



Department for
Business, Energy
& Industrial Strategy

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

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: DIRECTION TO RE-DESIGNATE
SMETS1 TMAD WITHIN THE SMART ENERGY CODE**

1. This letter constitutes the Government's response to a consultation undertaken by the Data Communications Company (DCC) on BEIS' behalf and a direction to re-designate SEC Appendix AL SMETS1 Transition and Migration Approach Document (TMAD).
2. The detailed technical and procedural requirements of the migration approach for SMETS1 are set out in the SMETS1 TMAD. The current TMAD (version AL 8.0) covers requirements for the Initial Operating Capability (IOC) and Middle Operating Capability (MOC) for SMETS1 Services. The SMETS1 TMAD was first incorporated into the Smart Energy Code (SEC) as Appendix AL by the Secretary of State on 14 February 2019.

Changes to the SMETS1 TMAD for Extending TMAD Expiry Date

3. Between 16 October and 6 November 2020, DCC ran a consultation on the TMAD pertaining to the SMETS1 Final Operating Capability (FOC). The consultation included a proposal to extend the expiry date of the TMAD from 31 December 2020 to 31 December 2021 to align with the regulatory backstop for all eligible SMETS1 meters to be enrolled or replaced with SMETS2¹.
4. On 11 December, DCC published its conclusions on the proposal to extend the TMAD expiry date and included an overview of the three stakeholder responses it received².

¹ <https://www.smartdcc.co.uk/customer-hub/consultations/dcc-response-to-the-consultation-of-25-august-2020-and-further-consultation-on-tmad-for-foc/>

² <https://www.smartdcc.co.uk/customer-hub/consultations/dcc-responses/snets1-conclusions-on-tmad-31-december-2021-expiry/>

Three respondents provided a written response to DCC's proposal to extend the TMAD end-date. Two of whom expressed explicit support for the proposal, emphasising that the change was desirable considering delays to the SMETS1 Programme and that the proposal aligns with the Standard Licence Conditions. One respondent objected to the proposal and suggested the wording in Clause 1.3 of the TMAD reflect "no earlier than 12 months following the final entry on the EPCL" to align with a related provision in the Standard Licence Conditions that apply to Energy Suppliers. DCC considered that the proposed drafting provides sufficient flexibility to address any concerns that the TMAD would be prematurely disappplied as it contains within it the ability for the Secretary of State, following consultation, to direct a later date for expiry should this be required.

SMETS1 TMAD Designation Date Consultation

5. In its consultation, DCC proposed a re-designation of 13 December 2020 (or, if necessary, as soon as reasonably practicable within one month thereafter) for introducing updates to the TMAD to reflect the consultation proposals. Again, three respondents provided a written response to this question, all of whom supported DCC's proposed re-designation date.

Conclusion

6. We conclude that it is appropriate and necessary for the new version of TMAD (v9.0) revising the expiry date to be designated on 21 December 2020, as it appears at Annex A. A marked-up version of the document showing changes relative to the version previously in legal effect is provided at Annex B.

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 21 December 2020, the SMETS1 Transition and Migration Approach Document (TMAD) 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 A of this direction.

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

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,

A handwritten signature in blue ink, appearing to read 'D Stone', with a stylized flourish extending from the end.

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 AL - SMETS1 Transition and Migration Approach Document (TMAD) v9.0

Annex B: SEC Appendix AL - SMETS1 Transition and Migration Approach Document (TMAD) v9.0 – marked up against v8.0