



Department for
Business, Energy
& Industrial Strategy

Smart Metering Implementation
Programme
Department for Business,
Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET
www.gov.uk/beis

8 June 2021

To: All holders of an electricity supply licence or gas supply licence

Dear Colleague,

**DIRECTION ON THE DEFINITIONS OF (1) ALL REASONABLE STEPS (“ARS”) SPECIFIED
DATE AND (2) SMART METERING SYSTEM**

Background

On 1 June 2021, the Government published the “Smart Meter Policy Framework Post 2020: Government Response to a Consultation on Minimum Annual Targets and Reporting Thresholds for Energy Suppliers”¹. The Government response confirmed the Secretary of State’s intention to extend the “All Reasonable Steps” (ARS) obligation for 6 months until 31 December 2021, with the new regulatory framework for smart metering commencing on 1 January 2022.

As part of the new regulatory Framework, the Government response also specifies the methodology for the calculation of the value of Ty for the purposes of standard condition 39A of the Electricity Supply Licence and standard condition 33A of the Gas Supply Licence (see Tables 4 to 6 on pages 43 and 44 of the document).

Accordingly, the Secretary of State issues the directions set out below to all holders of a licence granted or treated as granted under section 6(1)(d) of the Electricity Act 1989 (an “Electricity Supply Licence”) and to all holders of a licence granted or treated as granted under section 7A(1) of the Gas Act 1986 (a “Gas Supply Licence”).

Directions

Whereas –

¹ <https://www.gov.uk/government/consultations/smart-meter-policy-framework-post-2020-minimum-annual-targets-and-reporting-thresholds-for-energy-suppliers>

- (A) the definition of “ARS Specified Date” in standard condition 1.3 of the Electricity Supply Licence and in standard condition 1.2 of the Gas Supply Licence, provides that the date is 30 June 2021 or such later date as may be specified in a direction issued by the Secretary of State; and
- (B) paragraph (b) of the definition of “Smart Metering System” in standard condition 1.3 of the Electricity Supply Licence and in standard condition 1.2 of the Gas Supply Licence, refers to a system installed on or after 30 June 2021 or such later date as may be specified in a direction issued by the Secretary of State.

Now:

The Secretary of State hereby directs:

1. Under and in accordance with the definition of ARS Specified Date, that the ARS Specified Date is 31 December 2021 for the purposes of the interpretation of that defined term as used in Electricity Supply Licences and the Gas Supply Licences.
2. Under and in accordance with the provisions of paragraph (b) of the definition of Smart Metering System, the later date of 31 December 2021 for the purposes of the interpretation of that defined term as used in Electricity Supply Licences and the Gas Supply Licences.

The above directions take effect from the day after the date of this letter.

The directions are also being notified to the Authority (OFGEM), the SEC Administrator, the SEC Panel and the SEC Parties.

Yours sincerely,



Daron Walker

Senior Responsible Owner, Smart Metering Implementation Programme

(an official of the Department for Business, Energy and Industrial Strategy authorised to act on behalf of the Secretary of State)