SEC
Smart Energy Code

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

Smart Energy Code

MP196

‘Further IVP Extension for pre-SMETS2 v4.2 Devices’

Modification Report

Version 1.0

22 December 2021

Corporate member of Plain English Campaign
Committed to clearer communication
592

About this document

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

Contents

1. Summary 3
2. Issue 3
3. Solution 4
4. Impacts 4
5. Costs 6
6. Implementation approach 6
7. Assessment of the proposal 6

Appendix 1: Progression timetable 8

Appendix 2: Glossary 8

This document also has one annex:

- **Annex A** contains the redlined changes to the Smart Energy Code (SEC) required to deliver the Proposed Solution.

Contact

If you have any questions on this modification, please contact:

Mike Fenn

020 3314 1142

mike.fenn@gemserv.com

1. Summary

This proposal has been raised by Keith Aldwinckle from Ecotricity.

The SEC sets out the Smart Metering technical specifications. To ensure interoperability, the dates that these technical specifications can be used are set out within SEC Schedule 11 'Technical Specification Applicability Tables' (TSAT). The Installation Validity Period (IVP) sets out the date until which these Devices can be installed. The current IVP end-date displayed in the TSAT for all pre-Smart Metering Equipment Technical Specifications (SMETS) 2 v4.2 is 27 April 2022.

In March 2020 the UK government issued social distancing guidance around the transmission of COVID-19. This resulted in only essential meter installations taking place, which dramatically reduced the number of smart meters installed after March 2020. Issues of engineer availability, cancelled appointments, and refused site access have continued throughout 2021 due to concerns around COVID-19. In addition, the recent high volume of Supplier of Last Resort (SoLR) events means a significant number of Devices within the supply chain will need to be accounted for and re-allocated. Pressures within the supply chain relating to component availability and the potential for significant price increases in 2022 mean that suitable measures should be taken to prevent any unnecessary wastage of existing pre-SMETS2 v4.2 Devices already manufactured and in stock awaiting installation.

If the IVP end-date for pre-SMETS2 v4.2 Devices is not extended, large quantities of these Devices will need to be scrapped at great financial and environmental cost, as Supplier Parties, Device Manufacturers, and Meter Asset Providers (MAPs) would not be able to install their existing stock.

This modification will impact Suppliers, Other SEC Parties (Device Manufacturers and Meter Asset Providers) and the Data Communications Company (DCC). There are no DCC System costs so cost to implement will be limited to Smart Energy Code Administrator and Secretariat (SECAS) time and effort. This is a Self-Governance Modification and, if approved, will either be implemented in the February 2022 SEC Release or an ad-hoc SEC Release before the existing IVP end-date.

2. Issue

What are the current arrangements?

The SEC sets out the Smart Metering technical specifications. These include the SMETS and the Great Britain Companion Specification (GBCS). To ensure interoperability the TSAT specifies the dates Devices using these specifications can be installed and maintained. The IVP sets out the date until which these Devices can be installed. The current IVP end-date displayed in the TSAT for all SMETS2 versions prior to v4.2 is 27 April 2022.

What is the issue?

In March 2020 the UK government issued social distancing guidance around the transmission of COVID-19. This resulted in only essential meter installations taking place, which dramatically reduced the number of smart meters installed after March 2020. The industry was not able to install as many Devices as it had previously planned.

Although the IVP end-date was previously extended under MP148 'IVP Extension for pre-SMETS2 v4.2 Devices', issues of engineer availability, cancelled appointments, and refused site access have continued throughout 2021 due to concerns and regulations around COVID-19. A proportion of this number will be pre-SMETS2 v4.2 Devices, so additional time is required to process these.

What is the impact this is having?

Impact on SEC Parties

Doing nothing means Supplier Parties with large stock volumes of pre-SMETS2 v4.2 Devices will be unable to install these after the current IVP date within the TSAT. If this is the case, this may result in a large financial impact in the form of stock write-offs for Suppliers, Device Manufacturers and MAPs. Given the financial implications this could have on some Parties, the sustainability of their businesses could be threatened.

Impact on consumers

There is no direct impact on consumers. However, if Supplier Parties and Device Manufacturers incur financial costs by having to scrap pre-SMETS2 v4.2 Devices due to not having them installed by the IVP end-date, there may be a pass-through of costs to consumers.

3. Solution

Proposed Solution

The Proposed Solution is to extend the IVP end-date for any pre-SMETS2 v4.2 Devices from its current date of 27 April 2022 for a further 12 months to 27 April 2023. This will allow Supplier Parties, Device Manufacturers and MAPs to avoid the significant financial costs that would be caused by having to write off the existing stock of pre-SMETS v4.2 Devices which wouldn't be able to be installed past the current IVP end-date.

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 Asset Providers
✓	Device Manufacturers		Flexibility Providers

Supplier Parties

Supplier Parties would be granted additional time to install pre-SMETS2 v4.2 Devices they currently hold, preventing avoidable financial and environmental costs due to wasted stock.

Device Manufacturers

Device Manufacturers would be able to reduce or remove potential write-offs of pre-SMETS2 v4.2 stock they have produced which have not been ordered by Suppliers due to reduced installation rates of such Devices.

Meter Asset Providers

MAPs would be able to work with suppliers to ensure that existing stocks of pre-SMETS2 v4.2 Devices can be installed, preventing avoidable financial and environmental costs due to wasted stock.

DCC System

This modification will have no impacts on DCC Systems.

SEC and subsidiary documents

The following parts of the SEC will be impacted:

- Schedule 11 'Technical Specification Applicability Table'

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

Consumers

If this change is not implemented consumers may be negatively affected by the pass-through of costs incurred by industry Parties through scrapping pre-SMETS2 v4.2 Devices that were unable to be installed before the IVP end-date. If the IVP end-date was extended, this pass-through could be avoided.

Other industry Codes

This modification will have no impacts on other industry Codes.

Greenhouse gas emissions

This modification will have no impacts on greenhouse gas emissions.

5. Costs

DCC costs

There will be no DCC costs to implement this modification.

SECAS costs

The estimated SECAS implementation cost to implement this as a stand-alone modification is one day of effort, amounting to approximately £600. This cost will be reassessed when combining this modification in a scheduled SEC Release. The activities needed to be undertaken for this are:

- Updating the SEC and releasing the new version to the industry.

SEC Party costs

There will be no SEC Party costs to implement this modification.

6. Implementation approach

Agreed implementation approach

The Change Sub-Committee (CSC) agreed an implementation date of:

- **24 February 2022** (February 2022 SEC Release) if a decision to approve is received on or before 10 February 2022; or
- **Ten Working Days after decision** if a decision to approve is received after 10 February 2022.

If this modification is not implemented in the February 2022 SEC Release, the following SEC Release (June 2022) will be after the IVP end-date has passed. Therefore, if approved after the cut-off for the February 2022 SEC Release, this modification will be implemented as an ad-hoc Release 10 Working Days after decision.

7. Assessment of the proposal

Observations on the issue

SECAS presented this modification to representatives from the Operations Group (OPSG), the Technical Architecture and Business Architecture Sub-Committee (TABASC), and the Department for Business, Energy and Industrial Strategy (BEIS).

The TABASC representative was of the view that there was no technical impediment to implementing this modification but advised they would defer to BEIS on the question of whether this could cause non-compliance with the newer versions of GBCS. The OPSG representative also queried whether

there were any significant limitations or known operational issues with the previous SMETS2 versions that will need to be considered.

The BEIS representative advised that the drive to move to SMETS2 v4.2 as early as possible was led by Suppliers, to resolve differences in prepayment functionality in earlier Device models.

Views of Change Sub-Committee (CSC)

SECAS presented the Draft Proposal to the CSC. The CSC agreed the issue and impact it is having is clearly defined and understood and agreed it should be converted to a Modification Proposal. The CSC also agreed the modification should be progressed to the Report Phase. One CSC member raised concerns about extending the date for another 12 months suggesting this may be too long. Other CSC members disagreed citing Supplier of Last Resort consequences, current supply chain concerns and continuing consumer concerns around allowing operatives into their homes in light of the pandemic. They suggested that all these issues meant that deployment of stock continued to be delayed and they needed additional time to install stocks rather than scrapping Devices.

Views against the General SEC Objectives

Proposer's views

The Proposer believes this Modification Proposal better facilitates SEC General Objective (a)[1], as this will help to better facilitate the efficient provision and installation of smart metering systems by avoiding costs and environmental wastage through stock write-offs.

Views against the consumer areas

Improved safety and reliability

This area is neutral against the change.

Lower bills than would otherwise be the case

This area would be improved if the change was made. The extension of the IVP end-date would not directly lead to consumer savings, but where thousands of meters would otherwise be scrapped it would prevent any pass-through of these costs to consumers.

Reduced environmental damage

This area would be improved due to the prevention of scrapping thousands of usable Smart Meters and other such pre-SMETS2 v4.2 Devices. The Devices being scrapped would be replaced for no reason other than the validity period ending on the SMETS2 versions they operate on, despite no technical issues.

[1] Facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain.

Improved quality of service

This area is neutral against the change.

Benefits for society as a whole

This area is neutral against the change.

Appendix 1: Progression timetable

Following the Modification Report Consultation (MRC) the modification will be presented to the Change Board for vote under Self-Governance on 26 January 2022.

Timetable	
Event/Action	**Date**
Modification Proposal raised	14 Dec 2021
Modification Report approved by CSC	21 Dec 2021
Modification Report Consultation	22 Dec 2021 – 17 Jan 2022
Change Board Vote	26 Jan 2022

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 for Business, Energy and Industrial Strategy
CSC	Change Sub-Committee
DCC	Data Communications Company
GBCS	Great Britain Companion Specification
IVP	Installation Validity Period
OPSG	Operations Group
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SMETS	Smart Metering Equipment Technical Specifications
SoLR	Supplier of Last Resort
TABASC	Technical Architecture and Business Architecture Sub-Committee

Glossary	
Acronym	**Full term**
TSAT	Technical Specification Applicability Table

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

MP196 'Further IVP Extension for pre-SMETS2 v4.2 Devices'

Annex A

Legal text – version 1.0

About this document

This document contains the redlined changes to the SEC that would be required to deliver this Modification Proposal.

Schedule 11 'Technical Specification Applicability Table'

These changes have been redlined against Schedule 11 version 13.0.

Amend Sections of the TSAT as follows:

SMETS2+ Devices: GSMETS and Relevant Versions of GBCS

GSMETS Version	Installation Start Date	Installation End Date	Maintenance Start Date	Maintenance End Date	Relevant GBCS Version	Applicability Period Start Date	Applicability Period End Date
2.0	30/09/16	27/04/23~~2~~	30/09/16	Not determined	1.1	06/11/17	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.0	28/10/18	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.1	28/10/18	Not determined
4.2	29/11/19	Not determined	29/11/19	Not determined	3.2	29/11/19	Not determined
4.3	29/11/20	Not determined	29/11/20	Not determined	3.2	29/11/20	Not determined
4.3	29/11/20	Not determined	29/11/20	Not determined	4.0	29/11/20	Not determined
4.3	04/11/21	Not determined	04/11/21	Not determined	4.1	04/11/21	Not determined

SMETS2+ Devices: ESMETS and Relevant Versions of GBCS

ESMETS Version	Installation Start Date	Installation End Date	Maintenance Start Date	Maintenance End Date	Relevant GBCS Version	Applicability Period Start Date	Applicability Period End Date
2.0	30/09/16	27/04/23~~2~~	30/09/16	Not determined	1.1	06/11/17	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.0	28/10/18	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.1	28/10/18	Not determined
4.2	29/11/19	Not determined	29/11/19	Not determined	3.2	29/11/19	Not determined
5.0	29/11/20	Not determined	29/11/20	Not determined	4.0	29/11/20	Not determined
5.1	04/11/21	Not determined	04/11/21	Not determined	4.1	04/11/21	Not determined

SMETS2+ Devices: PPMIDTS and Relevant Versions of GBCS

PPMIDTS Version	Installation Start Date	Installation End Date	Maintenance Start Date	Maintenance End Date	Relevant GBCS Version	Applicability Period Start Date	Applicability Period End Date
2.0	30/09/16	27/04/23~~2~~	30/09/16	Not determined	1.1	06/11/17	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.0	28/10/18	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.1	28/10/18	Not determined
4.2	29/11/19	Not determined	29/11/19	Not determined	3.2	29/11/19	Not determined
4.3	29/11/20	Not determined	29/11/20	Not determined	3.2	29/11/20	Not determined
4.3	29/11/20	Not determined	29/11/20	Not determined	4.0	29/11/20	Not determined

PPMIDTS Version	Installation Start Date	Installation End Date	Maintenance Start Date	Maintenance End Date	Relevant GBCS Version	Applicability Period Start Date	Applicability Period End Date
4.4	04/11/21	Not determined	04/11/21	Not determined	4.1	04/11/21	Not determined

SMETS2+ Devices: HCALCSTS and Relevant Versions of GBCS

HCALCSTS Version	Installation Start Date	Installation End Date	Maintenance Start Date	Maintenance End Date	Relevant GBCS Version	Applicability Period Start Date	Applicability Period End Date
2.0	30/09/16	27/04/23~~2~~	30/09/16	Not determined	1.1	06/11/17	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.0	28/10/18	Not determined
3.1	08/11/18	27/04/23~~2~~	08/11/18	Not determined	2.1	28/10/18	Not determined
4.2	29/11/19	Not determined	29/11/19	Not determined	3.2	29/11/19	Not determined
5.0	29/11/20	Not determined	29/11/20	Not determined	4.0	29/11/20	Not determined
5.1	04/11/21	Not determined	04/11/21	Not determined	4.1	04/11/21	Not determined