



Department for  
Business, Energy  
& Industrial Strategy

Department for Business,  
Energy & Industrial Strategy  
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[www.gov.uk/beis](http://www.gov.uk/beis)

18 December 2020

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

Dear Colleague,

**SMART METERING IMPLEMENTATION PROGRAMME: CONSULTATION ON  
AMENDMENTS TO THE SMETS1 TRANSITION AND MIGRATION APPROACH  
DOCUMENT**

1. This is a consultation on proposed amendments to the SMETS1 Transition and Migration Approach Document (TMAD) under the Smart Energy Code (SEC) to support the enrolment and operation of SMETS1 devices in the Data & Communications Company (DCC) national data and communications network.
2. The proposed amendments set out a framework for the development of options supporting the migration of SMETS1 Installations comprising Device Model Combinations (DMCs)<sup>1</sup> which DCC advise as currently blocked. This includes installations which still need evidence to enable DCC to recommend that the Secretary of State approves corresponding entries onto the Eligible Product Combination List<sup>2</sup> (EPCL) and those which are already approved to the EPCL but have encountered blocking issues to migration. The overall number of meters expected to be in scope provide a relatively small but nonetheless material proportion (currently circa 2%) of the total SMETS1 estate for which BEIS has previously concluded that the DCC should provide a SMETS1 service.

**BACKGROUND**

3. 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

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<sup>1</sup> A SMETS1 device model combination is typically an electricity meter, gas meter, communications hub and in-home display or SMETS1 PPMID

<sup>2</sup> The EPCL is a list of device model combinations and communication services providers in relation to which DCC has proven through testing its ability to process service requests.

of SMETS1 devices to be operated via the DCC to ensure consumers with these meters can retain smart services when they change energy supplier.

4. In October 2018, following a consultation assessing initial SMETS1 devices in terms of a positive business case as well as technical and security assurance, the Government confirmed that DCC would be required to provide services to most SMETS1 meter cohorts. A further decision was made in early 2019 to extend provision to Secure meters. The DCC's SMETS1 service has been live since summer 2019, with some 2.5m SMETS1 meters now migrated onto DCC systems.
5. The detailed technical and procedural requirements of the migration approach are set out in the TMAD. The TMAD is Appendix AL of the SEC and the latest version (AL 9.0)<sup>3</sup> will be designated on 21 December 2020 further to a direction of today's date.

## CONSIDERATION

6. The Government has made comprehensive modifications to the smart metering regulatory framework to support the migration of SMETS1 meters and operation of a SMETS1 service by DCC.
7. The regulatory framework includes provisions for enabling DCC to recommend DMCs to BEIS for approval to the EPCL and so onto migration following testing (or where considered substantively equivalent to those that have been tested) but does not cater for scenarios where test devices are not currently available and the DMCs are not substantively equivalent to any tested. The regulatory framework provides DCC an obligation to take all reasonable steps to progress migrations as quickly as possible but does not cater for scenarios, for example, where all reasonable attempts at retry have been exhausted but they remain blocked, or where data quality issues are preventing migrations being attempted.
8. These proposed amendments to TMAD seek to provide impetus behind and a decision-making framework around which DCC can develop, consult and bring forward to BEIS for decision proposed amendments to the SEC which can unlock these migrations. This would encompass all scenarios for which, in the absence of such an enabling amendment, those DMCs would not be capable of being migrated. In developing its recommendations, we expect the DCC would need to consider all relevant factors, including technical, operational, time, cost and energy consumer implications and that impacted parties have an opportunity to comment on the evidence base and proposals.
9. A non-exhaustive list of where we expect DCC to develop proposals are:
  - SMETS1 Installations for which the corresponding DMC is not able to be tested by the DCC and which the DCC does not consider to be otherwise substantively equivalent. As part of this workstream we would expect that DCC would further develop their work on 'operational trials', that is DCC would look to migrate small numbers of devices into the production environment where energy suppliers can then

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<sup>3</sup> <https://smartenergycodecompany.co.uk/document-download-centre/download-info/sec-appendix-al-smets1-transition-migration-approach-document/>

exercise a specific set of Service Requests that are closely monitored, to demonstrate interoperability;

- Installations for which the firmware upgrade path cannot be assured via the existing path prescribed in TMAD;
- SMETS1 Installations for which the corresponding DMC comprises an entry on the list of Eligible Product Combinations, but which are not currently capable of being migrated successfully and this is not due to individual device specific issues. Examples of such blocking issues include the GSME HAN Comms (where the gas meter has not communicated with the communications hub within a defined period of time and so fails the associated check for migration) and bilingual PPMIDs (where a single PPMID is designed and valid to use on both SMETS1 and SMETS2 installations but as a result fails DSP processing of commissioning steps); and
- SMETS1 Installations on the FOC estate which have been commissioned with the Trilliant Smart Metering System Operator.

10. We anticipate that there will be scenarios where DCC and industry both consider that on balance a solution enabling migration is not practicable or proportionate, whether on technical, operational or economic grounds, and the proposed amendments provide a framework by which DCC can propose to formally exclude those DMCs from the scope of SMETS1 meter cohorts for which BEIS has previously determined that DCC should provide SMETS1 services<sup>4</sup>.

11. The proposed amendments to the TMAD include requirements on the DCC to consult with stakeholders before reaching a proposal. In the case of a proposal that certain categories of SMETS1 Installations should no longer be in scope for migration, once proposals are submitted to BEIS, the Secretary of State will indicate if he disagrees and, where required, direct DCC in terms of any ongoing consideration. Where the Secretary of State does not disagree with the proposal, he will inform DCC and DCC will be required to inform the SEC Panel, SEC Parties and Ofgem of the outcome. Additionally, DCC will be required to notify each Responsible Supplier for affected Dormant Meters of the specific SMETS1 Installations to which the decision applies.

12. Where DCC considers that SEC amendments need to be made to enable further categories of SMETS1 Installations to be Migrated, DCC will be expected to consult on the SEC amendments to unlock such blocked DMCs and a designation date, for BEIS to then consider and execute where it agrees. DCC can bring forward different proposals at different times to avoid unnecessary delay in migrating devices.

13. **We propose that a new version of TMAD incorporating these amendments is designated into the Smart Energy Code on 28 January 2021 (or where the Secretary of State considers it necessary, within one month thereafter).** The proposed new TMAD clauses are provided at **Annex A** and a draft direction letter is set out at **Annex B**.

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<sup>4</sup> <https://www.gov.uk/government/consultations/enrolment-of-smets1-meter-cohorts-with-the-data-communications-company> and <https://www.gov.uk/government/consultations/enrolment-of-secure-smets1-meters-in-the-data-communications-company-dcc>

## Consultation questions

<b>Q1</b>	Do you agree with the proposed amendments to the TMAD? Please provide your rationale.
<b>Q2</b>	Do you agree with the proposed re-designation date of 28 January 2021 (or within one month thereafter)?

## RESPONDING TO THIS CONSULTATION

14. Comments on this proposal should be submitted **by 17:00 on 21 January 2021** to: [smartmetering@beis.gov.uk](mailto:smartmetering@beis.gov.uk)
15. Information provided in response to this consultation to the email address given above, 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 1998, the General Data Protection Regulation 2016 and the Environmental Information Regulations 2004).
16. 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.
17. 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.

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:**

Annex A: Proposed amendments to SEC Appendix AL – SMETS1 Transition & Migration Approach Document v9.0

Annex B: Draft Designation Direction

## **ANNEX A: DRAFT AMENDMENTS TO TMAD v9.0 – PROPOSED ADDITIONAL CLAUSES 1.4 – 1.9**

- Clause 1.4: The DCC shall develop proposals for amendments to the Code (and a proposed timing for their designation) that would enable SMETS1 Installations that comprise SMETS1 Meters that are In-Scope for Enrolment to be successfully Migrated, where the DCC considers that without such amendments, the successful Migration of those SMETS1 Installations is not likely to be possible.
- Clause 1.5: Where the DCC considers that it would be technically or operationally impracticable or disproportionately costly to enable particular categories of SMETS1 Installations to be Migrated (and the associated SMETS1 Smart Metering Systems Enrolled), rather than developing proposals pursuant to Clause 1.4, the DCC shall propose those categories of SMETS1 Installations that should not be Migrated together with the DCC's supporting rationale.
- Clause 1.6: The DCC shall develop proposals pursuant to Clauses 1.4 and 1.5 in accordance with the following process:
- (a) the DCC shall, in consultation with the Parties and such other persons as are likely to be interested produce a draft of the proposals and, where applicable, the supporting rationale;
  - (b) where a disagreement arises with any Party or other person with regard to any proposals or rationale, the DCC shall endeavour to reach an agreed proposal/rationale with that person;
  - (c) after completion of the process described in (a) and (b) above, the DCC shall submit to the Secretary of State a document or documents containing its proposed amendments to the Code and/or its proposed categories of SMETS1 Installations that should not be Migrated (together with the supporting rationale), and shall when doing so also provide to the Secretary of State:
    - (i) a statement of the reasons why the DCC considers the proposal(s) and, where applicable, the supporting rationale, to be fit for purpose;
    - (ii) copies of the consultation responses received; and
    - (iii) a summary of any disagreements that arose during consultation and that have not been resolved by reaching an agreed proposal/rationale; and
  - (d) the DCC shall comply with any requirements in a direction given to it by the Secretary of State in relation to the document or documents, including:
    - (i) any amendments to be made to a document;
    - (ii) any requirement to produce and submit to the Secretary of State a further draft of a document; and

- (iii) any requirement as to the process to be followed by the DCC (and the time within which that process shall be completed) prior to submitting a further such draft.

Clause 1.7: After completing the process described in Clause 1.6 in respect of a document proposing categories of SMETS1 Installations that should not be Migrated, the DCC shall seek confirmation from the Secretary of State as to whether he disagrees with the DCC's proposal. Where the Secretary of State confirms that he does not disagree:

- (a) those categories of SMETS1 Installations shall no longer be treated by the DCC as comprising SMETS1 Meters for which the Secretary of State has concluded that the DCC is required to provide SMETS1 Services,
- (b) the DCC shall notify SEC Parties, the SEC Panel and Ofgem that this is the case, and
- (c) the DCC shall notify each Responsible Supplier for a Dormant Meter contained within such SMETS1 Installation of the affected SMETS1 Installation and that this is the case.

Clause 1.8: The DCC shall develop proposals pursuant to Clauses 1.4 and 1.5 in such timeframes as may be specified in directions issued by the Secretary of State from time to time for such purpose.

Clause 1.9: For the purposes of Clauses 1.4-1.6, SMETS1 Meters that are In Scope for Enrolment are those for which the Secretary of State has concluded that the DCC is required to provide SMETS1 Services.

## **ANNEX B: 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.

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 January 2021], the SMETS1 Transition & Migration Approach Document 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 [X] of this direction.

For the avoidance of doubt any re-designation of the SMETS1 Transition & Migration Document 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.