Department for Business, Energy & Industrial Strategy

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

www.gov.uk/beis

13 December 2019

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

Dear Colleague,

SMART METERING IMPLEMENTATION PROGRAMME: GOVERNMENT RESPONSE AND DIRECTION TO RE-DESIGNATE CERTAIN SMART ENERGY CODE SUBSIDIARY DOCUMENTS TO SUPPORT DCC'S SMETS1 SERVICE

1. This letter constitutes the Government response to the consultation of 26 November regarding the incorporation into the Smart Energy Code (SEC) of new versions of Subsidiary Documents to support the enrolment and operation of SMETS1 Devices in the DCC's national communications network.

2. The consultation proposed a designation date of 9 December (or within a month thereof), in support of the second batch of Eligible Product Combinations List (EPCL) entries that have now been made today (see Daron Walker's separate letter of today's date).

3. There were seven responses to the consultation, from energy suppliers, a network operator and DCC. All respondents were supportive of designating both SEC Appendix AM – SMETS1 Supporting Requirements and SEC Appendix J – Enduring Testing Approach Document as proposed.

4. In relation to the latter document, on 2 December 2019 DCC concluded on proposals for a fast track process for Pending Product Combinations Tests (PPCT) where a new Device Model Combination (DMC) arises as a result of the need for an urgent firmware upgrade to one or more existing Device Models on security grounds. DCC submitted its conclusions and consultation responses concurrently, seeking designation of proposed amendments to SEC Appendix J – Enduring Testing Approach Document. We note that concerns raised by respondents on the DCC PPCT proposals, including from the Security Sub-Committee, have been addressed in the final process.

5. We remain unclear on the position reached by DCC with regards to consultation responses which raised the question of whether fast-tracking should also be permitted through PPCT in support of urgent firmware changes instigated by Health & Safety concerns. We would ask that the DCC considers further whether its PPCT fast track process would benefit from any further alignment and reference to Health & Safety legislation in support of the position it has adopted, and to consult as necessary. However, we do not consider these residual

issues should hold up designating SEC Appendix J – Enduring Testing Approach Document now given the benefits the fast track process offers energy consumers.

6. We also note that DCC intends to consult further on whether amendments to SEC Appendix AB – Service Request Processing Document (SRPD) should be supported to allow for deployment of firmware to enrolled SMETS1 Smart Metering Systems prior to completion of testing of its interoperability with the DCC solution in PPCT. We will therefore not be re-designating the SRPD today.

7. Finally, two respondents expressed concern on elements of the underlying process. One respondent called out that there had been an unacceptable delay from the point the DCC consulted on the proposed ETAD amendments in support of a fast track PPCT process and when DCC responded. Linked to this, a second respondent called out that the designation process would have been better had the DCC already concluded on the ETAD. We agree that delay to responding to consultations is unhelpful and ask that the DCC address this for future consultations.

8. We conclude that new versions of SEC Appendix AM – SMETS1 Supporting Requirements and SEC Appendix J – Enduring Testing Approach Document should be designated today, 13 December 2019 (see the Designation Direction below). We will continue to update the regulatory framework as needed in support of different Device Model Combinations being enrolled.

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.

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 13 December 2019, the SMETS1 Supporting Requirements previously designated and incorporated into the SEC as Appendix AM of the SEC is hereby re-designated and incorporated in the form set out in Annex B of this direction.

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 13 December 2019, the Enduring Testing Approach Document previously designated and incorporated into the SEC as Appendix J is hereby re-designated and incorporated in the form set out in Annex D 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.

Yours faithfully,

Duncan Stone

Deputy Director & 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 (separate documents)

Annex A: SEC Appendix AM – SMETS1 Supporting Requirements 1.1 – marked up against version 1.0 in legal effect

Annex B: SEC Appendix AM – SMETS1 Supporting Requirements 1.1

Annex C: SEC Appendix J – Enduring Testing Approach Document 1.4 – marked up against version 1.3 in legal effect

Annex D: SEC Appendix J – Enduring Testing Approach Document 1.4