



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

5 November 2018

Dear Colleague,

Consultation on amendments to the Smart Energy Code and energy supply licence conditions related to the provision of a DCC SMETS1 Service, and changes to the CPA and CPL management processes for SMETS2 Devices

On 4 June Government published a response to the March 2018 consultation on proposed amendments to the smart metering regulatory framework related to the provision of a DCC SMETS1 Service. The regulatory changes were subsequently brought into legal effect on 18 July.

The consultation document at **Annex A** seeks stakeholder views on further proposed changes to the Smart Energy Code (SEC) and energy supply licences to enable the provision of a SMETS1 Service by the Data Communications Company (DCC), and to streamline the management of the Commercial Product Assurance (CPA) and Central Products List (CPL) management processes that apply in respect of SMETS2 Devices. The proposed updated legal text is included at **Annexes B and C**.

Subject to consideration of consultation responses and parliamentary scrutiny, the proposed main body SEC and licence amendments will be incorporated into the regulatory framework using the Secretary of State's Section 88 Energy Act 2008 powers. BEIS will consult on designating the dates from which the amended SEC Subsidiary Documents (SSDs) will be incorporated into the SEC in advance of the DCC's SMETS1 Service being made available.

Summary of content

The primary changes proposed by this consultation are:

- Amendments to establish the conditions under which a SMETS1 Smart Metering System will be considered Eligible for Enrolment for the purposes of the SMETS1 enrolment mandate which was concluded upon in October 2018.
- The inclusion of a new obligation in the energy supply licences to require energy suppliers to take all reasonable steps to facilitate SMETS1 Smart Metering Systems becoming Eligible for Enrolment with the DCC as soon as reasonably practicable in the interests of the prompt delivery of consumer benefits.
- Amendments to the SEC to reflect potential differences between the communications service provision for SMETS1 and SMETS2 meters.

- Amendments to the SEC to move away from the automatic removal of devices from the CPL due to CPA non-compliance, towards a risk-based approach which involves the SEC Security Sub-Committee (SSC) taking an evidence-based decision on the most appropriate remedy to pursue. In addition, we are proposing to transfer responsibility for maintaining the CPA Security Characteristics to the SSC for enduring industry management.
- A number of further miscellaneous amendments to the regulatory framework to enable the delivery of a SMETS1 service by the DCC. These include a number of definitional changes, proposals to streamline the Commissioning and CPL process for SMETS1 Device Models, and the inclusion of new provisions to reflect the relationship between the Electricity Supplier and Gas Supplier in respect of gas consumption data stored on the SMETS1 Communications Hub at split supply premises.

Responding to this consultation

Responses to this consultation should be submitted no later than 5pm on 3 December 2018 to: smartmetering@beis.gov.uk

or addressed to:

Smart Metering Implementation Programme – Regulation,
Department for Business, Energy & Industrial Strategy,
2nd Floor, Spur
1 Victoria Street,
London SW1H 0ET

Information provided in response to this consultation may be subject to publication or disclosure in accordance with the access to information legislation (primarily the Freedom of Information Act 2000, the Data Protection Act 2018, General Data Protection Regulation and the Environmental Information Regulations 2004).

If you want information that you provide to be treated as confidential please say so clearly in writing when you send your response to the consultation. It would 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 disclaimer generated by your IT system will not, of itself, be regarded by us as a confidentiality request.

We will summarise all responses and place this summary on the [Smart Energy Code website](#).

Kind regards,



Duncan Stone
Head of Delivery
Smart Metering Implementation Programme

List of Annexes to this letter

(Published separately alongside this letter [here](#))

Annex A	Consultation document
Annex B	Legal text of proposed SEC amendments
Annex C	Legal text of proposed energy supply licence amendments
Annex D	Draft direction to re-designate the Inventory Enrolment and Decommissioning Procedures Document (IEDP)
Annex E	Privacy notice