Data Communications Company

Migration Approach Document (TMAD v0.3) for DCC's Service for SMETS1 Devices

DCC conclusions and report to Secretary of State

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1 Introduction

A number of energy suppliers are installing first generation smart devices (known as SMETS1 devices) in consumers' premises across Great Britain. The Data Communications Company (DCC) has designed a solution for the delivery and incorporation of SMETS1 devices into its national network. Part of DCC's plan to deliver SMETS1 services involves a detailed approach for migrating SMETS1 Installations into DCC's systems which covers all HAN connected devices within each premises. The detailed technical and procedural requirements of this approach are set out in the Transition and Migration Approach Document (TMAD).

The requirements for the TMAD are set out in Section N6 of the Smart Energy Code (SEC), including a requirement[1] that DCC must send a draft of the TMAD to the Secretary of State, providing reasons why the DCC considers the document fit for purpose, copies of the consultation and a summary of disagreements that arose during the consultation that have not been resolved. This document sets out the information that DCC is required to provide for the purposes of Section N6.4 and is requesting the incorporation of the TMAD into the regulatory framework by designation from the Secretary of State.

The TMAD was consulted on in May 2018 (TMAD v.0.1). DCC concluded that the approach and design for migration required further refinement to take account of the views of all stakeholders. To that effect, DCC consulted on an updated TMAD in October 2018 (TMAD v.0.2) which was supported by industry engagement events. In conclusion to the October 2018 consultation, this document presents the TMAD v0.3 to the Department for Business, Energy and Industrial Strategy (BEIS) for designation into the Smart Energy Code (SEC) by the Secretary of State. This document also provides an overview of the comments received, responses to the comments that have not resulted in changes to TMAD, and rationale for the material changes to the version of TMAD that was consulted on in October 2018.

2 Responses Received

The October 2018 TMAD v0.2 consultation asked 8 questions on a range of matters and DCC received input from 20 respondents across the sector. A full consultation response is contained in the Conclusion on the Transition and Migration Approach Document (TMAD v0.3) for DCC's Service for SMETS1 Devices. A copy of the TMAD v0.3 is attached hereto as Annex A and a copy of the responses to the consultation and the DCC response thereto is attached as Annex B.

In summary, respondents were generally supportive of TMAD v0.2 compared to the prior version and, in particular, the scope and general approach was welcomed. A number of respondents also sought further details on the underlying processes including matters related to the 'unhappy path' (e.g. what happens when migration doesn't succeed / exception handling) and testing.

Some respondents sought further clarity regarding the practical implementation of the approach for Dormant Meters, specifically how DCC will go about sourcing firmware and instructing firmware changes and/or configuration changes. In the months ahead, DCC will continue the engagement with Installing Suppliers on the appropriate firmware for each capability release.

[1] Section N6.4 of the SEC

3 Summary of Disagreements that arose during consultation

Liability and Indemnity

Respondents expressed a range of views in response to the proposals related to the liability and indemnity within TMAD v0.2. Some respondents supported the proposals as a practical and realistic way forward, recognising that some form of liability protection is needed. However, there were also a number of queries regarding the intent of the drafting and DCC held a separate industry call to address these queries as well as seeking further views by email, a copy of these responses is attached as Annex C.

DCC have reviewed and adjusted the TMAD drafting given the range of comments received. The relevant drafting in TMAD amends the SEC liability regime only for matters related to upgrading SMETS1 compliant Dormant Meters so that the relevant SMETS1 Installations are eligible for enrolment. DCC and the SMSOs are required to act in accordance with Good Industry Practice (as defined in Section A of the SEC) and DCC will only use known / used firmware. On this basis, DCC considers that errors are unlikely but the impact if an issue arose would be highly material. The liability regime for dormant meter upgrades / reconfiguration included in TMAD v0.3 is different to the SEC and changes the limit of liability for DCC from £1m per event to £1m per year reflecting the commercial reality for these TMAD services. The regime included in TMAD v0.3 is as follows:

1. no SEC liability for Requesting Party or SMSO acting on behalf of DCC under TMAD in any action taken against the DCC under the SEC. Suppliers waive their rights in tort against them as they do for other DCC service providers (as per Section M 2.13).

2. £1m per year cap on liability for DCC where DCC has failed to act in accordance with TMAD (including failing to act in accordance with Good Industry Practice)

3. £1m per year cap for Installing Suppliers when acting under TMAD but failing to do so in accordance with Good Industry Practice.

4. No indemnity provisions (but were in TMAD v0.2)

There is no liability if an SMSO / DCC acts in accordance with Good Industry Practice for TMAD matters including where an Installing Supplier provides firmware images or upgrade sequences to the DCC.

Other respondents raised concerns regarding the suggested liability and indemnity regime; there were several respondents that expressed concern regarding the proposal for the Responsible Supplier to provide an indemnity for third party claims related to Migration activity. Given the points made regarding the indemnity provisions DCC has removed the indemnity provisions in the TMAD v0.3.

Network Certificates

Under TMAD, DCC will include DNO and Gas Transporter (GT) network certificates for association with Devices during Migration[2] if provided by the Responsible Supplier as a part of Migration

[2] Applies equally to Active and Dormant Meter Migrations

Authorisation Mechanism and within the timescales prescribed, otherwise the Responsible Supplier will need to add the network certificates under the Appendix AC of the SEC 'Inventory Enrolment and Withdrawal Procedures' (IEWP) post commissioning obligations consistent with the SMETS2 arrangements. The responses from some Distribution Network Operators (DNO) expressed concern regarding the process for their certificates being added to SMETS1 Devices during migration; these respondents[3] indicated the preference for the DCC to add DNO certificates within the Migration of Dormant Meters given concerns that errors sometimes arise within the IEWP process and considering that the MPANs already give a clear indication of the relevant DNO. DCC has considered this and decided not to take forward any changes to the regime for adding DNO Certificates, given that that this would create two separate processes for DNO and GT certificates which would add complexity to the process, since the MPRN doesn't contain an identifier for the Gas Transporters that can be mapped to a certificate so the energy suppliers would still need to provide the GT certificates. DCC will however engage with Responsible Suppliers to stress the importance of providing the Network certificate information during Migration in order to avoid the need for any subsequent activity.

4 TMAD for DCC's Service for SMETS1 Services fit for purpose

DCC is confident that the revised draft SMETS1 TMAD, submitted to the Secretary of State reflects the requirements for the document that are set out in Section N6.4 of the SEC.

DCC has had significant consultation and interaction with industry in the development of the TMAD. DCC has, where necessary, addressed the comments that have been received from industry and sought additional feedback made by respondents.

It is DCC's view that it has met its SEC obligation to consult with parties and to address the points raised and those that have not been resolved in line with the purpose of the document. Moreover, that it has met its regulatory obligation in this regard.

The TMAD is in line with the overall solution design for the SMETS1 Service and other relevant documents.

DCC considers that the TMAD is defined to a sufficient level of detail for designation into the SEC. The document provides an overarching framework which sets out clearly and unambiguously parties' rights and obligations which are consistent / and aligned with the rest of draft SEC requirements in relation to SMETS1 Services.

It is DCC's view that the documents deliver the regulatory requirements specified in the SEC and the Licence, are materially complete, and the content is technically accurate.

5 Next Steps

Following the submission of the TMAD to the Secretary of State, DCC expects the Secretary of State to make a decision on whether and when to incorporate this document into the regulatory framework.

[3] NB the same issue was raise for Active Meters in response to Q7 below and the DCC's response is the same for both Active and Dormant Meters.