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DP315

‘Dual running of DCC Smart Meter Communication Licence’

Modification Report

Version 0.1

6 March 2026

Corporate member of
Plain English Campaign
Committed to clearer
communication

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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.

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1. Summary

This proposal has been raised by Bradley Baker from the Data Communications Company (DCC).

As part of the DCC review¹, Ofgem has drafted a new Smart Metering Communications Licence licence² (SMCL2) and appointed a Successor Licensee³ following an open competitive tender process.

Due to operational requirements and handover between the old and new SMCL license holders, there will be a period of time (to be defined) where both the existing SMCL and the new SMCL will be in use. The SEC, as currently drafted makes explicit references to the SMCL conditions throughout. Unless the SEC is amended, the parallel operation of both the SMCL and SMCL2 has the potential to cause confusion, and misinterpretation for Parties.

This modification will give clarity and transparency in the Smart Energy Code (SEC). Implementation costs are limited to SEC Change Team time and effort to update the SEC. The SEC Change team targeting an implementation date in line with the June 2026 SEC Release.

2. Issue

What are the current arrangements?

The DCC is responsible for establishing and operating a secure national communications network for smart metering in Great Britain. It currently operates under the SMCL, held by Smart DCC Ltd, which was awarded by the government in 2013 for an initial period of 12 years. As part of the DCC review, the Office of Gas and Electricity Markets (Ofgem) have carried out a programme of work to put in place a new regulatory framework for DCC following the expiry of its current licence, and to identify and appoint a Successor Licensee by running an open competitive tender process. Ofgem have announced, the new License holder will be DCC2 Limited. DCC2 Limited will operate in accordance with the new SMCL2 licence proposed by Ofgem in its September 2025 consultation.

What is the issue?

There are currently over 250 instances where DCC Licence Conditions are referenced in the SEC.

The SEC will require updating with SMCL references before SMCL2 takes effect from September 2026 to avoid potential confusion.

What is the impact this is having?

Doing nothing means there is potential for confusion and misinterpretation of licences.

¹ [Smart Meter Communication Licence Tender | Ofgem](#)

² [Draft new Smart Meter Communication Licence | Ofgem](#)

³ [Smart Meter Communication Licensee: decision | Ofgem](#)

Impact on consumers

There is no impact on consumers as a result of this modification.

3. Assessment of the proposal

Areas for assessment

Scope

We will look to determine whether changes will be specific to adding clarification to SEC Section A 'Definitions and Interpretations' to manage referencing of two Licences during the hand over period. The SEC Change team will seek legal guidance on how best to address the change.

Type of changes

The SEC Change team will look to determine whether the review is focusing solely on legal text wording changes within the SEC or if the 250 instances will need to be updated individually.

Sub-Committee input

We will engage the Chairs from the Operations Group (OPSG), the Technical Architecture and Business Architecture Sub-Committee (TABASC), the Security Sub-Committee (SSC), the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA), the Privacy Sub-Committee (PSC), the Testing Assurance Group (TAG), and the Performance Assurance Board (PAB) to confirm what input is required from these forums. We believe the following Sub-Committees will need to provide the following input to this modification:

Sub-Committee input	
Sub-Committee	Input sought
OPSG	We do not believe this modification will have any OPSG impacts
PAB	We do not believe this modification will have any PAB impacts
PSC	We do not believe this modification will have any PCS impacts
SMKI PMA	We do not believe this modification will have any SMKI impacts
SSC	We do not believe this modification will have any SSC impacts
TABASC	We do not believe this modification will have any TABASC impacts
TAG	We do not believe this modification will have any Testing impacts

Appendix 1: Progression timetable

Timetable	
Event/Action	Date
Draft Proposal raised	6 Mar 2026

Timetable	
Event/Action	Date
Presented to CSC for initial comment	17 Mar 2026
CSC converts Draft Proposal to modification Proposal	17 Mar 2026

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
DCC	Data Communications Company
SEC	Smart Energy Code
SECCo	Smart Energy Code Company
SECAS	Smart Energy Code Administrator and Secretariat
SMCL	Smart Meter Communications Licence
Ofgem	Office of Gas and Electricity Markets