



Department for
Business, Energy
& Industrial Strategy

Department for Business,
Energy & Industrial Strategy
1 Victoria Street,
London SW1H 0ET

www.gov.uk/beis

18 June 2019

The Authority (Ofgem), the SEC Panel, SEC Parties and
other interested parties

Dear Colleague,

**SMART METERING IMPLEMENTATION PROGRAMME: CONSULTATION ON SMART
ENERGY CODE SUBSIDIARY DOCUMENT AMENDMENTS AND DESIGNATION DATE
SUPPORTING GO LIVE OF INITIAL DCC SMETS1 SERVICE OPERATING CAPABILITY**

1. This letter constitutes a consultation on amendments to Smart Energy Code (SEC) Subsidiary Documents (SSDs) to support go live of initial DCC SMETS1 Service operating capability to enable the enrolment and operation of SMETS1 devices in the DCC's national communications network. This is to support the interoperability of these devices when consumers change energy supplier. The consultation also covers the date on which the SSDs annexed to this letter are to be incorporated into the SEC

BACKGROUND

2. A number of energy suppliers have installed first-generation (SMETS1) smart meters for their customers, using their own data and communications systems to provide smart services. The Government's long-standing policy has been for all significant populations of SMETS1 devices to be operated via the DCC to ensure consumers with these meters can retain smart services when they change energy supplier.
3. In October 2018, the Government confirmed further to consultation that DCC would be required to provide services to those SMETS1 devices under consideration. Alongside interoperability of devices, enrolment of SMETS1 devices with the DCC provides several further benefits including reduction of stranding risk for existing SMETS1 assets and efficiencies from rationalising smart metering interfaces and processes within energy supplier businesses. DCC has proposed to go live with an initial operating capability to support the migration of dormant Itron meters on 28 July 2019, which enhanced operating capability to support migration of further types of meter to follow.

CONSIDERATION

4. The Government has already made modifications to the smart metering regulatory framework to enable the provision of a SMETS1 service by the DCC. We have made changes to the main body of the SEC that are needed to adapt existing regulatory provisions to reflect differences between SMETS1 and SMETS2 meters and systems.

These include but are not limited to modifying smart meter system requirements and DCC services (Section F and H), amendments to bring SMETS1 in scope of security obligations (Section G), certain service management requirements and a number of definitions within the SEC to accommodate SMETS1 meters and systems.

5. Government has also introduced further regulatory modifications in support of SMETS1 enrolment, notably to energy supply licences. For example, energy suppliers are required to take all reasonable steps to enrol their 'eligible SMETS1 meters' in the DCC, within 12 months of the point at which they can be enrolled.¹ This builds on longstanding obligations within energy supply licences, such as the Operating Licence Condition that requires energy suppliers to take all reasonable steps to operate SMETS1 meters in smart mode once enrolled (including dormant meters once the DCC has migrated them).
6. In advance of the approval of the first SMETS1 Device Model Combinations to the Eligible Product Combinations list (EPCL), BEIS will need to receive assurances that the SMETS1 solution is fit for purpose and that DCC and its service providers are operationally ready.
7. DCC has been asked to provide this evidence to BEIS against ten Live Services Criteria. These criteria include readiness and scalability of the DCC's migration and service management capabilities, successful completion of testing (including regression and security testing) of DCC's SMETS1 Service in respect of the relevant Device Model Combination and assurance of required business continuity and disaster recovery plans. BEIS has asked the SEC Panel, supported by its sub-committees, to provide advice on this evidence.
8. DCC has advised that it is proposing to add only dormant Itron devices to the EPCL in the first instance. Migration of these devices by DCC will trigger Operating Licence Condition obligations on energy suppliers with those meters, but it will not trigger the start of the 12-month migration window for active Itron (or any other) devices. Subsequent additions of device model combinations to the EPCL will equally be subject to a BEIS approval decision in the light of evidence from DCC against relevant Live Services Criteria.
9. The revised SSDs that govern the DCC SMETS1 Service and migration have previously been subject to consultation and most content has been subsequently baselined through transitional governance and published on the SEC website (<https://smartenergycodecompany.co.uk/the-developing-sec/>). Three of these documents – the SMETS1 Supporting Requirements document, DCC User Interface Specification Version 3.0 and Message Mapping Catalogue Version 3.0 – will be new SSDs. Three other amended SSDs have already been brought into legal effect. These are SEC

¹ 'Eligible for enrolment' is determined with reference to the point in time at which device models are added to the Eligible Product Combination (EPC) list (or are capable of being added but for the application of an existing firmware upgrade(s)). The EPC lists which device model combinations DCC has proven through testing its ability to process service requests. TMAD further modifies the EPC list to include SMETS1 Service Providers and whether the meters within the device model combination are either both active, both dormant or a combination of the two. The concept of "eligible for enrolment" is modified to reflect these changes. A SMETS1 device model combination is typically an electricity meter, gas meter, communications hub and in-home display or SMETS1 PPMID and (in transition) also a specific SMETS1 Service Provider and a particular combination of active and dormant meters.

Appendix M (SMKI Interface Design Specification), SEC Appendix Z (CPL requirements) and SEC Appendix B (Organisation Certificate Policy), designated in June 2018, March 2019 and June 2018 respectively. These documents are not included as part of this designation consultation as no further SMETS1 enrolment amendments are proposed for initial go live.

10. Four SSDs have been subject to further recent consultation by DCC with conclusions published on 24 May². These are the DCC User Interface Specification (Appendix AD), Incident Management Policy (Appendix AG), SMETS 1 Supporting Requirements (not yet incorporated in SEC) and Threshold Anomaly Detection Procedures (Appendix AA). These changes are reflected in the versions of these documents attached to this letter.
11. Two documents – DCC User Interface Specification (Appendix AD - DUIS) and Transition and Migration Approach Document (Appendix AL - TMAD) – include additional amendments consulted on now for the first time.
12. In the case of DUIS, the first of these amendments is to change the allowable size of the Install Code used when adding devices to a HAN device log. This is required because SMETS1 devices, in some cases, rely on a shorter Install Code length than is specified for SMETS2 devices. This change will enable Users to add devices to both SMETS1 and SMETS2 HAN device logs. The second change in this version of DUIS is to ensure the correct alignment of provisions relating to alert codes for quarantined messages that were originally incorporated in DUIS 2.0 following consultation on SEC Modification 8.
13. In the case of TMAD, BEIS proposes two further changes in addition to the changes that DCC incorporated following its recent consultation exercise. The first of the changes are clarificatory changes to Clause 3.6 of TMAD to recognise that entries on the EPCL will include the communication services provider, and that the concept of “Eligible for Enrolment” in H5.8 of the SEC takes into account additional factors (i.e. the identity of the S1SP and whether the meters are dormant, active or a combination of the two). The second of the changes affects Clause 5.12(d) and seeks to align the checks performed in the TMAD with the approach to IOC go live as communicated by the DCC.

CONSULTATION

14. We propose that the amended SSDs and the new SSD required to support DCC’s initial SMETS1 Service are incorporated into the Smart Energy Code on 28 July (or, if necessary, within one month thereafter). A draft direction letter is set out at Annex A and marked up versions of the documents against the in effect legal framework³ are set out at Annexes B – L (this includes amendments under the now approved modification package [SECMP0058](#) coming into force in late June).

Consultation questions	
Q1	Do you agree with the proposed date of 28 July 2019 (or, if necessary, within one month thereafter) for the incorporation into the SEC of the SSDs

² <https://www.smartdcc.co.uk/smart-future/enrolment-and-adoption/consultation-and-supporting-information/>

³ The legal in effect versions can be found here: <https://smartenergycodecompany.co.uk/the-smart-energy-code-2/>

	set out at Annexes B - L of this letter (noting that incorporation will be dependent on a positive BEIS decision on the Live Services Criteria)?
Q2	Do you agree with the proposed BEIS amendments to DUIS?
Q3	Do you agree with the proposed BEIS amendments to TMAD?

15. Responses to these consultation questions should be submitted by **17:00 on 9 July 2019** to: smartmetering@beis.gov.uk or addressed to: Smart Metering Implementation Programme – Regulation, Department for Business, Energy & Industrial Strategy, 1 Victoria Street, London SW1H 0ET.
16. Information provided in response to this consultation, including personal data, may be subject to publication or release to other parties, or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000, the Data Protection Act 2018, Regulation (EU) 2016/679 (the General Data Protection Regulation), and the Environmental Information Regulations 2004).
17. The individual responses to this consultation may be published and you should therefore let us know if you are not content for your response or any part of it to be published. If you indicate that you do not want your response published, we will not publish it automatically, but it could still be subject to information requests as detailed above. If you do not want your individual response to be published, or want it to otherwise be treated as confidential, please say so clearly in writing when you send your response to the consultation. For the purposes of considering access to information requests, it would also be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded by us as a confidentiality request.
18. We anticipate that further amendments to the regulatory framework, including SSDs, may be needed for each of the two further planned DCC SMETS1 Service capability releases. Amendments to subsidiary documents are expected to continue to be agreed and baselined through transitional governance.

Yours faithfully,



Duncan Stone

Head of Delivery, Smart Metering Implementation Programme

(an official of the Department for Business, Energy & Industrial Strategy authorised to act on behalf of the Secretary of State)

Annexes:

- Annex A: Draft Designation Direction
- Annex B: SEC Appendix AA -Threshold Anomaly Detection Procedures Version 1.1 draft
- Annex C: SEC Appendix AB - Service Request Processing Document Version 1.2 draft
- Annex D: SEC Appendix AC – Inventory Enrolment and Decommissioning Procedures Version 1.4 draft
- Annex E: SEC Appendix AD – DCC User Interface Specification Version 3.0 draft
- Annex F: SEC Appendix AF – Message Mapping Catalogue Version 3.0 draft
- Annex G: SEC Appendix AG – Incident Management Policy Version 1.2 draft
- Annex H: SEC Appendix AH – Self Service Interface Design Specification Version 1.2 draft
- Annex I: SEC Appendix [AM] – SMETS1 Supporting Requirements Version 1.0 draft
- Annex J: SEC Appendix E – User Interface Service Schedule Version 1.2 draft
- Annex K: SEC Appendix I – Communications Hub Installation and Maintenance Support Materials Version 1.3 draft
- Annex L: SEC Appendix AL – Transition and Migration Approach Document Version 1.3 draft

ANNEX A: DRAFT DESIGNATION DIRECTION

Direction

This direction is made for the purposes of the smart meter communication licences granted to Smart DCC Ltd under the Electricity Act 1989 and the Gas Act 1986 (such licences being the "**DCC Licence**") and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the "**SEC**").

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

- a) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Threshold Anomaly Detection Procedures Version 1.1** previously designated and incorporated into the SEC as Appendix AA of the SEC is hereby re-designated and incorporated in the form set out in Annex B of this direction.
- b) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Service Request Processing Document Version 1.2** previously designated and incorporated into the SEC as Appendix AB of the SEC is hereby re-designated and incorporated in the form set out in Annex C of this direction.
- c) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Inventory Enrolment and Decommissioning Procedures Version 1.4** previously designated and incorporated into the SEC as Appendix AC of the SEC is hereby re-designated and incorporated in the form set out in Annex D of this direction.
- d) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **DCC User Interface Specification Version 3.0** is approved into the SEC within Appendix AD of the SEC in the form set out in Annex E of this direction.
- e) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Message Mapping Catalogue Version 3.0** is approved into the SEC within Appendix AF of the SEC in the form set out in Annex F of this direction.
- f) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Incident Management Policy Version 1.2** previously designated and incorporated into the SEC as Appendix AG of the SEC is hereby re-designated and incorporated in the form set out in Annex G of this

direction.

- g) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Self Service Interface Design Specification Version 1.2** previously designated and incorporated into the SEC as Appendix AH of the SEC is hereby re-designated and incorporated in the form set out in Annex H of this direction.
- h) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **SMETS1 Supporting Requirements Version 1.0**, is approved into the SEC as Appendix AM of the SEC in the form set out in Annex I of this direction.
- i) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **User Interface Service Schedule Version 1.2** previously designated and incorporated into the SEC as Appendix E of the SEC is hereby re-designated and incorporated in the form set out in Annex J of this direction.
- j) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Communications Hub Installation and Maintenance Support Materials Version 1.3** previously designated and incorporated into the SEC as Appendix I of the SEC is hereby re-designated and incorporated in the form set out in Annex K of this direction.
- k) Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 28 July 2019, the **Transition and Migration Approach Document Version 1.3** previously designated and incorporated into the SEC as Appendix AL of the SEC is hereby re-designated and incorporated in the form set out in Annex L of this direction.

For the avoidance of doubt any re-designation of the Subsidiary Documents shall be without prejudice to anything done under the DCC Licence or the SEC on or after these documents first being designated, or to the continuing effectiveness of anything done under these documents prior to their re-designation (which shall have effect as if done under the re-designated documents).

This direction is also being notified to the SEC Administrator and an updated version of the SEC to reflect these changes will be available on the SEC website in due course.