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MP169

‘Managing SEC Obligations and the Consumer’s Right to refuse a Smart Meter’

Modification Report

Version 0.7

14 February 2024



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. This document will be updated as this modification progresses.

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This document also has four annexes:

- **Annex A** contains the business requirements for the proposed solution.
- **Annex B** contains the second iteration of the DCC Preliminary Assessment.
- **Annex C** contains the collated responses to the Refinement Consultation.
- **Annex D** contains a list of the Service Requests which will be permitted to Devices which have a Restricted Flag set.

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1. Summary

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

Currently, Energy Consumers can refuse to have a Smart Meter installed at their property. 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 impacting other obligations within the Smart Energy Code (SEC).

The Proposed Solution would introduce a 'Restricted' mode which would be applicable to Smart Metering Equipment Technical Specifications (SMETS)2+ Devices in credit mode. This would limit the Service Reference Variants (SRVs) and Alerts which can be delivered to these Devices. This represents an additional step to the existing 'all reasonable steps' that Suppliers must take to attempt the successful installation of a fully communicative Smart Metering System.

The second iteration of the DCC Preliminary Assessment received in September 2023 estimated costs between £351,000 and £750,000.

This modification will have an impact on Suppliers, Electricity Network Operators, Gas Network Operators, DCC, Meter Installers, Flexibility Providers and Shared Resource Providers. It will have impacts on the DCC System and will proceed as an Authority-Determined modification. SECAS is targeting this modification for inclusion in the June 2025 SEC Release.

2. Issue

What are the current arrangements?

Currently a consumer has a legal right to refuse a Smart Meter. Some consumers may not want a Smart Meter due to concerns about radio frequency signals, data privacy or other general matters. 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'. However, there is currently no way to do this without impacting other obligations within the SEC.

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 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?

Suppliers are unable to comply with consumer requests to install a Smart Meter in 'dumb' mode. The SEC does not allow for the Devices on the Smart Metering Inventory (SMI) to be either installed and not commissioned (this is a transient state and not an enduring one) or to fit the meters without also fitting the DCC-provided Communications Hub (as referenced above in Gas and Electricity Supply Licence Condition 54.9). There is no concept, by design, of fitting a Smart Meter in 'dumb' mode.

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

Some of the factors that will need consideration as part of any solution are listed in the following table:

Additional 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.
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 made in some circumstances and stocks are running low.
Supplier Licence Requirements	The Installing Supplier is required to configure and maintain a tariff on the system.
Security and Safety Alerts.	The Smart Metering solution is designed for Security and Safety Alerts to be provided and sent out. This is part of the benefits case and solution in place for Distribution Network Operators (DNOs). These can't be sent if the meter is in 'dumb' mode.
Critical Alerts	SEC Parties are required to act on specific critical or mandated Alerts. These can't be sent if the meter is in 'dumb' mode.
'Dumb' meters will need manual reads	It is likely Suppliers will no longer have meter reading agents, especially for a Smart Meter, 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.

What is the impact this is having?

There is no concept of a 'dumb' state for a Smart Meter within the SEC. Where a functioning Smart system is installed (and maybe commissioned) in a 'dumb' state, that state is not visible and 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 legal right to refuse a Smart Meter cannot be met while still meeting the New and Replacement obligations on the Supplier. This will become increasingly difficult as heritage meters become less available.

Impact on consumers

Currently the consumer's right to refuse a Smart Meter cannot be met as an enduring process unless Suppliers are deliberately not compliant with the SEC and Supply Licence Conditions.

3. Solution

Proposed Solution

The Proposed Solution is to introduce a 'Restricted' mode to be applicable to Devices which are SMETS2+ only and in credit mode. This will mean that there will be a Data Service Provider (DSP) System flag which indicates that a Smart Meter has restricted communications due to consumer choice.

There will also be a mechanism via the Self-Service Interface (SSI)/ Self-Service Management Interface (SSMI) whereby a Supplier can set or clear the 'Restricted' mode for a meter. This will limit the SRVs which can be delivered to and from 'Restricted' Devices.

Communication Service Providers (CSPs) will also introduce reporting functionality to ensure 'Restricted' Devices are not included in relevant monthly performance measures.

This change will introduce an additional step to 'all reasonable steps' which can only be taken after the current all reasonable steps have been exhausted.

Further information about the Proposed Solution can be found in the DCC Preliminary Assessment in Annex B.

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

This modification will impact any Party which can send Service Requests to Devices which relate to retrieval of Device Consumption Data.

Suppliers

This modification introduces an additional step, which can be taken after the current all reasonable steps have been taken, for Suppliers to offer to consumers who do not wish to have a Smart Meter installed.

During the 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 customers which have a Smart Meter operating in Restricted mode, for data privacy or billing purposes. Although not included in the proposed solution, SECAS questioned Parties on whether they believed the flag should be set via the SSI or via a Service Request, which would come at an increased cost. Parties responded noting that if a Service Request was used they would need to modify their Smart Meter Adaptor functionality.

Due to the alteration to existing arrangements for installing Smart Meters, Suppliers and 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.

DCC System

Changes will be required in the DSP System to ensure that messages relating to Consumption Data are prevented from processing. There will also be changes to the DCC's reporting to reflect that certain targets will no longer be applicable for processes on Devices with reduced communications.

The expected impacts on DCC Systems and DCC's proposed testing approach can be found in the DCC Preliminary Assessment in Annex B.

SEC and subsidiary documents

The following parts of the SEC are expected to be impacted:

- Appendix AC 'Inventory, Enrolment and Decommissioning Procedures'
- Appendix AD 'DCC User Interface Specification (DUIS)
- Section H 'DCC Services'

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. 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.

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 right to refusing 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.

The Proposed Solution to this modification will only be applied to credit consumers. This is because the Service Requests which cannot be requested from 'Restricted' Devices would impact many pre-payment processes and therefore would not be workable under the solution.

Other industry Codes

This modification may have an impact on the Retail Energy Code (REC). This is being investigated and this report will be updated as further information is available.

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

The estimated DCC implementation costs to implement this modification is between £351,000 and £750,000.

The breakdown of these costs are as follows:

Breakdown of DCC implementation costs	
Activity	Cost
Design, Build and PIT	£351,000 - £750,000
Systems Integration Testing (SIT)	TBC
User Integration Testing (UIT)	TBC
Implement to Live	TBC
Application Support	TBC

The cost of a DCC Full Impact Assessment is £16,684 and would be completed within 30 working days of the SECAS request. This would show the costs of SIT, UIT and Implementation to Live.

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 flag. These could be manual or automated depending on the choices of the SEC Party. During the Refinement Consultation, one Party noted that if a Service Request 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 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

SECAS is recommending an implementation date of:

- **27 June 2025** (June 2025 SEC Release) if a decision to approve is received on or before 25 September 2024: or
- **7 November 2025** (November 2025 SEC Release) if a decision to approve is received after 25 September 2024 but on or before but on or before 6 February 2025.

In the Preliminary Assessment the DCC noted they would require a lead time of 6 months for Design, Build and PIT. Further time will also be needed for SIT. As the February 2025 SEC Release consists of only SEC documentation changes, the June 2025 SEC Release is the earliest Release which this modification can be implemented.

7. Assessment of the proposal

Observations on the issue

Change Sub-Committee views

The Change Sub-Committee (CSC) noted possible cross-Code changes from any solution, highlighting that a change to the D0350 data flow could be needed. Another member agreed this issue needs to be examined and considered this is likely to be a difficult solution to develop. SECAS are investigating this issue and may raise this for discussion at the Cross-Code Steering Group (CCSG).

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.

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”.

Solution development and discussion points

Consumer advice

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 manufacture 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 removes terms suggesting smart functionality can be ‘turned off’. SECAS will continue to work with Energy Ombudsman on this wording and will update this report accordingly.

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.

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.

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

The Operations Group (OPSG) Chair suggested that the SEC is about Smart Metering. Enabling Suppliers to ‘turn off’ a Smart Meter may be extending the scope of the SEC beyond the original intentions. The Proposed Solution looks only at how communication with Devices may be selectively reduced for consumers who would otherwise refuse Smart Meter installation.

SECAS and the Proposer have developed a Proposed Solution which constitutes an additional step to be taken once ‘all reasonable steps’ have been exhausted.

Removal of Communications Hubs

During the Development Stage the Proposer noted that some Suppliers are 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.

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 not to identify if this was intentional.

SECAS and the Proposer have developed a Proposed Solution which aligns with the SEC processes for installing and commissioning Communications Hubs, and which does not require their removal. The Proposed Solution will also introduce the ability to discern between Devices which are non-communicating due to a fault or due to consumer choice.

CSP notification of 'Restricted' flags

During the Working Group and TABASC meetings, members queried the need for Business Requirement 5. The requirement reads; "The DSP will notify the CSP when a DCC System Flag has been applied". The TABASC Chair noted that the proposed DSP 'Restricted' flag would reject Service Requests and as such they would never reach the CSP in the first place. The TABASC and Proposer agreed that this requirement was not necessary. SECAS engaged with DCC who noted that this requirement constituted a large part of the costs in the Preliminary Assessment. As such, SECAS requested a second Preliminary Assessment with this requirement removed. The second Preliminary Assessment returned costs of between £351,000 and £750,000 for implementation of this modification, compared to the first Preliminary Assessment which returned costs of between £1,291,600 and £1,690,600.

Consumer perception of 'Restricted Mode'

During the April 2023 Working Group meeting members noted that consumers may not understand what the 'Restricted' mode on their Smart Meter was, and that communicating this to consumers could be challenging. Members noted this, but also highlighted that the issue of consumers refusing Smart Metering installs is a problem which needs to be addressed. Another member believed that this modification would help to solve the widespread mistaken 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.

SSI or Service Request?

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 Service Request 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 Machine to Machine interface of the SSI, meaning the changes would need to be done manually. However, the Proposer also notes that using a Service Request to set the Restricted status this would mean additional cost to the modification.

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

Those Parties who supported using the SSI noted that it would be cheaper than having a new Service Request. 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 Service Request would be preferential.

Will a 'Restricted' flag be automatically cleared?

Working Group members queried whether the DSP 'Restricted' flag would automatically be cleared when there was a notification of a CoT or CoS. One member noted that Suppliers can currently send Service Requests to restrict access to information on CoT, suggesting that this functionality could be used in this modification to automatically reset the flag so it was not 'Restricted'. SECAS is not issuing guidance as part of this modification about whether the flag should automatically be reset upon a CoT or CoS.

Modification legal text

As this modification is a change to DCC User Interface Specification (DUIS), SECAS has not drafted any legal text. Should the Impact Assessment be requested, the DCC will provide a list of the changes to the SEC as part of the Impact Assessment.

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.

DCC confirmed 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 flag 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 Proposed 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 Smart Metering System would remain in Restricted Mode.

When can the Restricted Mode be applied to the Device?

Working Group members debated whether the Restricted Mode can be applied to Devices that are newly installed, as well as Devices already installed. The DCC's technical solution for this modification will allow the Restricted Mode to be set at any point.

Will there be any guidance provided as part of the modification about how to communicate with consumers?

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 not something which can be enforced as part of this modification.

Does the consumer have a right to refuse a Smart Meter?

Throughout the modification process Parties have questioned whether it is explicitly noted that the consumer has a right to refuse a Smart Meter.

The Proposer notes that the customers right to refuse a Smart Meter is not written, however was expressed verbally by a Minister in Parliament. The Proposer notes that the Minister was asked about mandating Smart Meters and replied that Energy Consumers would always have the ability to choose whether to have a Smart Meter.

The Proposer has also discussed the right to refuse with the Consumer Reference Group, who have noted that the Supplier is responsible for the arrangements when the Consumer refuses a Smart Meter, inferring that the Consumer has a right to refuse.

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, as well as allowing Suppliers to complete their obligations under all reasonable steps. They added that as the smart functionality can be restored if the Consumer changes their view 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 noise. 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 of 2025 is a long way away 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 had been installed successfully.

Views against the General SEC Objectives

Proposer's views

The Proposer believes that this modification better facilitates SEC Objectives (a)¹ and (g)².

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.

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 Refinement Consultation Parties provided differing views on how 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

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 the efficient and transparent administration and implementation of this Code.

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.

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 non-Smart 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.

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 rights to refusal of Smart Meter installations while reducing the onus on Suppliers to contravene best practice under the SEC.

Appendix 1: Progression timetable

Timetable	
Event/Action	Date
Draft Proposal raised	14 Jun 2021

Timetable	
Event/Action	Date
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 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
<i>Impact Assessment Returned</i>	<i>24 Apr 2024</i>
<i>Impact Assessment discussed with Working Group</i>	<i>5 Jun 2024</i>
<i>CSC approves Modification Report</i>	<i>18 Jun 2024</i>
<i>Modification Report Consultation</i>	<i>19 Jun 2024 – 10 Jul 2024</i>
<i>Change Board Vote</i>	<i>24 Jul 2024</i>

Italics denote planned events that could be subject to change

Appendix 2: Glossary

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

Glossary	
Acronym	Full term
CCSG	Cross-Code Steering Group
CoS	Change of Supplier
CoT	Change of Tenancy
CSC	Change Sub-Committee
CSP	Communication Service Provider
DCC	Data Communications Company
DNO	Distribution Network Operator
DSP	Data Service Provider
DUIS	DCC User Interface Specification
GPF	Gas Proxy Function
HAN	Home Area Network
IHD	In Home Display
OPSG	Operations Group
PIT	Pre-Integration Testing
PPMID	Pre-Payment Meter Interface Device
REC	Retail Energy Code
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SIT	Systems Integration Testing
SMETS	Smart Metering Equipment Technical Specifications
SMI	Smart Metering Inventory
SMIP	Smart Metering Implementation Programme
SMKI	Smart Metering Key Infrastructure
SRV	Service Reference Variant
SSI	Self-Service Interface
SSMI	Self-Service Management Interface
TABASC	Technical Architecture and Business Architecture Sub-Committee
UIT	User Integration Testing
WAN	Wide Area Network

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MP169 ‘Managing SEC Obligations and the Consumer’s Right to Refuse a Smart Meter’

Business requirements – version 0.4

Annex A

About this document

This document contains the business requirements that support the solution for this Modification Proposal. It sets out the requirements along with any assumptions and considerations. The Data Communications Company (DCC) will use this information to provide an assessment of the requirements that help shape the complete solution.

1. Business requirements

This section contains the functional business requirements. Based on these requirements a full solution will be developed.

Business Requirements	
Ref.	Requirement
1	Suppliers will be able to notify the DCC of the consumer's preference for Smart functionality.
2	A DCC System flag will be created to indicate if communications with a Device have been reduced due to consumer choice.
3	The responsible Supplier will be able to request the addition and removal of the DCC System flag, subject to its adherence with all reasonable steps for Smart installations.
4	Critical, Security and Safety Alerts and Firmware updates will still be sent when communication with a Device has been reduced due to consumer choice.
5	The DCC to amend any reporting for which the success/failure of Service Requests relating to energy consumption is a metric to allow for exceptions where communications have been reduced due to consumer choice.

2. Considerations and assumptions

This section contains the considerations and assumptions for each business requirement.

2.1 General

This solution will be applied to Smart Metering Equipment Technical Specifications (SMETS) 2 Devices only.

2.2 Requirement 1: Suppliers will be able to notify the DCC of the consumer's preference for Smart functionality.

At the Working Group meeting in November 2021 the Ofgem representative expressed the view that using Service Reference Variants (SRVs) to notify the DCC could undermine Supplier Licence obligations. The solution was subsequently developed to state that Suppliers should only offer a 'reduction' in Smart functionality once all reasonable steps to install and commission a fully communicative Smart meter have been exhausted. Existing Install and Commissioning processes will be unaffected by the solution; the MP169 solution will simply add an additional, optional step to be taken in the event that a consumer wishes to not have their consumption data retrieved remotely.

Exceptions to this requirement are to be considered through the solution development process. For instance, any consumer on an Economy 7 tariff (or similar) arrangement relies on the Smart meter communicating. Potential Network Managed sites with no Wide Area Network (WAN) and those on specific Radio TeleSwitched regimes must also have communications. In such exceptional cases, where a Smart meter is refused, this needs to be communicated to the customer and the option of reducing communications removed.

Notification of consumer preference should only be sent after the Smart Meter and Communications Hub have been installed and commissioned. It should also be possible to send them if there is a Change of Tenancy (CoT) and the incoming tenant has different preferences to the outgoing tenant.

The DCC will need to amend its reporting on Supplier obligations to install Smart meters to allow for the scenario where a Supplier has installed and commissioned a SMETS2+ Device which subsequently has reduced communications due to consumer preference.

2.3 Requirement 2: A DCC System flag will be created to indicate if communications with a Device have been reduced due to consumer choice.

The presence of a flag in the DCC System would prevent consumer preference being lost in a Change of Supplier (CoS). It will also prevent the new Supplier from wasting time and resource investigating the reason for lack of communication.

This flag could be held in the DCC System and its presence have the function of suppressing certain Smart functionality. It could also be held outside of the DCC System, for instance in the Priority Service Register. During solution development it was agreed that the most effective option would be for the flag to be applied within the DSP System at Device level.

2.4 Requirement 3: The responsible Supplier will be able to request the addition and removal of the DCC System flag, subject to its adherence with all reasonable steps for Smart installations.

Suppliers are able to appoint Other SEC Parties to collect consumption data on their behalf or to offer data services to consumers. While this modification will not impact these commercial arrangements, it must be ensured that consumers' data privacy is not undermined by allowing Other SEC Parties to remove the DCC System flag. It is therefore a requirement that only the responsible Supplier can request the addition or removal of the DCC System flag, and its addition can only be requested once the Supplier has completed all reasonable steps to install the Device in a fully communicative state.

2.5 Requirement 4: Critical, Security and Safety Alerts and Firmware updates will still be sent when communication with a Device has been reduced due to consumer choice.

The Smart Metering solution is designed for Security and Safety Alerts to be provided and sent out. This is part of the benefits case and solution in place for Distribution Network Operators (DNOs). Smart Energy Code (SEC) Parties are also required to act on specific critical or mandated Alerts. Which Alerts require exceptions and the mechanism for allowing them to be sent will be agreed during the solution development process.

Critical Alerts, such as those relating to Certificate updates, are necessary to ensure the security of the DCC System. Firmware updates will also still need to be possible to prevent issues with Device firmware version compatibility, which may result in the need to replace otherwise healthy Devices.

During solution development, it was agreed that the only messages which should be prevented from sending are those which relate directly to the consumer's consumption.

2.6 Requirement 5: The DCC to amend any reporting for which the success/failure of Service Requests relating to energy consumption is a metric to allow for exceptions where communications have been reduced due to consumer choice.

A full list of the affected reporting will be investigated as part of the DCC's Preliminary Assessment and developed during the Refinement Process. This requirement will need to consider whether the reporting in question requires exceptions for specific Service Requests, related business processes or for the Devices themselves.

3. 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
CSP	Communications Service Provider
DCC	Data Communications Company
DSP	Data Service Provider
DUIS	DCC User Interface Specification
SEC	Smart Energy Code
SMETS	Smart Metering Equipment Technical Specifications
SRV	Service Reference Variant
WAN	Wide Area Network

SEC Modification Proposal, MP169 (second iteration)

DCC CR5157

Managing SEC Obligations and the Consumer's Right to Refuse a Smart Meter

DCC Preliminary Impact Assessment

Version:

1.01

Date:

3 October 2023

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DCC

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DCC PUBLIC

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1 Executive Summary

MP169 proposes a set of arrangements to cater for consumers who wish to refuse to have a Smart Meter installed, or who have a Smart Meter but wish to prevent their Energy Supplier from collecting consumption data remotely.

Due to the dwindling number of heritage meters in the supply chain, and Energy Suppliers' obligations relating to the installation and operation of Smart Meters, it is generally not an option to install a heritage meter at these consumers' premises.

MP169 will implement a flag in the Data Service Provider (DSP) system to identify where a Smart Meter is to be restricted from operating in a fully smart mode, meaning that Service Requests to retrieve consumption data will be rejected: only Critical, Security and Safety Alerts and Firmware updates will be allowed.

The DSP is impacted by this change.

The Change Board are asked to approve one of the following options for Full Impact Assessment:

- Total cost to complete the Full Impact Assessment of £16,684;
- The timescales to complete the Full Impact Assessment of 30 working days; and
- ROM costs for MP169, for setup up to the end of Pre-Integration Testing (PIT) of between £351,000 and £750,000.

Benefits

The benefits of implementing this Modification will be:

- consistent and clear advice to consumers who wish to refuse a Smart Meter – remote retrieval of consumption data can be prevented;
- clarity for Energy Suppliers when dealing with consumers who wish to refuse a Smart Meter – no need to evaluate each case;
- continuity of arrangements for the consumer following Change of Supplier (CoS) – the flag in the DSP system is not reset automatically on CoS.

2 Introduction

2.1 Revision History

Revision Date	Revision	Summary of Changes
02/10/2023	1.0	Issued to SECAS
03/10/2023	1.01	Minor updates

2.2 Associated Documents

This document is associated with the following documents:

Ref	Title and Originator's Reference	Source	Issue Date
1	MP169 Business Requirements v0.4	SECAS	
2	MP169 Modification Report v0.6	SECAS	

References are shown in this format, [1].

2.3 Document Information

The proposer for this Modification is Emslie Law of OVO.

This Preliminary Impact Assessment was requested of DCC on 11 September 2023.

This is the second PIA relating to SECMP0169 provided by DCC, with a change of requirements.

3 Context and Requirements

3.1 Problem Statement

Suppliers are unable to comply with consumer requests to install a smart meter in ‘dumb’ mode which is referred to as restricted mode in the rest of this document. The SEC does not allow for the Devices on the Smart Metering Inventory to be either installed and not commissioned (this is a transient state and not an enduring one) or to fit the meters without also fitting the DCC-provided Communications Hub (as reference above in Gas and Electricity Supply Licence Condition 54.9). There is no concept, by design, of fitting a smart meter in ‘dumb’ mode.¹

Suppliers are currently either installing heritage meters or installing the smart meter in ways that are or will cause problems elsewhere.

Some of the factors that will need consideration as part of any solution are:

Additional 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 completely on the Smart Meter communicating.
Change of Mode (Credit to Prepayment and vice versa)	This explicit part of Smart Metering; Prepayment will not work on a meter in dumb mode (or when not communicating)
Eligibility and non-eligibility	Potential Network Managed sites with No Wide Area Network (WAN) and those on specific Radio TeleSwitched regimes must have communications.
‘Dumb’ meters will need manual reads	It is likely Suppliers will no longer have meter reading agents, especially for a Smart Meter, 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 billing implications Smart is designed to address
DCC / Distribution Network Operator (DNO) flagging the meter as non-communicating	These will be ‘invisible’ to the DCC. The DNO currently raise these with the Supplier to ‘fix’.
Supplier taking on a meter not recorded in the Smart Metering Inventory (SMI) as Smart	May require meters to be replaced and incur Premature Replacement Charges.
Industry standard	A new way to manage these installs 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.
Availability of Heritage Meters	They are no longer being made in some circumstances. Stocks are running low.

¹ Elsewhere in this document, such meters are referred to as Smart Meters that are operating in ‘restricted’ mode.

Supplier Licence Requirements	Supplier Licence requires the Installing Supplier to configure and maintain a tariff on the system
Security and Safety Alerts.	The Smart Metering Solution is designed for these to be provided and sent out. This is part of the Benefits case and solution in place for DNOs.
Critical Alerts	SEC Parties are required to take action on specific critical or mandated Alerts.

3.2 Business Requirements

Ref.	Requirement
1	Suppliers will be able to notify the DCC of the consumer's preference for Smart functionality.
2	A DCC System flag will be created to indicate if communications with a Device have been reduced due to consumer choice.
3	The responsible Supplier will be able to request the addition and removal of the DCC System flag, subject to its adherence with all reasonable steps for Smart installations.
4	Critical, Security and Safety Alerts and Firmware updates will still be sent when communication with a Device has been reduced due to consumer choice.
5	The DCC to amend any reporting for which the success/failure of Service Requests relating to energy consumption is a metric to allow for exceptions where communications have been reduced due to consumer choice.

Table 1 - Business Requirements

4 Benefits

The Benefits associated with various stakeholders are noted following.

Stakeholder	Benefit
Energy Consumers	Consistent and clear advice to consumers who wish to refuse a Smart Meter – remote retrieval of consumption data can be prevented.
SEC Parties	Clarity for Energy Suppliers when dealing with consumers who wish to refuse a Smart Meter – no need to evaluate each case. Continuity of arrangements for the consumer following Change of Supplier – the flag in the DSP system is not reset automatically.

Table 2 – Benefits

The Business Case will be elaborated as part of the Full Impact Assessment.

5 Impacted Domains

The impacted domains have been identified as follows:

Domain	Impact Summary
DSP	SSI/SSMI DCC User Interface Specification (DUIS) Request Management
DCC	Service Centre

Table 3 – Impacted Domains

6 Impact on DCC's Systems, Processes and People

This section describes the overall solution and the impact of MP169 on DCC's Services and Interfaces that impact Users and/or Parties.

6.1 Description of Solution

6.1.1 DSP Solution

DSP's proposed solution will:

- introduce the concept of a 'Restricted' mode attribute/ flag to applicable device types (SMETS2+ only);
- provide a mechanism via the Self Service Interface (SSI) / Self Service Management Interface (SSMI) whereby a supplier can set (or clear) 'Restricted' mode for a meter (noting that when applied to a GSME then this will also apply to the corresponding Gas Proxy Function (GPF) device);
- add 'Restricted' mode attribute to the following:
 - SSI inventory display of devices;
 - SRV 8.2 (Read Inventory) response; and
 - Device Extracts;
- limit the Service Reference Variants (SRVs) that can be delivered to 'Restricted' devices – the list of allowed SRVs will be configurable;
- amend DUIS interface to add a new ResponseCode to indicate to Service Users where a request has been rejected due to a device being in 'Restricted' mode;
- limit the Alerts that can be delivered from a 'Restricted' device;
- rejected alerts are not to be recorded in the SAT log but will be recorded in a new log solely for the purposes of diagnostics and triage investigations.

6.1.2 Impact on Reporting

There will be minimal impact on reporting, as the output will be another Error Response Code that will show up in the SAT data. As there are no specific SEC Obligations or OPR targets for successful execution of SRs (a request can be rejected/ fail, but still be handled within the Target Response Time) there is no change required, but where DCC report on success or failure (such as in SECMP0242), it would be by reference to specific Response Codes. The DCC DS&A team will look at any required changes in the FIA, and this change will be dealt with like any DUIS change that brings in new Errors.

6.1.3 Impact on DCC

DCC will update Service Centre processes and knowledge articles to include verification of and procedures for dealing with 'Restricted' devices as part of Incident triage.

6.1.4 Impact on SEC Parties

SEC Parties will be impacted in the following ways:

- systems and processes for dealing with customers who wish to refuse a Smart Meter and for gaining new customers will need to recognise the need to set and read the 'Restricted' flag; and
- User Systems will need to be uplifted to use the new DUIS schema.

6.1.5 Technical Specifications

DUIS changes to:

- add new ResponseCode for "device use is 'Restricted'"; and
- amend SRV 8.2 Read Inventory response to include 'Restricted' indication.

6.1.6 Impact on the SEC

This will be provided as part of the Full Impact Assessment.

6.1.7 Impact on Security

A detailed Security impact will be carried out as part of the Full Impact Assessment.

7 Testing Considerations

This section outlines the testing required to complete the Design, Build and Test phases for this SEC Modification.

7.1 Pre-integration Testing

During Pre-Integration Testing (PIT), each Service Provider tests its own solution to agreed standards in isolation of other Service Providers.

The design, implementation, Early Automated System Testing (EAST), System Testing, Performance Testing and Factory Acceptance Testing (FAT) phases will operate as a single phase of activity with a single drop into DSP's SIT-B environment.

FAT will consist of a defined subset of EAST tests being observed by DCC within the final one week of testing. The

6.2 exit criteria and defect mask will apply for the Pre-Integration Process.

7.2 Systems Integration Testing

Systems Integration Testing (SIT) is the testing of the DCC Total System, which brings together the components, e.g., DSP and CSP Systems, to allow testing of the end-to-end solution by DCC. SIT is carried out for every DCC System release and incorporates the test and integration of multiple changes.

MP169 will be tested in SIT with support from the CSPs. The change affects SMETS2 only. The proposed SIT scope is:

- update devices to/from 'Restricted' via SSML;
- execute a sample of supported SRs to 'Restricted' devices;
- execute a sample of negative tests for unsupported SRs to 'Restricted' devices; and
- verify the following:
 - that supported device alerts are sent to the SU for 'Restricted' devices;
 - that unsupported device alerts are rejected and do not appear on SAT log for 'Restricted' devices;
 - that 'Restricted' status is displayed correctly on the SSI inventory, SR8.2 and device extracts.

7.3 User Integration Testing

The proposed UIT test execution scope for MP169 will cover running the following test suites on two SMETS2 meter sets, with one meter set for each of the CSPs. All SRVs tested will use the updated DUIS version associated with the change.

The UIT testing for each meter set will comprise:

- Customer Journey 1 - Install and Commission the meter set;
- a selected sample of SRV testing to prove the sending of relevant SRVs is not 'Restricted';
- update devices to 'Restricted' via SSML;
- a selected sample of SRV testing to validate that the device behaviour is now being treated as 'Restricted';
- over-the-air firmware updates to the 'Restricted' ESME and GSME to check the upgrades are successful;
- update devices to not be 'Restricted' via SSML;
- re-run a selected sample of SRVs to validate that the device is no longer being treated as 'Restricted';
- decommission the meter set.

The above testing will be conducted in both the UIT-A and UIT-B test environments and will be undertaken by the UIT Projects team.

8 Implementation Timescales and Releases

The system changes for this option will need to be packaged as part of a wider release, the timing of which will be dependent on the priority of this SEC Modification relative to other changes also awaiting scheduling for release.

For the purposes of this Preliminary Assessment, a prudent planning assumption would be that DCC requires a lead time of **6 months** from the date of approval, (in accordance with Section D9 of the SEC) to implement the changes up to and including the PIT complete stage.

Implementation timescales will be confirmed as part of the Full Impact Assessment.

9 DCC Costs and Charges

The table below details the cost of delivering the changes and Services required to implement this Modification Proposal.

Implementation costs, MP169							
Phase:	Design	Build	PIT	SIT	UIT	Implementation to Live	Total
DSP	£351,000 - £750,000		Not applicable in PIA			£351,000 - £750,000	
Implementation costs – supplementary information							
Implementation cost assumptions	A. Costs are exclusive of VAT and any applicable finance charges B. Majority of the costs above represent labour costs. C. Costs provided for Design, Build and Pre-Integration Testing are quotes provided by the Service Providers and based on current understanding of the requirements. DCC is challenging the technical solutions and costs from the Service Providers to ensure that they represent best value. D. Costs will be refined during future assessments.						
Explanation of Implementation Phases	DCC's implementation costs are provided by implementation phases. The following describes the purpose of each phase: - Design: The production of detailed System and Service design to deliver all new requirements. - Build: The development of the designed Systems and Services to create a solution (e.g. code, systems, or products) that can be tested and implemented. - Pre-integration Testing: Each Service Provider tests its own solution to agreed standards in isolation of other Service Providers. This is assured by DCC. - System Integration Testing: All Service Providers' PIT-complete solutions are brought together and tested as an integrated solution, ensuring all Service Provider solutions align and operate as an end to end solution. - User Integration Testing: Users are provided with an opportunity to run a range of pre-specified tests in relation to the relevant change. - Implementation to Live Costs: The solution is implemented into production environments and ready for use by Users as part of a live service. This service is subject to implementation costs.						

The fixed price cost for a Full Impact Assessment is £16,684 and would be completed in 30 working days.

10 RAID

The risks, assumptions, issues and dependencies below are applicable to both solution options.

Risks

Ref.	Risk Description	Status
MP169-R-001	There is a risk that customers who opt out of smart metering functionality will attempt to block any signals into the CHs which will result in key updates such as firmware updates not occurring. This represents a security risk as the meters and CHs require latest firmware updates to address any security limitations. Firmware versions on 'Restricted' devices should be monitored so that this can be addressed with the customer should there be persistent failures in firmware updates.	Open

Assumptions

Ref.	Description	Status
MP169-A-001	It is assumed that approximately 750 tests will be executed within the proposed SIT scope.	Open
MP169-A-002	It is assumed that this will form part of the June or November 2025 release.	Open
MP169-A-003	It is assumed that there is no requirement for DCC to suppress the transmission of messages inbound via the SMWAN from 'Restricted' Devices. The controls applied to 'Restricted' Devices will be solely in the form of rejection of specific Service Reference Variants and discarding of specific Device Alerts by DSP.	Open

Issues

None identified at this time.

Dependencies

Ref.	Description	Status
MP169-D-001	Prior to accepting a request to produce a Full Impact Assessment, DCC requires direction on whether 'Restricted' is to be modelled as an extra attribute on the Device, or a new Status (like 'Suspended').	Open
MP169-D-002	Prior to accepting a request to produce a Full Impact Assessment, DCC requires the initial list of allowed SRVs and Device Alert Codes.	Open

Appendix A: Glossary

The table below provides definitions of the terms used in this document.

Acronym	Definition
CR	DCC Change Request
CSP	Communications Services Provider
DCC	Data Communications Company
DSP	Data Service Provider
DS&A	(DCC) Data Science and Analytics team
DUIS	DCC User Interface Specification
FIA	Full Impact Assessment
GPF	Gas Proxy Function
I&C	Installation and Commissioning
PIA	Preliminary Impact Assessment
PIT	Pre-Integration Testing
RAID	Risks, Assumptions, Issues and Dependencies
ROM	Rough Order of Magnitude (cost)
SAT	Service Audit Trail
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SIT	Systems Integration Testing
SLA	Service Level Agreement
SMETS	Smart Metering Equipment Technical Specification
SMI	Smart Metering Inventory
SSI	Self Service Interface
SSMI	Self Service Management Interface
UIT	User Integration Testing

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MP169 ‘Managing SEC Obligations and the Consumer’s right to refuse a Smart Meter’

Refinement Consultation responses (CLEAR)

Annex C

About this document

This document contains the full collated non- confidential responses received to the [MP169 'Managing SEC Obligations and the Consumer's Right to Refuse a Smart Meter'](#) Refinement Consultation.

Question 1: Do you agree that the solution put forward will effectively resolve the identified issue?

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	-	No comment	
British Gas	Large Supplier	Yes		
EDF	Large Supplier	No	We completely disagree with the issue as articulated in this Modification and cannot support this change. Smart meters are a key enabler for net zero and provide clear benefits to consumers as well as the wider energy system. If Government targets on net zero are to be achieved, all technologies (including smart meters) that support net zero need to be promoted and not restricted in any way that will undermine their contribution to net zero. It makes no sense to invest in the cost of installing a smart meter if a customer can then on request eliminate the value of that investment by requiring the meter to be operated in a manner that removes the very purpose for which that meter was designed. Facilitating a 'restricted' mode, will undermine the value of smart metering, restrict innovation, and delay the achievement of net zero. It will	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			also create rather than remove legal hurdles on data privacy. We do not agree that smart meters do create any data privacy concerns, and as the benefits far outweigh the risk to any consumer there is clear legitimate interest in operating the meter in smart mode. Rather than introduce new processes that restrict the value to be gained from smart meters, all suppliers should be promoting the take up of smart enabled meters in smart mode. It is factually incorrect for this Modification to refer to “the consumer’s right to refuse a smart meter” or to a “legal right to refuse a Smart meter”. There is no legal right for a customer to refuse a smart meter, in the same way as there was no right for a customer to refuse a prepayment meter. It is down to suppliers to contractually specify their requirements for the metering assets they are willing to supply. The Modification also refers to supplier licence obligations to take “all reasonable steps” and states that suppliers will be able to rely on the changes proposed as part of their obligations to take “all reasonable steps”. It is not appropriate for the SEC to take a view what “all reasonable steps” are and whether use of the process noted in the Modification Report would count towards those steps. That is for suppliers and for Ofgem to decide.	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			In our view this modification proposal is unhelpful for the smart meter rollout, unnecessary and factually incorrect in its assessment that a customer has the right to reject a smart meter – and we can therefore not support it.	
Electricity North West Limited	Network Party	No	The 'Issue' sections refers to the consumer requesting that the Supplier address concerns with radio frequency, data privacy and other general concerns. Whereas the sections on 'Summary', 'Consumers' and 'Proposed Solution' implies the proposed solution is specifically to address one concern of three areas which is to enable consumers who request the supplier to install a Smart Meter in 'dumb mode' due to data privacy concerns. We request clarity is provided on what issue the solution is seeking to resolve. We support consumer's being empowered to control their data. We would request that as part of the refinement process, the proposed solution investigate if the consumer is concerned with the use of their consumption smart meter data only. We suspect, such consumers, would not opt out of their Distribution Network Operator (DNO) being alerted to their power outages to enable their DNO to best support getting their electricity restored. For the remainder of this response we assume the solution is seeking to address the specific issue of the	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			consumer requesting suppliers install a Smart Meter in 'dumb mode' due to data privacy concerns. We do not agree the proposed solution will resolve the identified issue for the following reasons: 1. the modification report does not provide sufficient evidence regarding the issue. We recommend a request for information is issued to gather evidence from suppliers and others regarding the impact before any decision is made on requesting the DCC to undertake an £130k full impact assessment and delivery a £1.2- £1.7m solution. This would enable SEC parties and the Authority to make a decision based on a cost benefit analysis. For example. The RFI could ask how many customers are requesting a dumb smart meter on the grounds of data privacy concerns. Are there concerns specifically regarding sharing or use of their consumption data. What is the cost of this issue to Suppliers and others. 2. have other, less costly and disruptive and more appropriate, options been considered by the proposer such as Suppliers publishing a Data Privacy Plan (as per the current requirement on Electricity Distribution Network Operators -	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			DNOs). This would fall outside the scope of the SEC. This option could also be a more effective solution from a consumer perspective. For more detail refer to our response to Q12. 3. Lack of analysis and conclusions regarding the impact of the restriction to more data than might be necessary. The proposed solution removes all functionality for Electricity DNO when consumer concerns about data privacy have already been addressed by their Ofgem agreed Data Privacy Plan.	
ENGIE	Small Supplier	Yes	We agree that there is a disconnect between the legal right of an end consumer to refuse a Smart meter and (in the context of the regulatory and practical inability of suppliers to install traditional meters) the lack of a process to install a Smart meter in dumb mode. MP169 addresses this issue by creating a new class of “Restricted” Smart meters which can (through the temporary suspension of meter functionality to send and receive data) meet both the need of the end consumer wishing to refuse a meter operating in Smart mode and the supplier mandate to install a Smart meter. The Smart functionality can also be easily restored should the existing consumer change their position, or a new	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			customer move into the premises who has no objection to the meter operating in Smart mode.	
EON	Large Supplier	No	We agree that in theory the proposed solution could effectively resolve the identified issue and could relieve pressure on classic stock but as there has been no presentation of expected customer volumes/uptake we are not able to make an informed decision, being unable to quantify a return on investment for what is likely to be an expensive change. We do have some concerns about customers being placed in an uncomfortable situation if the refusal is on site and this could attract negative media attention. We would suggest that this needs to be managed in conjunction with Consumer groups. We are concerned that this could create a precedent and large numbers of customers who are fully smart then request to have the Restricted flag which would negate many of the benefits of the SMIP, and detrimentally impact accurate billing. We would also like to highlight that this will not resolve refusals on the ground of RF noise, the solution does not indicate that RF will be shut down when a meter is in Restricted mode.	
OVO	Large Supplier	No	We believe that the solution, in part, addresses the identified issue, however, we feel that the solution still	

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			doesn't address the problems we are facing fully around the reason consumers are refusing smart. This solution will allay the fears of customers who don't want a smart meter for privacy reasons, or prefer to be in control of providing readings, but wouldn't for those who don't want a smart meter on the grounds of the RF signal, seeing as we (we being the energy supplier or DCC) could still technically communicate with the device albeit in a restricted way. The solution won't enable us to be compliant without forcing customer to have a communicating meter in some way that we know customers are saying they don't want.	
Smart Meter Assets 1 Limited	Other SEC Party	Yes	While we should be exploring reviewing the consumer rights and considering enforcing installation of Smart meters, this solution is a pragmatic solution which will allow some of the benefits case to be delivered and should serve to reduce unnecessary removal of non-faulty meters in change of tenancy events where the incoming tenant does not want the Smart meter.	
Utilita	Large Supplier	No	Whilst we recognise that the issue identified is a valid one, we do not believe that the solution proposed resolves it fully, as it only addresses the issue of smart meters communicating with Suppliers and is unlikely to satisfy customers who request a non-smart meter.	

Managed by



Question 1				
Respondent	Category	Response	Rationale	SECAS Response
			The devices being installed are still standard smart metering devices, and although certain service requests will be blocked by this new Restricted mode, we believe that it will be difficult for a true distinction to be drawn between a fully operational smart meter and a restricted smart meter by customers. We also note that the Restricted mode would prevent the meter operating in pre-pay mode, this flag would unfairly limit this option simply because the customer does not wish to have a smart meter.	

Question 2: Do you agree with the proposed implementation approach?

Question 2				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view	The proposed solution for MP169 currently features a flag in the DCC system which would tell whether a customer has opted out of smart metering for a particular device. The information would be available via a DCC Service Interface but not via the DUIS interface. Has the group considered an alternative approach of adding a new 'state' to the SEC (and DUIS) which identifies devices where the consumer has opted out; this new state could be called 'Opted Out' (or something similar). The new state of the Device in the Smart Metering Inventory can then be made available using existing Service Requests, this means that the integration of this information into Suppliers back-end systems is easy since the processes already exist; only the support for the new status would need adding. A new Service Request would need defining which allows to put a device into the 'Opted Out' status and remove it where the consumer decides to no longer opt out. The possible transitions between the various SMI statuses will need to be investigated and the permitted transitions to and from the 'Opted Out' status would need to be defined.	
British Gas	Large Supplier	Yes		

Question 2				
Respondent	Category	Response	Rationale	SECAS Response
EDF	Large Supplier	Yes	-	
Electricity North West Limited	Network Party	No	Refer to our response to Q1.	
ENGIE	Small Supplier	Yes	The implementation timeline is driven by the DCC's requirement for at least a nine-month lead time. This will allow sufficient time for us as a supplier participant to be ready.	
EON	Large Supplier	No	Despite this modification being raised since 2021, the proposed implementation is 2025 which is near the end of mandate so we would question the value implementing so late.	
OVO	Large Supplier	-	-	
Smart Meter Assets 1 Limited	Other SEC Party	Yes		
Utilita	Large Supplier	N/A	No comments	

Question 3: The Proposed Solution uses the SSI to apply the ‘Restricted’ flag. The Working Group noted that an automated solution would involve a Service Request, although considered this would add extra cost. What would be your preferred way of setting the ‘Restricted’ flag?

Question 3				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view	See comments to question 2	
British Gas	Large Supplier	Self-Service Interface	We don't use SSI to set anything else, so acknowledge it would be a slightly different process, but we think this is preferable to incurring extra cost on what is already an expensive modification. Particularly as we are not sure in practice how much it would be used. We assume that the default will be for the flag not to be applied (hopefully the broad majority of cases). So it will only need to be applied in exceptions. If SSI is used, is there any thought as to how a bulk number of requests could be processed?	
EDF	Large Supplier	Self-Service Interface	The use of the Self-Service Interface should reduce the overall costs and increase the speed for delivery of this change. Should the volumes increase, or a manual process become unmanageable, then an automated solution using Service Requests should be considered.	

Question 3				
Respondent	Category	Response	Rationale	SECAS Response
			In order for a Self-Service Interface approach to work, suppliers will need easy access to frequent reporting on which of their customers have the 'Restricted' flag set so that they can manage any updates required appropriately. However, we fundamentally disagree with the proposals in this modification and industry should not proceed with these changes.	
Electricity North West Limited	Network Party		If this proposed solution is approved there needs to be a mechanism to ensure that the status is automatically notified to the Electricity DNO.	
ENGIE	Small Supplier	Service Request	We believe that the Service Request approach would allow for better tracking and reporting of application of the flags and more certainty that they were operating correctly.	
EON	Large Supplier	Self-Service Interface	The most robust, cost effective solution should be utilised.	
OVO	Large Supplier	Self-Service Interface	Until the costs have been defined, we would have to say SSI in the instance.	
Smart Meter Assets	Other SEC Party		I think to answer this we need to estimate the likely volume of initial installations and then the subsequent	

Question 3				
Respondent	Category	Response	Rationale	SECAS Response
			change of tenancy events that will necessitate the “restricted” mode to be switched on or off,	
Utilita	Large Supplier	Service Request	Allowing this flag to be set via Service Request would allow it to be built into an automated onboarding process instead of requiring manual intervention that the SSI route would require. Our answer is, as always, dependent on cost.	

Question 4: Do you have any information about the number of Energy Consumers who refuse a Smart Meter and the reasons why?

Question 4			
Respondent	Category	Response	SECAS Response
Alt HAN Co	Other SEC Party	No	
British Gas	Large Supplier	This is a confidential response.	
EDF	Large Supplier	Not at this time.	
Electricity North West Limited	Network Party	This question is best responded to by Suppliers.	
ENGIE	Small Supplier	This is a confidential response.	
EON	Large Supplier	This is a confidential response.	
OVO	Large Supplier	The challenge here is not the amount of consumers refusing as many will not provide a reason, they've just don't want one, and are being fed that they've no legal obligation to have one. Accentuated by being told they don't have to have one, can have one but your Supplier can 'switch off functionality' and also, more recently, from senior DCC stakeholders that it's already possible to do this!! So we're in a very odd situation where we cannot react to customers refusing for any reasons outside the framework set out in our obligations that we taken all reasonable steps to install one.	

Question 4			
Respondent	Category	Response	SECAS Response
Smart Meter Assets 1 Limited	Other SEC Party	No	
Utilita	Large Supplier	-	

Question 5: Should the 'Restricted' flag be automatically reset upon a Change of Supplier or Change of Tenancy event?

Question 5				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view		
British Gas	Large Supplier		It should be automatically reset on a Change of Tenancy event, but not for a Change of Supplier. If the customer has agreed with their old supplier that they would have a Smart meter installed only provided it could be kept in non-communicating mode, it seems unreasonable from the customer perspective for this to only apply when they stay with the same supplier.	
EDF	Large Supplier	No	We fundamentally disagree with the proposals in this modification and industry should not proceed with these changes. However, there is no reason for the 'Restricted' flag to be reset on a Change of Supplier event as it is highly likely that the customer, and therefore their rationale for having their communications for having communications restricted, will not have changed just a result of changing the supplier. However, it is vital that gaining suppliers can have visibility of the customers that they have gained that have	

Question 5				
Respondent	Category	Response	Rationale	SECAS Response
			the 'Restricted' flag set, possibly through a frequent report made available by the DCC. They need to know which sites they have gained that have 'Restricted' communications so that they can remove the restriction if the customer has changed, or has changed their mind about having 'Restricted' communications as part of their switch. The 'Restricted' flag should automatically be reset upon a Change of Tenancy event.	
Electricity North West Limited	Network Party	-	-	
ENGIE	Small Supplier	No (COS) Yes (COT)	Given that the incumbent customer has requested the Smart meter to operate in Restricted mode, the Restricted flag should be retained across a COS event. For COT, the flag should be reset and only moved back to Restricted if the incoming tenant expresses a wish to have Smart mode disabled on the meter.	
EON	Large Supplier	Yes	For a change of supplier event, the customer is the same therefore their views are unlikely to have changed. However, we think the customer should agree access with each supplier so that appropriate terms/tariffs can be offered and fulfilled; a supplier would not know of the presence of the restricted flag prior to commencing a change of supply if the flag is not reset. On a change of	

Question 5				
Respondent	Category	Response	Rationale	SECAS Response
			tenancy event, the Restricted flag should be reset. There is no detail on how this will be achieved, and it could be additional manual process for suppliers.	
OVO	Large Supplier	Yes	However, this will require further costs and system changes. Without any costs being defined we are reluctant to provide an answer of yes albeit will be useful.	
Smart Meter Assets 1 Limited	Other SEC Party	Yes	It would seem sensible to change automatically on Change of Tenancy (having fully functional Smart meters should be the default) but not necessarily for Change of Supply.	
Utilita	Large Supplier	No for CoS. Yes for CoT	It is our belief that this flag should only be changed with direct contact and consent of the customer in question, and having an automated process risks this flag being undesirably removed, which would lead to potential customer dissatisfaction, complaints etc. Based on this, we believe the flag should be reset upon Change of Tenancy but remain upon Change of Supplier. This means that the incoming tenant would receive the full benefits of a smart meter as they would likely expect. We do however note that there would need to be a mechanism for communicating that this flag is in place during the Change of Supplier process so that the gaining	

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Question 5				
Respondent	Category	Response	Rationale	SECAS Response
			supplier is aware and does not treat these meters as non-communicating by fault rather than by design.	

Question 6: Will there be any impacts on your organisation to implement MP169?

Question 6				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No		
British Gas	Large Supplier	Yes	We will need to modify our processes to accommodate whatever is put into place, however this should help reduce the number of Smart refusers, which is positive.	
EDF	Large Supplier	Yes	Suppliers will need to develop processes and policies for installing meters with 'Restricted' communications and setting and maintaining the 'Restricted' flag arising from changes in customer, and customer preference. In addition, this modification may increase the volume of customers requesting an uncommunicating smart meter, adding to the pot of meters that are 'unhealthy' and decreasing the value of the Ofgem business case around smart meters and MHHS flexibility products and services in the future.	
Electricity North West Limited	Network Party	Yes	We would be required to modify our smart meter adaptor functionality. Data has to be maintainable every time there is a Change of Tenancy (COT).	
ENGIE	Small Supplier	Yes	This is a confidential response.	

Question 6				
Respondent	Category	Response	Rationale	SECAS Response
EON	Large Supplier	Yes	We believe there could be significant impacts to suppliers and we don't believe they have all been captured currently. • Our meter sourcing and deployment strategy may be impacted depending on the approach taken • Customer communications would need amending, and possibly Customer terms and conditions and privacy notices • New Process to update the SSI • Our Field and customer service colleagues would need to be briefed and trained. • Technical solution development if we are required to store/maintain records of the flag use We are unsure if we would be required to stop sending SRVs or the DCC will handle/reject them. If it is the former, then there will be changes required to our CRM and/or smart adapter service.	
OVO	Large Supplier	Yes	System and process changes will be required to accommodate the restricted flag.	
Smart Meter Assets 1 Limited	Other SEC Party	No	No operational impact in our role as MAP.	

Question 6				
Respondent	Category	Response	Rationale	SECAS Response
Utilita	Large Supplier	Yes	New processes would need to be created to cover customers who wanted a meter fitted or changed to Restricted mode, as well as our onboarding processes requiring amendment. Additionally, changes may be required to our COS process if a new or amended flow is required to communicate the existence of the Restricted flag on incoming gains. Further, as a predominantly pre-pay supplier we would potentially be unable to offer customers who wished for their meters to operate in Restricted mode the same level of service, as the flag removes the ability for the meter to operate in pre-pay mode. Restricting payment choice is unacceptable.	

Question 7: Will your organisation incur any costs in implementing MP169?

Question 7				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No		
British Gas	Large Supplier	-	Not yet assessed.	
EDF	Large Supplier	More than £1m	The main impact of implementing this change will be the reduction in the business benefits gained by suppliers which arise from installing a smart meter. The Government's 2019 Cost-Benefit Analysis for the smart metering rollout estimated the benefits to suppliers at around £280 for each household with smart metering installed. These benefits will not be achieved for any meters that are installed with 'Restricted' communications, resulting in a high cost to EDF and any other suppliers should this change be approved. This figure does not include the wider benefits to other parties (such as Network Operators) of having a smart meter installed, which will also be impacted by this change.	
Electricity North West Limited	Network Party	£100k-£250k	Refer to our response to Q6.	
ENGIE	Small Supplier	This is a confidential response.	This is a confidential response.	

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Question 7				
Respondent	Category	Response	Rationale	SECAS Response
EON	Large Supplier	-	-	
OVO	Large Supplier		We will absolutely incur costs as will need to make the appropriate system and process changes, but until the solution is further defined and costs outlined we don't know what this will be.	
Smart Meter Assets 1 Limited	Other SEC Party	No		
Utilita	Large Supplier	£100k-£250k	Process and system changes would need to be made to allow us to utilise the new flag. If the flag can only be set via SSI these costs may increase due to the additional manual intervention required.	

Question 8: How long from the point of approval would your organisation need to implement MP169?

Question 8				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party		N/A	
British Gas	Large Supplier	-	Not yet assessed.	
EDF	Large Supplier	12 months	Any system change is likely to require at least a 12-month lead time.	
Electricity North West Limited	Network Party	6 to 12 months	Refer to our response to Q6	
ENGIE	Small Supplier	This is a confidential response.	This is a confidential response.	
EON	Large Supplier	6 months minimum	To implement changes highlighted in Q6	
OVO	Large Supplier		Unknown	
Smart Meter Assets 1 Limited	Other SEC Party	N/A		
Utilita	Large Supplier	4 – 6 Months	This would allow us adequate time to consider the process changes required, cover development and testing	

Question 8				
Respondent	Category	Response	Rationale	SECAS Response
			time, as well as develop and roll out training to customer contact staff.	

Question 9: Do you believe that MP169 would better facilitate the General SEC objectives?

Question 9				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view		
British Gas	Large Supplier	Yes	-	
EDF	Large Supplier	No	In our view this Modification has a negative impact on SEC Objective (a) as it negates the value of smart metering that the SEC should be seeking to deliver. It is not efficient to operate smart meters in 'restricted' mode as none of the benefits of smart functionality are being achieved.	
Electricity North West Limited	Network Party	No	In absence of clarity and evidence on the issue this proposal is seeking to resolve we are unable to agree the proposed solution better facilitates the SEC objectives and the proposed solution would removes all functionality for Electricity DNO when consumer concerns about data privacy have been by their Ofgem agreed Data Privacy Plan.	
ENGIE	Small Supplier	Yes	We agree with the assessment against SEC Objectives in the modification report.	
EON	Large Supplier	Yes	We agree that this potentially will facilitate the installation of more smart-capable devices but equally could decrease the amount of full smart meters.	

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Question 9				
Respondent	Category	Response	Rationale	SECAS Response
OVO	Large Supplier	Yes		
Smart Meter Assets 1 Limited	Other SEC Party		Objectives A and G as set out in the Mod report.	
Utilita	Large Supplier	No	We believe that the restricted flag is opposed to General SEC Objective (a), as these devices are not operating as smart devices. Additionally, this works against Objective (e), as meters operating in this mode will necessitate work arounds to future projects that rely on a fully functional smart device.	

Question 10: Do you believe there will be any impacts on or benefits to consumers if MP169 is implemented?

Question 10				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view		
British Gas	Large Supplier	Yes	It will allow a smart meter to be installed in a property (future proofing the property for future occupants), even if the current occupant is a Smart refuser. I presume that customers will be able to ask to have the flag applied retrospectively (for example if they move into a property with a Smart meter that they do not want). In a way this is a benefit to customers. However if it is promoted to consumers as an option (ie to switch off their smart functionality) and taken up more widely, it will reduce some of the benefits that Smart was meant to deliver.	
EDF	Large Supplier		This change will prevent the wider benefits of smart metering from being achieved and will delay the progression of net zero. There is also no evidence that the proposed solution is one that consumers would be happy with, as there would still be communication with their smart meter. There is a	

Question 10				
Respondent	Category	Response	Rationale	SECAS Response
			significant risk that a costly change will be made with no benefit.	
Electricity North West Limited	Network Party	No	We are unable to answer this question in absence of clarity and evidence on the issue this proposal is seeking to resolve. Refer to our response to Q1.	
ENGIE	Small Supplier	Yes	This modification will benefit customers who initially refuse a Smart meter but potentially change their minds later, and, if there is no change to the original customer's position, subsequent customers in the property who wish to have a meter in Smart mode, as in either case a Smart meter in Restricted mode will already be in situ and can easily be converted to smart mode.	
EON	Large Supplier	Yes	There are potentially a number of benefits to this modification, if it leads to customers agreeing to have a smart meter fitted. • Greater flexibility in managing whether they want smart or not, • more stock availability in transitioning from legacy meters, • newer and potentially more accurate meters, • less back-office work in reporting recertification statuses and testing accuracy as it moves into the IST programme.	

Question 10				
Respondent	Category	Response	Rationale	SECAS Response
OVO	Large Supplier	Yes	This will allay the fears of customers who don't want a smart meter for privacy reasons or prefer to be in control of providing readings. This solution gives an option to some consumers who do not wish to have a Smart Meter installed.	
Smart Meter Assets 1 Limited	Other SEC Party	Yes	This will allow benefits (non-consumer related) to be delivered and it will enable immediate switch to full smart on Change of Tenancy without the need to change the meter.	
Utilita	Large Supplier	Yes	Outside of the obvious impacts on customers who choose to have their meter operate in this mode, there could be additional impacts on customers who move into properties where previous occupants have used this mode and are not aware of the functionality; These customers would naturally assume their smart meters functioned normally and not in a restricted mode, which could lead to billing errors, complaints etc down the line when the error is discovered.	

Question 11: Noting the costs and benefits of this modification, do you believe MP169 should be approved?

Question 11				
Respondent	Category	Response	Rationale	SECAS Response
Alt HAN Co	Other SEC Party	No view		
British Gas	Large Supplier	Yes	The PIA costs are extremely high. I think a decision needs to be taken once the final impact assessment costs are available. On balance I think this should be approved however, to help Smart move forwards.	
EDF	Large Supplier	No	In our view this modification proposal is counterproductive to a successful smart rollout and factually incorrect in its assessment that a customer has the right to reject a smart meter – and we can therefore not support it.	
Electricity North West Limited	Network Party	No	Refer to our response to Q1.	
ENGIE	Small Supplier	Yes	This modification will address a significant anomaly in the current arrangements and will enable the installation of a greater number of Smart meters, as customers with concerns about Smart metering should be more receptive to accepting Smart meters in Restricted mode as opposed to retaining traditional meters, and in situations where traditional meters are faulty, it will avoid the potential installation of traditional meters as a “quick fix”.	

Question 11				
Respondent	Category	Response	Rationale	SECAS Response
EON	Large Supplier	No	We are supportive of the intention of this modification but would further like to understand the numbers of customer refusals to enable an informed decision to be made. There is a big risk this could be implemented at high cost and customers could still refuse a smart meter	
N3rgy	Other SEC Party	No	If the Smart Meter is installed and the customer does not consent to any organisation (including the supplier) collecting their data, the minimum obligation on the consumer is to allow a meter read (single read) once every 3 months. No other personal data will be shared from that meter without the explicit consent from the consumer. Furthermore, if the supplier wishes to offer an “enhanced privacy” service to their customer, they already have the ability to make an agreement with the consumer to only take a single reading once each year (for example), or never and rely on the consumers submitted readings (if they feel this is appropriate). The only other possibility for an organisation taking data without the consumers permission is the Energy Network. This would take place where they have a privacy plan approved by Ofgem which allows them to read all smart meters and then aggregate the data collected for network management purposes. Although no personal data is used by the Energy Network in this scenario, personal data is extracted from the meter for the purpose of	

Question 11				
Respondent	Category	Response	Rationale	SECAS Response
			aggregation. A simple way to protect against this is for the supplier to notify the DNO the preferences of the consumer once established and for the DNO to accept this notice and exclude the meter from any action. If desired, the supplier could easily monitor any communications with that meter, and report exceptions to the ICO, as part of their enhanced privacy service to the consumer. I believe, to satisfy the business requirement for this modification, I believe no technical or regulatory change is required to achieve this and therefore I reject the modification.	
OVO	Large Supplier	No	We are still getting contacts from external parties stating that a “Smart as dumb” solution is all possible, even from the DCC leadership team. Until there is any form of solution that is not seen as Suppliers avoiding their obligations and enabling non compliance, we are left with an incredibly expensive part solution to a problem not of our creation. This solution does give us an option for installing smart meters where they might not be viewed favourably by the customer, but it is very expensive for what it is delivering, i.e. a part solution.	

Question 11				
Respondent	Category	Response	Rationale	SECAS Response
			It seems that we are being forced down this route with no other option, which has resulted in a solution that is then too costly to justify.	
Smart Meter Assets 1 Limited	Other SEC Party	Yes		
Utilita	Large Supplier	No	We do not believe that the solution presented is an adequate one that resolves all of the issues surrounding customers refusing to have a smart meter installed and presents additional complications and potential points of failure in the smart metering environment, some of which may not be realised until future innovations are stymied by the changes made here. We reiterate that we recognise the issue is a valid one, however we feel more work needs to be done in developing a comprehensive solution that also mitigates other customer concerns that are not data privacy based.	

Question 12: Any other comments

Question 12			
Respondent	Category	Response	SECAS Response
Alt HAN Co	Other SEC Party	We note the solution ensures that the HAN is established via the install and commission process, this is particularly important for communications to the GSME. In the event that Alt HAN is necessary in a premise for establishing the HAN then we would expect a Supplier would install Alt HAN when commissioning the meters to ensure that communications to the GSME are established and that the HAN capability is available in the event the customer changes their mind or a Change of Tenancy occurs. Careful consideration will need to be given by Suppliers to explain to the customer who has 'refused' a smart meter why they need the Alt HAN devices to establish communications to the GSME.	
British Gas	Large Supplier	If the flag can be ticked retrospectively, should it also be extended to enrolled SMETS1 meters?	
EDF	Large Supplier	-	
Electricity North West Limited	Network Party	The issue refers to other reasons a customer may refuse to install a Smart Meter or subsequently have the smart meter functionality discontinued. Going forward, all meters will be smart by design. Addressing consumer concerns regarding smart meters by other means is a more appropriate solution Have other less costly and disruptive and more appropriate options been considered by the proposer such as Suppliers publishing a Data Privacy Plan (as per the	

Question 12			
Respondent	Category	Response	SECAS Response
		current requirement on Electricity Distribution Network Operators - DNOs). Ofgem's open letter to DNOs on their privacy pans for access to smart meter data can be found here . This option would fall outside the scope of the SEC.	
ENGIE	Small Supplier	This is a confidential response.	
EON	Large Supplier	There is an emerging risk with legacy PPM stock and although dismissed in the modification report, we do think this would present an opportunity to have a restricted mode for smart prepayment and this should be explored further.	
OVO	Large Supplier	-	
Smart Meter Assets 1 Limited	Other SEC Party	-	
Utilita	Large Supplier	No further comments.	