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MP169

‘Managing the Consumer’s refusal of a Smart Meter’

Modification Report

Version 0.10

20 August 2025



About this document

This document is a draft Modification Report. It sets out the background, issue, solution, impacts, costs, implementation approach and progression timetable for this modification, along with any relevant discussions, views and conclusions.

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This document also has nine annexes:

- **Annex A** contains the business requirements for the Solutions.
- **Annex B** contains the Data Communications Company (DCC) Impact Assessment for Data Service Provider (DSP)1.
- **Annex C** contains the DCC Preliminary Impact Assessment for DSP2.
- **Annex D** contains the full collated responses to the first Refinement Consultation.
- **Annex E** contains a list of the Service Reference Variants (SRVs) which will be permitted/not permitted to Devices which have the Restricted Attribute applied (Allowed/Disallowed List/Restricted Attribute List).
- **Annex F** contains the non-confidential responses to the Request for Information (RFI).
- **Annex G** contains the redlined changes to the Smart Energy Code (SEC) required to deliver Solution Options 1a and 1b.
- **Annex H** contains the redlined changes to the SEC required to deliver Solution Option 2.
- **Annex I** contains the SEC Agreed Procedure (SAP01).

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1. Summary

This proposal has been raised by Emslie Law of OVO Energy.

Currently, some Energy Consumers refuse to have a Smart Meter installed at their property for many varied reasons. Suppliers are receiving requests from consumers to have a Smart Meter installed in 'dumb mode', where the smart functionality on the Device is turned off. If a Supplier wishes to comply with this request, they cannot do so without deliberately ignoring obligations within the SEC.

The Proposed Solution is to introduce a 'Restricted' mode which would limit the SRVs which can be delivered to Devices.

This will only address the circumstances where consumers do not want Smart Meters installed due to data privacy concerns. It will not address any other reasons that consumers do not want a Smart Meter.

There are currently three Solution Options:

Depending on which Solution Option is approved, this modification will impact Suppliers, Network Parties, Meter Installers, Flexibility Providers, Shared Resource Providers, Other Users and the DCC. This is an Authority Determined modification (no matter which option is progressed).

Option 1a: The Restricted Attribute is implemented into the DSP1 and DSP2

Following Installation and Commission (I&C), the Responsible Supplier will be required to notify the DCC via the Future-Service Management system (FSM)¹ of the consumers' request for their Consumption Data to not be collected from their Smart Meter. This will be logged in the Smart Metering Inventory (SMI), and any Disallowed SRVs will be blocked from being sent to the Devices. Any Disallowed Alerts will also be blocked from being sent to any SEC Parties. The Restricted attribute will remain in place when there is a Change of Supplier (CoS) or until the Responsible Supplier notifies the DCC that it should be removed.

Implementation is expected to take place in November 2026 and will be available in both DSP1 and DSP2, futureproofing the solution and accommodating any slippage in transfer over to DSP2. The estimated total cost to implement in DCC Systems will be approximately £1.47m (plus Release Costs).

Option 1b: The Restricted Attribute is implemented into DSP2 only

As with Option 1a, following I&C, the Responsible Supplier will be required to notify the DCC via the FSM of the consumers' request for their Consumption Data to not be collected from their Smart Meter. This will be logged in the SMI and any Disallowed SRVs will be blocked from being sent to the Devices. Any Disallowed Alerts will also be blocked from being sent to any SEC Parties. The Restricted attribute will remain in place when there is a CoS or until the Responsible Supplier notifies the DCC that it should be removed.

¹ Exact method will be developed in the detailed design phase following a decision to implement the System changes

Implementation is expected to take place after migration to DSP2 is completed which is currently estimated to be late 2028/early 2029. The estimated cost to implement into DCC Systems will be £500k (plus Release Costs).

Option 2: A SEC Agreed procedure (non-DCC System impacting)

Each Responsible Supplier will be expected to abide by the SEC Agreed Procedure (SAP) to install a Smart Meter (where one is not already installed) then to remove the Read Schedule (actioned by the DSP) for that consumer. Parties will be expected to set up and maintain a list of their consumers in a Restricted mode. This procedure would prevent the Supplier from collecting the Consumption Data from the consumer; however, Network Parties and Other Users would not be prevented from collecting Consumption Data.

Implementation is expected to be one Working Day following the Authority Decision (likely to be Q1 2026). The costs of this across industry are yet to be determined.

2. Issue

What are the current arrangements?

Position of Government

The Department of Energy Security and Net Zero (DESNZ) confirmed that the Government and Ofgem's perspective has always been "that consumers have a choice whether or not to have Smart Meters". This was most recently emphasised in the public 'Questions & Answers' on the [Energy Act 2023](#).

The Government's response notes that "There are no provisions to the Bill that would allow anyone to enter a property by force to install a Smart Meter".

The Smart Energy Code Administrator & Secretariat (SECAS) acknowledges that this statement was published in 2023 during the Conservative Government. SECAS engaged with DESNZ in 2025 who confirmed their position remains the same since the Labour Government came into office.

SEC and Supply Licence Conditions

The Gas and Electricity Supply Licences (Condition 54.9) states:

Where this paragraph applies the licensee must take all reasonable steps to ensure that the Electricity Meter and Communications Hub Function that form part of the SMETS2+ Smart Metering System at the SMETS2+ premises are Commissioned and the SMETS2+ Smart Metering System Enrolled.

In addition, SEC Appendix AC 'Inventory, Enrolment and Decommissioning Procedures' sets out the pre-commissioning and post-commissioning obligations on the Supplier. These include obliging an Installing Supplier to carry out numerous tasks to ensure a Smart Metering System (SMS) is installed and communicating. This includes placing Smart Metering Key Infrastructure (SMKI) keys and Certificates on the Devices so other Parties can communicate with them. It also includes updating the DCC with the state of the Devices.

What is the issue?

Some consumers may not want a Smart Meter due to concerns about radio frequency (RF) signals, fire risks, remote disconnection risks, data privacy or other general reasons. In some instances, consumers are approaching their Supplier to have a Smart Meter installed in 'dumb mode' to allow for the communications to be limited or disabled. In some instances, the Ombudsman is requesting that Suppliers fit smart meters in 'dumb mode'.

There is no concept, by design, of fitting a Smart Meter in 'dumb mode'. The Smart Metering ecosystem does not physically allow for Smart Meters to be installed but not communicating.

Suppliers are currently either installing heritage meters or installing the Smart Meter in ways that are causing or will cause problems in future.

Where Suppliers install a Smart Meter with no Communications Hub (or visit a site to remove a Communications Hub if the smart metering equipment has already been installed) it is likely that the meter will stop communicating after a short period of time as they cannot communicate without a Communications Hub. Whilst this will not lead to the customer losing power it will lead to inability to undertake security and firmware updates.

Installation of meters without also fitting the DCC-provided Communications Hub is also against Supply Licence Conditions (as referenced above in Gas and Electricity Supply Licence Condition 54.9).

What is the impact this is having?

There is no concept of a 'dumb mode' for a Smart Meter within the SEC. Where a functioning SMS is installed (and maybe commissioned) in a non-communicating state, that deliberate action is not visible nor understood by the industry. Consequently, on a CoS and Change of Tenancy (CoT) there is currently a requirement to 'fix' the install, leading to additional costs, inconvenience and inefficiencies.

Currently the consumer's preference to have a non-communicating Smart Meter cannot be met as an enduring process unless Suppliers are deliberately non-compliant with the SEC and Supply Licence Conditions.

Impact on consumers

Currently the consumer's request for their Consumption Data not to be collected cannot be met if a Supplier fulfils their SEC and Licence obligations. This will become increasingly difficult as heritage meters become less available.

Some of the detailed issues are listed in the following table:

Issues with non-communicating meters	
Issue for consideration	Details
Any form of Load (Heating / Hot Water / Electric Vehicle)	Any consumer on an Economy 7 tariff (or similar) arrangement relies on the Smart Meter communicating. Special tariffs may not be available to Consumers that will not allow data exchange.

Issues with non-communicating meters	
Issue for consideration	Details
Change of Mode (Credit to Prepayment and vice versa)	A 'dumb' meter cannot be changed between modes remotely – such a change will need a site visit.
Availability of Heritage Meters	Heritage meters are no longer being produced, and stocks are dwindling.
Supplier Licence Requirements	The Installing Supplier is required to configure and maintain a tariff on the meter.
Security and Safety Alerts.	The Smart Metering solution is designed for Security and Safety Alerts to be provided and sent out. These cannot be distributed if the meter is in 'dumb' mode.
Critical Alerts	SEC Parties are required to act on specific critical or mandated Alerts. These cannot be sent if the meter is in 'dumb' mode.
'Dumb' meters will need manual reads	It is likely Suppliers have a reduced number of meter reading agents, especially for reading properties where a Smart Meter is installed, so may need the customer to provide reads themselves. Smart Meter displays contain more screens and information and the potential for the customer reading the wrong data is therefore increased. There are also billing implications that the Smart Metering solution is designed to address.
Eligibility and non-eligibility	Potential Network Managed sites with no Wide Area Network (WAN) and those on specific Radio TeleSwitched regimes must have communications. This is not within the remit of the SEC.
DCC / DNO flagging the meter as non-communicating	The DNO currently raises non-communicating Smart Meters with the Supplier to 'fix'. The DCC may report these as 'notcommissioned'.
Supplier taking on a meter not recorded in the SMI as smart	If a Supplier takes on a meter that isn't recorded as 'smart', it may require that meter to be replaced, which will incur Premature Replacement Charges for Suppliers.
Industry standard	A new way to manage installs of Smart Meters set to 'dumb' mode must be standardised across the industry so that Change of Supplier (CoS) is not impacted, and the new gaining Supplier is aware of the customer preference and situation. There is currently no flag or state to highlight this.

3. Solution

Proposed Solutions

There are three Solution Options:

- **Option 1a: The Restricted Attribute is implemented into the DSP1 and DSP2**
- **Option 1b: The Restricted Attribute is implemented into DSP2 only**
- **Option 2: A SEC Agreed Procedure (SAP) (non-System impacting)**

Option 1a and 1b

Technical aspects of the DCC System Solutions

Both Options 1a and 1b are DCC System impacting. These options will introduce a new Restricted Attribute to the data for each Device in the SMI which will limit the SRVs and Alerts which can be delivered/sent to/from the Device. This is determined by a configurable list available in Annex E. The current list has been developed with the Proposer however if the modification is implemented the management of the list would be the responsibility of the Operations Group (OPSG). The current list of SRVs which are allowed to a Device with the Restricted Attribute applied is similar to a Device which has a status of 'Suspended'.

By default, the attribute will be marked as 'False' (no additional limits on access to data) for all existing Devices and for any new Devices added to the SMI. A Device with the active attribute will be 'True' in the SMI. A new screen will be provided on the FSM to allow the DCC to set or clear the Restricted Attribute for a Device when instructed by the Responsible Supplier.

The Responsible Supplier would be the only Party able to change the attribute between 'True' and 'False'. This is because the Responsible Supplier is the Party that would be installing the SMS. Where an SMS is already in place and a tenant moves in and their preference is for communications to be restricted, they will need to inform their Supplier.

The Restricted attribute will also be displayed on the FSM Read Inventory screen and included in the response to SRV 8.2 'Read Inventory' requests.

Two new codes are being created to return Data if a Device has the Restricted attribute set to 'True'. The DCC User Interface Specification (DUIS) will be amended to return a new Error Response Code when an SRV is rejected. There will also be a new Warning Response Code returned when a Supplier executes SRV 6.23 'Update Security Credentials (CoS)'.

Any Alerts which are not delivered because the Device has the Restricted attribute will not be recorded in the Service Audit Trail (SAT) log but will be recorded in a new Discarded Alert log.

There will not be a bulk upload function of data into FSM.

For the DCC System Solution Options (1a and 1b) where a Supplier sets the attribute to 'True', all Parties will be impacted as the DSP will prevent Disallowed SRVs from being sent by any Party and prevent Alerts (such as the Billing Alert) from being returned to SEC Parties.

Solutions 1a and 1b will also introduce the ability to industry to discern between Devices which are non-communicating due to a fault or due to consumer choice (having the Restricted Attribute applied).

Further information about the Solution Options 1a and 1b can be found in the DCC Impact Assessment in Annex B and C.

Option 1a: A Restricted attribute is implemented into the DSP1 and DSP2

Solution Option 1a. would allow the Restricted attribute to be applied and removed at any point, dependent on the choice of the Consumer. In a CoS and CoT, the Restricted attribute will remain active in the SMI. If the Consumer is changing Supplier to take advantage of a particular tariff that requires the restricted data or in a CoT, the Restricted attribute would need to be changed to 'False' by the Supplier via the FSM (unless the incoming Consumer also wishes to retain their data privacy). Either way the changing of the attribute would be the responsibility of the Supplier.

The DCC Full Impact Assessment against DSP1 costs are below alongside the Preliminary Assessment costs for DSP2. To implement into both would cost around £1.47m (plus Release Costs). More detail is provided in Section 5 of this Report.

Option 1b. A Restricted attribute is implemented into DSP2 only

Solution Option 1b has the same technical functionality as Solution Option 1a.

Option 2: A SEC Agreed Procedure (SAP) (non-System impacting)

Solution Option 2 does not involve any DCC System changes and therefore does not incur any DCC costs. SECAS and the OPSG Chair have drafted an industry SEC Agreed Procedure (SAP) on how a Supplier can comply with its obligations and meet the customer's request for their meters not to be read. The Agreed Procedure involves installation of a Smart Meter at a premise, taking an opening read and deliberately not setting the Read Schedule. It is accepted that the Billing Calendar must be completed as part of Install and Commission and means that the Device will automatically send a Billing Alert on a monthly basis. Citizens Advice has been engaged throughout the modification process and has confirmed that it understands that this cannot be changed.

This currently has no impact on any SEC Parties other than Suppliers. Network Parties and Other Users will be able to send SRVs and receive responses and Alerts.

4. Impacts

This section summarises the impacts that would arise from the implementation of this modification. This applies to all Solution Options.

SEC Parties

SEC Party Categories impacted			
✓	Large Suppliers	✓	Small Suppliers
✓	Electricity Network Operators	✓	Gas Network Operators
✓	Other SEC Parties	✓	DCC

Breakdown of Other SEC Party types impacted			
✓	Shared Resource Providers	✓	Meter Installers
	Device Manufacturers	✓	Flexibility Providers

This modification will impact any Party which can send Service Requests to Devices which relate to retrieval of Device Consumption Data if Solution Option 1a or 1b is approved.

Suppliers

All three Solution Options

During the first Refinement Consultation, Parties noted that Suppliers would need to develop new processes and policies when installing meters in Restricted mode. One change highlighted by several Parties was the necessity to change communications and processes for consumers that have a Smart Meter operating in Restricted mode, for data privacy or billing purposes.

Due to the alteration to existing arrangements for installing Smart Meters, Suppliers and their Meter Installers would need to provide updated training to their meter engineers. Suppliers would also need to alter the training provided to customer service staff, in addition to revising information they provide to Consumers.

Network Parties

Solution Option 1a and 1b

Network Parties would not have access to the SRVs on the Allowed/Disallowed List as these would be automatically blocked by the DSP.

Solution Option 2

Network Parties are currently not required to abide by the SAP. Network Operators have highlighted that they have in place an Ofgem agreed Data Privacy Plan for collecting data from Smart Meters.

Other SEC Parties

Due to the alteration to existing arrangements for installing Smart Meters, Meter Installers would need to provide updated training to their meter engineers. and revise information they provide to Consumers.

Option 1a and 1b

Other SEC Parties will not be able to access consumer data where the consumer has indicated to their Supplier that they do not wish their data to be accessed.

Option 2

It is currently proposed that Other SEC Parties will not need to abide by the Agreed Procedure. This is because this Solution Option involves Suppliers storing information about the consumers request in their own systems. There is no way to share this information across industry and therefore Network Parties, Other SEC Parties and Other Users will be unaware unless they are working directly for the consumers Supplier.

Other Users

Solution 1a and 1b

If a Consumer has chosen to have the Restricted Attribute set to 'True' but has also agreed that an Other User may collect their data, for example through a third-party energy management application, then the Other User will not be able to collect the SRVs on the Allowed/Disallowed List.

Solution 2

This Solution Option would allow a scenario where the customer has requested their Supplier stop collecting Consumption Data from their Smart Meter however would allow Other Users to continue to collect data. This will be advantageous in the scenario where the consumer has signed up to a third-party energy management application. However, it could be a disadvantage where a consumer believes that notifying their Supplier means their data is not accessible by any organisation.

DCC System

Solution Options 1a and 1b

Changes will be required in the DSP System to ensure that messages relating to Consumption Data are prevented from processing.

The expected impacts on DCC Systems and DCC's proposed testing approach can be found in - Annex B and C.

Solution Option 2

There will be no impacts to the DCC System. However, the DCC will not be aware of which Devices have the Restricted mode applied by the Supplier (so deliberately non-communicating) and those which are suffering from a non-communicating issue. The DCC has highlighted that it will not be able to assist anyone calling in for technical help or provide any reporting on Devices that are deliberately non-communicating.

SEC and subsidiary documents

The following parts of the SEC are expected to be impacted by Solution Options 1a and 1b:

- Section A 'Definitions and Interpretation'
- Appendix AD 'DCC User Interface Specification (DUIS)'
- Section H 'DCC Services'

The draft legal text for Solution Options 1a and 1b can be found in Annex G.

The following parts of the SEC are expected to be impacted by Solution Option 2:

- Section F ‘Smart Metering System Requirements’

The draft legal text for Solution Option 2 can be found in Annex H.

Devices

Devices impacted			
✓	Electricity Smart Metering Equipment	✓	Gas Smart Metering Equipment
✓	Communications Hubs	✓	Gas Proxy Functions
	In-Home Displays		Prepayment Meter Interface Devices
	Standalone Auxiliary Proportional Controllers		Home Area Network Connected Auxiliary Load Control Switches
	Consumer Access Devices		Alternative Home Area Network Devices

There will be no changes to Devices required to implement this modification.

For Solution Options 1a and 1b, there will be changes to DCC interaction with Smart Meters, their associated Communications Hubs and Gas Proxy Functions (GPFs), as well as how these interactions are reported against by the DCC.

For Solution Option 2 there will be changes to Supplier interaction with Smart Meters, their associated Communications Hubs and Gas Proxy Functions (GPFs), as well as how these interactions are reported against by the DCC (i.e. the DCC will not be able to report accurately as it will be unaware of the deliberate Restricted mode).

Consumers

This modification will have a positive impact on consumers who do not wish to have a Smart Meter due to data privacy concerns, as it will allow them to receive the other benefits of Smart Metering while respecting their preference not to share their Consumption Data. It will also help to ensure that there are more smart-capable Devices installed at consumer premises, giving more options to incoming tenants.

All three Solution Options will only be applied to credit consumers. This is because the SRVs which cannot be requested from Restricted Devices would impact many pre-payment processes and therefore would not be workable under the Solutions.

Other industry Codes

During the development of the Solutions there was a suggestion that this modification would also require a change to the Retail Energy Code (REC) to put Service Level Agreements (SLA) on Parties

to notify the DCC when a consumer notified the Party that they wished to have their data restricted. However, this is an agreement between the consumer and the Party. Therefore, no changes to the REC are required.

The DCC has agreed that there should be a one Working Day SLA between the Party notifying the DCC via the FSM and the DCC applying the restricted attribute, this will be included in the SEC Legal Text.

Greenhouse gas emissions

This modification will reduce the need to maintain replacement stock for heritage meters by increasing the number of smart-capable meters installed at consumer premises. It will also ensure that consumers who do not want a Smart Meter will have options which don't require Device replacement or scrappage.

5. Costs

DCC costs

Solution Option 1a

The DCC Full Impact Assessment against DSP1 costs are below alongside the Preliminary Assessment costs for DSP2. To implement into both would cost around £1.46m (plus Release Costs).

	Design, Build and PIT	SIT, UIT and Implementation	Total
DSP1	£512,181	£454,494	£966,675
DSP2	£180-250,000	£250,000* (max. estimated)	£500,000 (max. estimated)
			£1,466,675 (max. estimated)

* This cost has been estimated as the Final Impact Assessment for DSP2 has not yet been completed. The cost of the Release cannot be confirmed until work has started on the detailed design (after the decision to approve). This means there will be additional costs which will only be known post-Release (as is currently the case for Releases).

Solution Option 1b

The DCC Preliminary Impact Assessment against DSP2 costs are below and stand at around £500,000 (plus Release Costs). This will require a Full Impact Assessment which will cost £50,791.

	Design, Build and PIT	SIT, UIT and Implementation	Total
DSP2	£180-250,000	£250,000* (max. estimated)	£500,000 (max. estimated)
			£500,000 (max. estimated)

Solution Option 2

There are no DCC costs to implement the Agreed Procedure, however there will be individual Party costs which will be clarified and updated during the second Refinement Consultation.

SECAS costs

The estimated SECAS implementation cost to implement this as a stand-alone modification is one day of effort, amounting to approximately £600. This cost will be reassessed when combining this modification in a scheduled SEC Release. The activities needed to be undertaken for this are:

- Updating the SEC and releasing the new version to the industry.

SEC Party costs

SEC Parties will need to amend processes to manage the use of a Restricted Attribute. These could be manual or automated depending on the choices of the SEC Party. During the first Refinement Consultation, one Party noted that if a SR was used to set a Device in Restricted mode, this would require changes to their smart meter adaptor would cost between £100,000 and £250,000. One other respondent to the first Refinement Consultation believed that implementation of this modification would lead to costs of over £1,000,000. They commented that MP169 would lead to a reduction in the business benefits gained by Suppliers which arise from installing a Smart Meter.

6. Implementation approach

Recommended implementation approach

Solution Option 1a

Due to DSP re-procurement, the last DSP1 Release will be November 2026, this change has a ten-month lead time so a decision would be needed by January 2026.

Solution Option 1b

DSP2 is currently scheduled for migration to be complete in late 2028/early 2029, therefore this is the earliest date which implementation could take place.

Solution Option 2

The Agreed Procedure can be implemented as an ad-hoc SEC Release 10 Working Days following the Authority's Decision (expected Q1 2026).

7. Assessment of the proposal

Issues discussed during development

The next section of this report applies to all solutions.

TABASC views

The Technical Architecture and Business Architecture Sub-Committee (TABASC) questioned how many consumers did not want a Smart Meter. The Proposer reported that it is difficult to calculate a figure. This is because the consumer may not clearly state they don't want a Smart Meter or provide a reason but can continually cancel installation appointments. However, the first Refinement Consultation responses suggested that on average 1.5% of consumers had refused Smart Meters including those who persistently avoided appointments. Only a handful of Ombudsman complaints had led the Ombudsman to request that a Supplier installed a Smart Meter in 'dumb' mode.

The TABASC Chair highlighted that including the ability in the SEC to not have communications may conflict with some of the Supply Licence Conditions and a view from Ofgem should be sought.

During the Development Stage the Proposer noted that some Suppliers were attempting to comply with consumer wishes to have Smart Meters installed in a non-communicative state by not commissioning the Communications Hub or by physically removing the Communications Hub.

The TABASC noted concerns about removing Communications Hubs at a premise where a fully functioning Smart Metering System is already installed, suggesting meters may become 'distressed' if they lost connection to the Communications Hub. Device Manufacturers stated that meters would likely stop working altogether in this instance as they are not designed to work for long periods without a Communications Hub.

The DCC and its Service Providers highlighted that any solution that involved removing the Communications Hub would prevent any firmware upgrades to Communications Hubs, meters and any other Devices on the Home Area Network (HAN) which would be an area of concern for security. It also confirmed that their systems were set up to identify and report non-communicating meters but were not able to identify if this was an intentional action.

Ofgem views

As this is an Authority-Determined modification, SECAS continues to engage with Ofgem throughout the modification to ensure all areas are covered in the Modification Report.

During the Refinement Process the Proposer believed that for this modification to be approved, significant controls would need to be introduced regarding the applicability of the Solution (specifically if it should only be allowed on installation or allowed at any time). SECAS engaged with Ofgem, the Proposer and Citizens Advice to determine whether controls would be needed as part of the Solution. Ofgem produced the following statement:

“Whilst Ofgem is unable to provide an opinion on an Authority Determined modification until it is sent to us for decision, our initial concerns regarding SECMP169 related to the meter’s ability to effectively communicate therefore inhibiting its smart functionality. However, on review of the Allowed SRV List we are comfortable that the meter, as proposed in the current modification, is still operational and is able to communicate with the DCC. Suppliers must take steps to ensure that all Smart Meters are compliant with electricity supply licence condition 48 and gas supply licence condition 43 – Operational Requirements”.

Following receipt of this statement, the Proposer decided that the modification should proceed with no additional controls placed on the applicability of the Solution, therefore it can be applied at any time on the consumer’s request or where there is an Ombudsman or other such instruction.

All reasonable steps

Citizens Advice considered that a Supplier would have met its obligation to take ‘all reasonable steps’ to install a Smart Meter if the customer had refused to have a Smart Meter installed. However, as customers cannot be left without a functioning meter, there are limited options available should a Smart Meter installation be refused.

Ofgem advised they would not approve any solution which could undermine ‘all reasonable steps’ to install a Smart Meter in a communicative state.

Title Change

On 24 June 2025 the title of MP169 was amended from ‘Managing SEC obligations and the Consumers right to refuse a Smart Meter’ to ‘Managing the Consumer’s refusal of a Smart Meter installation’.

The rationale behind the title amendment was due to the initial title containing the wording ‘Consumer’s right to refuse’. This modification is Authority Determined, meaning once the Change Board votes on whether to recommend approval or rejection, Ofgem will make the final decision on whether MP169 should be implemented.

The Authority expressed concern to SECAS that the title of the modification, particularly the ‘consumers right to refuse’ could be interpreted as Ofgem deciding on whether the consumer has the right to refuse a Smart Meter. Ofgem’s view is that they will be making a decision on whether to implement a Solution, rather than whether the Consumer has a right to refuse a smart meter.

SECAS presented the new title to the July 2025 Working Group. Members questioned why the title referenced ‘installation’ when the DCC-impacting solution could be applied at any point. Following this feedback the title was amended again in August 2025 to remove reference to ‘installation’.

Citizens Advice views

SECAS has engaged with Citizens Advice throughout the modification process to understand their views on the modification. Citizens Advice have provided this statement:

“For the small proportion of consumers who do not want a Smart Meter there needs to be some means to handle meter replacements when legacy meters are no longer available. This solution was agreed upon early in the rollout and is reflected in Ombudsman decisions and Citizens Advice guidance as well as the communications materials of several Suppliers who assure consumers that

their meter can be set to not send Data. This modification simply codifies a functionality that has long been promised and used to reassure consumers. The current situation where different Suppliers handle this issue differently is not tenable.

Without this modification and a route for such consumers it would be the case that smart has effectively become mandatory. We would have to change our messaging around the mandatory nature of the rollout accordingly. This would be a big change that would likely generate a lot of negative attention for the rollout. As such, we are supportive of approval of this modification”.

Energy Ombudsman views

Following the introduction of a suggestion that this modification should only apply where it satisfied an Ombudsman remedy, SECAS engaged with the Energy Ombudsman who noted:

“We do have concerns with the [] solution. The main issues being that this would set a precedent of the Ombudsman being the ultimate decision maker for an industry process, which does not align with our role. In addition, there is a potential impact of increased volumes of complaints reaching us. In this respect, we are concerned that the [] solution has been put forward as an option for consideration without any consultation with ourselves, when it directly impacts us”.

However, the Proposer has agreed that the Restricted attribute can be applied at any time on the consumers request or where there is an Ombudsman or other such instruction. This removes the onus on the Ombudsman.

Impact of MP234

At the March Privacy Sub-Committee (PSC) meeting, one member noted the link between MP169 and [MP234 'Addition of Public Task and Legitimate Interests into the SEC'](#).

MP234 seeks to add Lawful Bases of Public Task and Legitimate Interests into the SEC, which would allow data to be collected in certain circumstances **without** the Unambiguous Consent of the consumer. One Large Supplier member from the PSC noted that if Data is being collected without consent, consumers may seek to have their Device in Restricted mode to protect their Data.

Potential loss of benefits from having Smart Meter installed

During the November 2023 Working Group meeting, members debated the impact of having a Smart Meter in Restricted mode and whether all benefits from having the Device installed would be lost.

All Solution Options require that the In-Home Display (IHD) and Pre-Payment Meter Interface Device (PPMID) would be commissioned when the Smart Meter is installed before the Restricted mode was applied. As such, the consumer could still receive benefit of having the Smart Meters installed, even if their Consumption Data was not being shared with the Supplier.

Members also noted that the Solution will allow Devices to easily be switched to and from Restricted mode if a consumer changes their view. However, some members questioned how frequently consumers would change their view, or move property, meaning the SMS would remain in Restricted mode.

One Large Supplier respondent to the RFI noted that if there is erroneous information online about smart metering there could be a high number of consumers who would like the Restricted mode applied. They added that given this modification was raised to identify a solution for a small number of

consumers, the risk of many Devices losing smart functionality should be considered. They also noted that with the upcoming 4G rollout appointments are required with the customer in attendance. They added that if the customer did not want to be at home, they may request that the Restricted mode is applied to avoid the appointment.

Is there existing functionality to place meters into ‘dumb mode’?

There are two existing SRVs listed within DUIS which are not available to Parties which would turn off Smart Meter communications. These are SR 8.5 ‘Service Opt Out’ and SR 8.6 ‘Service Opt In’. These requests were included for Smart Metering Equipment Technical Specification (SMETS)1, however, are not available and have never been available for any User Role to request. Assuming the SRVs were available to Parties, if a consumer chose to ‘Opt-Out’ then the meter would not be communicated with and could never be re-connected. Therefore, this was not considered as a solution to this issue.

Communications with the consumer

During the Development Stage the Proposer noted that consumer representative websites were advising consumers who wished to refuse the installation of a Smart Meter, or to replace their existing Smart Meter, to contact their Suppliers to have legacy meters installed. While this is technically possible it is not a sustainable solution, as manufacturers of these Devices becomes scarcer the price will increase, and this will be borne by the consumer. The websites also advised consumers they can have Smart Meters installed with the Smart functionality ‘turned off’, which there is no way of doing within the Install and Commissioning procedures in the SEC.

SECAS liaised with Citizens Advice and the Energy Ombudsman to discuss the drafting on their websites to ensure that the information provided reflects possible options more accurately. Citizens Advice have altered the wording on their website throughout the rollout to reflect that consumers have the choice not to have a Smart Meter.

In January 2024, SECAS proposed new wording for the Energy Ombudsman website. The proposed wording removed terms suggesting smart functionality can be ‘turned off’. The Energy Ombudsman did not amend the wording on their website.

During Working Group meetings, the first Refinement Consultation and RFI, Parties noted that it may be difficult to convey to consumers what information is being collected when the Restricted mode is applied. This is because some SRs will be permitted to the Device, but not all, which would be hard to explain to consumers.

One Large Supplier Party noted in the RFI that although the Solution would be allowed to be applied at any time, Suppliers may choose to set their own limits on when the Solution can be applied. They added that different approaches by Suppliers would be confusing for consumers when they switched Supplier.

During the Working Group Parties also agreed that it should be up to individual Parties to communicate with their customers, rather than industry wide communications being developed to inform consumers of this modification.

Working Group members noted the potential issues with explaining the Restricted mode to consumers, however commented that this modification may help to solve the widespread belief that a ‘dumb mode’ exists in smart metering. They noted that this will also help improve guidance given by

the Energy Ombudsman in its recommendations to Suppliers when resolving escalated customer complaints.

At the February 2024 Working Group meeting, Parties questioned whether SECAS would issue guidance about the new Restricted mode which could then be passed onto consumers. SECAS will not issue any guidance as part of this modification, as it is the responsibility of each Party to manage their communications with their customers and it is not something which can be enforced as part of this modification.

Who will manage the 'Allowed/Disallowed List/Restricted Attribute List'?

SECAS proposed that the OPSG be consulted on any changes proposed to the Allowed/Disallowed SRV List/Restricted Attribute List. Given that the data could be considered Personal Data, the Privacy Sub-Committee may also be interested in any changes proposed to the List.

Issues discussed during development (DCC System Solution)

CSP notification of 'Restricted' mode

During the Working Group and TABASC meetings, members queried the need for Business Requirement 5 for Solution Options 1a and 1b. The requirement read "The DSP will notify the Communication Service Provider (CSP) when a DCC System Flag has been applied". The TABASC Chair noted that the proposed DSP 'Restricted' flag would reject SRs and as such they would never reach the CSP in the first place. The TABASC and Proposer agreed that this requirement was not necessary. This requirement was subsequently removed from the System Solutions.

SSI or Service Request?

For Solution Options 1a and 1b, during the Preliminary Assessment SECAS assumed that the mechanism for notification that a Device was in Restricted mode would be provided by the SSI. During the Working Group several members who are Large Suppliers queried whether a SR should be added which Suppliers can use as part of the Install and Commission process. This would prevent Devices from sending or receiving unwanted messages whilst the installing Party wait for the 'Restricted' update to take effect. The Proposer has acknowledged these comments and added that Parties are unable to enable the Machine to Machine interface of the SSI, meaning the changes would need to be done manually. However, the Proposer also noted that using a SR to set the Restricted status would result in significant additional cost to the modification.

Two respondents to the Refinement Consultation supported the principle of using a SR rather than via the Self-Service Interface (SSI). They believed that a SRV would be more useful as this would allow automation of setting the Restricted attribute, rather than the manual intervention required via the SSI. They also noted it would lead to improved reporting of Restricted Devices.

Parties who supported using the SSI noted that it would be cheaper than having a new SR. These Parties also caveated their responses, noting that without knowing precisely how many consumers would choose to have their Device in Restricted mode, they could not say whether using the SSI or SRV would be preferential.

Will a 'Restricted' flag be automatically cleared?

For Solution Options 1a and 1b, following comments from the Working Group, the Proposer decided that the Restricted attribute should stay in place (set to 'True') if a CoS or a CoT takes place. If there is a CoT or a CoS then the Restricted attribute will need be removed (set to 'False') by the Responsible Supplier.

In the first Refinement Consultation one respondent suggested that the flag should be cleared each time on CoS (as well as CoT). They believed that this would allow the consumer and Supplier to agree terms and possibly for the consumer to take up a new more advantageous tariff that may require the Consumption Data. The DCC System Solution is designed to retain the attribute on CoS.

Can the DCC Solution be applied retrospectively to enrolled SMETS1?

This was not part of the initial business requirements agreed by the Proposer so has not been included in the DCC System Solution designs. Whilst it could be assessed it will likely add more costs and extra time, both to perform the assessment and to implement the solution. This, taking into consideration the lead time for implementation and the expected reduction in SMETS1 systems over the next few years would not seem beneficial.

Can the Solution be applied to Prepayment meters (PPM)?

One respondent to the Refinement Consultation believed that there was an emerging risk with legacy PPM stock and believed that this modification would present an opportunity to have a restricted mode for smart prepayment explored further. This is currently not in scope, however the DCC Solution is configurable in terms of the SRVs that are Allowed and Disallowed so, should the DCC Solution be implemented, then it could be adapted with some further discussion.

For Solution Option 2, since this is achieved by the Supplier's own internal Systems, it could be adapted with some further industry discussion if the Solution is implemented.

Ofgem Reporting

Throughout the Refinement Process Parties have questioned how Devices with the Restricted attribute will be reported on. Parties have also sought clarity that they will not be punished for having Devices installed with the attribute applied.

SECAS has worked with Ofgem to clarify the reporting which will be required of Suppliers, as well as confirming that Devices with the attribute applied should be classed as communicative and not recorded as a non-communicative Device against the Supplier.

Ofgem confirmed that:

- 'In our current reporting, meters installed in "restricted" mode should fall under non-communicating smart meters
- We can amend our annual Wider Monitoring RFI to include a "restricted meters" category
- Under our recently proposed Guaranteed Standards of Performance (GSOP)⁴, "restricted" meters would be out of scope for suppliers to pay redress'

Network Concerns

During the RFI, several Network Operators expressed concerns regarding the Service Requests included in the 'Allowed/Disallowed List'. They noted that in order to fulfil their obligations, Networks are required to collect granular information. They requested that the list be amended to allow them to collect SRVs which are currently Disallowed. They also questioned whether they would be alerted that they were not receiving information from a Device because it was in Restricted mode, rather than being non-communicative for other reasons. The list below summarises the SRVs and Alerts which Networks would like continued access to even if a meter is in Restricted mode.

Service Request 7.4 'Read Supply Status' has been added to the list of SRVs which are Allowed/Disallowed List/Restricted Attribute List. This is because this SRV is used by Networks to identify whether Consumers remain on supply after adverse weather events.

Service Requests

- 4.8.1 'Read Active Import Profile Data'
- 4.10 'Read Network Data'
- 4.12.1 Read Maximum Demand Import Registers
- 4.12.2 Read Maximum Demand Export Registers
- 6.5 'Update Device Configuration (Voltage)'
- 6.22 'Configure Event Behaviour'
- 7.4 'Read Supply Status'
- 7.7 'Read Auxiliary Load Control Switch Data'
- 7.14 'Read Auxiliary Controller Configuration Data'
- 7.15 'Read Auxiliary Controller Operational Data'

Alerts

- AD1 Power Outage Alerts
- Power Restore Alerts
- Voltage Threshold Breach Alerts and Reset Alerts

8. Case for change

Business case

In favour of approval

Parties in favour of approval noted that this modification would meet the wishes of consumers who wish to have a Smart Meter operating in Restricted mode. They added that the smart functionality can be restored if the consumer changes their view or wishes to take advantage of a tariff that requires

smart functionality, which is useful for the wider Smart Meter rollout. Parties in support also noted that introduction of Restricted mode could lead to an uptake in Smart Meter installs as some consumer concerns would have been alleviated. In turn, this could lead to a reduction in the pressure on traditional meter stock.

Against approval

Parties noted that fully operational Smart Meters are a key enabler for meeting Government net zero targets, providing benefits to consumers and the wider energy system. They believed that Devices which can assist in supporting net zero ambitions should not be restricted. In addition, the cost of installing a Device may be undermined if the consumer is able to eliminate the value which the Device provides, taking away the business case for having a Smart Meter installed.

One Large Supplier noted that this modification could only be applied to SMETS2 credit Devices. They believed this is unacceptable as they would not be able to offer the same service to pre-payment customers as they would with credit customers.

A number of Parties questioned the costs surrounding this modification, noting that this modification would mean SEC Parties paying costs to lose the business benefits they receive when installing a Smart Meter. Rather than approving the modification, one Party commented that it would be useful to educate consumers on the benefits of Smart Meter, rather than implement this modification.

Many Parties asserted that although this modification may resolve concerns of consumers on data privacy grounds, it does not resolve the issue of Consumer refusals on the grounds of RF signals, safety concerns etc. As the meter is still somewhat communicative, consumers may also refuse on data privacy grounds if they are unable to determine the distinction of a Device operating in Restricted mode.

One Party also noted that the implementation date for a System Solution is a long way in the future and the Smart Meter rollout should be close to completion by then. They questioned why a modification would be implemented towards the proposed end of the rollout when the majority of Devices would have been installed successfully.

Views against the General SEC Objectives

Proposer's views

The Proposer believes that this modification better facilitates SEC Objectives (a)² and (g)³.

SEC Objective (a)

This modification will facilitate the installation of more Smart-capable Devices. Other than the inability to retrieve Consumption Data, responsible Parties will be capable of communicating with the Devices via the DCC System and carrying out essential business processes, such as firmware maintenance, which are necessary for the continued interoperability of Devices. In addition, the Solution provides the ability to turn communication back on easily should a consumer change their mind or if there is a CoT.

² Facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain.

³ Facilitate the efficient and transparent administration and implementation of this Code.

SEC Objective (g)

This modification will better enable Suppliers to adhere to their Licence Conditions without contravening Install and Commissioning Obligations defined in the SEC.

Industry views

During the first Refinement Consultation Parties provided differing views on this modification in relation to SEC objective (a). Supportive Parties noted that this modification would answer some of the concerns consumers had about Smart Meters and therefore would lead to an increase in the installs. Unsupportive Parties believed this modification would not lead to the efficient interoperability of Smart Meters as it would negate the value of smart metering.

No views were provided against SEC Objective (g).

One industry participant believed that it did not better facilitate SEC Objective (e)⁴ as work around would be required for innovations that required smart functionality.

Views against the consumer areas

Improved safety and reliability

This modification will have a positive impact against this consumer area. It will allow Suppliers an additional option for installing Smart-capable Devices at consumer premises where this would previously have been prevented due to the consumer's data privacy concerns. These Devices offer greater safety and reliability than heritage meters, for which there is dwindling stock of replacement parts and decreasing specialist knowledge within the industry.

Lower bills than would otherwise be the case

This modification will offer an alternative for consumers who may otherwise have to pay for the expensive installation and maintenance of a heritage meter.

Reduced environmental damage

This modification will have a positive impact against this consumer area as it will result in fewer Devices being unnecessarily replaced or scrapped when an incoming tenant wishes to have their Smart Meter removed. It will also prevent the need for continued manufacture of heritage meters.

Improved quality of service

This modification will have a positive impact against this consumer area as it will allow consumers to realise the benefits of Smart Metering without the need to compromise on their concerns over data privacy.

⁴ Facilitate such innovation in the design and operation of Energy Networks (as defined in the DCC Licence) as will best contribute to the delivery of a secure and sustainable Supply of Energy

Benefits for society as a whole

This modification will have a positive impact against this consumer area as it will help to increase the Smart capability of the energy network with all the attendant benefits, other than the increase in sharing of consumption data. It will allow consumers to exercise their preference for data privacy while reducing the onus on Suppliers to contravene obligations under their Licence and the SEC.

Appendix 1: Progression timetable

Timetable	
Event/Action	Date
Draft Proposal raised	14 Jun 2021
Presented to CSC for initial comment	29 Jun 2021
CSC converts Draft Proposal to Modification Proposal	28 Sep 2021
Business requirements developed with Proposer and DCC	Oct 2021
Modification discussed at Working Group	3 Nov 2021
Modification discussed at Working Group	1 Dec 2021
Business requirements discussed at TABASC	Jan 2022
Business requirements developed with the Proposer	May – Jul 2022
Business requirements discussed with Device Manufacturers	2 Aug 2022
Business requirements discussed at TABASC	4 Aug 2022
Business requirements discussed at SSC	14 Sep 2022
Modification discussed at Working Group	5 Oct 2022
Business requirements discussed with the DCC	14 Nov 2022
Preliminary Assessment requested	28 Nov 2022
Update provided to Change Sub-Committee (CSC)	20 Dec 2022
Preliminary Assessment returned	10 Feb 2023
Modification discussed at Working Group	5 Apr 2023
Modification discussed at TABASC	6 Apr 2023
Modification discussed at OPSG	11 Apr 2023
Refinement Consultation	7 Jun 2023 – 28 Jun 2023
Second Preliminary Assessment	11 Sep 2023 – 1 Oct 2023
Modification discussed at Working Group	1 Nov 2023
Modification discussed at Working Group	7 Feb 2024
Impact Assessment Request at Change Board	21 Feb 2024
Impact Assessment Requested	22 Feb 2024
Impact Assessment Returned	24 Apr 2024
Impact Assessment discussed with Working Group	5 Jun 2024
Proposed Solution discussed with Working Group	7 Aug 2024

Timetable	
Event/Action	Date
Request for Information	20 Aug 2024 – 9 Sep 2024
Second Impact Assessment against DSP1	24 Apr 2025 – 20 Jun 2025
Preliminary Assessment against DSP2	27 May 2025 – 20 Jun 2025
Modification discussed at Working Group	Jul 2025
Modification discussed at Working Group	6 Aug 2025
Second Refinement Consultation	20 Aug – 1 Oct 2025
<i>Modification discussed at Working Group</i>	Oct 2025
<i>Presented at CSC</i>	Oct 2025
<i>Modification Report Consultation</i>	Oct -Nov 2025
<i>Presented at Change Board</i>	Nov 2025
<i>Authority Determination</i>	Jan 2026 (expected)

Italics denote planned events that could be subject to change

This timetable is applicable if Solution Option 1a is taken forward as this has the most immediate time constraints. However if Solution option 1a is discounted then the timetable may be revised.

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
CoS	Change of Supplier
CoT	Change of Tenancy
CSC	Change Sub-Committee
CSP	Communication Service Provider
DCC	Data Communications Company
DESNZ	Department Energy Security and Net Zero
DNO	Distribution Network Operator
DSP	Data Service Provider
DUIS	DCC User Interface Specification
FSM	Future Service Management
GPF	Gas Proxy Function
GSOP	Guaranteed Standards of Performance
HAN	Home Area Network
I&C	Install and Commission
IHD	In Home Display
OPSG	Operations Group
PIT	Pre-Integration Testing

Glossary	
Acronym	Full term
PSC	Privacy Sub-Committee
PPM	Prepayment Meter
PPMID	Pre-Payment Meter Interface Device
REC	Retail Energy Code
RF	Radio Frequency
RFI	Request for Information
SAP	SEC Agreed Procedure
SAT	Service Audit Trail
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SIT	Systems Integration Testing
SLA	Service Level Agreeemnt
SMETS	Smart Metering Equipment Technical Specifications
SMI	Smart Metering Inventory
SMIP	Smart Metering Implementation Programme
SMKI	Smart Metering Key Infrastructure
SMS	Smart Metering System
SRV	Service Reference Variant
SSI	Self-Service Interface
TABASC	Technical Architecture and Business Architecture Sub-Committee
UIT	User Integration Testing