



Department for
Energy Security
& Net Zero

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

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

15 May 2026

Dear Colleague,

**SMART METERING IMPLEMENTATION PROGRAMME: CONSULTATION ON
AMENDMENTS TO THE SMART ENERGY CODE TO SUPPORT DEVICE
REPLACEMENT ACTIVITY AHEAD OF 2G/3G COMMUNICATIONS SERVICES ENDING**

I invite you to respond to a consultation on proposed changes to the Smart Energy Code (SEC). The proposed amendments seek to ensure that:

- a) DCC provides energy suppliers with information that enables suppliers to identify impacted smart metering communication devices ahead of DCC's 2G/3G communications services coming to an end;
- b) DCC's obligation under the SEC to provide communication services for devices that rely on the 2G/3G communications network ends at the dates published in DCC's Communication Services Availability Statement (CSAS), and
- c) DCC engages energy suppliers effectively ahead of seeking the Department's non-objection to publishing each further iteration of the CSAS.

In total these amendments seek to support the pre-emptive replacement of 2G/3G communication devices ahead of those communication services ending so that energy consumers continue to benefit from smart services.

The consultation document is in **Annex 1** to this letter. The legal drafting for the proposed SEC changes can be found in **Annex 2**. Subject to the consultation responses and the Parliamentary process, the revised legal drafting will be introduced into the SEC using the Secretary of State's powers under the Energy Act 2008 (Section 88).

The consultation document provides details of how to respond.

The consultation **closes on 23 June 2026**.

Yours faithfully,

James Cosgrove

Deputy Director, Smart Metering Implementation Programme

Annex 1 Consultation document

Annex 2 Proposed changes to the Smart Energy Code (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 (SEC) to support energy suppliers in meeting their obligation to pre-emptively replace smart metering devices where the 2G/3G communications service, on which they, rely is ending.

Timing and Responding to the consultation

Responses to this consultation should be submitted by 5pm on 23 June 2026.

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

Amending the SEC to support energy suppliers' obligation to undertake pre-emptive device replacement where 2G/3G communication services will end

Background

1. Smart meters are an essential upgrade to our national energy infrastructure. In May 2026, the Government published its decisions on the post 2025 GB smart metering regulatory framework¹. The decisions aimed to deliver a step-change in consumer experience, provide certainty to industry, and drive the completion of the rollout to support the transition to Clean Power.
2. The key decisions were to introduce new obligations requiring
 - energy suppliers to take all reasonable steps to complete the domestic smart meter rollout by installing smart meters in all remaining domestic premises by the end of 2030
 - energy suppliers to take all reasonable steps to ensure smart meters in traditional mode are back working in smart mode for consumers as soon as possible and no later than 90 days from the date energy suppliers are first aware
 - energy suppliers to take all reasonable steps to pre-emptively replace smart metering assets so that they continue to communicate when they will otherwise stop as a result of Wide Area Network (WAN) services ending and to require the Data Communications Company (DCC) to issue a Statement of Availability of Communication Services, setting out dates from when the DCC will not be able to provide 2G/3G communication services
 - energy suppliers to submit annual deployment plans to Ofgem, outlining the activities they will undertake to meet their domestic installation, operational and replacement obligations.
3. The Licence amendments will come into force in mid-May 2026.

Proposed amendments to Smart Energy Code to support Energy Suppliers' pre-emptive device replacement

A. Obligate the DCC to provide energy suppliers with information enabling energy suppliers to identify devices impacted by communications service ending

4. The Government's recent decision to introduce additional requirements on both energy suppliers and DCC in their respective Licences around pre-emptive device replacement recognises that in the coming years, as commercial and technical changes are implemented, there are distinct risks to consumers' retention of smart services – stemming from the DCC's SMETS1 communication services ending and the Mobile Network Operators closure of 2G/3G services by the end of 2033. In both instances, urgent action

¹ See <https://www.gov.uk/government/consultations/smart-metering-policy-framework-post-2025> and [Smart metering policy framework post 2025: licence condition and DCC licence changes](#) and [A joint statement on the sunsetting of 2G and 3G networks and public ambition for Open RAN rollout as part of the Telecoms Supply Chain Diversification Strategy - GOV.UK](#)

is needed to replace millions of communications hubs (and associated equipment as needed) before the service end-dates.

5. The obligation on the DCC to publish, and, as required, update, a Communication Services Availability Statement (CSAS) setting out the dates when communication services for 2G/3G smart metering systems will end is intended to support energy suppliers in planning their pre-emptive device replacement activities. The Department expects that in most cases the information provided in the DCC's CSAS will be sufficient to enable suppliers to identify which communication devices are impacted by any 2G/3G service withdrawal and to plan their pre-emptive device replacement activities. However, we understand that in some cases suppliers may require additional information from the DCC, which is likely to be site specific and commercially confidential, to identify which of their smart metering systems are impacted.
6. The Department therefore proposes amending SEC Section H to require DCC to provide information to each energy supplier on a monthly basis, enabling each energy supplier to identify the smart metering systems impacted by each service closure date. This can help suppliers identify which sites are affected where the CSAS by itself is insufficient and to plan accordingly. It will also allow energy suppliers to submit to Ofgem more informed annual deployment plans.
7. We consider that the additional costs to DCC of supporting this new reporting obligation to be proportionate against and offset by an increased opportunity for all consumers to have their smart metering devices replaced pre-emptively and for smart services to be retained. Producing the reports monthly will enable an individual supplier's reports to be updated as a consequence of customer churn. The Department expects that, were it to be introduced, the DCC will engage energy suppliers on how they will meet this obligation.

B. Remove DCC's obligation to provide communications services for smart metering systems for which the 2G/3G communications has ended as per the date set out in the published CSAS

8. Under the SEC the DCC is required to provide Communications Services in respect of all enrolled smart metering systems. The DCC's obligation under the SEC to provide communication services in respect of enrolled 2G/3G smart metering systems needs to end when the associated communications service for the smart metering system ends. This could be achieved via DCC seeking a SEC Modification via the SEC Modification process. However, in this instance, this route it is unlikely to offer any benefit over the processes which already exist to assess DCC communication contract extensions and to engage industry on impacts. It is therefore not likely to be a good use of SEC Modifications process and industry resource.
9. To address this, the Department proposes amending SEC Section H such that the DCC obligation to provide these communication services terminates when the end date (set out in the CSAS) has passed. In drafting terms, this can be achieved by alleviating DCC of the requirement to send Commands to the devices that form part of such an enrolled smart metering system should it receive a corresponding Service Request. This will avoid the risk of the DCC unintentionally breaching its service provision obligation, as it cannot communicate with smart metering systems for which the WAN communication channel has been withdrawn.

C. Obligate the DCC to have engaged all relevant stakeholders before seeking DESNZ' non-objection to publishing each further iteration of the CSAS

10. The Department proposes amending SEC Section H to explicitly require the DCC to engage with all relevant energy suppliers when producing each subsequent CSAS update. This will ensure that the DCC provides for sufficient opportunities to engage all energy suppliers that could be impacted by any communication service end date, some of which the DCC may be actively seeking to amend, and others where there are no opportunities to do so. Evidence of engagement with all the relevant stakeholders by the DCC, including any concerns raised by industry, will be provided to the Department by the DCC and considered as part of the Department's non-objection process for approving any subsequent CSAS updates.

Summary of proposed changes to the SEC

11. To reflect the above proposals in the SEC, we are proposing to introduce:

- new SEC Section H3.29 obligating the DCC to provide energy suppliers with additional information to allow them to identify specific devices that are impacted by the communication service end dates;
- a new definition of the Communication Services Availability Statement in SEC Section A;
- a new SEC Section H3.6A relieving the DCC of its obligation to send Commands to devices where the DCC does not provide communication services in respect of the relevant smart metering system; and
- new SEC Sections H3.30 and H3.31 setting out the requirements for the DCC to engage industry when producing each CSAS update and prior to seeking non-objection to publishing such updates from DESNZ.

Consultation Questions

1.	Do you agree with the proposal to require the DCC to provide energy suppliers with additional information to facilitate pre-emptive device replacement?
2.	Do you agree with the proposal to discontinue the obligation on the DCC to send Commands to devices where the 2G/3G communication service has been withdrawn?
3.	Do you agree with the proposal to require DCC to have sufficiently engaged industry on DCC's proposed changes to the communication services end dates when producing each CSAS update?
4.	Do you have any comments on the proposed legal drafting at Annex 2?

Next steps

12. This consultation will remain open until 5pm on 23 June 2026. Once it has closed, we Department will review the comments submitted in response to the consultation and will aim to publish our conclusions in July 2026.
13. We are proposing to make the changes to the SEC in July 2026 using powers conferred on the Secretary of State under section 88 of the Energy Act 2008. Subject to Parliamentary consideration, we expect the proposed amendments to take effect in Autumn 2026.