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Action:	For Decision
<u>Acronyms and Defined Terms SEC Glossary</u>	

Consultations Update – October 2025

1. Purpose

This paper outlines the key messages that will be used for the response to the following open consultations:

- Ofgem Consultation on Draft new Smart Meter Communication Licence;
- Ofgem Consultation on 4G Communications Hub only exchange site visits: proposed methodology for calculating a centralised price;
- DESNZ Consultation on DCC User Interface Specification, the Message Mapping Catalogue and the Technical Specification Applicability Tables and upon the date of their incorporation into the SEC And the date of incorporation of the Communications Hub Technical Specification Version 1.7 and the GB Companion Specification Version 4.4; and
- DCC Consultation on the proposed delivery plan to develop and maximise the current 4G Wide Area Network (WAN) coverage.

The Panel is requested to discuss the messages outlined for each consultation and delegate approval of the final responses to the Panel Chair.

2. Draft new Smart Meter Communication Licence

Ofgem published [this consultation](#) on 18 September, with responses invited by 07 November. This consultation seeks views on the draft Smart Meter Communication Licence for the Successor Licensee.

The key messages we propose the SEC Panel response focuses on are:

- **Structure and content** – Support the restructuring of the DCC licence and the move to a chapter-based format, as it makes the document easier to navigate and improves overall readability. Our review of the draft licence has not highlighted any immediate concerns or omissions.

- **SEC related updates** – Support for updating Licence Condition 11 to reflect that the SEC is now established, agreement with the introduction of a duty to have regard to the SEC Objectives and moving the mandatory content and code arrangements to Schedule 2. Agreement in principle with the proposed removal of the Licensee's right to be supplied with information on other core industry documents, recognising that the obligation is unenforceable in practice and that duties should be vested in the relevant parties, licences, or Codes. However, the current proposal lacks detail, and we seek clarification on how these duties will be reassigned and operate in practice, along with an understanding of relevant timescales for these activities.
- **Consequential SEC Modifications** – Emphasise that SECCo and the SEC Panel will continue to engage with Ofgem to identify all necessary modifications to the Smart Energy Code arising from the proposed DCC2 licence arrangements, ahead of formal industry consultation and subsequent implementation.

3. 4G Communications Hub only exchange site visits

Ofgem published [this consultation](#) on 09 September, requesting responses by 04 November. This consultation seeks feedback on the proposed methodology to calculate the Reimbursement Amount energy suppliers will receive for each successful 4G Communications Hub only exchange site visits.

The key messages we propose the SEC Panel response focuses on are:

- **North CSP Region** – Seek clarity on whether Supplier reimbursement for 4G Communications Hub-only exchanges in the North CSP region will be considered, subject to the outcome of potential contract negotiations with Arqiva.
- **Industry engagement** – Welcome the early and proactive engagement with industry since summer 2022, including through the Communications Transition Group (CTG) in support of transition planning. We expect this level of engagement and collaboration to be maintained as the programme progresses through key delivery phases. It is recommended that lessons learned from comparable programmes – such as the Radio Teleswitch Service transition – are applied to avoid a scenario where the majority of Communications Hub exchanges are concentrated in the final stages of the programme.
- **Customer engagement** – Acknowledge the rationale for excluding wider consumer engagement and marketing costs from the Reimbursement Amount. Nonetheless, it is important to recognise the value of early and proactive customer engagement in supporting successful Communications Hub replacements and minimising disruption.

4. Technical documents to support Virtual WAN Arrangements

DESNZ published [this consultation](#) on 16 September, requesting responses on 24 October. However, the SEC Panel has secured an extension to align with the timing of the Panel Meeting, and its response should now be submitted by 29 October. This is the third consultation in a series of four sets of changes to SEC Subsidiary Documents in the run up to Soft Launch of the VWAN Arrangements in January 2026.

The consultation invites comments on proposed updates to the DCC User Interface Specification, Message Mapping Catalogue, and Technical Specification Applicability Tables. It also seeks views on

the proposed dates for incorporating these documents into the SEC, alongside the Communications Hub Technical Specification v1.7 and GB Companion Specification v4.4.

The key messages we propose that the SEC Panel response focuses on are:

- **Document updates** – The TABASC has reviewed the proposed updates to the relevant technical documents and agree that the changes appear reasonable and appropriate.
- **Designation into the SEC** – Support the proposal to designate the new versions of the above documents for incorporation into the SEC as soon as reasonably practicable.

5. 4G WAN coverage delivery plan

The DCC published [this consultation](#) on 09 October, with responses invited by 14 November. This consultation seeks views on the proposed delivery plan to enhance 4G WAN coverage in line with DCC's 99.25% commitment, through enabling 4G Communications Hub (CH) roaming and implementing further coverage assurance improvements. It also sets out DCC's proposed engagement plan to support this.

The key messages we propose the SEC Panel responses focuses on are:

- **Proposed milestones** – Support the proposed milestones relating to enabling and maximising 4G WAN coverage, as well as the delivery of further improvement activities.

Note that detail is currently lacking in some areas, limiting the ability to form a fully informed view. For example, further clarity is needed on the methodology developed with DCC's independent expert to assure that the signal received by CHs will provide reliable coverage.

Acknowledge DCC's position that further milestones for coverage improvements beyond 4G roaming cannot be defined until its assessment following roaming enablement determines whether they are needed. However, clear communication and transparency as these elements evolve will be essential to maintain industry confidence and alignment.

- **4G CH roaming** – Seek clarity from DCC on when and how it will confirm its expectations regarding 4G CH roaming, particularly the absence of firmware updates and user-visible changes. Note lack of detail on potential cost impacts for SEC Parties and customers.
- **Engagement plan** – Welcome DCC's proposed engagement plan, including collaboration with the SEC Panel and relevant Sub-Committees. SECCo, the SEC Panel and Sub-Committees are keen to work with DCC to add further detail and structure to ensure all parties are fully prepared and that all necessary areas of engagement are covered.

6. Recommendations

The Panel is requested to:

- **DISCUSS and COMMENT** on the key messages for the consultations detailed in the paper; and
- **AGREE** to delegate approval of the final responses to the SEC Panel Chair.

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20.10.2025