SEC
Smart Energy Code

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SEC Modification Proposal Form

Mod Title

Extension of SMETS gas Valve exemption to include Large Gas Meters installed at Domestic Premises

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1. What issue are you looking to address?

The Smart Metering Equipment Technical Specifications (SMETS) require that gas meters include a Valve. The main purpose of a Valve is to allow for the gas supply to be disabled / enabled in support of functionality related to a meter being operated in prepayment mode. The requirement to have a Valve does not extend to gas meters installed at non-domestic premises. Furthermore, premises that require a Large Gas Meter[1] do not need to be SMETS compliant and instead an advanced meter can be installed. There is no requirement for an advanced meter to have prepayment functionality or to have a Valve.

The most common size of Large Gas Meter used for small non-domestic premises (e.g. designated premises) and domestic premises are commonly referred to as U16 meters. The number of non-domestic consumers that have, or require, a U16 Large Gas Meter is thought to be approximately 150,000. This number is considerably higher compared to the domestic sector where the number of U16 Large Gas Meters installed is thought to be approximately 50,000. With overall numbers of U16 Large Gas Meters being relatively small, and there being no requirement for them to be SMETS compliant, it is conceivable that a SMETS compliant U16 will not be developed. With most U16 Large Gas Meters being installed at non-domestic premises, and there being no requirement for those meters to contain a Valve, even if a SMETS U16 were to be developed, it is unlikely that it would contain Valve and therefore could not be installed at domestic premises. Suppliers would instead rely on advanced meters as a domestic solution where a Large Gas Meter is required.

Most domestic customers that require a Large Gas Meter Domestic will have a SMETS Electricity Meter installed, which is managed via the DCC. This means that these consumers may have two different solutions within their premises as the advanced gas meter would be operated via some other means. Furthermore, the services and customer benefits from advanced meters are less than the SMETS equivalent technology.

This modification proposal therefore looks to address the low likelihood of a U16 SMETS meter being developed by allowing for a SMETS compliant U16 Large Gas Meter, without a Valve, to be used for both domestic and non-domestic installations.

2. Why does this issue need to be addressed? *(i.e. Why is doing nothing not an option?)*

Without extending the SMETS gas Valve exemption it is likely that Suppliers' only feasible option will be to install an advanced meter at Domestic Premises where a Large Gas Meter is required.

Advanced meters do not offer the same benefits as SMETS meters. For example, they will not interact with the domestic customer's Smart Metering System. The impact of this will be a sub-optimal consumer experience, for example:

- the In-Home Display (IHD) will not display any gas information;
- the customer may not benefit from bespoke smart tariffs;
- prepayment functionality will not be available on the gas supply account;

[1] A Large Gas Meter is defined within the Gas Supply Standard Licence Conditions as a means a Gas Meter designed to operate with a maximum flow rate of greater than 11 cubic metres per hour.

- no ability to connect a standard Consumer Access Device (CAD);
- the customer may experience issue on Change of Supply (e.g. gaining supplier unable to access remote information); and
- unlikely to enable remote access to data for third parties.

This Modification will allow the same Large Gas Meter to be compliant for both domestic and non-domestic installations and allow more domestic customers to benefit from SMETS technology and services. It will also increase the overall requirement (and case) for development of U16 SMETS meters meaning that the overall cost of SMETS U16 Large Gas Meters is likely to decrease (e.g. higher production resulting in lower unit cost) and become a more viable product.

3. What is your Proposed Solution?

This Modification is seeking to extend the SMETS non-domestic exemption for including a Valve to also cover any SMETS installation at domestic premises where the Gas Meter is a Large Gas Meter. The proposed solution is to extend the current gas Valve exemption, that does not require a Valve within the Gas Meter for installations at a non-domestic premises, to also include any Large Gas Meter installation at a domestic premises.

The relevant clauses in SMETS that would require simple amendment are as follows:

Applicable SMETS text	**Applicable SMETS version(s) and line references**
Any requirements to Lock, Enable, Disable or Arm Supply set out in this Section 4, only apply to Gas Smart Metering Equipment installed at Domestic Premises	SMETS2 V2.0 (62-63) SMETS2 V3.0 (64-65) SMETS2 V4.0 (64-65)
GSME shall as a minimum include the following components: i. a Clock; ii. a Data Store; iii. a Gas Meter; iv. a HAN Interface; v. a Random Number Generator; vi. a User Interface; vii. where installed at Domestic Premises, a Valve;	SMETS2 V2.0 (82-89) SMETS2 V3.0 (83-90) SMETS2 V4.0 (83-90)

4. What SEC objectives does this Modification better facilitate?

This modification will better facilitate the following SEC objectives:

- the first General SEC Objective to facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain. This will be achieved by increasing the likelihood of a U16 SMETS meter being developed

allowing for greater numbers of non-domestic and domestic customers to benefit from SMETS/DCC;

- the third General SEC Objective to facilitate Energy Consumers' management of their use of electricity and gas through the provision to them of appropriate information by means of Smart Metering Systems. An increased number of domestic and non-domestic customers may be better placed to manage their energy usage through SMETS metering and connected devices; and
- the fourth General SEC Objective is to facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy. This will be achieved by increasing the potential usability of a single meter variant to cover both domestic and non-domestic premises, reducing the risk of issues at change of supply with interoperability and allowing rationalisation of solutions (SMETS and advanced metering) used is single premises.

5. What is the requested Path type?	Path 3 – Self Governance

This modification is appropriate for Self-Governance as it does not meet the criteria for Path 1 or Path 2 (e.g. no material impact on parties, consumers, competition).

6. Are you requesting that the Modification Proposal be treated as Urgent?	No

Urgent status is not warranted or required. We believe this modification proposal can be progressed in a short timescale without urgent status as it is a minor text change only (e.g. no implementation impact on DCC, suppliers, manufacturers or any SEC Party).

7. What is your desired implementation date?

The next available SEC Release.

8. Which SEC Parties are expected to be impacted? (Please mark with an X)

Large Supplier Parties	X	Small Supplier Parties	X
Electricity Network Parties		Gas Network Parties	
Other SEC Parties	X		

Suppliers can choose whether they are impacted by this modification proposal as they may wish (or not) to procure Large Gas Meters.

Manufacturers are impacted as this modification proposal would provide them with the ability to develop a further SMETS variant.

There are no central system or user system changes required to implement this modification.

9. Which parts of the SEC will be impacted?
SMETS2 (Versions 2.0, 3.0 & 4.0).

10. Will there be an impact on Central Systems? (Please mark with an X)			
DCC Systems		Party interfacing systems	
Smart Metering Systems		Communication Hubs	
Other systems			
There are no system impacts.			

11. Will there be any testing required?
No testing is required to enable implementation.

12. Will this Modification impact other Energy Codes?	No
n/a	

13. Will this Modification impact Greenhouse Gas Emissions?	Yes
This modification proposal will have a positive impact on Greenhouse Gas Emissions as it may enable more domestic and non-domestic customers to have a SMETS compliant large gas meter. The associated benefits of SMETS meters includes the ability for consumers to be more aware and engaged with their energy usage and could lead to a reduction in energy consumption. This reduction could reduce Greenhouse Gas Emissions.	