

July 2026 SEC Sub-Committee Report

The monthly Sub-Committee report provides the SEC Panel and Parties with an update on recent activities from the Panel's Sub-Committees, including key topics discussed, risks and issues, and change items.

All the information in this report has been classified as 'Clear' under the SEC [Panel Information Policy](#). This means that there is no limit on disclosure of the information provided in this report.

Section 1 of this report '[Key Sub-Committee topics](#)' provides an overview of the Sub-Committees' activities on the key topics which have been discussed across several Sub-Committees during the last month. This month's key topics are:

1. [Future Service Management](#)
2. [4G & Beyond](#)
3. [Data Services Provider \(DSP\)](#)
4. [SMETS1](#)
5. [Device Issues Management](#)
6. [Service outage and performance management](#)

Section 2 '[SEC Change](#)' provides an update on the progress of SEC Modifications and the recent and upcoming decisions of the Change Board (CB) and Change Sub-Committee (CSC) under delegated authority from the Panel.

Section 3 '[Sub-Committee Activities](#)' provides details of any discussion held by the Sub-Committees that have met during the last month which are not included in the Section 1 Key Sub-Committee topics.

The Sub-Committees that have met during the last month are:

- [The Testing Advisory Group \(TAG\)](#)
- [The Operations Group \(OPSG\)](#)
- [Technical Architecture and Business Architecture Sub-Committee \(TABASC\)](#)
- [The Security Sub-Committee \(SSC\)](#)
- [Smart Metering Key Infrastructure Policy Management Authority \(SMKI PMA\)](#)
- [Privacy Sub-Committee \(PSC\)](#)
- [Performance Assurance Board \(PAB\)](#)
- [Communications Transition Group \(CTG\)](#)
- [Customer Challenge Group \(CCG\)](#)

1. Key Sub-Committee topics

Topic	Sub-Committee activities
Future Service Management (FSM) <i>The support contract for the current Service Management solution, used to request DCC services, raise Incidents, and access reporting and diagnostics information, is due to expire in October 2025 and The Future Service Management (FSM) Programme will procure and implement a replacement solution.</i>	SSC: The SSC Chair noted a Service Now vulnerability announcement: ➤ DCC confirmed that the vulnerability does not impact the Service Now implementation in smart metering. ➤ The SSC was also provided with information on FSM Lessons Learned. TAG: DCC informed the TAG that the Approach to Testing for FSM Maintenance Release 1 (MR1) Systems Integration Testing (SIT) Completion had been approved by the DCC Testing Assurance Board (TAB) and the TAG Chair on behalf of TAG: ➤ The Approach to Testing outlined the scope of fixes, the testing approach across Pre-Integration Testing (PIT), SIT and User Testing Services (UTS), along with the associated test completion criteria and governance requirements. ➤ DCC provided an update on FSM MR1 contents and future testing plans. The Chair noted that discussion about the contents of future Maintenance Releases should take place under the OPSG or the FSM Readiness Group. ➤ The TAG Chair requested feedback from Members that could be used during the DCC's Lessons Learned for FSM and encouraged Members to engage with DCC on this directly.

4G & Beyond

The 4G Wide Area Network (WAN) solution is contracted to operate up to 2044.

There is a risk that a 4G solution may not be available beyond the current contracted end date of 2044. If this risk materialises it would result in premature asset retirement of devices installed after 2029, since they would not achieve a minimum 15-year operational asset life.

The 4G & Beyond programme has been stood up to determine the optimal way to the mitigate this risk.

TABASC: The TABASC provided feedback to DCC on the proposed problem statement, business needs, and high-level requirements:

- The TABASC highlighted concerns around the programme timeline, the need for clearer requirements and the balance between addressing short-term asset life risks and longer-term strategic objectives.
- The TABASC requested further refinement of the problem statement and requirements and supported the creation of a cross-industry working group to help develop the business case.
- The TABASC did not endorse the problem statement, business needs, high level requirements, solution options for Outline Business Case (OBC), or high-level architecture

SSC: DCC presented the refreshed problem statement, business needs, high level requirements and solution options:

- The SSC agreed there were no security objections to affect the OBC submission and next steps.

OPSG: The OPSG reviewed the problem statement and business needs, focusing on the timing of capability deployment, minimising consumer costs, and ensuring that any impacts on Supplier Parties and consumers are addressed:

- DCC agreed to amend the problem statement to consider customer impact and cost consequences.
- The OPSG discussed the need for an extra-ordinary session with TABASC and OPSG members to approve the new problem statement.
- The OPSG did not endorse the problem statement and provided feedback to better reflect industry needs.

Data Services Provider (DSP)

The DCC's Data Services Provider (DSP) system is a central facility that controls the flow of messages to and from smart metering equipment.

The contract for the current DSP solution is set to expire in 2028, and the DSP Programme will implement a range of replacement and new capabilities, along with the migration of Devices from the current DSP to the new DSP solution.

TABASC: DCC updated the TABASC on the DSP2 Programme:

- DCC Connect has successfully gone live and Service Provider cutovers are progressing to plan.
- The Core DSP programme remains approximately 12 weeks behind schedule due to additional design assurance activities, delayed testing entry, and a high volume of change requests.
- DCC emphasised that the delay reflects a focus on quality and reducing delivery risk.
- DCC committed to continuing regular updates and early visibility of any emerging risks.
- DCC presented the progress following completion of Programme Increment 1 (PI1) and noted the planned next steps.
- DCC asked for initial feedback on the User Interface design for the future Smart Metering Key Infrastructure (SMKI) and DCC Key Infrastructure (DCCKI) repositories, and Members agreed to review and provide feedback.

SSC: The DCC presented an update on DSP Offshore Development security controls, risk assessment and mitigation measures:

- The SSC agreed follow up actions.

SMKI PMA: DCC presented proposed changes to the DSP Key Generation Ceremony model and outlined plans to formalise Service Provider requirements, along with supporting the SSC and DESNZ when developing new SEC drafting:

- The SMKI PMA agreed to support the proposals from DCC and to proceed with the next stages of formalising Service Provider requirements and development of new SEC drafting.
- DCC presented an update on an emergency rollback arrangement to support DSP 2 migration, including information on any Key Transfer mechanisms:
- The SMKI PMA agreed a review of the SMKI Recovery Guidance document is due and will help clarify whether the DCCs proposed SEC change was required to improve the development of both Key Transfers and SEC descriptions.

TAG: DCC presented an update on TAG Action 138/02, outlining progress on the Smart Metering Automation Framework (SMAF), which will replace the existing Testing Automation Framework (TAF) and support future DSP SIT.

- The TAG agreed the closure of TAG Action 138/02.

SMETS1

First-generation smart meters, also known as SMETS1 (Smart Metering Equipment Technical Specifications v 1).

Many SMETS1 meters have now been incorporated into the DCC ecosystem to increase the functionality they provide when a consumer changes their energy supplier.

SMKI PMA: DCC presented an update on the proposed SMETS1 Final Operating Capability (FOC) Application Network and Security Operations (ANSO) Back Up and Restore approach and the associated assurance activities:

- DCC confirmed this is not a private key transfer but a transfer of the High Security Modules (HSMs) for Back-up and Restore.
- The SMKI PMA agreed with the DCC's proposed approach and the principal that the assurance activity should be treated as a Back Up and Restore process, rather than a Key Transfers process.

OPSG: DCC briefed the OPSG on the FOC ANSO Programme delivery, outlining the need for two High-Impact Windows (HIWs) outages for data migration and contingency:

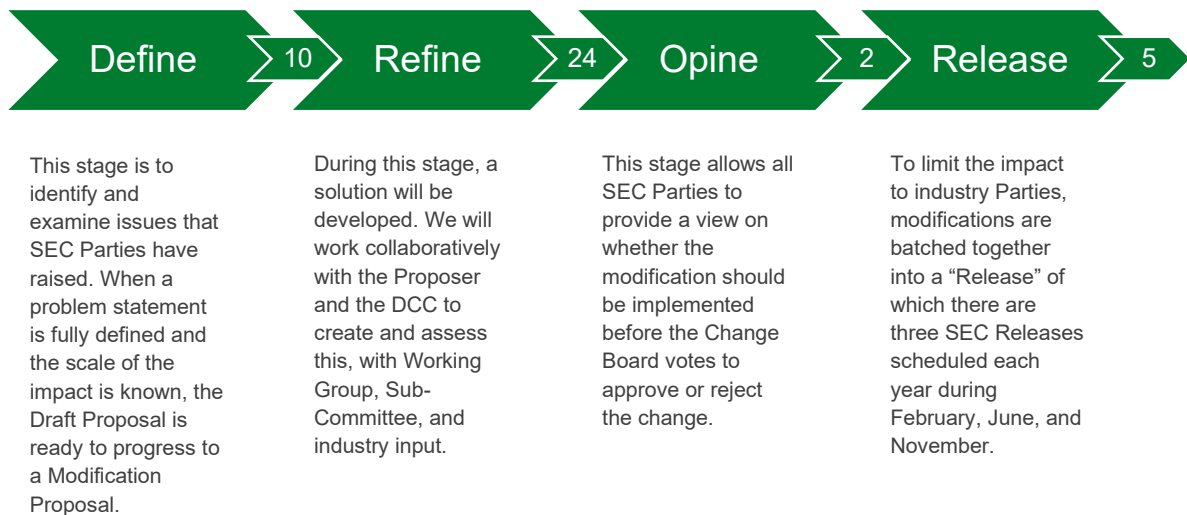
- DCC explained that ANSO migration involves moving 178TB of data for the SMETS 1 FOC cohort, with no changes to User-facing functionality, but significant operational and commercial risks if timelines slip.
- The OPSG discussed the impact on Users and consumers, especially around the October British Summer Time (BST) clock change, and the need for clear communication.
- A Member agreed to undertake internal consultation and return to the OPSG with a position regarding the proposed outage dates. DCC will return to the OPSG once this is completed.
- The OPSG did not agree with the DCC's proposed HIWs as further consultation with Industry must first be undertaken.
- DCC also discussed options for reconciling SMETS1 prepayment mode data with Supplier Parties, responding to feedback from the OPSG on using existing data to infer payment mode.
- DCC outlined two options for Supplier Parties to provide prepayment mode data, either by uploading a CSV file or using other methods and requested that they coordinate with their DCC service managers on their preferred approach.
- The OPSG suggested DCC investigate other options utilising existing data DCC already holds and provided some examples to aid investigation. DCC agreed to look at the options provided by the OPSG.

Device Issues <i>Including any issues identified with installed Smart Metering Systems and Communication Hubs.</i>	TABASC: DCC updated the TABASC on work being undertaken to address Installation and Commission issues associated with refurbished Meters: ➤ Analysis of reused Meters showed that some failures were linked to the Certificate details held by the DSP not aligning with the Certificate installed on the Meter. ➤ DCC outlined a proposed approach for short-term DSP1 changes, and a longer-term enduring solution requiring a SEC Modification. ➤ Members agreed that the enduring solution offered the best route to reducing installation delays and improving the redeployment of refurbished Meters. ➤ The TABASC endorsed the proposed approach to the Install and Commission operational issues and did not object to the DSP1 changes proposed. OPSG: SEC Industry Operations explained that SECAS will now send direct notifications to Parties about Network Operator organisation certificate updates, and invited representatives to request inclusion on the distribution list.
Service outage management <i>Under the SEC service outages are categorised as either Planned Maintenance, Unplanned Maintenance, or BCDR testing.</i> <i>The DCC publishes an annual outage plan to provide Users with advance notice.</i>	OPSG: DCC presented updates on the operational performance for July 2026, highlighting; Major Incidents (MIs), problem management processes, and the price change event: ➤ DCC reported a successful July price change event, with 16 million devices targeted and a 97% success rate, no MIs, and all updates completed within the required timeframes. ➤ DCC outlined improvements to its reactive and proactive problem management, including stricter controls on problem closure, enhanced root cause analysis, and a shift towards identifying and addressing issues before they impact service.

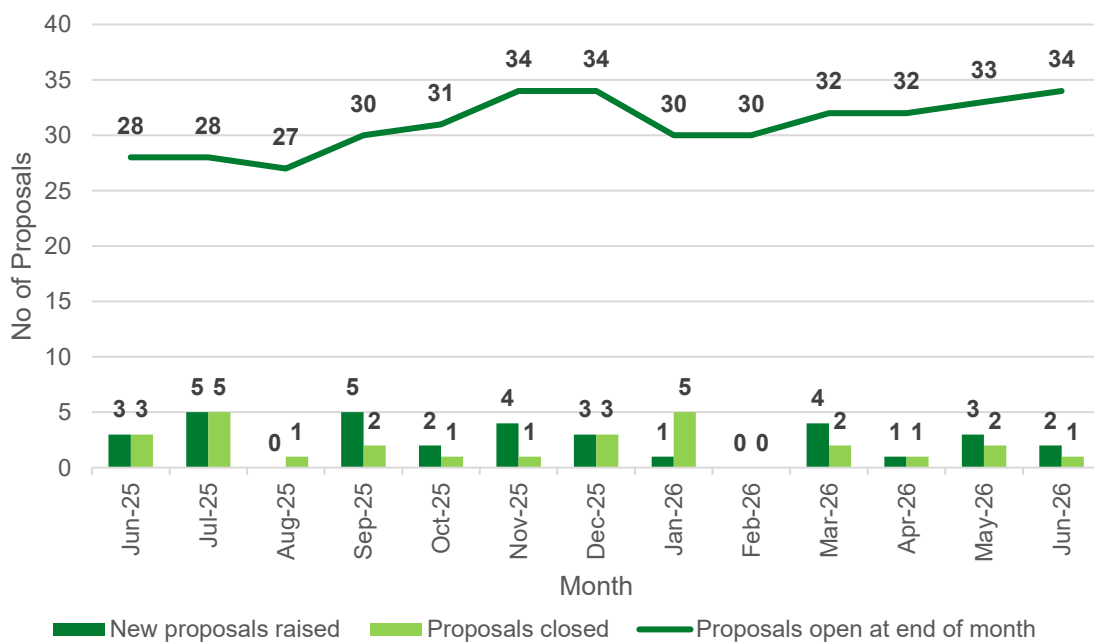
2. SEC Change

2.1 Overview

Number of proposals in each stage of the modification framework:



Volume of proposals going through the Modification framework:



2.2 Modification updates and points to note

Modification	Priority	Update
MP094 'Supporting prepayment customers in no SM WAN scenarios'	HIGH	This modification is currently on hold due to the proposer wanting to evaluate post launch performance for the VWAN solution and review mid-2026. The SEC Change team will reach out to the Proposer during July 2026 to discuss further.
MP255 'WAN issues during Smart Meter installations'	HIGH	The Proposer has requested to keep this modification on hold. There is confidence that this will be picked up as part of the Guaranteed Standards of Performance (GSoP) work, however the deliverables of the DCC's Incident Management Transformation project also need to be understood.
MP293 'Provision of an DCC enhanced availability service to DCC users during DCC Service disruption/adverse weather'	HIGH	The full DCC Impact Assessment was discussed at the June 2026 Working Group. This modification will now be presented to the TABASC, and TAG for input.
DP305 'Communications Hub Returns Process Review'	HIGH	This proposal will be presented at the Change Sub-Committee 21 July 2026 to progress to the refinement process.
MP325 'SMCL2 Code Changes'	HIGH	This modification was discussed at the SEC Working Group on 1 July 2026. This modification will now be presented to the OPSG before going for a Refinement Consultation.

2.3 Change Sub-Committee decisions – June 2026

Modifications moving to Refinement Stage:

- [MP323 'Introduction of DCC Charging Arrangement Notice Periods'](#)
- [MP324 'Legacy Communication Hub Returns'](#)
- [MP325 'SMCL2 Code Changes – Smart Energy Code'](#)

Modifications moving to Report Stage:

- [MP318 'Incorporation of Category 3 Issue Resolution Proposal into the SEC – Batch 12 and GBCS Changes'](#)

2.4 Change Board decisions – June 2026

The June Change Board was cancelled as there were no items to publish.

2.5 SEC versions issued and designations:

SEC versions issued:

- SEC v137.0 went live on 25 June 2026 to implement the [June 2026 SEC Release](#).
- SEC v138.0 went live on 30 June 2026 to implement the Department of Energy Security and Net Zero [re-designation of Appendix AZ](#).

2.6 Cross-Code collaboration

Code Administration Code of Practice (CACoP) Forum update:

The latest CACoP forum meeting took place on 12th May 2026. The next CACoP meeting is scheduled to take place on 21 July 2026.

3. Sub-Committee activities

Testing Advisory Group (TAG)

The TAG supports the Panel with obligations in relation to testing activities, including providing advice and making decisions on all aspects DCC Systems Integration Testing (SIT) and User Testing Services (UTS).

The TAG has met once since the previous SEC Sub-Committee Report on 24 June. All the topics discussed are included in [Section 1](#) of this report.

Operations Group (OPSG)

The OPSG focuses on cross-industry matters that affect, or have the potential to affect, multiple SEC Parties. The OPSG has met once twice since the previous SEC Sub-Committee Report on 27 June and 14 July, and discussed the following topics:

Risk Management

SEC Industry Operations presented the Risks and Issues Update, confirming that there were no changes to existing capability scores and no new Risks or Issues requiring escalation, with the overall risk position remaining stable and managed through business-as-usual reporting.

SEC Industry Operations introduced R011: 'Coverage accountability with the 4G CSP where VWAN is installed' and recommended improvements to strengthen R001 controls and mitigations.

The OPSG agreed to open R011, update R001 controls and mitigations and approved the baselining of the RAID Log as baselined v19.0.

Install and Commission metrics

The DCC requested feedback on its proposal to introduce a new metric to measure Install and Commissions (I&C) success to enable consistent reporting across all Industry forums and internal Senior Leadership engagement. The OPSG highlighted that the DCC should ensure the metric reflects the real engineer on-site experience and requested the DCC include reporting on E20 (DCC Systems cannot establish communications with Device) Alerts to supplement its recommendations.

The OPSG agreed that the appropriate metric for all forums Service Request Variants (SRV) Communications Hub (CH) success could be classified as:

- Birth to SRV 8.11, rather than Job Status Report.
- Meter commissioning post 8.11 within 30 mins.
- Delayed Birthing where 8.11 is birthed with E20 message and later commissioned; e.g.; SRV 8.11 (Update HAN Device Log) / SRV 8.12.1 (Restore HAN Device Log) should be used represented by the SRVs 8.14.x (CH Status Update).

Communications Hubs returns

The DCC presented the OPSG with a set of options to mitigate the handling of accumulated CH returns. The OPSG noted a clear preference for options 4 (interim storage provided by the DCC) and 5 (procurement of a disposal partner) and requested that the DCC progress these two options.

The SEC Change Team and the DCC presented the proposed solution and legal text for SEC modification [MP324 'Legacy Communication Hub Returns'](#). The proposed modification targets production assets, removing the requirement to support ordering and returns of long-range radio and 2G CHs, thereby reducing unnecessary storage and manufacturing costs. The OPSG requested assurance that the modification would not affect the availability of test assets needed for ongoing User testing.

The OPSG agreed that the proposed solution resolves the issue, and the Change Team and the DCC agreed to review and clarify the legal text to ensure UTS are protected.

Wide Area Network coverage

The DCC presented updates on the Wide Area Network (WAN) Coverage Checker and 4G coverage data, and discussed aims to standardise address formats, improve data accuracy, and provide detailed coverage maps and tables.

The OPSG supported the proposed approach for standardising address formats. The DCC committed to refine data presentation, address outstanding questions, and ensure that future updates and tools meet the needs of all stakeholders.

2G in the North Region

The OPSG Chair provided an update on the progress of the decommissioning and removal of 2G CHs in the North Region. The OPSG Chair noted the cautious approach and preparatory support from Industry had facilitated a successful process with no major detriment recorded to consumers.

User Journeys

The DCC proposed a new format for presenting Customer Journey data to the OPSG, to reduce the number of slides and concentrate on specific variations in performance. The OPSG supported the proposal.

GBCS 4.2

The DCC provided a progress update on the Great Britain Companion Specification (GBCS) 4.2 project, including a WNC UTS update, and sought endorsement from the OPSG for the WNC Over-The-Air (OTA) pilot Go-Live.

The OPSG discussed concerns about Devices undergoing unplanned reboots, noting the operational impact on Supplier Parties. The DCC explained the root causes and current investigation status, agreeing to provide further updates and ensure resilience improvements are considered.

The OPSG endorsed the WNC GBCS 4.2 Over-The-Air pilot Go-Live.

Technical Architecture and Business Architecture Sub-Committee (TABASC)

The TABASC provides advice and guidance to the Panel regarding the Technical Code Specifications, End-to-End Technical Architecture, and Business Architecture.

The TABASC has met once since the previous SEC Sub-Committee Report on 4 June and discussed the following topics:

SEC Modification Proposals

SECAS introduced [MP321 'Managing SEC Party Organisation Changes'](#), which seeks to establish a process for managing organisational changes where an existing SEC Party creates a new corporate identity and wishes to transfer its SEC Party rights to that identity without undergoing a full accession process. The proposed solution would permit a straightforward transfer of rights where there is no change to the Party's role.

The TABASC noted that some scenarios may fall outside of the scope of the proposed solution. Changes involving licenced Parties are likely to be more complex than changes involving manufacturers. SECAS noted the feedback and advised that the proposal would be further developed.

Parse and Correlate

The DCC provided an update on the Java 21-based Parse & Correlate tool, outlining the development and delivery approach. Java 8 and Java 21 variants would be available to Users to support phased migration, and both versions would be uplifted to support DUIS 5.5 ahead of the November 2026 SEC Release.

The TABASC queried why development had proceeded with Java 21 rather than the more recent Java 25. DCC explained that the development commenced in early 2025 when Java 21 was the appropriate target version and that development was already underway when later releases became available.

Security Sub-Committee (SSC)

The SSC reviews the outcome for User Security Assessments and sets an Assurance status for Initial Full User Security Assessments (FUSAs) or a Compliance status for Verification User Security Assessments (VUSAs), and subsequent FUSAs. The SSC also reviews outstanding actions, monitors the risks to the Commercial Product Assurance (CPA) certification of Devices, considers available updates from the DCC on the security implications of proposed changes and Anomaly Detection and any reported changes in Shared Resource Providers by Users and reported Security Incidents and vulnerabilities.

The SSC has met twice since the previous SEC Sub-Committee Report on 24 June and 8 July, and discussed the following topics:

Risk Management

The DCC presented members with an update on the RA11 Cyber Risk Assessment, including the proposed five-phase assessment approach, new cyber risks and risk assessment methodology. The SSC agreed the proposed approach.

DCC CIO

The SSC noted updates on three ongoing DCC Competent Independent Organisation (CIO) Security Assessments. The DCC also provided information on the DCC CIO Forward Look

Anomaly Detection

The DCC presented updates on Anomaly Detection Threshold (ADT) guidance. The SSC noted the updates and agreed the target outcomes.

Certified Product Assurance (CPA) Matters

The SSC Chair presented updates on CPA Matters including a Risk Review, a Certification letter, and a potential Trial Device. The SSC were also provided with a CPA Scheme Operator Work in Progress update. The provided feedback and agreed the outcomes.

The SSC also agreed to proceed with Trial Device approval and monitoring subject to some revision and alignment of the answers on the Trial Device application forms.

Diagnostic Function

The DCC presented an update on the enhancement of the DCC Diagnostic Function, including the proposed interim and enduring solutions, governance arrangements and security controls. The SSC noted the update and agreed the proposed approach subject to security controls.

Security Incidents

The SSC Chair noted that there were no Security Incidents and Vulnerabilities reported since the last SSC Meeting.

Post Quantum Computing (PQC)

The SSC was provided with an update on developments in the United States and France regarding approaches to Post-Quantum Cryptography and security certification:

[Presidential Executive Order 14412: Securing the Nation Against Advanced Cryptographic Attacks](#)

[France Draws a Line: No Quantum-Safe Encryption, No Certification](#)

Security guidance

The DCC presented an update on SSC Guidance on Device Security Assurance & Triage. The SSC approved the revised guidance.

SECAS provided an update on CPL Guidance including technical definitions, firmware version mapping and Manufacturer process impacts. The SSC agreed to defer approval pending further engagement with Manufacturers.

Data security

SECCo presented an update on the Ofgem Securing Open Data in Energy consultation. The SSC agreed to return to the next SSC meeting with a proposed response.

Artificial Intelligence (AI)

SECCo presented members with an update on Ofgem's AI Assurance Call for Input. The SSC agreed to revisit the consultation following further Panel and wider Sub-Committee input.

Certificate rotation

The DCC presented an update on Device Certificate Expiry and Lifecycle management. The SSC agreed the proposed improvements and ongoing monitoring.

SMKI Policy Management Authority (PMA)

The SMKI PMA receives updates from the DCC, DESNZ and other Sub-Committees on matters of relevance to the SMKI arrangements. The SMKI PMA has met once since the previous SEC Sub-Committee Report, on 8 July, and discussed the following topics:

Apex Recovery Exercise

The DCC provided an update on the Apex Recovery Exercise, confirming that testing was scheduled to commence during July 2026 following a short delay. The DCC advised that a report on the outcome of testing would be brought to a future SMKI PMA meeting.

T-Scheme audit

The DCC presented the outcome of the annual t-Scheme Audit and confirmed that no major failures, minor failures or recommendations for improvement had been identified.

The SMKI PMA agreed to set the Assurance Status to 'Approved' and requested SECAS to notify SEC Parties of the outcome in accordance with SEC Appendix C Sections 5.2 and 5.3.

Privacy Sub-Committee (PSC)

The Privacy Sub-Committee (PSC) and Panel has delegated relevant SEC Section I Obligations. Duties follow a similar remit to the SSC but also cover data ethics, emerging technologies, a privacy statement of objectives and a consent strategy.

The PSC met once this month on 18 June and discussed the following topics:

Data Security

The PSC discussed the recently published Securing Open Data in Energy consultation, and the key implications for the SEC. Members considered the need for the PSC to provide direction regarding the preferred data triage model and the potential changes to the data classification and governance.

In-Flight Assessments, Remediation Plans, Change Notifications and Forward Look

The PSC noted an update on current in-flight assessments and/or remediation plans; progress on pending Privacy Change Notifications, and the Assessment Forward Look.

Consumer Consent Solution

The PSC discussed the key topics for ongoing CCS engagement between RECCo and SECCo confirming the areas of focus and providing additional suggestions for inclusion on the list. Members also encouraged SEC to continue to take a proactive approach towards engagement with RECCo.

Artificial Intelligence

SECAS led a discussion with Members on the updated Ofgem guidance regarding the ethical use of AI focusing on the implications for Section I review, and the implications for privacy notices and the need for consumer-friendly communication.

Data Intermediaries

The PSC discussed the government paper on data intermediaries and noted that Other Users do not appear to be represented in any of the definitions provided, including those excluded from scope. Members discussed the relevance to SEC data sharing frameworks, including SEC Section I, Consumer Consent Solution, Smart Data Repository and Smart Meter Energy Data Repository. The PSC highlighted implications for Party Roles, particularly Other Users, and the evolving landscape of consumer data rights within regulated energy markets.

Performance Assurance Board (PAB)

The main duties of the PAB are to effectively manage and mitigate risks, ensure compliance, and maintain confidence among all Parties involved.

The PAB met once on 8 July to discuss the following topics:

Risk Management

The SEC Performance Assurance (PA) team explained that the Performance Assurance Risk Register (PARR) has been updated to reflect the four candidate issues that have been identified for the Pilot. Members reviewed and approved the proposed PARR and associated Operating Plan for industry consultation. The PAB agreed to consider consultation responses and final recommendations at a future PAB meeting.

Performance Assurance Mobilisation

SEC Performance Assurance (SEC PA) updated the PAB on the mobilisation activities across service set up, assurance, and tools and technology. SEC PA confirmed that overall progress remains on track and aligned to the mobilisation plan

Proof of Concept Status

SEC PA presented the PAB with the Proof of Concept (PoC) Findings Report. The PAB discussed the report's high-level findings and associated recommendations, and Assurance Statements for individual Parties. The PAB agreed to make an Ex-Committee decision on whether to publish the PoC Findings Report to allow for more time for the members to read the report.

Performance Assurance techniques

SEC PA updated the PAB on the introduction of a new technique, 'Targeted Performance Reporting' within the Performance Assurance Techniques (PATs). The PAB supported the revisions to the PATs and Risk Evaluation Methodology (REM), including the addition of the new technique and updates reflecting the transition from PoC to Pilot activity. The PAB approved the PATs for use in the Performance Assurance Pilot.

Risk Evaluation Methodology

SEC PA provided an update on the REM for the Pilot, noting the contents are materially unchanged since the PoC. SEC PA confirmed minor changes have been made to reflect the transition to the next phase of mobilisation noting that the methodology itself has not changed. Therefore, the REM will not be issued for consultation. The PAB approved the REM for use in the Performance Assurance Pilot.

Performance Assurance Operating Plan

SEC PA presented the Performance Assurance Operating Plan for the Pilot alongside the Risk Register. Members agreed that consultation on the Operating Plan can begin, recognising that it would set out how Pilot assurance activity would be taken forward. Members noted that the September PAB meeting would provide a suitable opportunity to review stakeholder responses and agree on the next steps.

The PAB approved the Performance Assurance Operating Plan for use in the Performance Assurance Pilot.

Communications Transition Group (CTG)

The Purpose of the CTG is to facilitate the execution of the transition to next generation Smart Metering communications to maintain continuity of smart services to consumers. This includes enabling and fostering communication and cooperation between the DCC, which is responsible for service provision and CH delivery, and Users, who are responsible for deployment of new CHs, and other stakeholders.

The CTG is responsible for 4G transition activities and SMETS1 End of Life activities, which include the development and management of the overall transition plan, alongside management of issues and risks with input from CTG Members, the DCC, DESNZ and Ofgem.

The CTG has met once since the previous SEC Sub-Committee Report, on 15 June, and discussed the following topics:

Risk Management

SEC Industry Operations shared a monthly update on the CTG Risks and Issues Register and confirmed that baselined changes to the Register have been incorporated into draft v33.1. SEC Industry Operations noted R037 was escalated due to proximity to the contract end date, while R032 was downgraded due to the issuing of the CSAS. R026 was agreed as closed as there are no current orders for 2G CHs, and R005 was agreed to be transferred to the Finance Sub-Committee.

The CTG agreed to the baselining of the Risks and Issues Register draft as v34.0

4G swap-outs

The DCC provided an overview of CH swap-outs from February 2025. The DCC reported that 96% of swap-outs in May 2026 were from Long-Range Radio (LRR), SMETS1, or 2G SMETS2 CHs to 4G CHs, with minimal 4G CH to 4G CH swap-outs occurring.

The DCC discussed Trust Centre Swap Outs (TCSO) attempts and successful swap-outs. The CTG discussed the limitations of current TCSO reporting provided to CTG, and members provided feedback on reporting improvements. The DCC agreed that the TCSO reporting provided to CTG should align with what is presented at the TCSO Issues Resolution Group (TIRG).

Supply Chain monitoring

The DCC shared the current stock levels for 2G CHs, 4G CHs and LRR CHs, noting that all stock levels are stable. There are currently no issues to the Supply Chain due to the Middle East conflict, and freight lead times remain at 44 days. The DCC reported that October 2026 4G CHs orders are up 15% from the forecast, with deliveries stable and underway. The CTG provided feedback on TCSO reporting improvements

Communications Hub returns

The DCC highlighted emerging challenges with returning 2G and LRR CHs, which was expected to worsen due to the increasing 4G CH swap-outs. The CTG raised concerns with commercial implications of the proposed CH returns process and asked that the DCC pick these up at the Finance Sub-Committee (FSC). The CTG provided feedback on the proposed CH returns process.

Communication Services Availability Statement

The DCC presented an update to the Communication Services Availability Statement (CSAS), including Device volumes, and service end dates which are under-negotiation or have been agreed. The CTG requested clearer information from the DCC around current contract end dates that are under extension negotiations. The DCC agreed to provide this to the CTG.

The DCC provided the swap out activity by cohort and invited feedback on the projected burndown for the SMETS1 cohorts. The CTG requested that the DCC provide the projections for the sub-cohorts and the DCC agreed to assess the feasibility of providing this to the CTG. The CTG requested that the DCC provide reporting for certain roaming SMETS1 Devices as soon as possible and the DCC agreed to review when it could provide this information.

Customer Challenge Group (CCG)

The Customer Challenge Group (CCG) has been established to strengthen the voice of SEC Parties under the forthcoming 'ex ante' model of DCC Price Control. The main duties of the CCG are to:

- Provide effective challenge and feedback to DCC on its draft Business Plan (prepared under LC 34A of the DCC Licence).
- Provide a view to Ofgem on behalf of the DCC's customers and consumers to assist Ofgem's assessment of the DCC's Price Control submission.
- Monitor the DCC's delivery of the approved Business Plan.
- Provide feedback to the DCC and a view to Ofgem on any reopener applications for adjustment to the Allowed Revenue submitted by DCC.

The CCG has met twice since the last Sub-Committee report on 25 June and 16 July, and discussed the following topics:

DCC Allowed Revenue Draft Determination

The CCG finalised its response to [Ofgem's Draft Determinations](#). SECAS confirmed that the CCG's Draft Determination response was submitted to Ofgem on 13 July 2026 following Member review and feedback.

Updated DCC forecasts

The DCC provided an update on Ofgem's Draft Determinations reports, including intended responses to each of Ofgem's proposed adjustments to Required Revenue, updated cost forecasts, additional cost submissions, and the transition to DCC2.

The DCC outlined areas of acceptance, counterproposals, and rationale for reinstatement of funding, including contingency-based costs linked to delivery risks. The CCG discussed the clarity of risk presentation, contingency treatment, and governance of funding requests, including assurance that costs were justified and not assumed spend.

DCC Performance reporting

The DCC presented initial proposals for in-period reporting, including reporting principles, financial monitoring, programme delivery and performance measures. The CCG discussed the importance of balancing financial reporting with operational performance, delivery outcomes and customer impacts, whilst avoiding duplication with other governance forums.

Business Plan Cycle 2

The DCC provided an update on discussions with Ofgem regarding the Cycle 2 Business Plan framework, Regulatory Instructions and Guidance (RIGs) and Business Plan Guidance. The CCG discussed proposed framework changes, reporting arrangements and delivery timelines for the Cycle 2 Business Plan.

The DCC also presented how it is proposing to respond to the lessons learned identified by both DCC and CCG from the previous Business Plan cycle and outlined proposed enhancements to stakeholder engagement and Business Plan development. The CCG discussed strategic outcomes, delivery milestones, value for money and customer benefits.