

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.



DP215 ‘Communications Hub Ordering and Forecasting’

Modification Report

Version 0.1

9 August 2022

Corporate member of
Plain English Campaign
Committed to clearer
communication

592



Managed by



About this document

This document is a draft Modification Report. It currently sets out the background, issue, and progression timetable for this modification, along with any relevant discussions, views and conclusions. This document will be updated as this modification progresses.

Contents

1. Summary.....	3
2. Issue.....	3
3. Assessment of the proposal	4
Appendix 1: Progression timetable	4
Appendix 2: Glossary	4

Contact

If you have any questions on this modification, please contact:

Mike Fenn

020 3314 1142

mike.fenn@gemserv.com

1. Summary

This proposal has been raised by Waseem Fazal from the Data Communications Company (DCC).

The Proposer believes that the current Smart Energy Code (SEC) requirements for the forecasting and ordering of Communications Hubs are causing difficulties for the Communications Service Providers (CSPs), as the length of time and the level of variance between submission of forecasts and delivery of Devices do not provide sufficient certainty for the successful procurement and provision of the required Device quantities.

2. Issue

What are the current arrangements?

SEC Section F 'Smart Metering System Requirements' details the requirements SEC Parties must adhere to when submitting Communications Hub forecasts and orders. These include (but are not limited to) submitting a forecast ten months in advance of the delivery date with a variance of $\pm 50\%$ and submitting a forecast seven months in advance of the order date with a variance of $\pm 20\%$. The ordering Party is then required to send final confirmation of the order quantity, which must be within these variance levels, to the DCC five months prior to the delivery date.

The SEC also allows for Parties to submit non-compliant orders, which the DCC may amend but which it is required to take all reasonable steps to accommodate.

What is the issue?

CSPs have experienced difficulties in planning for the delivery of Communications Hub orders due to the length of time and high level of variance between forecasting and ordering. Successful delivery includes the procurement of Device components, managing shipments, and the economical and efficient building of Devices. The issue has been exacerbated by ongoing global supply chain issues which see increased difficulty and lead time to secure components.

While SEC Section F5.1A allows for Temporary Communications Hub Ordering and Delivery Rules (TCHODR), the Proposer believes an enduring solution is required to increase certainty within the supply chain.

This issue relates specifically to Smart Metering Equipment Technical Specification (SMETS) 2 DCC-provided Communications Hubs.

What is the impact this is having?

The ability to produce Communications Hubs at the total order volume required and in an economical manner is negatively impacted. This is because the actual order volume of Communications Hubs required in any given month is difficult to calculate, particularly where the lead time for procuring components exceeds 12 months and when components are scarce.

Impact on consumers

Ongoing instability in the Communications Hub supply chain may contribute to delays in the installation and commissioning of Smart Devices withing consumer premises, thereby preventing consumers from realising the benefits of the Smart Metering programme.

3. Assessment of the proposal

Areas for assessment

Sub-Committee input

The Smart Energy Code Administrator and Secretariat (SECAS) will engage with the Chairs from the Operations Group (OPSG), the Technical Architecture and Business Architecture Sub-Committee (TABASC), the Security Sub-Committee (SSC) and the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) to confirm what input is required from these forums.

SECAS believes the no Sub-Committees will need to provide input to this modification, as it relates to the DCC's service to its customers and so the required information will be obtained through the Working Groups and by consulting with SEC Parties.

Appendix 1: Progression timetable

This modification will be presented to the Change Sub-Committee (CSC) on Tuesday 16 August 2022 for approval for initial discussion.

Timetable	
Event/Action	Date
Draft Proposal raised	9 Aug 2022
Presented to CSC for initial comment	16 Aug 2022
<i>CSC converts Draft Proposal to Modification Proposal</i>	<i>21 Sep 2022</i>

Italics denote planned events that could be subject to change

Appendix 2: Glossary

This table lists all the acronyms used in this document and the full term they are an abbreviation for.

Glossary	
Acronym	Full term
CSC	Change Sub-Committee
CSP	Communications Service Provider
DCC	Data Communications Company
OPSG	Operations Group

Glossary	
Acronym	Full term
SEC	Smart Energy Code
SECAS	The Smart Energy Code Administrator and Secretariat
SMETS	Smart Metering Equipment Technical Specification
SMKI PMA	Smart Metering Key Infrastructure Policy Management Authority
SSC	Security Sub-Committee
TABASC	Technical Architecture and Business Architecture Sub-Committee
TCHODR	Temporary Communications Hub Ordering and Delivery Rules