SEC
Smart Energy Code

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Smart Energy Code

MP121

'Commissioning non-commissioned Devices after CoS'

Modification Report

Version 1.0

31 August 2021

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About this document

This document is a Modification Report. It sets out the background, issue, solution, impacts, implementation approach and progression timetable for this modification, along with any relevant discussions, views and conclusions.

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This document also has four annexes:

- **Annex A** contains the business requirements for the solution.
- **Annex B** contains the redlined changes to the Smart Energy Code (SEC) required to deliver the Proposed Solution.
- **Annex C** contains the full Data Communications Company (DCC) Preliminary Impact Assessment response.
- **Annex D** contains the full responses received to the Refinement Consultation.

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1. Summary

This proposal has been raised by Paul Saker from EDF Energy.

There are instances where Smart Metering Equipment Technical Specifications (SMETS) 2 Devices have been installed but not commissioned. This is due to premises not having Smart Meter Wide Area Network (SM WAN) coverage when the Device was installed. In the case of no SM WAN coverage, the DCC has 90 days to address the WAN connectivity. In this timespan, it is possible that the Consumer could request a Change of Supplier (CoS) which will result in the Consumer not receiving smart services from their installed Device as the new Supplier will not have the install Code.

The Proposed Solution is to place an obligation in the SEC that requires an installing Supplier of a Device to provide the install code to the gaining Supplier. within ten Working Days (WD), relying on Suppliers to complete this task via email correspondence

An automated solution delivered via the DCC Self-Service Interface (SSI) was investigated. Respondents to the Refinement Consultation and subsequent discussions at the Working Group highlighted that this automated solution did not meet the needs of SEC Parties. Therefore, the Proposer has chosen to progress a solution which does not impact the SSI and instead uses email. Furthermore, the Working Group has chosen not to progress the SSI Solution as an Alternative Solution based on the lack of support for the SSI solution.

The Proposed Solution will impact Large Suppliers and Small Suppliers. There would be no system costs associated and if approved under Self-Governance it will be implemented in the February 2022 Release.

2. Issue

What are the current arrangements?

Currently Suppliers are required to check if there is SM WAN coverage before attending a premise to install a SMETS2 Device. Situations can arise where a SMETS2 Device is installed but not commissioned. This can happen where the DCC WAN Coverage Database indicates that there will be WAN coverage to the premises but on arrival there is no coverage (known as ‘reactive install and leave’), or where a smart meter needs to be installed but there is no current WAN coverage to the premises (known as ‘proactive install and leave’). In these cases, Suppliers are required to install the Devices, including a Communications Hub (CH) in a non-commissioned state, and then commission the CH once a WAN connection has been established.

The processes and obligations relating to the commissioning of Devices, as well as ‘install and leave’, are set out in the SEC, including, SEC Section F7 ‘Installation and Maintenance of SMETS2+ Communications Hubs’ and SEC Appendix I ‘CH Installation and Maintenance Support Materials’ where it is referred to as the ‘CH No SM WAN Installation Procedure’.

What is the issue?

The DCC has a 90-day target to resolve WAN connectivity to ‘reactive install and leave’ installations. The time taken to establish WAN connectivity to ‘proactive install and leave’ installations is likely to be

even longer. These 'install and leave' processes and associated obligations are included in the energy Supply Licences. In addition, Condition 49 'Smart Metering Systems and In-Home Displays – Operational Requirements' (Condition 43 for gas) requires Suppliers to ensure their Devices can communicate with the DCC once WAN is available.

As a result of these timescales there is a risk that the Consumer will change their energy Supplier before WAN connectivity has been established. In these circumstances the gaining Supplier is not currently able to commission the installed Devices. This is because it requires the install code to enable the installed Devices to be joined to the Home Area Network (HAN) (using Service Reference Variant (SRV) 8.11), which needs to occur before the Devices can be commissioned.

On some new build developments, Independent Gas Transporters (IGTs) are responsible for the Gas Smart Metering Equipment (GSME) installations, but these are left not commissioned as the Electricity Smart Metering Equipment (ESME) is not installed at the same time. This can lead to issues when a Supplier is unable to commission them later.

In summary, there is no process for a SEC Party to commission an installed meter where they did not complete the installation.

What is the impact this is having?

The impact of this issue is that consumers who change Supplier before their SMETS2 Devices can be commissioned will not be able to receive smart services from their meter. There is a significant risk that these non-commissioned Devices will be removed or replaced, which not only causes inconvenience to consumers but will incur a significant cost in terms of unnecessary site visits and stranded SMETS2 Devices.

It would therefore make sense that the process to enable Devices to be commissioned as a result of a 'No SM WAN Installation', and any obligations on Parties required to enable that process to work, should be set out in the SEC.

Impact on consumers

Consumers that have Devices in a non-commissioned state currently need a replacement in order to receive smart services causing them inconvenience.

3. Solution

Proposed Solution

The Proposed Solution is to make Device install codes available to gaining Suppliers of uncommissioned Devices, which prevents the Supplier having to replace the Device in order to provide smart functionality to the newly gained customer.

The Proposed Solution places an obligation on the losing Supplier to respond to a request within ten working days. The losing Supplier will then be obliged to respond by providing the correct install code if they were the installing Supplier, or confirming that they were not the installing Party.

The business requirements for this solution can be found in Annex A.

4. Impacts

This section summarises the impacts that would arise from the implementation of this modification.

SEC Parties

SEC Party Categories impacted			
✓	Large Suppliers	✓	Small Suppliers
	Electricity Network Operators		Gas Network Operators
✓	Other SEC Parties		DCC

Breakdown of Other SEC Party types impacted			
	Shared Resource Providers		Meter Installers
	Device Manufacturers		Flexibility Providers
✓	Meter Asset Providers		Other

This modification will impact Suppliers, as when a gaining Supplier gains a Device that is uncommissioned, they will be able to email the losing Supplier in order to acquire the install code for that Device. The losing Supplier will then be obliged to respond by providing the correct install code if they were the installing Supplier, or confirming that they were not the installing Party.

The impacts on Other SEC Parties are limited to Meter Asset Providers, as this should reduce the number of meters being removed and therefore reduce costs and minimise waste of meter disposal.

DCC System

The Proposed Solution will not impact DCC systems.

The full impacts based on investigating an automated solution on DCC Systems and DCC's proposed testing approach can be found in the DCC Preliminary Assessment response in Annex C.

SEC and subsidiary documents

The following parts of the SEC will be impacted:

- Appendix AC 'Inventory Enrolment and Decommissioning Procedures'

The changes to the SEC required to deliver the proposed solution can be found in Annex B.

Technical specification versions

There will be no changes to the technical specifications as a result of this modification.

Consumers

This modification will benefit the consumer experience. Making the relevant Device install code available will prevent uncommissioned Devices from being removed from consumers' premises and being replaced with new Devices in order to gain smart functionality.

Other industry Codes

This modification will have no impact on other industry Codes.

Greenhouse gas emissions

This modification will have no impact on greenhouse gas emissions.

5. Costs

DCC costs

There are no costs for the DCC to implement the Proposed Solution.

SECAS costs

The estimated SECAS implementation costs to implement this modification is two day of effort, amounting to approximately £1,200. The activities needed to be undertaken for this are:

- Updating the SEC and releasing the new version to the industry.
- Updating the operational contacts list and ensuring it is populated accordingly

SEC Party costs

Supplier Parties noted that any new process involves costs to set up and costs depend on that organisation and how automated they wished to develop their internal process. Two Supplier Parties also noted that they would expect cost savings from each premises at which they did not have to exchange a meter.

Responses from Other SEC Parties indicated that there would be no costs to their organisations. One Party noted that it would realise cost savings as a result of fewer removals, which includes its logistic and disposal costs for meters not able to be reinstalled.

6. Implementation approach

Recommended implementation approach

SECAS is recommending an implementation date of:

- **24 February 2022** (February 2022 SEC Release) if a decision to approve is received on or before 21 November 2022; or
- **30 June 2022** (June 2022 SEC Release) if a decision to approve is received after 21 November 2022 but on or before 30 March 2022.

There are no impacts on the DCC System. In the Refinement Consultation (Annex D) SEC Parties indicated they would need three months preparation for the new obligation to begin. This would enable new processes to be put in place and enable Parties to reduce the backlog of affected meters before the obligation is in place. Therefore the February 2022 SEC Release is the next SEC Release that this solution can be targeted for.

7. Assessment of the proposal

Observations on the issue

The proposal was presented to the Change Sub-Committee (CSC) for recommendation. The CSC agreed that this was a genuine issue, and the Proposer commented further saying that there were a reasonable number of SMETS2 meters they were gaining that did not have smart functionality because of this issue. The CSC agreed that the issue was well defined, and all members recommended that it should progress to the Refinement Process.

The proposal was also taken to each Sub-Committee for initial comment. Each Sub-Committee was supportive of the proposal.

The views of a SEC Party were also received during the Development Stage. They commented that there is also a need to consider Supplier certificates and Device factory configuration when developing a solution to the identified issue. The Proposer notes that this modification is not seeking to cover all eventualities that could occur. However, it should encompass any situation where the gaining Supplier only requires the install code in order to Commission the meter.

Scale of the issue

In the Proposer's experience, around 3% of smart meters gained from another Supplier are in a non-commissioned state. They require install codes to be provided in order for the existing Devices to be commissioned and gain smart functionality. They also believed that a similar percentage (3%) of smart meters that switch away to other Suppliers are in a non-commissioned state. In these cases the gaining Supplier would require the install codes from the Proposer.

The Refinement Consultation responses contained a wide range of responses to this question. One Supplier indicated a top end estimate of 45% of meters in this state that switch to its portfolio.

During the Working Group's discussions a member stated that the Department for Business, Energy and Industrial Strategy (BEIS) has been conducting work in this area and estimated that there are

approximately 500,000 SMETS2 meters sat in a non-commissioned status. However, a Working Group member confirmed that this number included Devices in a genuine pending state and the actual number affected by this issue was much lower. SECAS also confirmed that BEIS had advised it of this. It was understood that until a solution is implemented the number of affected Devices will continue to grow.

Solution development

Automated solution

An automated solution was initially developed between the Proposer, SECAS and the DCC. It was discussed that to commission a Device, the Supplier must obtain the install code for that specific Device. This is held by the installing Supplier and is usually received at manufacture or on delivery. It was agreed that the most secure method of exchanging an install code would be by using the DCC SSI. The SSI is a web-based portal which allows Users to obtain information about, and interact with, DCC Services. It had been agreed that in the case where a Supplier gains a Type 1 Device that has been installed but without connecting to the SM WAN, the Supplier would be able to raise an incident via the DCC SSI. The installing Supplier would be notified of the incident and must respond with the install code for that specific Device. The obligation for the installing Supplier to respond to the SSI incident would then be codified into the SEC.

This would provide a secure communication mechanism that would pose minimal risk to the security model. An automated solution would have the benefit of being fully trackable to identify when Parties were not meeting any new obligation. This oversight would make it easier to enforce any legal text changes.

However, the Working Group believed that the automated solution that had been investigated was not fit for purpose. It highlighted that it would be difficult for Parties to automate a process internally to accommodate this solution. It also noted that the requirement to log an individual request for each install code was not workable. Members raised concern over having to raise individual incidents via the SSI as this would mean there could potentially be hundreds of thousands of new SSI incidents to be raised to deal with the current number of meters affected.

The detail of DCC costs and timelines that have been initially provided with the automated solution can be found in the DCC Preliminary Assessment in Annex C.

Email solution

Some Working Group members advised that they had been emailing other Suppliers to obtain install codes. They noted that the success of this process was highly dependent on the willingness of the installing Supplier to respond and provide install codes.

An email solution would enable the Supplier to make requests to other Suppliers in bulk, albeit that would rely on the Supplier being able to accurately identify which Party is the installing Supplier, as there could be multiple changes of supply.

SECAS currently maintains a list of SEC Party operational contacts, and this could be expanded to include designated contacts for this process. This solution would also be able to be implemented sooner than an automated solution as there would be no impact on DCC's systems, which would also remove DCC implementation costs.

The Proposer determined that the email solution should be taken forward as the Proposed Solution. The Working Group noted the comments that had been raised around the automated solution and concluded not to take that forward as an Alternative Solution.

Service Level Agreement (SLA)

The initial SLA proposed for a Supplier to respond to a request for install code was a five WD SLA in the legal text. The Refinement Consultation responses indicated that Parties felt this was too tight a turnaround time. The Proposer suggested raising this to ten WDs. Two Working Group members felt that they could not agree on an SLA without knowing what the solution is. A Working Group member highlighted that any SLA should not apply to the large backlog of install codes that needed to be resolved.

The implementation timescale for this modification is approximately three months. The Proposer believes this gives Parties enough time to begin work on clearing the backlog before the obligation will be implemented into the SEC. SECAS would begin collating contact details for operational contacts from the time of decision to maximise the time for SEC Parties to work on the backlog.

Escalation route

Respondents to the Refinement Consultation noted that the legal text did not include an escalation route in situations where Suppliers were not responding and would therefore be in breach of the SEC. SECAS believed that any failed obligation would follow the same process within the SEC and does not need to be defined. SECAS currently maintains a list of SEC Party operational contacts and this would be expanded to include designated contacts for this process and appropriate escalation contacts as well within an organisation.

Support for Change

Working Group

A Working Group member highlighted that although it may not be the most desirable solution, there is no other way of acquiring the installation code other than from the installing Supplier. However, the Working Group agreed that it is not particularly difficult to provide the install code and that this would ultimately benefit Suppliers as well as Consumers. It was discussed that there is no alternative other than removing the meter, which requires significantly more effort and cost than providing the install code.

The Working Group highlighted that although an automated solution does appear expensive, the higher end costs provided by the DCC would translate to a more cost-effective proposition than a site visit to each property.

A Working Group member advised that the legal text must explicitly state that the ‘installing Supplier’ must provide the install code for clarity. SECAS acknowledged this noting that the new obligation would be included in SEC Appendix AC ‘Inventory, Enrolment and Decommissioning Procedures’.

Refinement Consultation

The respondents were unanimous that the solution put forward was suitable and should be approved.

Respondents broadly agreed that the legal text delivered the intended solutions, but some Parties re-iterated their concern that there was no escalation route noted in the legal text.

Views against the General SEC Objectives

Proposer's views

The Proposer believes that this modification will better facilitate SEC Objectives (a) and (c) as the consumers at premises affected by this issue do not have access to the benefits of smart metering as the Devices at these premises are not providing smart functionality.

Industry views

The responses to the Refinement Consultations all indicated agreement with the Proposer's assessment. This view was shared by Working Group members.

Views against the consumer areas

Improved safety and reliability

If implemented, this modification will have a neutral impact against this consumer area.

Lower bills than would otherwise be the case

If implemented, this modification could have a positive impact against this consumer area as more consumers will have access to the smart functionality of their meters.

Reduced environmental damage

If implemented, this modification will have a positive impact against this consumer area as it will not be necessary to exchange the Devices affected that are already at consumer premises.

Improved quality of service

If implemented, this modification will have a positive impact against this consumer area as consumers will have access to smart functionality without the need for a site visit to exchange the Device.

Benefits for society as a whole

If implemented, this modification will have a neutral impact against this consumer area.

Appendix 1: Progression timetable

The Modification Report will be presented to the CSC on 31 August 2021 and then issued for Modification Report Consultation. It will then be presented to the Change Board for vote on 29 September 2021 under Self-Governance.

Timetable	
Event/Action	**Date**
Draft Proposal raised	24 Mar 2020
Presented to CSC for final comment and recommendations	28 Apr 2020
Panel converts Draft Proposal to Modification Proposal	15 May 2020
Business requirements developed with Proposer	May – Jun 2020
Modification discussed with Working Group	1 Jul 2020
Preliminary Assessment requested	12 April 2021
Preliminary Assessment returned	13 May 2021
Modification discussed with Working Group	2 June 2021
Refinement Consultation	11 Jun 2021 – 2 Jul 2021
Discussed with Working Group	4 Aug 2021
Modification Report approved by CSC	31 Aug 2021
Modification Report Consultation	1 Sep – 20 Sep 2021
Change Board vote	29 Sep 2021

Appendix 2: Glossary

This table lists all the acronyms used in this document and the full term they are an abbreviation for.

Glossary	
Acronym	**Full term**
BEIS	Department of Business, Energy & Industrial Strategy
CH	Communications Hub
CoS	Change of Supplier
CSC	Change Sub-Committee
DCC	Data Communications Company
ESME	Electricity Smart Metering Equipment
GSME	Gas Smart Metering Equipment
HAN	Home Area Network
IGT	Independent Gas Transporter
OPSG	Operations Group
SEC	Smart Energy Code

Glossary	
Acronym	**Full term**
SECAS	Smart Energy Code Administrator and Secretariat
SLA	Service Level Agreement
SM	Smart Meter
SMETS	Smart Metering Equipment Technical Specifications
SRV	Service Reference Variant
SSI	Self-Service Interface
WAN	Wide Area Network
WD	Working Day