

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.



DP238 ‘TSAT Expired Communication Hubs’

Modification Report

Version 0.2

9 May 2023



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	6

Contact

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

Mohammedanwar Sumro

020 3934 4506

mohammedanwar.sumro@gemserv.com

1. Summary

This proposal has been raised by David Rollason from the Data Communications Company (DCC).

When the Smart Energy Code (SEC) was originally written, it was assumed that Communications Hubs on a specific version of the Communications Hub Technical Specifications (CHTS) would be installed before the relevant installation end date set out in SEC Schedule 11 'Technical Specification Applicability Tables' (TSAT). Communications Hubs on versions of CHTS that have passed their installation end date and remain in DCC User stock are charged for at a Communications Hub stock level charge. There is no benefit of the User having the Communications Hubs in stock since they cannot be installed. To date approximately 160,000 of these Communications Hubs on expired versions of CHTS have not been returned to the DCC. This is adding unnecessary pressure on the supply chain and requires a higher production of new Communications Hubs than needed.

2. Issue

What are the current arrangements?

Installation of Communications Hubs must happen before the specified end date for that version of CHTS indicated in SEC Schedule 11's TSAT. If a Communications Hub is not installed by the CHTS end date, it should be returned to the DCC for them to attempt refurbishment for future use. DCC charges Parties for refurbishment services, either £8.27 for a Communications Hub that can be reused, or £30.87 for a Single Band and £58.75 for a Dual Band Communications Hub that cannot be reused. If a Communications Hub is not returned, the responsible Party will continue to be charged the pre-installation Communication stock level charge on the Device. The Communication Hub stock level charge for a Single Band Communication Hub is £0.55 per month, and for a Dual Band Communication Hub is £0.95.

There have previously been three instances where an extension of the IVP for Communications Hubs has been approved:

- [MP139 'MVP and IVP dates for CHTS'](#)
- [MP191 'Extending CHTS v1.0 & v1.1 IVP and MVP end dates'](#)
- [MP201 'CHTS v1.1 and GBCS v2.0 Applicability End Date'](#)

The current IVP for CHTS v1.0 Communications Hubs ended on 30 April 2023. This modification aims to supply a solution to be applied across any expired CHTS versions going forward.

What is the issue?

The current supply chain for the components required to build a Communications Hub is stretched. Being able to refurbish existing Communications Hubs whose installation dates have expired would reduce the reliance on new Communications Hubs being built. However, until a Communications Hub on an expired version of CHTS is returned it cannot be serviced and made available for future delivery and installation.

CHTS version 1.0 Communications Hubs should have been installed by 30 April 2023. Records provided by the DCC show that approximately 160,000 Communication Hubs have not been installed.

The DCC continues to bill Parties at the Communication stock level charge for these Devices. The IVP deadline date has been extended on multiple occasions. The IVP is intended to act as a motivator to Parties to install older version of stocks, however this does not appear to be working.

What is the impact this is having?

There is no benefit in holding a Communications Hub after the CHTS version IVP date has been reached since it cannot be installed. Communications Hubs that are available for return to the DCC, but are not returned, cannot be refurbished, and redistributed for future installation. This adds unnecessary pressure to the supply chain and requires a higher production of new Communications Hub than may be needed. This causes an environmental impact through the production, transportation and materials needed to make more Communications Hubs that may not be needed.

Non-returned Communications Hubs, which may have been lost or stolen, skew the industry view of stock and should be reported as such.

Impact on consumers

The pressure on the Supply Chain could cause Parties to be delayed in receiving Communications Hubs and therefore delay installation at consumer premises.

3. Assessment of the proposal

Areas for assessment

Is further incentive needed to install older stock?

The DCC has engaged with customers with larger volumes of impacted Communications Hubs prior to the CHTS IVP end date to encourage their installation. The Smart Energy Code Administrator and Secretariat (SECAS) highlights there have been three previous extensions of Communications Hubs IVP dates. Industry should consider if it would be suitable to implement a change to the SEC to ensure stock is either being used or returned to the DCC. It is understood that there is currently no extra incentive or motivation for Suppliers to return Communications Hubs.

Who should take on liability for Communications Hubs?

A potential solution option is that once the IVP has been reached and a Communications Hub has not been installed or returned, the Supplier will incur the full costs associated with the number of Communications Hubs needing to be returned. However, Suppliers may have already paid the full cost of the Communications Hub through the stock level charge in the period following the IVP end date and any cut-off date for returning the Communications Hub. Any potential charge will be assessed as part of the Refinement Process

Limitations of the current process?

Additional input will be sought from various sub-committees to assess any operational implications and challenges with the returns process. The current process is noted to be manual and resource intensive, and stakeholders have raised concerns about the potential challenges with handling the bulk return of 160,000 Communications Hubs.

This modification could facilitate the process by evaluating the volume of Communications Hubs returns and agreeing upon a returns schedule with the DCC to ensure that Communications Service Providers (CSPs) can effectively manage the volume. This would ease burden on CSPs and spread charges against Users.

Is a modification required?

The DCC have engaged with Suppliers with high volume of the impacted Communications Hubs prior to the IVP end date to encourage their installation. The Proposer believes a modification is required to as there is no obligation for Suppliers to send back Communications Hubs when the CHTS IVP has expired.

Sub-Committee input

SECAS will engage 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 following Sub-Committees will need to provide the following input to this modification.

Sub-Committee input	
Sub-Committee	Input sought
OPSG	Assess and measure any operational implications
TABASC	No anticipated TABASC impacts.
SMKI PMA	No anticipated SMKI PMA impacts.
SSC	No anticipated SSC impacts.

Observations on the issue

Views of the Change Sub-Committee

A Change Sub-Committee (CSC) member noted that the returns process is very manual and time consuming. They highlighted that Users must send a Service Request (SR) for each individual Communications Hub to start the returns process. It was noted that some Suppliers can send a bulk returns order on a single SR. However, this is not the case for all SEC Parties.

There were discussions on issues where removed Devices are returned to logistics providers or Meter Asset Providers (MAPs) who do not know who was operating the Communications Hub. Therefore, the SRs cannot be sent as it must be the operating Supplier. The Proposer has advised that the DCC is raising a modification to look at this issue specifically and that this issue is for used stock as opposed to Communications Hubs stock awaiting install.

It was also noted that the DCC requires Suppliers must send the Device back in similar packaging to its original form and follow the returns process. It was stated that the returns process as currently stands is resource intensive.

SECAS received concerns from stakeholders regarding the potential challenges that CSPs may face in handling the bulk return of 160,000 Communications Hubs and whether the DCC Users may return their Communications Hubs in smaller batches to mitigate any significant charges.

The Proposer has noted that Parties should be installing on a 'first in, first out' basis to avoid large Communications Hubs returns for any remaining which are uninstalled.

4. Appendix 1: Progression timetable

Timetable	
Event/Action	Date
Draft Proposal raised	14 March 2023
Presented to CSC for initial comment	21 March 2023
CSC converts Draft Proposal to Modification Proposal	16 May 2023
<i>Modification discussed with Working Group</i>	<i>7 June 2023</i>
<i>Modification discussed with OPSG</i>	<i>13 June 2023</i>
<i>Refinement Consultation</i>	<i>26 June 2023 – 10 July 2023</i>
<i>Modification discussed with Working Group</i>	<i>2 August 2023</i>
<i>Modification Report approved by CSC</i>	<i>15 August 2023</i>
<i>Modification Report Consultation</i>	<i>21 August 2023 – 8 September</i>
<i>Change Board Vote</i>	<i>20 September 2023</i>

Italics denote planned events that could be subject to change.

5. 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
CHTS	Communication Hub Technical Specification
CSC	Change Sub Committee
CSP	Communication Service Provider
DCC	Data Communication Company
GBCS	Great Britain Companion Specification

Glossary	
Acronym	Full term
IVP	Installation Validity Period
MAP	Meter Asset Provider
MVP	Maintenance Validity Period
OPSG	Operations Group
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SMKI PMA	Smart Metering Key Infrastructure Policy Management Authority
SR	Service Request
SSC	Security Sub Committee
TABASC	Technical Architecture and Business Architecture Sub Committee
TSAT	Technical Specification Applicability Tables