

# SMETS1 Enrolment & Operation

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# Smart meter roll-out scale and benefits

## Manifesto commitment:

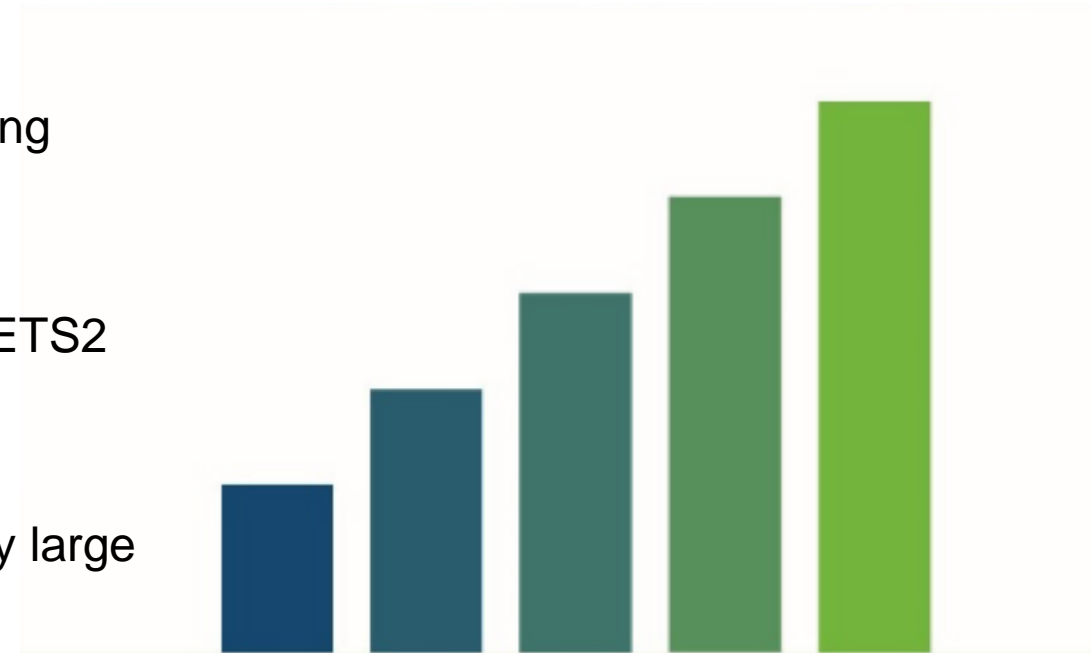
‘Ensure that smart meters will be offered to every household and business by the end of 2020, giving people control over their energy bills that they have not had before.’

- **53 million** smart meters to be installed in more than **30 million** homes and small businesses
- 30 million tonnes of **CO<sub>2</sub> savings**
- Transformative **consumer experience**
- Energy supplier **cost savings**
- Estimated net benefit of around **£5.7 billion**
- **10,000 times** increase in the amount of data
- Platform for a smarter, more **flexible energy system** with cumulative benefits of up to £17 to £40 billion by 2050



# Rollout progress as of end March 2019

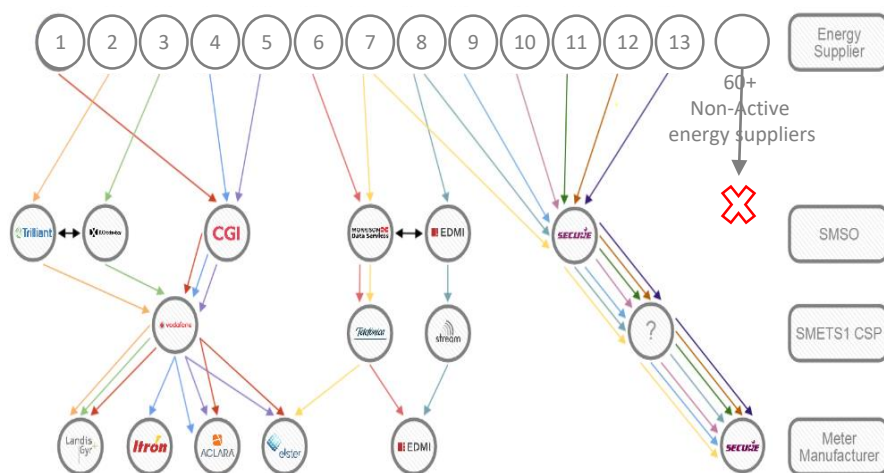
- **14.3 million** – no. of smart and advanced meters operating across GB
- **630,000** – no. of SMETS2 meters installed (millionth SMETS2 meter installed on 22 May 2019)
- **1,050,100** – no. of smart and advance meters installed by large energy suppliers in Q1 2019



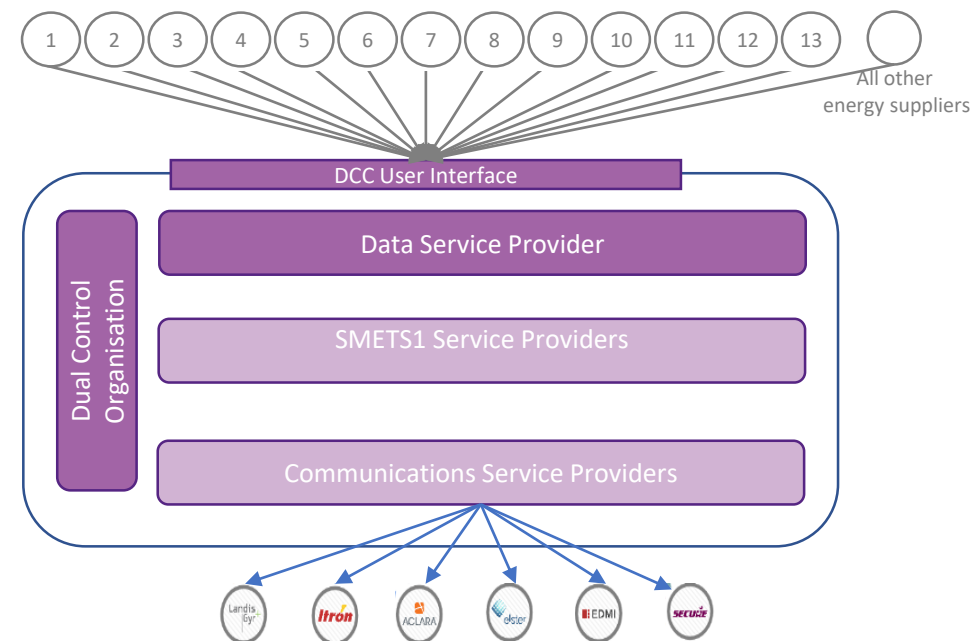
# SMETS1 Enrolment & Adoption

SMETS1 Enrolment & Adoption allows a single interface to SMETS1 and SMETS2 meters for all energy suppliers, reducing their contractual/organisational complexity, and allows interoperability for consumers to receive smart services across energy suppliers:

## Current SMETS1 Market Structure



## Future SMETS1 Market Structure



# Consumer and Industry Benefits

Clear opportunities from suppliers being in position to operate DCC SMETS1 service early:

**Smart Customer Propositions:** Energy suppliers will be able to offer Smart propositions including Smart pay as you go and time of use tariffs to customers with SMETS1 meters both dormant and active

**Smart Meter Operations:** The data from the SMETS1 service can be used to provide accurate billing driving down operational costs, improving settlement performance and remove need for meter readings

**Customer Experience Benefits:** Smart services allow suppliers to offer greater insight and improved service through accurate billing to consumers helping to reduce call centre traffic related to billing disputes.

**Customer Acquisition / Retention Opportunity:** By offering a differentiated Smart proposition suppliers can aim to retain and acquire customers with existing active or dormant SMETS1 meters

# Regulatory Requirements

Throughout the Smart Energy Code (SEC), SEC Subsidiary Documents and in suppliers Standard Licence Condition (SLC) there are a series of regulations that relate specifically to SMETS1 and the risk of not meeting these need to be managed now:

**Eligibility Testing:** All suppliers will need to complete Eligibility Testing in order to send and receive messages from SMETS1 meters, large suppliers will need to start this as soon as reasonably practicable (Testing Approach Document for SMETS1 (SEC Appendix AK))

**SMETS1 Enrolment Backstop:** SLC 54 requires suppliers to replace any SMETS1 meters that have not been enrolled in the DCC by the end of 2020

**SMETS1 Enrolment Mandate:** SLC 54 requires suppliers to take all reasonable steps to migrate active and dormant SMETS1 meters within 12 months of them being eligible for enrolment into the DCC.

**Operating Licence Condition:** SLC 49.4 [Operational Licence Condition] requires suppliers to take all reasonable steps to operate SMETS1 meters in smart mode once enrolled (including dormant meters that DCC enrolls from 26 May 2019)

*“Enrolment of SMETS1 meters is of critical importance as it is the route to resolving the switching issues experienced by some SMETS1 customers, enabling them to realise the enduring benefits of smart metering. We expect suppliers to be planning for the timely testing of systems and enrolment of SMETS1 meters, in line with the licence requirements.”*

Ofgem Open Letter 2019 Smart Rollout Plans 19 June 2019

# Governance Process for Initial Go-Live

- In order to make an operating capability live BEIS will need to approve the addition of at least one Device Model Combination (DMC) on to the Eligible Product Combinations list (EPCL) and will do so with the support of SEC Panel in reviewing evidence from the DCC



- Prior to making the decision at each EPCL entry, BEIS will ask for support from SEC Panel to review both completion of testing phases and Live Services Criteria.

# Live Service Criteria

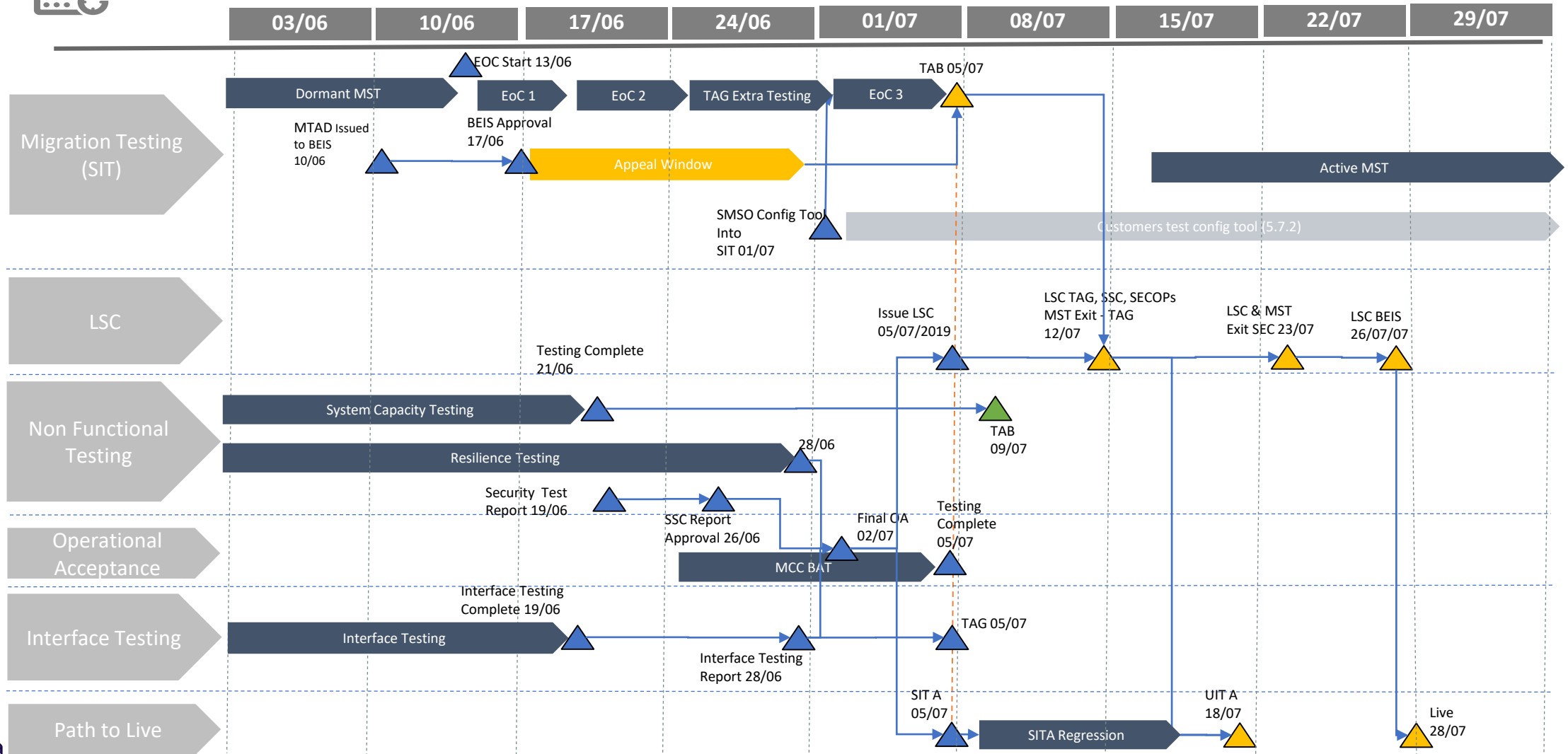
BEIS have set out 10 criteria which must be met before approval of each new EPCL entry and advice will be sort from SEC Panel in review of evidence against these criteria:

<b>1</b>	SMETS1 Migration Services ready including early migration support for relevant Device Model Combination (DMCs)	<b>6</b>	Pre-existing services remain stable for SMETS2 and SMETS1 prior operating capabilities
<b>2</b>	Service Operations capability ready	<b>7</b>	Any lessons learnt from prior operating capabilities are incorporated in to live process
<b>3</b>	SMETS1 Service and Migration can operate at the requisite volumes to support migration and operation of the relevant DMCs and operating capability, in parallel with all SMETS2 activity	<b>8</b>	No detrimental impact to consumers experience expected
<b>4</b>	Regression Testing has completed successfully for SMETS1 and SMETS2 Live Systems	<b>9</b>	Assurance of required Business Continuity/Disaster Recovery
<b>5</b>	Testing of SMETS1 Services for the relevant DMCs has completed successfully	<b>10</b>	Completion of relevant security testing and approval of security architecture

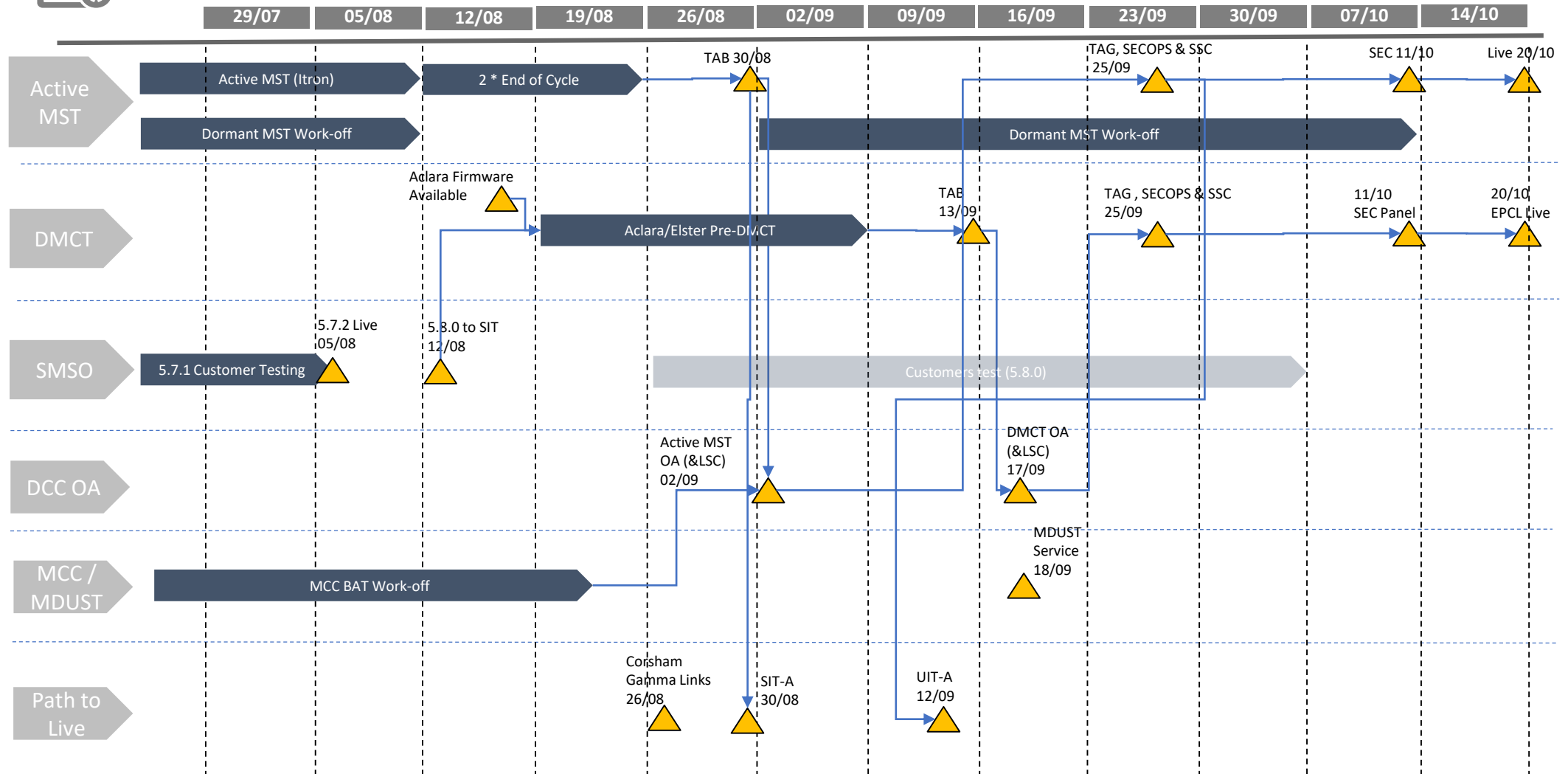


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# IOC Go-Live Critical Path (17/06/2019)

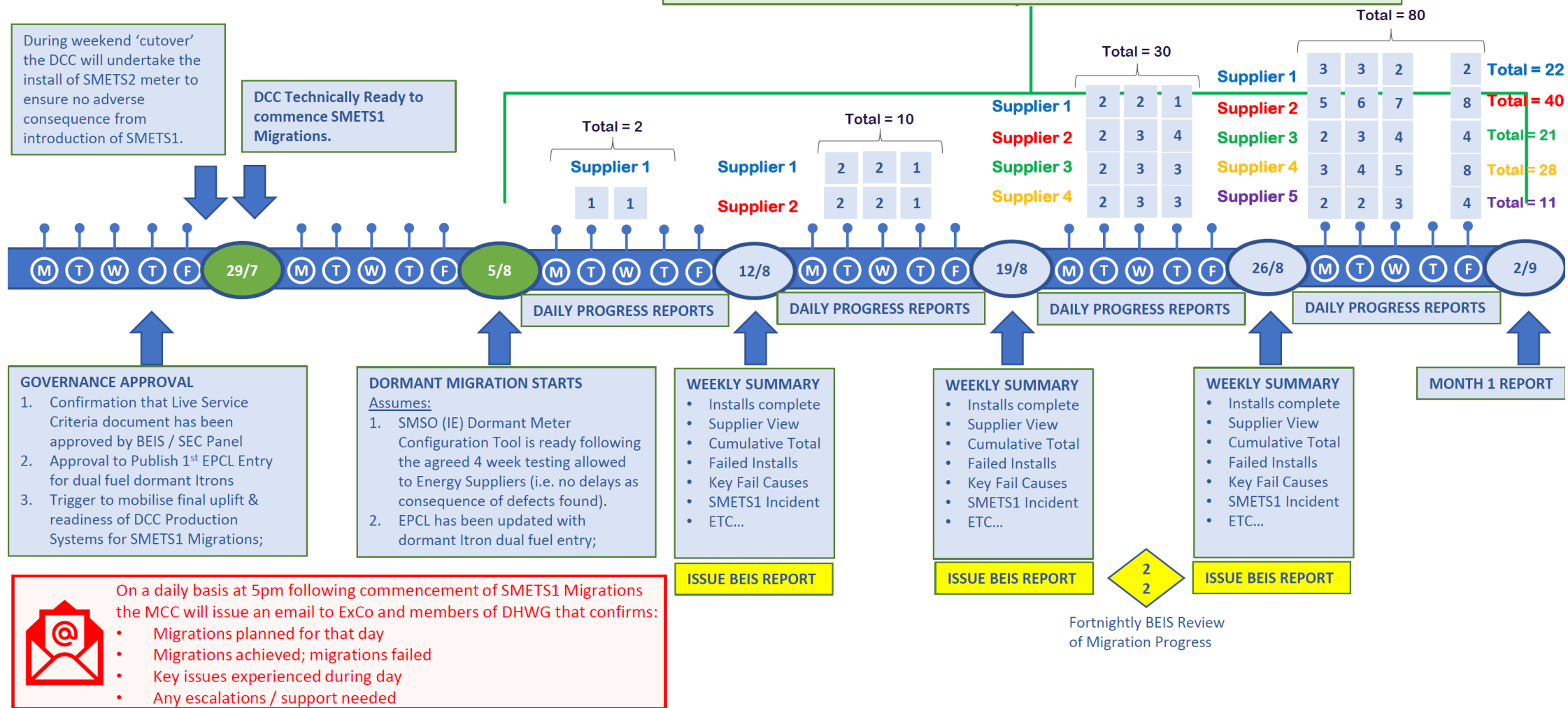


# 2 IOC Post July 28 2019 Plan



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Cumulative volume of SMETS1 installations at end of week 4 following the proposed pacing strategy is **122 installs**



# 4

## MOC and FOC Plans

- DCC has been reviewing impact of changes to IOC plans to MOC and FOC releases
- MOC and FOC dates are likely to move from those currently in the JIP, however this shouldn't stop DCC users getting ready to operate meters
- DCC is currently discussing planning options with BEIS and will engage industry later in the summer
- DCC will also be looking at how it can support the enrolment of all dormant meters as quickly as possible and prioritise the migration of any active meters going dormant through CoS before they have been enrolled in the DCC. This will allow consumers to promptly regain and retain smart services

# Thank you

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