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## MP169 ‘Managing SEC Obligations and the Consumer’s Right to Refuse a Smart Meter’

### April 2023 Working Group – meeting summary

#### Attendees

Attendee	Organisation
Kev Duddy (KD)	SECAS
Rachel Black (RB)	SECAS
Elizabeth Woods (EW)	SECAS
Mike Fenn (MF)	SECAS
Rainer Lischetzki (RL)	SECAS
Mohammedanwar Sumro (MS)	SECAS
David Walsh (DW)	DCC
Robin Seaby (RS)	DCC
Patricia Massey (PM)	BEAMA
Julie Brown (JB)	British Gas
Beth Davey (BD)	Calvin Capital
Amy Cox (AC)	EDF
Alex Hurcombe (AH)	EDF
Daniel Davies (DD)	ESG
Martin Bell (MB)	EUA
Kelly Kinsman (KK)	National Grid Electricity Distribution
Stuart Blair (SB)	Northern Powergrid Metering
Ralph Baxter (RBa)	Octopus Energy
Jamie Flaherty (JF)	Ofgem
Audrey Smith-Keary (ASK)	OVO Energy
Stephen McLaughlin (SM)	Scottish Power
Gordon Hextall (GH)	Security Sub-Committee
Jeff Studholme (JS)	Smart Meter Assets
Shuba Khatun (SK)	SSE Networks
Kevin Clark (KC)	Utilita

## Overview

The Smart Energy Code Administrator and Secretariat (SECAS) provided an overview of the issue identified, the Proposed Solution, the business requirements and the Data Communications Company's (DCC's) Preliminary Assessment response.

## Issue

- Consumers are approaching their Suppliers to have smart meters installed in 'dumb' mode.
- There is currently no way to do this without impacting other obligations within the Smart Energy Code (SEC).
- Non-communicating Devices appear as instances to be resolved.

## Business requirements

Ref.	Requirement
1	Energy suppliers will be able to notify the DCC of a consumer's preference regarding Smart Meter functionality.
2	A flag will be created within DCC Systems to indicate whether communications with a Device have been reduced due to consumer choice.
3	The Responsible Supplier will be able to request the addition and removal of the flag, subject to its adherence with all reasonable steps obligation for installing Smart Meters in the Supply Licence.
4	Critical, Security and Safety Alerts and Firmware updates will still be sent when communication with a Device has been reduced due to consumer choice.
5	The DSP will notify the Communications Service Provider (CSP) when the flag has been applied to an installation.
6	The DCC will amend any reporting for which the success/failure of Service Requests relating to energy consumption is a metric to allow for exceptions where communications have been reduced due to consumer choice.

## Proposed Solution

- A process whereby Service Requests relating to consumer data can be restricted.
- Additional step to 'all reasonable steps'.
- A Data Service Provider (DSP) System flag indicating that a Smart Meter has restricted communications due to consumer choice.
- Provide mechanism via SSI/SSMI whereby a Supplier can set (or clear) 'Restricted' mode.

CSPs to introduce reporting functionality to ensure 'Restricted' Devices are not included in relevant monthly performance measures.

## DCC Preliminary Assessment

- Total cost to complete the Full Impact Assessment of £131,423;
- Rough Order of Magnitude (ROM) costs up to the end of PIT of £1,291,600 to £1,690,600; and
- Design, Build, and PIT is expected to take about nine months to complete following approval.

## Working Group Discussion

SECAS (MF) provided an overview of the issue, business requirements, solution and associated PA costs. They noted that the DCC has stated that the inclusion of business requirement 5 accounts for over 50% of the quoted costs. SECAS and the Proposer are assessing the impact of removing this requirement from the modification scope.

A Working Group member (JS) asked SECAS to consider how the process would be managed for a gas meter in a 'Restricted' state, as leaving a gas meter non-commissioned causes the battery to drain. The DCC (RS) advised this issue would only come into play if the solution was deconstructing the Home Area Network (HAN) in some way, but it isn't.

The DCC (RS) queried if any work had been done to research responses to the offer of a 'Restricted' mode from consumers who refuse Smart meters. SECAS (MF) advised that it is difficult to see customer numbers as they are not obliged to give a reason for refusal to the Suppliers. As Suppliers reach the point where willing customers have already accepted Smart installations, they will move into the pool of customers who haven't been successful on the first try, and the purpose of this modification is to mitigate further refusals while ensuring consumers are still allowed to refuse Smart meters if they wish.

The DCC (RS) noted the difficulties but suggested that while industry members may understand what 'Restricted' mode means in practice, consumers likely won't. A Working Group member (SB) noted that communicating the 'Restricted' functionality to consumers could be a challenge. Another member (AH) acknowledged this but cited the need to address the issue of consumers refusing Smart installations, and the need for strong communication across the board for consumers.

SECAS (MF) agreed and noted that there will always be an extent to which it's up to the Supplier to communicate the options to a consumer. Suppliers need to make the case for Smart installations, but there's always a possibility that this isn't good enough for a consumer. This modification aims to reduce number of consumers that are unwilling, noting it is not possible to resolve all of these.

A Working Group member (RB) believed this modification will help to solve the widespread mistaken belief that 'dumb mode' exists for Smart metering. This view is being upheld by the Energy Ombudsman in recommendations to Suppliers when addressing customer complaints. Another member (JS) agreed and added that the operational reality is that Suppliers won't be carrying heritage meters; this modification provides an option which can prevent 'Smart to dumb' changeouts, reducing the number of unnecessary meter removals.

Another Working Group member (JB) asked if this solution was intended to be applied to credit customers only, or whether Pay As You Go (PAYG) customers would also be included. SECAS (MF) noted that there is a list of Service Requests which will be restricted under the solution, and that most prepayment processes would not be workable under the solution. For this reason, it will only be an option for credit customers.

A member (MB) asked that SECAS consider the Trust Centre Swap-out, highlighting the process will be widespread where 2G/3G Communications Hubs can be replaced by 4G Communications Hubs without having to go through a full reinstallation process. Another member (AH) queried the impact noting there wouldn't be any consumer data present on the Communications Hub. SECAS (MF) agreed to consider this point.

The member (AH) also queried whether the DSP flag would automatically be cleared on notification of a Change of Tenancy (CoT) and whether the flag would be available on Change of Supplier (CoS). SECAS (MF) advised that in a CoS event, the incoming Supplier would be able to see the flag but would still be obliged to attempt all reasonable steps to have the consumer allow full Smart functionality. SECAS (MF) advised that there was currently no intention for the flag to be automatically cleared in a CoT event, but noted the possible advantages and agreed to discuss this with the Proposer. The member (AH) noted that Suppliers would need to build something into their systems to look for the flag during CoS and CoT.

A Working Group member (SK) queried whether Network Parties will also have visibility of when the DSP System flag is present, and how this would affect processes surrounding power outages. Another Working Group member (DD) asked if the Billing Calendar Alert will be blocked, noting that this would mean the solution will involve rejection in the Southbound pathway as well as the Northbound. SECAS (MF) advised that both these were currently on the 'Restricted' list which would be provided with the Refinement Consultation so that Parties can ensure there aren't secondary processes which would be affected. They also advised that the question of how the flag will be visible to Parties is one of the considerations from the DCC Preliminary Assessment, but that the current assumption is that this will be visible in the Self-Service Interface (SSI) which Network Parties can access.

The DCC (DW) noted that for consistency the wording in business requirement 5 should be changed to 'the' System flag not 'a' System flag. SECAS (MF) agreed to update this in the next draft.

A Working Group member (BD) queried how and when Suppliers will notify the DCC of the consumer's choice. SECAS (MF) advised the idea currently is for this to be done after install and commissioning is completed, to leave this process unaffected as much as possible.

The DCC (RS) advised the assumption for the Preliminary Assessment is that the Supplier will send a notification via the SSI or the DCC Service Centre. The member (BD) noted there would be time considerations for raising the ticket and that it would be better if the process was automatic. Another member (DD) agreed, noting that messages could be sent to/from the Device while the update takes place, but also noted that to make changes to the Service Request orchestration in install and commissioning would mean further DCC User Interface Specification (DUIS) changes.

The DCC (RS) highlighted CSP concerns about the removal of business requirement 5, namely that if they don't have visibility of the DSP flag it may impact their ability to triage incidents raised against non-communicating Devices. SECAS (MF) noted that the Parties raising these incidents would have visibility and so therefore shouldn't be raising them against Devices in 'Restricted' mode as they know the reason why the Device is not communicating.

A Working Group member (JB) noted that meters having a status of 'Suspended' is an existing concept and queried why the solution doesn't make use of this functionality. The DCC (RS) advised that a separate attribute is required for the 'Restricted' mode as it could be applied to Devices with any status.

A member (DD) queried whether changes to the SSI would be covered in SEC legal text drafting. SECAS (MF) advised that a consideration is whether to add this in the install and commissioning

process document, but noted that there may not be a precedent for doing this and that the 'all reasonable steps' concept is not currently included there.

Another member (BD) believed that something should be included in the SEC drafting about how Suppliers should use this functionality, emphasising that it is a last resort. This was echoed by another member (DD) who queried whether changes might be necessary outside of the SEC, for example in the Supplier licence documentation, and that the modification should consider what needs to be communicated to consumers.

## Next Steps

The following actions were recorded from the meeting:

- SECAS to discuss the mechanism to be applied to business requirement 1 with the Proposer.
- SECAS to investigate the possible impact of the modification on the Trust Centre Swap-out process.
- SECAS to confirm the 'Restricted' list of Service Requests with the Proposer and provide this with the Refinement Consultation.
- SECAS and the Proposer to consider the comments of the Working Group in the decision to remove business requirement 5.
- SECAS to update the business requirements drafting to reflect the discussions of the Working Group.