



Department for
Business, Energy
& Industrial Strategy

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

The Authority (Ofgem), the SEC Panel, SEC Parties and other interested parties

27 March 2018

Dear Colleague,

Consultation on amendments to the Smart Energy Code, DCC Licence and energy supply licence conditions related to the provision of a DCC SMETS1 Service, and updates to the regulatory framework around transition

The consultation document at **Annex A** seeks stakeholder views on proposed changes to the Smart Energy Code (SEC), DCC Licence and energy supply licences to enable the provision of a SMETS1 Service by the Data Communications Company (DCC). The proposed updated legal text is at **Annexes B – D**.

Subject to consideration of consultation responses and parliamentary scrutiny, the proposed amendments will be incorporated into the regulatory framework using the Secretary of State's Section 88 Energy Act 2008 powers. The later activation of the amendments to the Smart Energy Code by the Secretary of State will be subject to the conclusions of a separate consultation, to be issued shortly, on whether to require DCC to offer a SMETS1 Service in respect of various SMETS1 meter cohorts.

Summary of content

The primary changes proposed by this consultation are:

- Amendments to SEC Sections F and H, covering Smart Metering System Requirements and DCC Services respectively. The proposed amendments reflect changes required for SMETS1; including in relation to Target Response Times, testing, incident resolution, the re-naming of the Certified Products List, and rights and obligations of energy suppliers in respect of split supply premises.
- Activation of SEC Section H7 on 1 October 2018 to enable requests for the provision of Elective Communication Services by the DCC.
- Amendments to SEC Section G on security to include SMETS1 Services within the scope of the SEC security obligations, and to incorporate SMETS1 Services within the remit of the SEC Panel Security Sub-committee

- Extensions to certain transitional provisions in the SEC and Smart Meter Communication Licence until the earlier of Completion of Implementation¹ or the end of 2020.
- Provision for the development of a new SEC Subsidiary Document by the DCC, known as the Transition & Migration Approach Document (TMAD), which will cover the process to apply between Suppliers and the DCC when enrolling SMETS1 Smart Metering Systems that have been commissioned by an existing SMETS1 Smart Meter System Operator (SMSO).
- A range of additional minor and consequential changes to the SEC and licence conditions that are considered necessary to enable the effective and efficient delivery and operation of a DCC SMETS1 Service.

Responding to this consultation

Responses to this consultation should be submitted no later than 26 April 2018.

Comments should be submitted to: smartmetering@beis.gov.uk

or addressed to:

Smart Metering Implementation Programme – Regulation,
Department for Business, Energy & Industrial Strategy,
5th Floor, Orchard
1 Victoria Street,
London SW1H 0ET

Information provided in response to this consultation, including personal data, may be subject to publication or release to other parties, or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000, the Data Protection Act 1998 and the Environmental Information Regulations 2004).

Individual responses to this consultation may be published and you should therefore let us know if you are not content for your response or any part of it to be published. If you indicate that you do not want your response published, we will not publish it automatically but it could still be subject to information requests as detailed above. If you do not want your individual response to be published, or to otherwise be treated as confidential, please say so clearly in writing when you send your response to the consultation. For the purposes of considering access to information requests, it would also be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality

¹ Completion of Implementation occurs on a date designated by the Secretary of State (or by a person appointed by him for that purpose) provided that all the Conditions of the DCC Licence are in full force and DCC is reasonably able to comply with them. The SEC further provides that this will be when the Secretary of State believes that:

- The documents material to the implementation of the SEC have been incorporated into it
- The provisions material to the implementation of the SEC apply in full and without variation
- Each Party that holds an energy licence is reasonably able to perform its obligations and exercise its rights under the Code.

disclaimer generated by your IT system will not, of itself, be regarded by us as a confidentiality request.

Kind regards,



Duncan Stone
Head of Delivery
Smart Metering Implementation Programme

List of Annexes to this letter

Annex A	Consultation document
Annex B	Legal text of proposed SEC amendments
Annex C	Legal text of proposed energy supply licence amendments
Annex D	Legal text of proposed DCC Licence amendments