - iii) to allow critical SRVs to be simultaneously sent using both channels.
- 5.3. Another respondent sought example scenarios to demonstrate how the VWCH would switch between channels under varying operational conditions. Two respondents sought the establishment of a formal feedback loop for Soft Launch in order to allow for a refinement of parameters based on actual experience. A number of respondents sought to understand the governance around the success criteria for Soft Launch.
- 5.4. One respondent sought assurances as to how DCC would ensure that the prioritisation parameters (i.e. whether the VWCH defaults to the SM WAN or the internet) would not be changed by firmware updates. They also raised questions over how precisely “good” and “not good” would be defined. In addition, they wished to understand further how the VWCH switching might affect deployment of meter firmware and raised issue regarding the interactions with the SM WAN Coverage Database.

Our Response

- 5.5. We acknowledge that the WANSa proposed for Soft Launch needs to be both refined and expanded upon for enduring use and that issues such as those raised in responses need to be carefully considered and taken into account. This includes for example how statuses of “good” and “not good” are defined in detail, and how the arrangements should be optimised.
- 5.6. A number of the issues raised in response to the consultation have already been identified in discussions at the VWAN Sub-Group which is the forum that has been established to prepare for, address and respond to the experiences gained during Soft Launch. We encourage energy suppliers to continue to actively engage in the VWAN Sub-Group and to discuss their real-world operational experience gained during Soft Launch in this forum, with the objective of seeking to help develop and optimise the WANSa in advance of the enduring arrangements.
- 5.7. As far as example scenarios to help demonstrate how the transition between VWAN and SM WAN takes place is concerned, industry received several presentations of the high-level

⁶ Service Reference Variant

design earlier in the year at TBDG, TSIRS and the VWAN Sub-Group meetings. Where additional specific matters of clarity are required, we remain open to providing further explanation.

- 5.8. We note that the default value of WANRoutePriority will always be 4G (so set to 0) and will remain 4G after any firmware update. It is not clear that this requires any additional testing or assurance over and above the usual measures undertaken.
- 5.9. As mentioned above, we propose that Live Service Criteria for both Soft Launch and the decision to include the capability as standard in all 4G Communications Hubs will also be developed within the VWAN Sub-Group.
- 5.10. Some of the more detailed comments/questions are set out below along with our/DCC's response to them:

- i) Will an installer need to wait for the full configured monitoring period before the VWAN link can be used?

As illustrated in Appendix B- Scenario 2, under the current implementation, installers are not required to wait for the full configured monitoring period before activating the VWAN link during the installation.

- ii) Should some of the terminology be modified, for example to refer to "period" rather than "interval" for certain parameters?

We have discussed this suggestion with the DCC, and DCC has agreed to explore options to standardise and improve terminology used for configurable parameters across relevant systems and documentation, ensuring greater clarity and consistency.

- iii) Relying solely on cellular modem events to determine the active or inactive state of the cellular interface may be insufficient, given the inherent complexities of cellular WAN connectivity.

Again, we have discussed this with the DCC who will assess potential enhancements to the cellular interface link state detection mechanism, in light of stakeholder feedback and operational insights.

- iv) A query was raised regarding the validations rules between the HealthCheckIntervals and ConnectionMonitor parameters.

The DCC has confirmed that, under the current implementation, the HealthCheckIntervals value must be less than the *ConnectionMonitor* parameter.

- v) A query was raised regarding the visibility of service audit information available to DCC Users related to WAN Selection Arrangements.

The DCC has confirmed that it will evaluate this as a potential requirement for future enhancements.

- vi) A query was raised as to whether Comms Hub parameter updates are delivered using GBCS like Critical Commands.

The DCC has confirmed that the existing Comms Hub configuration update process (which is outside the scope of GBCS) is being reused for VWAN-related changes.

- 5.11. It was suggested that the scenarios are updated to include time taken for a 'Good 4G Signal' or 'No 4G Signal' to be made and/or how an installer can determine to proceed as per scenario⁷ 1 or 2.

This suggestion will be considered as part of future enhancements to the documentation.

- i) In Scenario 3, there is a misalignment between the post-commission behaviour and section 2.3.1.

The documentation will be updated to address this misalignment – the updated document will be available on the DCC website.

- ii) It was suggested that there should be a dependency check between the switching event and critical business process occurring at the same time (e.g. commissioning).

This will be considered it as a potential requirement in future enhancements.

CRP666 (Changes to GBCS & CHTS to support VW Relay)

- 5.12. A number of respondents commented on the inclusion of text within CRP666 regarding the use cases for VWAN. We agree that it is not necessary for this document to include the relevant use cases and have already updated the CRP (to v0_3) to remove reference to them.

- 5.13. CRP666 will be formally closed as part of the technical issues management process under TBDG.

- 5.14. A number of other points were raised in relation to the technical specifications, these are summarised along with our response below:

- i) One respondent believed that the VWD should be informed of VW state by the VWP via MQTT.

This comment is relevant for the VWAN Interface Specification (VWIS), not CRP666. The aim of the DCC Boxed testing was to develop and prove the VWIS with active participation from the VWD Manufacturers This will be considered as a potential enhancement during Soft Launch.

- ii) One respondent sought clarity on whether soft-launch is limited to No-WAN sites without equipment or whether expanding to allow sites with existing equipment installed should be made explicit.

For Soft Launch, it is intended that No-WAN sites without equipment are the primary target case. In the case where there is existing equipment, the existing equipment will be decommissioned first, resulting in a fresh install. Regarding a more enduring situation, a number of TCSO use cases have been walked through and there some changes to DCC systems may be required to accommodate TCSO where the VWD is not replaced.

- iii) SIT testing must include the integrated PPMID-VWD.

It is intended to use a PPMID-based VWD in SIT testing.

- iv) References to VWAN message relay and VWD 'pair' and 'join' being automatic could be misinterpreted and should be changed. From the VWP perspective these actions are

⁷ Referring to the scenarios presented in Appendix B of the WAN Selection Arrangements document

initiated by the VWD "automatically" but may require triggering on the device by an external source (e.g. the installer) so are not truly automatic. Automatic triggering should be permitted but not required.

Automatic triggering is not required, however it may be considered desirable from an Installer perspective that if the Installer initiates inter-PAN joining with the VWCH, the remainder of the process happens automatically.

6. Next Steps

- 6.1. We are today designating the first version of the Virtual WAN Transition Document for incorporation into the SEC as Appendix AZ. This coincides with the licence and main body SEC changes for Soft Launch also coming into effect today. Separately the DCC will publish the updated WANSA on its website.
- 6.2. Please note that the consultation on the second version of the transition document which is designed to support switch on of the Virtual WAN Key Infrastructure is available [here](#) and closes on 26 September 2025.

Annex 2: VWAN Transition Document v1.0

Published separately.

Annex 3: Direction to incorporate Virtual WAN Transition Document

Direction

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 11 September 2025 the Virtual WAN Transition Document is hereby designated and incorporated in the form set out in Annex 2 to the covering letter to this direction as SEC Appendix AZ.

The following consequential amendment is also made:

- i) In the list of Appendices in the contents section of the SEC, the following text is to be added to the end of the list:

“Appendix AZ: Virtual WAN Transition Document”

This direction is also being notified to the SEC Administrator.