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

Consultations Update – February 2026

1. Purpose

This paper outlines the key messages for:

- The SEC Panel's response to the DCC's consultation on Device Selection Methodology (DSM) for future Data Services Provider (DSP);
- RECCo's design consultation on the Consumer Consent solution;
- NESO's call for input on Reformed National Pricing; and
- The SEC Panel's assessment of the 4G Communications Hubs and Networks (CH&N) Programme – Project Activity 4 (PA4) – under the Baseline Margin Project Performance Adjustment (BMPPA) Scheme.

The Panel is requested to discuss the messages outlined for each item and delegate approval of the final DSM consultation response and the final PA4 assessment to the Panel Chair.

2. DSM for future DSP

The DCC published [this consultation](#) on 4 February, with responses invited by 18 March 2026. This consultation seeks views on the proposed DSM to support the Future DSP Programme.

The key messages for the SEC Panel's response are summarised below. These reflect the insights gathered through our initial engagement with the Testing Advisory Group (TAG), in advance of the TAG's detailed review of the consultation document at its upcoming meeting on 25 February:

- **General support for DSM framework** – The SEC Panel is broadly supportive of the proposed DSM, recognising its role in enabling a smooth transition to the Future DSP and ensuring continuity of service across SMETS1 and SMETS2 meters operating on the DCC network.

- **Need for explicit inclusion of VWAN considerations** – The SEC Panel considers that the methodology should explicitly include VWAN technology, given their growing importance in future smart metering communications.
- **Criteria for selecting meter sets** – The SEC Panel recommends that the final methodology should include well defined, transparent criteria for selecting meter sets – such as using the most commonly installed ESME/GSME combinations in the GB market.
- **Appreciation of engagement with TAG** – The SEC Panel welcomes TAG's continued role in refining and approving the Future DSP Test Approach Document (TAD), into which the DSM will be incorporated.

3. Consumer Consent solution

RECCo published [this consultation](#) on 11 February, with responses invited by 25 March. This consultation seeks views on the proposed design of the Consumer Consent Solution and the Minimum Marketable Product.

Due to the timing of this publication and the limited time available before Panel Paper Day, further detail will be provided in the slide deck, which will be presented at the Panel meeting.

4. Reformed National Pricing

NESO published this [call for input](#) on 11 February, with responses invited by 14 April. This call for input seeks views on proposed Balancing, Settlement and Dispatch reforms which sit within the wider Reformed National Pricing (RNP) package of reforms.

Due to the timing of this publication and the limited time available before Panel Paper Day, further detail will be provided in the slide deck, which will be presented at the Panel meeting.

5. 4G CH&N BMPPA

The BMPPA for the CH&N Programme includes a Project Activity 4 (PA4) requirement, under which both the SEC Panel and the DCC must assess and score the provision of 4G Communications Hub (CH) services following the Initial Pallet Validation (IPV) End.

To support this assessment, we have reviewed relevant minutes and activities from the SEC Panel's sub-committees and have also sought feedback from Energy Suppliers via the Operations Group (OPSG).

We propose that the SEC Panel's assessment includes the following findings:

- **Overall score** – In relation to the specific BMPPA assessment question, *"Have the DCC 4G Communication services been provided without issues following Initial Pallet Validation End?"*, the SEC Panel awards a score of 3, reflecting that no material areas of concern have been identified.
- **No material concerns** – The SEC Panel has found no evidence of material concerns – as identified within the BMPPA – regarding the operational delivery of 4G CH services. Issues observed to date fall within the category of non-material concerns and are being actively managed.

- **Two Major Incidents Recorded but Not Attributable to 4G CH Faults** – Two Category 2 Major Incidents occurred post-IPV End, both caused by Vodafone’s national network issues rather than by defects in the 4G Communication Hubs themselves. In each case, the DCC engaged promptly with Vodafone and services were restored once external network issues were resolved.
- **CH behaviour when unseated from ESME** – An issue was identified involving flashing-light behaviour when a 4G CH is unseated from the ESME, which can lead to extended engineer time on site. This is being addressed through an upcoming firmware update.
- **4G WAN coverage remains a supplier concern** – Suppliers continue to report challenges with installation success in areas where 4G coverage is limited. The DCC’s planned introduction of 4G roaming (consulted upon in November 2025) is expected to improve coverage, though overall effectiveness will depend on delivery outcomes.
- **Generally positive supplier feedback on performance** – OPSG members noted strong performance of 4G CHs when used to replace previously non-communicating devices and highlighted the operational advantage of not requiring a full premises power-down during exchanges, particularly at non-domestic sites. However, concerns were also raised about coverage variability and the volume of CH returns being categorised as No Fault Found, with investigations ongoing.
- **Assurance activities progressing well** – The OPSG Chair reported that assurance activities have been positive, with the 4G CHs performing well operationally. Issues identified are being effectively managed by the DCC, and learnings are being incorporated into ongoing practices.

6. Recommendations

The Panel is requested to:

- **DISCUSS and COMMENT** on the key messages relating to:
 - the SEC Panel’s response to the consultations detailed in the paper; and
 - the SEC Panel’s assessment of the 4G CH&N Programme under the BMPPA Scheme; and
- **AGREE** to delegate approval of the final consultation responses and the final PA4 assessment to the SEC Panel Chair.

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16 February 2026