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## Transitional Governance Update

### 1. Purpose

This paper is intended to inform the SEC Panel and SEC Parties of the activities occurring in the Smart Metering Implementation Programme (SMIP). The update covers the following areas:

- **Section 2** provides high-level updates from the Transitional Work Group meetings attended by the Smart Energy Code Administrator and Secretariat (SECAS) and the Panel Chair, in the last month.
- **Section 3** provides a high-level overview of relevant publications, responses and consultations issued by the Department for Business, Energy and Industrial Strategy (BEIS), the Data Communications Company (DCC) and Ofgem in relation to smart metering, whilst highlighting areas which may be of interest to the SEC Panel and/or SEC Parties.

### 2. Transitional Work Group Updates

#### 2.1 Smart Metering Delivery Group (SMDG)

SMDG met on 10 October 2018 and matters discussed included:

**Programme update.** The SMDG Dashboard report for October 2018 together with the Supplier Dashboards showed:

- There were over 57,000 SMETS2 meters connected to the DCC system as of 7 October;
- BEIS have published the government response to the three consultations relating to SMETS1 meters, which confirmed the final SMETS1 and Advanced Meter Exception end dates as the 5 December 2018 and pre-pay as the 15 March 2019;
- Confirmation that the DCC were finalising the Licence Condition 13 (LC13) SMETS1 Enrolment & Activation plan for consultation.

**DCC Progress Update.** The DCC reported that:

- Go-Live for Release 2 will occur on the weekend of the 27/28 October. Outstanding defects mean the release of the Dual Band Communications Hub firmware will now be made at a later date;
- The revised LC13, SMETS1 Enrolment and Adoption plan, retains the overall structure with proposed revisions moving Interim operating Capability from November 2018 to March 2019,

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Middle Operating Capability from March 2019 to August 2019 and Final Operating Capability from June 2019 to October 2019;

- Progression from previous versions of firmware to version 1.38.6 was continuing successfully with additional support being provided to Suppliers;
- The Change of Supplier process was operating successfully with the DCC system functioning as required to support this service.

#### Other updates

- Alt HAN Delivery Programme Update included Programme milestones and Programme Dashboard, together with budget setting for the coming year;
- Customer Reference Group Update – this group provides advice and shares best practice to mitigate the consumer journey associated with the Smart Meter roll-out.

## 2.2 Technical Design and Execution Group (TDEG)

TDEG met on 9 October 2018. SECAS was unable to attend.

## 2.3 Technical Specification Issue Resolution Subgroup (TSIRS)

TSIRS met on 10 October 2018 and issues discussed included:

**Prepayment meter emergency credit SMETS2 behaviour proposal.** There was discussion of how best SMETS2 could deal with emergency credit for prepayment consumers. The current situation was felt to be inadequate, but it was unclear what the best approach would be and whether the amount of emergency credit available (and whether this should be a fixed amount) should or should be visible, unless required. A document will be drafted and distributed to TSIRS and to BEAMA, Energy & Utilities Alliance UA and Energy UK for input, and the Issue will be escalated to Technical Business Design Group.

**Network Leave and Key Change ambiguities.** There is wide variation in practice around Key Changes with frequencies varying from daily to every 30 days. Change Request Proposal 540 will align Communications Hubs (CH) behaviour across all CH manufacturers. ZigBee recommends 30 days unless specific conditions are met. The DCC will clarify why the network keys are changed in much shorter intervals than the 30 days.

**Display of Price for twin element meters.** TSO960 covers this subject and had been raised via Smart Meter Device Accreditation. There is no recognition of twin element devices and how the display of individual elements is supposed to work; SMETS is silent about this. BEIS is in the process of drafting an IRP/CRP to clarify what needs to be displayed: Active price, active primary and active secondary price.

#### Other matters:

- There is no guidance in Great Britain Companion Specification (GBCS) or SMETS on the timing when standing charges need collecting - this needs clarification;
- There was a reminder to manufacturers to specify GBCS 1.1. in Certified/Central Products List (CPL) submissions. The same procedure will need to be followed for Release 2;
- SMETS doesn't contain formulas for calculating debt to clear, but issues log number TS0625 contains a formula for calculation.

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## 2.4 Joint Testing Advisory Group (TAG) / Technical and Business Design Group (TBDG)

A joint session of the TAG and TBDG (Enrolment & Adoption sub-group) met on 16 October 2018.

The DCC provided an overview of the SMETS1 migration process and the Migration Testing Approach. 'Dormant' meters will be migrated first. A question arose regarding the ability of Users to participate in SMETS1 user testing where they are not migrating meters in a given capability release – but gain these meters as a result of customer churn and had not operated these meters in 'smart mode' previously.

## 2.5 Technical and Business Design Group (TBDG)

TBDG met on 18 October 2018. The main topics discussed were:

**SMETS1 Enrolment & Adoption.** BEIS provided an update on the progress of various SEC subsidiary documents, noting that the intention is now to baseline a number of these. BEIS also noted that further 'device-specific behaviours' have been observed during testing that are being included in the SMETS1 Supporting Requirements document and that more (but diminishing numbers) may be identified. Energy UK would hold a prepay-specific workshop during week commencing 22 October and DCC will hold a workshop on device specific behaviours.

**Radio Frequency (RF) interference update.** The DCC provided an update on RF interference testing and responded to queries regarding how the results should be interpreted. Further work will be undertaken to enhance the Wireless Area Network AN coverage, checked at different noise levels and to investigate whether and how Central and South coverage may be affected by RF interference.

**Smart Electric Vehicle Charging.** BEIS provided an update on work regarding Smart Electric Vehicle Charging, including overview details of funding that may leverage the smart metering infrastructure, prove smart-metering based smart EV charging concept, and stimulate this part of the market.

**Communications Hardware update.** The DCC provided an overview of the hardware updates to Communications Hub, responding to concerns about its introduction without an explanation of the changes or the testing performed.

## 2.6 Implementation Managers Forum (IMF)

The IMF met on 25 October 2018. Key discussions addressed these matters:

**SMETS2 Release 2.0.** The status for this was green for code and Single Band Communications Hubs but red for Dual Band Communications Hubs (DBCH). Options currently being assessed by the DCC are:

1. Continue with one manufacturer and assume the second provides devices in next two months, the end date to slip by 3 months
2. Mothball DBCH Device Integration Testing and accept 2-month remobilisation once Devices are available
3. Continue with manufacturer 1 and provide constrained manufacture in Quarter 2 2019 based on testing with manufacturer only and lift constraints once testing for manufacturer 2 is complete

4. Continue with MM1 and move to full manufacture in Q2 2019 based on testing

The preferred option with the DCC is option 3 and the DCC is intending to raise a Change Request by the time of Panel meeting.

**SMETS1 Update.** The status of this is amber with a further consultation due to be released on SMETS1 User Testing Services Approach Document (UTSAD) shortly. The DCC was already receiving useful feedback on the Transition and Migration Approach Document consultation – more on the consultation in section 3.

**Change of Supplier.** The DCC reported the process was working well, although this was disputed, with Suppliers saying they had to change their processes. The DCC also thinks Suppliers are not sending through enough Change of Supplier requests compared to information from Registration Data Providers.

## 2.7 November 2018 Transitional Group meetings

Transitional Group	Meeting date
Test Design and Execution Group (TDEG)	13 November 2018
Smart Metering Delivery Group (SMDG)	7 November 2018
Technical Specification Issue Resolution Subgroup (TSIRS)	15 November 2018
Technical and Business Design Group (TBDG)	21 November 2018
Implementation Managers Forum (IMF)	29 November 2018

## 3. Publications

### 3.1 Ofgem consultation on DCC Price Control

The consultation gives the Authority's views on the price control information submitted by the DCC for the financial year 1 April 2017 to 31 March 2018, submitted on the 31 July 2018. The DCC also submitted proposals for adjustments to its Baseline Margin and External Contract Gain Share values. Issues include an increase in costs compared to the submission - 19% higher than forecast. The Authority is seeking views on questions covering:

- Whether External Costs are economic and efficient;
- Seeking views on Internal Costs including benchmarking of staff remuneration;
- Shared Services;
- The extent to which the Authority should expect more robust evidence from the DCC on how it has taken customer views into account in future price control submissions and how the DCC should enable meaningful customer input to decision-making;
- The DCC's application to adjust its Baseline Margin – including the DCC proposition that there has been a significant unanticipated change in customer expectations;
- The DCC's application for External Contract Gain Share;
- Seeking views on the Authority's approach to DCC's over-recovery of revenue.

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The consultation is on the [Ofgem website](#) with a closing date for responses of 28 December.

### 3.2 Consultations closed since last Panel meeting

The DCC [Consultation on the Transition and Migration Approach Document \(TMAD\) v0.2 for SMETS1 Services](#) opened on 12 October and closed on 2 November. This was a consultation on the second draft of the TMAD as the first raised several issues.

On 28 October BEIS published their response to the consultation on regulatory changes for Release 2 go-live which closed on 18 October. Below are links to the response and associated documents.

[BEIS Response and Direction Letter](#)

[SRO Go Live Documents](#)

[Release 2 Go Live Annexes](#)

### 3.3 BEIS response to consultation on SMETS1 enrolment

The response on [Enrolment of SMETS1 meter cohorts within the DCC](#): confirmed the government position that enrolment should begin for Aclara, Honeywell Elster, Itron and Landis+Gyr meter cohorts. There will be a further consultation on remaining Secure and EDML cohorts.

BEIS also confirmed its original proposal in the consultation on [Maximising interoperability for SMETS1 meters](#). Suppliers to take all reasonable steps to enrol SMETS1 meters in the DCC, within 12 months of the point they can do so, or gaining on change of supplier, and to take all reasonable steps to replace any unenrolled SMETS1 meters with SMETS2 meters by the end of 2020.

### 3.4 Publication of BEIS CAD testing and pairing document

The Government's vision is for data not only to be accessed remotely via the Data Communications Company (DCC) but also that consumers can access data from their smart meter locally via devices, known as Consumer Access Devices (CAD), connected to the Home Area Network (HAN).

The document below sets out the roles and responsibilities of the different relevant parties in the testing and pairing of CADs. It is focused on pairing CADs with SMETS1 meters, where certain industry parties were keen to have further guidance.

[Smart Meter CAD Pairing | Guiding principles supporting third party CAD Testing and pairing for SMETS1 meters](#)

## 4. Recommendations

The Panel is requested to **NOTE** the contents of this paper.

**Stephen Blann**

**SECAS Team**

**2 November 2018**