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Smart Energy Code

MP234

'Addition of Public Task and Legitimate Interests into the SEC'

Modification Report

Version 0.4

10 February 2026

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Committed to clearer communication
592

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

This document also has two annexes:

- **Annex A** contains the redlined changes to the Smart Energy Code (SEC) required to deliver the Proposed Solution.
- **Annex B** contains the consolidated responses to the Refinement Consultation.

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1. Summary

This proposal has been raised by Matt Roderick of n3rgy.

This modification seeks to add the principles of Public Task and Legitimate Interests into the SEC as additional bases for collecting Consumption Data.

The Proposer believes this would help public authorities to fulfil their regulatory obligations to tackle fuel poverty, protect vulnerable households and uphold minimum standards of housing by identifying at-risk Energy Consumers through their Smart Metering Systems (SMS). The Proposer outlines that this would also enable SEC Parties to offer their services to a wider range of customers.

The Proposed Solution is to change SEC Section I 'Data Privacy' to introduce new arrangements that will allow for organisations to access Consumer's Consumption Data via the lawful bases of Legitimate Interest (LI) or Public Task (PT), as delivered by the General Data Protection Regulation (GDPR). Consequential changes are also proposed for the Privacy Controls Framework (PCF) to underpin the proposed Section I changes.

This Modification will impact Other SEC Parties, and there are no DCC System impacts or costs. This is an Authority Determined Modification and is targeted for implementation through an Ad-hoc SEC Release one Working Day following decision should the Authority approve the modification.

2. Issue

What are the current arrangements?

Collecting Consumption Data

At present the SEC allows Consumption Data to be collected in three scenarios. Historically, SEC Section I 'Data Privacy' allowed Consumption Data to be collected only where a Party held the Appropriate Permission for that consumer or had collected the Unambiguous Consent from the consumer to collect Consumption Data.

A Party must either have the Appropriate Permission for that consumer, have collected the Unambiguous Consent of the consumer, or be collecting Consumption Data on behalf of a Party which has the Appropriate Permission and has directed another Party to collect that Consumption Data on their behalf.

The current definition of Appropriate Permission in SEC Section A 'Definitions and Interpretations' only allows for two scenarios as follows:

"In respect of a Communication Service or Local Command Service to be provided to a User in respect of a Smart Metering System at a premises that will result in the User obtaining Consumption Data, either:

> (a) *(Where that User is the Import Supplier, Export Supplier, Gas Supplier, Electricity Distributor or Gas Transporter for that Smart Metering System) that the User does not need consent to access that Consumption Data in accordance with its Energy Licence, or that the User has consent (whether explicit or implicit) in accordance with the requirements of its Energy Licence.*

(b) *(Where that User is not the Import Supplier, Export Supplier, Gas Supplier, Electricity Distributor or Gas Transporter for that Smart Metering System) that the Energy Consumer has given the User Unambiguous Consent to obtain that Consumption Data and such consent has not been withdrawn."*

SEC Section I1.2 states:

"Each User undertakes that it will not request, in respect of a Smart Metering System, a Communication Service or Local Command Service that will result in it obtaining Consumption Data, unless:

(a) the User has the Appropriate Permission in respect of that Smart Metering System; and

(b) where that User is not the Import Supplier, Export Supplier, Gas Supplier, Electricity Distributor or Gas Transporter for that Smart Metering System the User has, at the point of obtaining Appropriate Permission and at such intervals as are reasonably determined appropriate by the User for the purposes of ensuring that the Energy Consumer is regularly updated of such matters, notified the Energy Consumer in writing of:

(i) the time periods (by reference to length) in respect of which the User obtains or may obtain Consumption Data.

(ii) the purposes for which that Consumption Data is, or may be, used by the User.

(iii) the Energy Consumer's right to object or withdraw consent (as the case may be) to the User obtaining or using that Consumption Data, and the process by which the Energy Consumer may object or withdraw consent".

What are the GDPR Principles of Public Task and Legitimate Interests?

The definitions of 'Public Task', 'Legitimate Interests' and information about them have been taken from the GDPR (implemented in the United Kingdom as the 'UK GDPR') from the Information Commissioner's Office (ICO) website, which can be viewed here.

Public Task

Article 6(1)(e) of the GDPR gives a lawful basis for processing where:

> *"Processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller."*

This legal basis can only apply if an organisation is:

- Carrying out a specific task in the public interest which is laid down by law; or
- Exercising official authority (for example, a public body's tasks, functions, duties or powers) which is laid down by law.

Legitimate Interests

Article 6(1)(f) of the GDPR gives a lawful basis for processing where:

"Processing is necessary for the purposes of the legitimate interests pursued by the controller or by a third party except where such interests are overridden by the interest or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child."

Legitimate Interests is unlike other lawful bases for collecting information as it is not centred around a particular purpose and it is not for processing that the individual has specifically agreed to. Legitimate Interests is more flexible and could in principle apply to any type of processing for any reasonable purpose, provided that this is justified by the relevant organisation. Because of this, the onus is placed on the organisation seeking to collect the data to assess and balance their legitimate interests and the necessity of processing the personal data, against the interests, rights and freedoms of the individual considering the particular circumstances.

When are these GDPR Principles used?

Public Authorities, such as Social Landlords and Local Councils, have a duty to protect Energy Consumers and must prevent them from falling into fuel poverty. In doing so, it is argued that they must collect Consumption Data to identify whether the Consumer is at-risk. On some occasions, the Energy Consumer may not respond to the Local Authorities' attempts to collect their Consumption Data. When this occurs, the Local Authority can use the GDPR Principles of Public Task and Legitimate Interest to collect the Consumption Data without the Consumers Unambiguous Consent to fulfil their regulatory obligations.

What is the issue?

The GDPR Principles of Public Task and Legitimate Interests are not included in the SEC, due to the granular and potentially sensitive nature of Consumption Data and in line with similar limitations in Supplier and Network Party obligations. In addition, these GDPR principles are not included as they are not considered as best practice by the Information Commissioner Office (ICO) and European Commission.

What is the impact this is having?

Without the introduction of the concepts of Public Task and Legitimate Interest into the SEC, it is argued that public authorities (e.g. Registered Social Landlords or Local Authorities) may be at risk of failing to fulfil their regulatory obligations to tackle fuel poverty, identify and protect vulnerable households as well as maintaining their property portfolio in compliance with the minimum standard on housing.

This also means that SEC Parties are unable to offer their services to Local Authorities who are using these GDPR principles to collect Consumption Data from these selected Energy Consumers, without relying on Appropriate Permission/Unambiguous Consent as required by Section I of the SEC.

Impact on consumers

If the public authorities mentioned above fail to fulfil their regulatory obligations this could impact consumers' standard of housing, health and economic security.

3. Solution

Proposed Solution

The Proposed Solution is to change SEC Section I 'Data Privacy' to introduce new arrangements that will allow for organisations to access Consumer's Consumption Data via the lawful bases of Legitimate Interest (LI) or Public Task (PT), as delivered by the General Data Protection Regulation (GDPR). Consequential changes are also proposed for the Privacy Controls Framework (PCF) to underpin the proposed Section I changes.

The proposed changes to SEC Section I will establish the overarching requirements for access to data via the lawful bases of PT and/or LI. It sets out requirements relating to permission, the role of the Privacy Sub-Committee (PSC) as a 'gatekeeper' of access to the Consumption Data, and details arrangements for the assurance of Parties who access Consumption Data outside the proposed arrangements.

The proposed changes to the Privacy Controls Framework (PCF) detail the granular evidentiary requirements needed by a SEC Party to access Consumption Data via the lawful bases of PT and LI. These more granular requirements relate to the proposed use of the Consumption Data and will support the PSC in their determination of access to the aforementioned data. Arrangements here relate to such things as details of the premises to which the proposed Consumption Data relates, the time period for which Consumption Data is requested, the assessment for necessity, and so on.

The changes to the SEC required to deliver the Proposed Solution can be found in Annex A.

4. Impacts

This section summarises the impacts that would arise from the implementation of this modification.

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
✓	DCC Other Users		MAPs/ MAMs

DCC Systems

DCC System changes

No DCC System changes are anticipated as a result of the Proposed Solution.

DCC System traffic

It is possible that there may be an impact on DCC System traffic as a result of the Proposed Solution if Other SEC Parties send more Service Requests to the DCC in order to access Consumption data via the lawful bases of PT and/or LI. One respondent to the Refinement Consultation also identified a risk in increased DCC System traffic, however, it is difficult to both substantiate and quantify the scale of the impact as the Proposed Solution is legal-text only.

SEC and subsidiary documents

The following parts of the SEC will be impacted:

- Section I 'Data Security'; and
- Privacy Controls Framework (PCF)

The changes to the SEC required to deliver the Proposed Solution can be found in Annex A.

Technical specification versions

No changes to Technical Specifications are anticipated as a result of the Proposed Solution.

Devices

No Device impact has been identified as a result of the Proposed Solution.

Consumers

The Proposed Solution will allow for organisations to access Consumer's Consumption Data, and such Consumers will experience an indirect impact as arrangements relating to access to their data change.

Other industry Codes

No other industry Codes are impacted by the Proposed Solution for this Modification.

Greenhouse gas emissions

No impact on greenhouse gas emissions is anticipated as a result of the Proposed Solution for this Modification.

5. Costs

DCC costs

No DCC costs have been identified as a result of the Proposed Solution.

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

Three respondents to the Refinement Consultation indicated that they were likely to incur costs as a result of the implementation of the Proposed Solution. Two of these respondents, a DCC Other User and a non-SEC Party, indicated that they would incur costs in the £1-£49,999 bracket as they updated their materials relating to consent, training resources and programmes to reflect the new Consumption Data access arrangements.

Another respondent, a Large Supplier, also identified a potential cost as a result of this modification being implemented. They indicated they would incur costs as a result of updates to their Privacy Notice, and, in their view, as a result of managing an expected uptick in consumer enquiries and complaints relating to the expansion of the scope of access to Consumption Data. They indicated that these costs are likely to fall in the £50,000 - £249,999 bracket.

6. Implementation approach

Recommended implementation approach

SECAS is recommending an implementation date of:

- **Ad-Hoc Release**: 1 Working Day following the Authority Decision to approve the Modification.

SECAS proposes to present this Modification to the Change Board for a decision on referral to the Authority on 25 March 2026. As this is a legal-text only Modification with no impact to DCC systems, SECAS and the Propose view an ad-hoc release as appropriate.

In the Refinement Consultation, SECAS prompted respondents to identify what lead time, if any, they would require to implement the Proposed Solution, from the point of approval, if the modification was approved. Two respondents indicated that they would require one month and between one and six months respectively. However, following further discussion, SECAS confirmed that these indicated lead times represent the amount of time the respondents expect that they would need to apply for and access Consumption Data via the mechanism of the Proposed Solution, rather than the time needed to integrate the Proposed Solution into their own operational processes. As a result, no Refinement Consultation respondent indicated a material lead time, and as such, SECAS is able to propose an ad-hoc release immediately following approval.

7. Assessment of the proposal

Areas for assessment

The Smart Energy Code Administrator and Secretariat (SECAS) believes further clarity is needed regarding how the GDPR principles will be applied by SEC Parties. In particular, when a SEC Party is acting on behalf of a non-SEC Party to collect Consumption Data, it will need to be determined whether using a GDPR principle which applies to the activities of this third party, rather than a SEC-Party, is compliant with SEC processes.

Additionally, it will need to be determined how additional GDPR Principles and lawful bases which the SEC Party (or its third party) wish to rely on will be verified. This will include a need to determine the appropriateness of these additional GDPR Principles, including, where legal bases such as Legitimate Interests are used, how the SEC Party or third party demonstrably assesses and balances their legitimate interests and the necessity of processing the personal data, against the interests, rights and freedoms of the individual. In addition, SECAS will examine how Local Authorities currently collect Consumption Data from the Consumers they need to protect. SECAS will work with Local Authorities to determine the scale of the identified issue, as well as building a process of how this modification could work in practice if implemented.

The Working Group will also need to assess and investigate whether there could be any unintended consequences arising from this change, and the SECAS Privacy Experts and the SEC Lawyer will be engaged to support with this assessment. If the assessment confirms that other GDPR principles can be used, the SEC Lawyer will also provide an assessment of precisely which language must be used when adding the selected two GDPR principles into the SEC.

Assessment Outcome

SECAS and the Proposer have drafted the legal text in such a way as to address these issues. For a User to access Consumption Data, they must do so having first gained permission from the Privacy Sub-Committee on a case-by-case basis, following the submission of evidence detailing their intended scope of usage of that Consumption Data. This places substantial control in the hands of the PSC to determine whether to grant. The following proposed drafting changes to the Privacy Controls Framework, which determine the criteria against which access may be granted, further cement the PSC's ability to maintain control over who may access Consumption Data, and in what way:

[Applicants must submit]… "any other information requested by the Privacy Sub-Committee to enable the Privacy Sub-Committee to determine whether or not to give approval for the proposed Processing"

Sub-Committee input

At the time of publication of V0.2 of the Modification Report, The SEC Panel maintained responsibility for Section I 'Privacy' and as such was to be engaged for advice and considerations with regards the issue and any potential solutions that are identified. Since that point, however, the SEC Privacy Sub-Committee (PSC) was instated, and it's advice has been sought on four occasions to date as part of the development of this Modification.

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 following Sub-Committees will need to provide the following input to this modification:

Sub-Committee input	
Sub-Committee	**Input sought**
OPSG	What impacts will this Modification have on the collection of customer data?
PSC	What impact will this Modification have on the privacy arrangements in respect of customer data?
SMKI PMA	No input sought.
SSC	Will this Modification impact the current security arrangements?
TABASC	No input sought.

Observations on the issue

The Change Sub-Committee (CSC) recommended this modification be presented to the OPSG, as well as the SSC in order to discuss historic concerns about the collection of consumer data by Other Users. SECAS will engage with the Chairs of the sub-committees to determine precisely which groups this modification will be presented to.

SECAS discussed the Modification with the SSC, who confirmed that they had no view on the Modification from a security perspective.

Members also highlighted the need for clarity regarding when the consumer knows their data is being accessed by an Other User and where this information is stored. Other members noted the importance of this point as they believed consumers main concern about smart metering relates to who has access to their data. The Proposed Solution as drafted doesn't allow for consumers to explicitly determine when their data is used, but they may be able to infer it from their Supplier's privacy policy changes.

DP218 'Review of the SEC Charging Methodology' was also discussed, with one member noting that the solution to DP218 be in place before DP234 reaches decision at Change Board. At the time of publication of this Modification Report, MP218 is still being developed by SECAS and the Proposer.

Privacy Sub-Committee

April 2025:

At its meeting on 17 April 2025, the Privacy Sub-Committee received an update on MP234 and reviewed proposals for the assurance approach to support the use of Public Task (PT) and Legitimate Interests (LI) as lawful bases under the SEC. SECAS confirmed that the modification would impact Section A (Definitions) and Section I (Data Privacy).

The discussion focused on how PT and LI should be implemented and governed. The User Independent Privacy Auditor (IPA) advised that acceptable use cases for PT should be generated by the Other User community and then reviewed and approved by the PSC, rather than relying on a predefined list. Members agreed to include this review step in the process. For LI, SECAS proposed using the ICO Legitimate Interest Assessment (LIA) form as the foundation for SEC requirements, with revisions to incorporate SEC-specific obligations and clarity on what data is being accessed. Members supported this approach but stressed the need for guidance to ensure quality and consistency in LIA submissions.

The PSC noted that Public Authorities cannot rely on LI and should instead use PT. Members also confirmed that MP234 applies only to Consumption Data. The Sub-Committee agreed that where a User seeks to process data for new purposes under an existing LI, they must submit a formal change request and repeat the approval process, including a new LIA. Assurance checks will require Users to provide evidence demonstrating compliance with LI requirements. Legal review will only be required where LI cannot be clearly established, to avoid unnecessary cost.

Consumer trust was highlighted as a key consideration. Members expressed concern that introducing LI could create perceptions of reduced privacy protections, which might undermine confidence in smart metering. The PSC agreed that robust assessment processes and an opt-out mechanism would help address these concerns. The Chair summarised the importance of ensuring proportionality, clarity, and strong governance while avoiding duplication of effort. SECAS will update the assurance approach and legal drafting in line with PSC feedback and bring the revised proposals back for further review.

June 2025:

The PSC reviewed the initial legal text drafting for MP234, which proposed to introduce Public Task (PT) and Legitimate Interests (LI) as lawful bases within the SEC. SECAS outlined the proposed impacts on Section A (Definitions and Interpretations) and Section I (Data Privacy).

Members raised several points for clarification and amendment:

- Interaction with Data (Use and Access) Bill: A Member queried whether the Bill introduces changes to LI thresholds, such as pre-approved use cases, which could reduce the need for LI Assessments. Another member flagged this as a potential risk to the modification.
- Wording Adjustments: A Member suggested revising “review and revoke” in paragraphs I1.2(c) and I1.2(d) to “review, suspend or revoke” to allow suspension where non-compliance is suspected. Another member proposed clarifying “these lawful bases” to “the relevant lawful basis for accessing Consumption Data.” Members also recommended removing I1.2(c) and correcting duplicated wording in I1.2(e) and (f).
- Authority to Revoke Access: The User IPA questioned whether the PSC has authority to revoke access under I1.2(c). SECAS agreed to verify alignment with SEC Section M and breach provisions.

Members agreed that SECAS would incorporate feedback and circulate an updated draft for ex-committee review before progressing to the SECAS legal team.

September 2025:

SECAS provided an overview of the changes made to the legal drafting between V0.3 and V0.5, and requested feedback.

Members discussed the comparative risks of using LI and PT as legal bases versus consent, noting that each carries different risk profiles rather than one being inherently safer. Concerns were raised that the proposal could introduce processing options for personal data not mirrored for commercial data, potentially creating inconsistency. SECAS told PSC Members how it’s Legal Counsel advised that duplication of requirements within the SEC is unnecessary if LI and PT are accepted as valid bases, and suggested complementary changes within the Privacy Controls Framework instead.

The need for mandatory LI assessments was debated. While not required under GDPR, members noted ICO guidance expects organisations to demonstrate accountability and risk balancing. Practical concerns were raised around SEC Section I’s lack of distinction between consumption and personal data. Members queried whether changes could be achieved through drafting or require a formal modification.

The PSC agreed to explore a partial revert to V0.3 while retaining useful elements of V0.4 to ensure coverage of both personal and commercial data. Members also requested a clear cost-benefits statement to frame the proposal's scope. SECAS confirmed that tangible and intangible costs and benefits will be considered during Refinement Consultation and that Ofgem will make the final decision. These changes resulted in V0.5 of the legal drafting.

November 2025:

SECAS provided an overview of the changes made to the legal drafting between V0.5 and V0.6. This follows the incorporation of feedback from a PSC Member, the Proposer, and SECAS' legal counsel. SECAS asked PSC Members for feedback, and also invited PSC Members to provide detailed feedback against the Modification during the proposed Refinement Consultation. No comments were provided against the legal drafting, although the PSC Member who provided the initial feedback that was incorporated during the uplift from V0.5 to V0.6 thanked SECAS for responding to their views.

Working Group

May 2025:

SECAS provided an overview of the Proposer's intent for the solution was presented, and Working Group Members were invited to comment on both solution as a concept, and the means by which the Proposer suggested that it is executed within the SEC.

Working Group Members identified a risk that by allowing for access to Consumption Data in a way that does not have rely on a consumer's Unambiguous Consent, that, without a means by which to curtail or prevent that access, that consumer may instead resort to refusing a Smart Meter. Concerns were also raised that the MP234 proposed solution may be inconsistent with the Ofgem-led Consumer Consent Solution.

The Proposer sought to allay concerns raised by Working Group Members regarding a loss of control of consumer Consumption Data by reassuring Members that SECAS and the PSC would be required to approve applications to access Data via the lawful bases of PT and/or LI on an individual basis.

A Working Group Member identified a risk pertaining specifically to the lawful basis of LI. In this case, the Member posited that an organisation seeking to access data via LI may apply in respect of furthering Net Zero goals, whereas in reality their intent for that Data is only loosely related to Net Zero, in effect using Net Zero as a 'hook'.

8. Case for change

Business case

Approval of the modification

Points raised in support of the Modification include the following:

- By allowing SEC Other Users to access consumer Consumption data via the Lawful Bases of Legitimate Interest and Public Task, they will be able to offer new services. This will encourage innovation and competition amongst SEC Other Users, which will further their offering to consumers.
- Consumers can expect to be offered new services by SEC Other Users by merit of their having access to new data, and also by means of the innovation referred to above. This will have a beneficial effect on consumer agency and choice within the energy market.
- As a legal text-only Modification, there will be no DCC System impacts, and it is also anticipated that there will be no industry cost associated with the delivery of the Proposed Solution. SECAS will determine the validity of this assumption during the Refinement Consultation, however.

Quantifiable benefits incurred by SEC Other Users & Non-SEC Parties

In response to the Refinement Consultation, three respondents, two Other SEC Parties and a non-SEC Party, indicated they expect to materially benefit from the proposed solution. Two indicated anticipated benefits of £1-£49,999 and one indicated anticipated benefits of £50,000 -£249,999. One respondent, the Proposer, indicated that they expecting to accrue benefits both from savings derived from eliminating "impractical attempts of gathering individual consents", and benefits arising from "unlocking […] scenarios where individual consent is not feasible". The other respondents also identified benefits from accessing new scenarios previously unavailable to them due to the requirements of unambiguous consent.

Against approval of the modification

Points raised against the Modification include the following:

- As SEC Other Users will be able to access consumer's Consumption Data without their Unambiguous Consent, consumers will be less able to control access to their data than they otherwise would be able to. This may have an impact on data privacy, and may impact consumer confidence in market data security arrangements.
- By creating a means by which a DCC Other User may gain access to Consumption Data without Unambiguous Consent, it is possible that the Proposed Solution represents the start of a "slippery slope" in which the scope of access to data in the future may become broader. This may have an impact on future market data sharing and security arrangements.
- During the Refinement Consultation, SECAS identified by costs that are likely to be incurred by SEC Parties in delivering the Proposed Solution:
  - Two respondents in favour indicated costs between £1-£49,999 due to changes to materials and training resources.

- One respondent (a Large Supplier) opposed indicated costs of £50,000-£249,999 arising from updates to their Privacy Policy, and an anticipated uptick in consumer enquiries and complaints about usage of their data.

- At the time of publication of this Modification Report, Ofgem, in collaboration with the Retail Energy Code Company, are in the process of developing and delivering the Consumer Consent Solution (CCS). The CCS will deliver a centralised means by which consumers are able to manage who has access to their Consumption Data and what services they are being provided with in return. It is possible that the as the CCS is further developed, the Proposed Solution for this Modification may conflict with the CCS.

Views against the General SEC Objectives

Proposer's views

The Proposer believes that public bodies and organisations with statutory responsibilities and similar obligations —such as local authorities, social landlords and financial institutions — have the need to process smart meter data to fulfil their legal duties and protect customers and tenants, even when explicit consent cannot be obtained. This necessity is underpinned by two key legal bases under data protection law: Legitimate Interest and Public Task.

These legal bases are essential because requiring explicit consent in every instance could hinder the ability of public bodies to act swiftly and effectively in the public interest, especially where vulnerable customers or urgent safety concerns are involved.

The Proposer believes that this modification is the first step towards supporting these legal bases to access and process smart meter data together with a set of appropriate safeguards. Safeguards to ensure only responsible and eligible use cases are granted access.

Industry views

SECAS received 13 responses in total to the Refinement Consultation; 12 from SEC Other Parties and Non-SEC Parties collectively, and 1 from a Large Supplier. Of the respondents, two were against the Modification. All other respondents, covering all of the Other SEC Parties and all Non-SEC Party respondents were in favour of the Modification. Only seven respondents provided a view against the SEC Objectives, however; their views are provided below:

Objective	Description	Positive	Negative
(a)	facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain	4	1
(c)	facilitate Energy Consumers' management of their use of electricity and gas through the provision to them of appropriate information by means of Smart Metering Systems	5	1
(d)	facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy	3	-
(e)	facilitate such innovation in the design and operation of Energy Networks (as defined in the DCC Licence) as will	4	-

	best contribute to the delivery of a secure and sustainable Supply of Energy		
(f)	ensure the protection of Data and the security of Data and Systems in the operation of this Code	5	2
(g)	facilitate the efficient and transparent administration and implementation of this Code	4	1

Supporters of the Modification generally believed that MP234 would strengthen several SEC Objectives, particularly SEC Objectives (a)[1], (c)[2] and (e)[3] as a result of efficient operation of Smart Metering Systems (SMS), helping consumers manage their energy use, and by allowing socially important use cases that are currently blocked by the consent-only model. They state that enabling PT and LI within the SEC could help public bodies and regulated organisations identify fuel poverty, improve housing conditions, target retrofit investment, and support transition planning, all of which rely on accurate, granular Consumption data. In their view, these activities are aligned with the SEC's intention to facilitate beneficial use of SMSs, stimulate innovation, and enable competition and new services that improve consumer outcomes. These Parties believed that they would benefit from the changes.

The two respondents who were not in favour of the Proposed Solution both identified risks undermining SEC Objective (f)[4], which requires the protection of data and the security of systems. They believed that shifting away from an explicit consent model creates privacy risks by extending access to entities such as mortgage lenders or insurance firms, which they argue consumers would not expect. One of the respondents not in favour of the Modification identified negatives only against SEC Objective (f), whilst the other respondent identified negatives against three other Objectives in addition to (f). Whilst they did not elaborate on their rationale against these three objectives in Question 10 of the Refinement Consultation specifically, extrapolating from their answers more broadly potentially shows that their opposition is based on factors including an increase in consumer complaints, creating operational burden for Suppliers, and risking DCC capacity issues if commercial organisations begin high-volume access under LI/PT. In their view, these consequences would harm transparency, reduce consumer trust, and weaken the policy coherence that underpins the SEC framework.

Views against the consumer areas

Improved safety and reliability

This Modification has a neutral impact on improving safety and reliability.

Lower bills than would otherwise be the case

This Modification has a neutral impact on consumer bills.

[1] facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain

[2] facilitate Energy Consumers' management of their use of electricity and gas through the provision to them of appropriate information by means of Smart Metering Systems

[3] 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

[4] ensure the protection of Data and the security of Data and Systems in the operation of this Code

Reduced environmental damage

This Modification has a neutral impact in respect of environmental damage.

Improved quality of service

This Modification has a neutral impact on quality of service.

Benefits for society as a whole

The Proposer has indicated that they believe this Modification is expected to have a positive impact on consumers as the Proposed Solution will allow SEC Other Parties to offer a broader variety of services to them. These services should grant consumers greater agency in how they approach and manage their supply of energy. This will be particularly beneficial to consumers in vulnerable situations or consumers in receipt of housing benefit, as they will have more tools available to manage their energy supply, which the Proposer expects may translate into savings for those consumers.

Respondents to the Refinement Consultation separately identified both benefits and risks to consumers as arising from the Proposed Solution. Those in favour of the Proposed Solution argue that by being able to access consumption data via the lawful bases of PT and LI, it may be easier to identify instances of fuel poverty, and provide support accordingly. Furthermore, Local authorities, social landlords, and financial institutions could use Consumption Data derived from PT and LI to provide timelier, and better targeted, support, grants, or interventions. They argue that this would improve the efficacy of services delivered to benefit consumers, and reduce reliance on proxy indicators, ultimately enhancing consumer outcomes in respect of fuel poverty.

Respondents to the Refinement Consultation not in favour of the Proposed Solution also identified a negative impact on consumers and society. One of these respondents argued that allowing private entities to access consumer data without Unambiguous Consent will have limited benefit for that consumer directly. They also argued that access to Consumption Data without Unambiguous Consent will lead to an erosion in consumer confidence in Smart Metering as trust may be affected when consumers learn that their Data is being passed between commercial entities without their knowledge and/or consent. The respondent also argued that some of the perceived benefit to consumers in fuel poverty that may be delivered by the Proposed Solution are already being delivered by existing schemes, such as the DCC's uZero project, for example. The respondent concluded by arguing that the Proposed Solution represents an erosion of the rights surrounding consumer's control of their Consumption Data that are currently present within the SEC.

Final conclusions

The business case for approving this Modification is built on enabling socially valuable and legally supported uses of Consumption Data that are currently constrained by a consent-only model. Arguments in favour of the Proposed Solution argue state that incorporating PT and LI into the SEC would allow public bodies to meet statutory duties more effectively, improve the identification of fuel poverty and vulnerability, and stimulate innovation by unlocking new data-driven services for consumers. As a legal text-only change with no DCC system impacts and limited expected industry cost, this Modification may enhance flexibility, competition, and consumer benefit while maintaining proportionate governance through the Privacy Sub-Committee and enhanced assurance arrangements.

However, arguments against the Modification highlight material risks relating to consumer privacy, trust, and the long-term integrity of Data access controls. Furthermore, enabling access to Consumption Data without Unambiguous Consent from the consumer reduces control, could create perceptions of weakened protections, and may set a precedent for progressively broader Data access in the future. As one respondent to the Refinement Consultation indicated, the Proposed Solution may also increase operational and compliance costs, alongside potential increases in consumer complaints. From this perspective, MP234's Proposed Solution may undermine confidence in Smart Metering, complicate data governance, and introduce risks in respect of ensuring secure and appropriate data handling.

Appendix 1: Progression timetable

Timetable	
Event/Action	**Date**
Draft Proposal raised	14 Feb 2023
Presented to CSC for initial comment	21 Feb 2023
CSC converts Draft Proposal to Modification Proposal	21 Mar 2023
Modification placed on hold	Mar 2023 – Jan 2025
Modification discussed with Privacy Sub-Committee	Jan 2025 – Nov 2025
Refinement Consultation	Dec 2025 – Jan 2025
Modification discussed with Privacy Sub-Committee	22 Jan 2026
Request to enter Report Phase at Change Sub-Committee	*17 Feb 2026*
Modification Report Consultation	*Feb 2026 – Mar 2026*
Vote at Change Board	*18 Mar 2026*
Review by Authority	*Mar 2026 – June 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**
CCS	Consumer Consent Solution
CSC	Change Sub-Committee
DCC	Data Communications Company
GDPR	General Data Protection Regulation
ICO	Information Commissioner's Office
IPA	Independent Privacy Auditor
LI	Legitimate Interest
LIA	Legitimate Interest Assessment
OPSG	Operations Group
PCF	Privacy Controls Framework
PSC	Privacy Sub-Committee
PT	Public Task
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SMKI PMA	Smart Metering Key Infrastructure Policy Management Authority
SMS	Smart Metering System
SSC	Security Sub-Committee
TABASC	Technical Architecture and Business Architecture Sub-Committee
WG	Working Group