



Department for
Energy Security
& Net Zero

Department for Energy
Security & Net Zero
3-8 Whitehall Place
London
SW1A 2AW

Chris Lovatt
CEO, Smart DCC Limited

By email only

3 November 2025

Dear Chris,

**REQUEST FOR INFORMATION IN CONSIDERATION OF THE PROVISION OF THE
VIRTUAL WAN ARRANGEMENTS LIVE SERVICES CRITERIA ASSURANCE**

In November 2024 the Department for Energy Security & Net Zero (DESNZ) directed DCC to produce a SEC Variation Testing Approach Document (SVTAD) for the Virtual WAN (VWAN) Arrangements. DESNZ Designated the SVTAD for incorporation into the Smart Energy Code on 31 January 2025¹. DESNZ is now inviting the DCC to consider the Live Service Criteria (LSC) for the introduction into production of these arrangements, planned for the start of a “Soft Launch” on 30 January 2026. DESNZ will then determine whether these criteria have been met and will need to receive assurance that the associated services are fit for purpose. This will include assurance that the DCC and its service providers are operationally ready backed by the necessary regulatory and commercial framework. Following the meeting of the Live Service Criteria, DESNZ will re-designate the Virtual WAN Transition Document (in addition to some other subsidiary documents) and, therefore, legally switch the obligation on the DCC to provide the Virtual WAN services into effect.

This letter formalizes the Live Service Criteria set out in Annex A of this letter and the requirement on the DCC to produce and submit assurance statements to the Department by no later than 19 January 2026.

Prior to the above, the DCC should provide the assurance statements related to the evidence listed in Annex B (other than the statement regarding stability from the DCC’s COO) to the SEC Panel to support the SEC Panel forming a recommendation to the Department prior to the Department’s decision. The DCC should work with the SEC Panel and its Sub-Committees now, so that a common understanding of the precise evidence that will be used to demonstrate that the live services criteria listed in Annex A have been met, is established as soon as possible.

The Department expects to receive sufficient assurance based on the assurance statements alone but reserves the right to seek further information where relevant and appropriate.

I am copying this letter to Ayena Gupta (Head of DCC Oversight, Ofgem) and Angela Love (SEC Panel Chair).

¹[SEC v103.0 – Department for Energy Security & Net Zero \(DESNZ\) – Designating the SEC Variation Testing Approach Document for the Virtual WAN Solution \(VWAN SVTAD\) - Smart Energy Code](#)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J Cosgrove', written in a cursive style.

James Cosgrove

Deputy Director

Smart Metering Implementation Programme

(An official of the Department authorised to act on behalf of the Secretary of State)

Annex A – Live Services Criteria for Virtual WAN Arrangements

Annex B – Evidence

Annex A – Live Services Criteria for VWAN Arrangements

LSC Virtual WAN Soft Launch Go-Live Decision Criteria from DCC:

- **LSC1:** The DCC has demonstrated that it is ready to provide the VWAN Services required from the point of Soft Launch, in accordance with the requirements in the SEC.
- **LSC2:** The DCC has demonstrated that pre-existing services:
 - a. are currently stable; and
 - b. shall remain stable in production once changes are deployed and the Services are expanded to support Soft Launch.
- **LSC3:** VWAN SVTAD testing milestones have been completed prior to Soft Launch.
- **LSC4:** The DCC has demonstrated that there should be no detrimental impact to consumers' experience and Users' experience.
- **LSC5:** The DCC has demonstrated that the systems are adequately secure.

Annex B - Evidence

The following is a list of the evidence that will be required for DESNZ to consider whether Soft Launch should commence:

- for each of the VWAN Soft Launch Live Service Criteria listed in Annex A, assurance statements confirming the DCC's view that each of the criteria has been satisfied together with (a) its rationale supported by appropriate evidence for why it considers each of the criteria to have been satisfied, (b) details of any residual risks or workarounds including an impact assessment and a description of mitigations in place in respect of such residual risks and (c) details of any work-off plans proposed by the DCC;
- a statement of confidence, written by the DCC's CEO stating that they consider that each of the VWAN Soft Launch Live Service Criteria listed in Annex A have been met and confirming that they have confidence in the readiness of, and sees no reason that prevents or would prevent the DCC from, commencing provision of the relevant Services (or any part of the relevant Services) in accordance with the relevant provisions of the Smart Meter Communication Licence and the SEC;
- a copy of a signed letter from the DCC CISO to the Security Sub-Committee confirming that all security risks are within tolerance;
- any further information that the DCC considers would be helpful to enable the Secretary of State to understand the DCC's conclusion that it sees no reason that prevents or would prevent the DCC from commencing provision of the relevant Services (or any part of the relevant Services) in accordance with the relevant provisions of the Smart Meter Communication Licence and the SEC; and
- (shortly before Soft Launch)² a statement from the DCC's COO that DCC systems are stable.

² In any case, no later than close on 27 January 2026