

Condition 1. Definitions for standard conditions

Include, in alphabetical order, the following new definition in paragraph 1.2 of Condition 1

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| <u>SMETS2+ Smart Metering System</u> | <u>means a Smart Metering System that meets the requirements of a Version of the SME Technical Specification with a Principal Version number that is greater than 1.</u> |
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Condition 46: Smart Metering Systems – Requirements for Specified Optional Equipment

PPMID

46.1 This Condition applies only in respect of Prepayment Meter Interface Devices which form part of a SMETS2+ Smart Metering System.

~~46.1~~46.2 Where the licensee is the Relevant Gas Supplier at any Domestic Premises or Designated Premises at which there is installed a Prepayment Meter Interface Device, it must take all reasonable steps to ensure that the Prepayment Meter Interface Device installed at the premises is maintained so that at all times, where it is connected through the HAN to a device forming part of the SMETS2+ Smart Metering System at the premises, it satisfies the requirements of a Version of the PPMID Technical Specification which is:

(a) a Version with a Principal Version number that is greater than 1;

~~(a)~~(b) within its Maintenance Validity Period;

~~(b)~~(c) the same Version in respect of all devices comprised within that Prepayment Meter Interface Device;

~~(c)~~(d) Compatible with the Version of the SME Technical Specification which includes the Metering Equipment Section in accordance with which that SMETS2+ Smart Metering System is maintained by the licensee; and

~~(d)~~(e) where the SMETS2+ Smart Metering System at the premises includes a Communications Hub, Compatible with the Version of the CH Technical Specification in accordance with which that Communications Hub is maintained by the DCC.

~~46.2~~46.3 The requirement in paragraph 46.~~1~~2 is subject to paragraph 46.~~3~~4.

~~46.3~~46.4 Where on any given date a Prepayment Meter Interface Device is maintained by the licensee such that it satisfies the requirements of a particular Version of the PPMID Technical Specification with a Principal Version number that is greater than 1, the licensee must take all reasonable steps to ensure that the Prepayment Meter Interface Device is not subsequently maintained by the licensee so as to satisfy the requirements of an earlier Version (as indicated by a lower Principal Version number and/or a lower Sub-Version number) of the PPMID Technical Specification notwithstanding that any such earlier Version may otherwise meet the requirements of paragraph 46.~~1~~2.

Condition 49. Smart Metering – The Alt HAN Arrangements

Introduction

49.1 This condition provides for specified holders of electricity and gas supply licences (acting collectively) to ensure the availability of services to facilitate the installation and operation of equipment that will enable the extension of the HAN at relevant premises such that it:

- (a) extends into a relevant part of the premises; and
- (b) enables communications to be made between the parts of one or more [SMETS2+](#) Smart Metering Systems at those premises,

where one or both of those things cannot otherwise be achieved, after taking reasonable steps to do so, by means of equipment provided by the DCC in accordance with the Smart Energy Code.

Principal Obligations

49.2 Where the licensee is a Relevant Supplier it must, in conjunction and co-operation with all other Relevant Suppliers, ensure that:

- (a) the Alt HAN Activities are carried out; and
- (b) the Alt HAN Services are made available to all Relevant Suppliers and are provided on reasonable terms to any Relevant Supplier which has elected to acquire them.

49.3 For the purposes of paragraph 49.2(a), the Alt HAN Activities may be carried out by means of one of the following (or a combination of both of them):

- (a) those activities being undertaken by or on behalf of all Relevant Suppliers; and/or
- (b) the acquisition, by or on behalf of all Relevant Suppliers, of services which comprise or form a part of those activities.

49.4 For the purposes of paragraph 49.2(b), the Alt HAN Services may be made available and provided to a Relevant Supplier by means of one of the following (or a combination of them):

- (a) the acquisition of the capability to provide those services, and their provision to that Relevant Supplier, by or on behalf of all Relevant Suppliers;

- (b) the procurement, by or on behalf of all Relevant Suppliers, of the availability of those services from a third party, and their subsequent provision by that third party to the Relevant Supplier; and/or
- (c) the entering into, by or on behalf of all Relevant Suppliers, of such arrangements for the financing of the costs of the services as are reasonably required for the purposes of ensuring the availability and provision of those services.

49.5 Where the licensee is a Relevant Supplier it must:

- (a) take all reasonable steps to ensure that the Alt HAN Activities are carried out and the Alt HAN Services provided:
 - (i) by means of its participation in the arrangements set out at Section Z of the Smart Energy Code; and
 - (ii) in a manner that is both economic and efficient; and
- (b) ensure that the costs of the Alt HAN Activities and Alt HAN Services (by whatever means they are carried out, made available and provided) are recovered by means of the provisions for their recovery set out at Section Z of the Smart Energy Code.

Alt HAN Activities

49.6 For the purposes of this condition, the **Alt HAN Activities** means activities which:

- (a) are designed to determine which premises or groups of premises may benefit from the installation of Alt HAN Equipment;
- (b) involve the establishment and maintenance of a database of such premises;
- (c) are designed to establish which types of Alt HAN Equipment are likely to be the most cost-effective;
- (d) comprise the development, design, design assurance, prototype production, testing and configuration of Shared Solution Alt HAN Equipment;
- (e) comprise:
 - (i) the development, design and design assurance of Point-to-Point Alt HAN Equipment; and

- (ii) to the extent to which it is economic and efficient to do so, the prototype production, testing and configuration of Point-to-Point Alt HAN Equipment;
- (f) may, for the purposes of paragraphs (a) to (e), involve the undertaking of pilot projects in relation to Alt HAN Equipment at premises;
- (g) involve the establishment and maintenance of a database which includes data in respect of:
 - (i) Alt HAN Equipment which has been installed at premises in accordance with the arrangements set out at Section Z of the Smart Energy Code, and of the MPANs and MPRNs associated with SMETS2+ Smart Metering Systems (whether already installed or to be installed) which are capable of using such equipment;
 - (ii) all other Alt HAN Equipment which has been installed at premises, and of the MPANs and MPRNs associated with SMETS2+ Smart Metering Systems (whether already installed or to be installed) which are capable of using such equipment; and
 - (iii) where Alt HAN Equipment of the type referred to in sub-paragraph (ii) has been installed at premises, whether, at any given time, an Energy Supplier has elected to use that equipment;
- (h) include such arrangements for the financing of the costs of any of the activities referred to in paragraphs (a) to (g) as are reasonably required for the purposes of ensuring the undertaking of, or acquiring of services which comprise or form part of, those activities; and
- (i) include the obtaining of such legal, managerial, technical, financial, risk management or other professional services as are reasonably required for the purpose of:
 - (i) undertaking, or acquiring services which comprise, any of the activities referred to in paragraphs (a) to (h); and
 - (ii) making available and providing the Alt HAN Services (including in particular the obtaining of services for the purpose of putting in place financing arrangements of the type referred to in paragraph 49.4(c)).

The Alt HAN Services

49.7 For the purposes of this condition, the **Alt HAN Services** means:

- (a) the manufacture, provision, installation, operation, maintenance, modification and decommissioning of Shared Solution Alt HAN Equipment;
- (b) to the extent to which it is economic and efficient to do so, the manufacture, provision, installation, operation, maintenance, modification and decommissioning of Point-to-Point Alt HAN Equipment;
- (c) the provision of information and support in relation to each of the services referred to in paragraphs (a) to (b).

The Alt HAN Equipment

49.8 For the purposes of this condition, the **Alt HAN Equipment** means such equipment and apparatus as would be required by a Relevant Supplier in order to ensure that, in relation to any SMETS2+ Smart Metering System at a Relevant Premises, the HAN:

- (a) extends into at least one part of that Relevant Premises as described in standard condition 43.4(c)(i) (Smart Metering System – Operational Requirement); and
- (b) permits communications to be made between the parts of one or more SMETS2+ Smart Metering Systems at that Relevant Premises,

where the Relevant Supplier would otherwise be unable, having taken all reasonable steps, to achieve either or both of those things by means of the equipment provided by the DCC in accordance with the Smart Energy Code.

Relevant Premises

49.9 For the purposes of this condition, **Relevant Premises** means, in respect of a Relevant Supplier, any premises:

- (a) at which it is the Relevant Electricity Supplier or Relevant Gas Supplier (as the case may be);
- (b) at which there is, or is to be, installed a SMETS2+ Smart Metering System; and
- (c) which is not Exempt Premises.

Exempt Premises

49.10 For the purposes of this condition, **Exempt Premises** means any premises specified in, or falling within a description of premises specified in, the Exempt Premises List.

49.11 Where the licensee is a Relevant Supplier, it must, in conjunction and co-operation with all other Relevant Suppliers, establish and maintain the Exempt Premises List in accordance with this condition.

Exempt Premises List

49.12 For the purposes of this condition, the **Exempt Premises List** means a list which specifies premises or descriptions of premises in respect of which, for one of the reasons specified in paragraph 49.13, the HAN need not either:

- (a) extend into at least one part of the premises as described in standard condition 43.4(c)(i) (Smart Metering System – Operational Requirement); or
- (b) permit communications to be made between the parts of a SMETS2+ Smart Metering System, or between part of a SMETS2+ Smart Metering System and another SMETS2+ Smart Metering System at the premises.

49.13 The reasons specified in this paragraph are that the HAN need not have the specified capabilities because:

- (a) it would be technically impracticable for it to do so; or
- (b) though technically practicable, it could only be achieved at disproportionate cost,

in either case in consequence of the physical or other characteristics of, or any other relevant consideration with respect to, the specified premises.

49.14 Where the licensee is a Relevant Supplier, it must, in conjunction and co-operation with all other Relevant Suppliers, and prior to making available or providing any Alt HAN Services:

- (a) provide a draft of the Exempt Premises List to the Secretary of State;
- (b) together with that draft, provide to the Secretary of State information as to:
 - (i) the different service levels capable of being achieved by Alt HAN Equipment of different types or qualities;

- (ii) the respective costs of manufacturing, providing, installing, operating, maintaining, modifying and decommissioning such different types or qualities of Alt HAN Equipment;
 - (c) provide to the Secretary of State all such further information related to the Alt HAN Activities or Alt HAN Services as she may request;
 - (d) make such changes to the draft Exempt Premises List as the Secretary of State may (following consultation with such persons as she considers appropriate) direct; and
 - (e) obtain the approval of the Secretary of State to the Exempt Premises List.
- 49.15 The Exempt Premises List shall be treated as established for the purposes of this condition only when it has been approved by the Secretary of State.
- 49.16 Where the licensee is a Relevant Supplier, it must, in conjunction and co-operation with all other Relevant Suppliers, by means of participation in the arrangements set out at Section Z of the Smart Energy Code:
- (a) review the Exempt Premises List at least once in each year following the Secretary of State's approval; and
 - (b) propose to the Secretary of State such revisions of the Exempt Premises List (if any) as may be necessary or appropriate in the light of the review.
- 49.17 The Secretary of State may, whether after receiving proposed revisions from the Relevant Suppliers or at any other time, and following consultation with all Relevant Suppliers and such other persons as she considers appropriate, revise the Exempt Premises List in such manner, with effect from such time, and to such extent as she may specify.
- 49.18 The Secretary of State may, by means of a direction in accordance with this paragraph issued to the Authority and all Relevant Suppliers, provide that:
- (a) any duty of the licensee under paragraph 49.14 or 49.16 expressed to be by reference to the Secretary of State and identified in the direction; or
 - (b) any function of the Secretary of State under paragraph 49.14, 49.16 or 49.17 identified in the direction,
- shall, from such date as she may specify, be treated as a duty expressed by reference to, or a function exercisable by, the Authority in substitution for the Secretary of State.

- 49.19 The licensee must provide a copy of the Exempt Premises List to any person who requests it.
- 49.20 For the purposes of the approval of the Exempt Premises List or any subsequent revision of it by the Secretary of State or Authority in accordance with this condition, any question arising under paragraph 49.13 as to whether the HAN could have the specified capabilities only at disproportionate cost shall be determined by the Secretary of State or Authority (as the case may be) in such manner and by reference to such factors as she or it considers appropriate.

Definitions

- 49.21 In this condition:

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| Alt HAN Activities | has the meaning given to it in paragraph 49.6 |
| Alt HAN Equipment | has the meaning given to it in paragraph 49.8. |
| Alt HAN Services | has the meaning given to it in paragraph 49.7. |
| Energy Supplier | means a person Authorised by an Electricity Supply Licence to supply electricity or a Gas Supply Licence to supply gas. |
| Exempt Premises | has the meaning given to it in paragraph 49.10. |
| Exempt Premises List | has the meaning given to it in paragraph 49.12. |
| Point-to-Point Alt HAN Equipment | means equipment which fulfils the function of Alt HAN Equipment in respect of only one Relevant Premises. |
| Relevant Premises | has the meaning given to it in paragraph 49.9. |
| Relevant Supplier | means an Energy Supplier which is required in accordance with standard condition 39 of an Electricity Supply Licence or standard condition 33 of a Gas Supply Licence to install a Smart Metering System at any premises. |
| Shared Solution Alt HAN Equipment | means equipment which fulfils the function of Alt HAN Equipment in respect of more than one Relevant Premises. |