

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

3 July 2019

Dear Colleague,

Approval of the System Capacity Test Approach Document for SMETS1 Services

On 13 May 2019 the DCC published a consultation¹ on a new System Capacity Testing Approach Document (SCTAD) for SMETS1 Services. The SCTAD is produced pursuant to clauses 3.1 - 3.3 of the SMETS1 SEC Variation Testing Approach Document. The consultation closed on 31 May 2019 and 9 responses were received by DCC. DCC published its response² on 27 June 2019. The DCC has now submitted the draft SCTAD to BEIS for approval, together with its consultation conclusions and copies of the responses received from stakeholders.

Concerns with the proposed testing approach raised by all respondents included:

- i) there was no end-to-end system capacity performance testing proposed;
- ii) that certain components and interfaces of the modified DCC Total System were out of scope; and that
- iii) there was no external assurance of the modelling being undertaken.

As part of its consultation, the DCC consulted on behalf of BEIS on a proposed date for approval of the documents of 21 June 2019 or as soon as reasonably practicable within one month thereafter. We note that DCC received eight responses on this matter, with three offering support for the approval date but five raising concerns that the date would not allow for proper consideration of responses or accommodate any change in scope.

DCC acknowledges in its response that the timing for the consultation and approval for the SCTAD was suboptimal and that they would strive to agree a test approach document before the start of a test phase in future. DCC indicated that full consideration has been given to responses and that it has accommodated change

¹ See: <https://www.smartdcc.co.uk/customer-hub/consultations/smets1-sctad-consultation/>

² See: <https://www.smartdcc.co.uk/customer-hub/consultations/dcc-responses/smets1-sctad-consultation-conclusions/>

where they consider it appropriate to do so. We note that the submission of the SCTAD to BEIS was delayed to accommodate changes to the approach in the light of consultation responses. In particular, we note that DCC has now provided for the appointment of an independent auditor to provide external assurance before significant quantities of SMETS1 smart metering systems are migrated as well as a commitment to undertake soak testing and to provide a DCC assurance statement that confirms that the SMETS1 Communication Service Provider can manage the expected capacity associated with relevant SMETS1 migration and services.

DCC has more generally provided clarificatory statements in its response document and revised SCTAD to address concerns raised. We more broadly expect any residual risks to be articulated to BEIS in the Live Services Criteria evidence submission. These will be considered as part of the approval process for adding a device model combination to the Eligible Products Combination List.

We have concluded that it is appropriate to approve the SCTAD (as contained in the Annex to this direction letter) from today, 3 July 2019.

Direction and designation

This direction is made for the purposes of the smart meter communication licences granted 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.

Pursuant to clause 3.4 of Appendix AK (SEC Variation Testing Approach Document for SMETS1 Services) to the SEC, the Secretary of State hereby directs that the System Capacity Testing Approach Document for SMETS1 Services is approved in the form set out in the Annex to this direction.

This direction is also being notified to the SEC Administrator.

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)

Annex: System Capacity Testing Approach Document for SMETS1 Services