

SMETS1 Conclusions – Expiry Date Extension and Housekeeping

A SMETS1 conclusion on housekeeping changes to the TMAD
and extending the TMAD expiry date to 31 March 2024

Filename: CON_SMETS1_Conclusion_Housekeeping_Extension

Date: 5 December 2022

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Classification: DCC Public

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1. Introduction and Context

A number of energy suppliers have installed first generation smart devices (known as SMETS1 devices) in consumers' premises across Great Britain. The Data Communications Company (DCC) has designed a solution for the enrolment of SMETS1 devices into its network. Part of DCC's plan to deliver SMETS1 Services involves an approach for migrating SMETS1 Installations into DCC's systems.

The detailed technical and procedural requirements of the migration approach are set out in the SMETS1 Transition and Migration Approach Document (TMAD), which is Appendix AL of the Smart Energy Code¹ (SEC). In this document, DCC concludes on its proposals to amend the SMETS1 TMAD in support of SMETS1 service delivery. These were issued in Expiry Date Extension and Housekeeping Consultation² and in the Various 1 Consultation³.

Together, the consultations⁴ proposed that the Secretary of State for the Department of Business, Energy, and Industrial Strategy (BEIS) re-designates the TMAD to enable the following changes:

1. extending the existing expiry date in Clause 1.3 of the TMAD from 31 December 2022 to 31 March 2024;
2. removing Clause 3.14A of the TMAD;
3. amending the text and table in Clause 3.16 to align to Section L3.18 in the SEC; and
4. amending Clause 18 to include a new Exclusion Category to account for conditions where specific device model combinations (DMCs) may be uneconomic to test.

2. Stakeholder Engagement

This section details DCC's stakeholder engagement that has taken place in relation to the proposed regulatory changes.

2.1. Questions

Table 1 below details the questions that were presented in the public consultation.

¹ The latest version of the SEC was published on 3 November 2022 as v65.0 and is available from <https://smartenergycodecompany.co.uk/the-smart-energy-code-2/>

² The consultation was issued on 3 November 2022. The responses to that consultation were due by 16:00 on 24 November 2022 - <https://www.smartdcc.co.uk/consultations/smets1-consultation-tmad-expiry-date-extension-and-housekeeping/>

³ The Various 1 Consultation was issued on 21 October 2021 (<https://www.smartdcc.co.uk/consultations/smets1-consultation-various-1/>) and the Part 2 Conclusion published on 31 October 2022 (<https://www.smartdcc.co.uk/consultations/smets1-conclusions-various-1-part-2/>)

⁴ This is consistent with the regulatory requirements for amending TMAD as per Section N of the SEC.

Housekeeping Q1	Do you agree with DCC's proposal to amend Clause 1.3 to extend the expiry of the TMAD until 31 March 2024? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.
Housekeeping Q2	Do you agree with DCC's proposal to remove Clause 3.14A from the TMAD? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.
Housekeeping Q3	Do you agree with DCC's proposal to amend Clause 3.16 to provide alignment with L3.18 of the SEC? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.
Housekeeping Q4	Do you agree with the proposed re-designation date of 9 December 2022 (or within one month thereafter) for updates to the TMAD within the scope of this consultation and also the changes from the Various 1 Part 2 conclusion?

Table 1 – Consultation Questions – Expiry Date Extension and Housekeeping Consultation

2.2. Responses

Stakeholders were invited to respond to the consultation by 16:00 on Friday 24 November 2022 using the provided response template⁵.

DCC received a written response from eight respondents regarding this consultation.

Following closure of the consultation, DCC had further engagement with one of the respondents to confirm aspects of its response.

2.3. Analysis of Responses

DCC subject matter experts have reviewed each response and analysed the respondents' feedback to the consultation. DCC has structured the analysis of responses by question, providing an overview of the comments received and DCC's reply including a statement on any areas of disagreement. These are now presented in the following sections by question.

3. Extend the TMAD (Housekeeping Q1)

A number of Energy Suppliers with SMETS1 Installations containing Active Meters have signalled to DCC their expected demand for Migration services through much of 2023, which means that Migration of SMETS1 Installations will not be materially complete by 31 December 2022. DCC proposed amending Clause 1.3 of the TMAD to move the document's expiry from the currently stated date of 31 December 2022 to 31 March 2024 to allow for closure related activities beyond any Migrations. DCC sought views on this proposed change, which was covered by the following question: ***“Do you agree with DCC's proposal to amend Clause 1.3 to extend the expiry of the TMAD until 31 March 2024? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.”***

3.1. Respondents' Comments / DCC Analysis / Clarifications

All eight respondents responded to this question.

⁵ <https://www.smartdcc.co.uk/media/kbylmqnn/smets1-consultation-expiry-date-extension-and-housekeeping-response-template.docx>

All eight respondents supported extending the expiry date in the TMAD to 31 March 2024.

Three of the respondents did not provide any further comment regarding their support for the extension.

One respondent supported the extension to 31 March 2024 but also suggested the expiry date should be 31 December 2024. DCC discussed this proposal with the respondent. This respondent indicated that their expectation is that Migrations may not be materially complete until 31 December 2024 due to a range of operational factors. This respondent agreed it was acceptable for DCC to conclude on extending the TMAD until 31 March 2024 at this point. Given this respondent's expectations, DCC notes that the need for further extension could be considered if the need arises.

Another respondent indicated that the extension to 31 March 2024 would:

1. allow Energy Suppliers to continue to undertake their Migrations during 2023;
2. provide for the necessary DCC system fixes to be applied;
3. ensure all cohorts follow consistent timescales and approach; and
4. provide sufficient time for completion of final validations and audit processes.

Whilst expressing support for the extension of the TMAD expiry date to 31 March 2024, this respondent also suggested a further extension may need to be considered. DCC notes that the need for further extension could be considered if the need arises.

One respondent expressed the view that undertaking Migrations in a controlled and prudent manner is the best approach to mitigate any potential risks associated with Migration, and extension of the TMAD expiry date will facilitate this activity.

One respondent supported the extension of the TMAD expiry date as it will allow for the remaining Migrations to complete, therefore eliminating the need replace fully working SMETS1 assets.

While expressing support for the proposed extension one respondent also noted that BEIS should consider either:

1. aligning the current SMETS1 backstop date; or
2. removing the backstop date given the 2G sunset date.

Whilst the TMAD provides the regulatory framework for SMETS1 device enrolment activities, which may lead to the operational elements such as those raised by this respondent, these elements fall outside the scope of this consultation.

3.2. Areas of Unresolved Disagreement

n/a

3.3. Summary

DCC concludes it is appropriate to amend TMAD Clause 1.3 to extend TMAD's expiry date to 31 March 2024 and proposes that the Secretary of State re-designates the TMAD to enable this.

4. Removal of Clause 3.14A (Housekeeping Q2)

TMAD Clause 3.14A is no longer required because Section G of the SEC was amended in July 2019 such that the TMAD variation provided by Clause 3.14A was included as an enduring element in Section G the SEC. DCC proposed to remove the variation provided by TMAD Clause 3.14A as a technical housekeeping change and sought views of this change in the following question: ***“Do you agree with DCC’s proposal to remove Clause 3.14A from the TMAD? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.”***

4.1. Respondents’ Comments / DCC Analysis / Clarifications

All eight respondents responded to this question. They supported the removal of Clause 3.14A from the TMAD and did not provide any further comment regarding their support.

4.2. Areas of Unresolved Disagreement

n/a

4.3. Summary

DCC concludes it is appropriate to remove TMAD Clause 3.14A as the variation to the Clause provided is no longer required and proposes for the Secretary of State to re-designate the TMAD to enable this.

5. Amend Clause 3.16 (Housekeeping Q3)

TMAD Clause 3.16 provides a variation to SEC Section L3.18 which is related to Organisation Certificates covering Migration of SMETS1 Installations. Since the TMAD was incorporated into the SEC, there have been subsequent changes to SEC Section L3.18 but the corresponding variation provided by Clause 3.16 had not been updated. DCC proposed housekeeping changes to TMAD Clause 3.16 to restore alignment with SEC Section L3.18 and address the current misalignment between the two documents. DCC sought views on these proposed changes, which were covered by the following question: ***“Do you agree with DCC’s proposal to amend Clause 3.16 to provide alignment with L3.18 of the SEC? Do you have any detailed comments on the relevant changes to the legal drafting? Please provide a rationale for your views.”***

5.1. Respondents’ Comments / DCC Analysis / Clarifications

All eight respondents provided a response to this question.

Seven respondents supported the amendment of TMAD Clause 3.16 and did not provide any further comment regarding their support.

One respondent expressed support subject to clarification of the detailed legal drafting regarding references to the definition of DCC Live Systems as paragraphs (k) and (l) are not present in Section A of the main SEC. DCC can confirm the drafting is correct as, for the purposes of the TMAD, the Section A definition of DCC Live Systems in the main SEC is separately varied by TMAD Clause 3.1.

5.2. Areas of Unresolved Disagreement

n/a

5.3. Summary

DCC concludes it is appropriate to amend Clause 3.16 of TMAD such that it is aligned to Section L3.18 of the SEC and proposes for the Secretary of State to re-designate the TMAD to enable this.

6. Re-designation Date for the TMAD (Housekeeping Q4)

In the conclusion document to DCC's Various 1 Part 2 Conclusion, DCC proposed for the Secretary of State to re-designate the TMAD so that TMAD Clause 18 would include a new Exclusion Category to account for conditions where specific DMCs are considered uneconomic to test. DCC also proposed for the Secretary of State to re-designate the TMAD to include the housekeeping changes that are set out in the Expiry Date Extension and Housekeeping Consultation. DCC therefore proposed re-designating the TMAD into the SEC between 9 December 2022 and 9 January 2023 and sought views on this by asking: ***"Do you agree with the proposed re-designation date of 9 December 2022 (or within one month thereafter) for updates to the TMAD within the scope of this consultation and also the changes from the Various 1 Part 2 conclusion?"***.

6.1. Respondents' Comments / DCC Analysis / Clarifications

All eight respondents responded to this question and expressed support for the proposed re-designation date without providing additional comment.

6.2. Areas of Unresolved Disagreement

n/a

6.3. Summary

DCC concludes it is appropriate for the Secretary of State to re-designate the TMAD into the SEC between 9 December 2022 and 9 January 2023 and proposes for the Secretary of State to facilitate this.

7. Summary of Drafting Changes

There are no amendments to the proposed changes to TMAD resulting from consultation feedback.

The TMAD version used for the consultation was based on v21.0. However, there have been subsequent changes to the TMAD and the current version is now v22.0. The changes proposed in this conclusion document as well as those in the conclusion from Various 1 Part 2 consultation are presented as v23.H draft as a delta version against the latest v22.0.

8. Conclusions

DCC is confident that, in consulting on the proposed TMAD changes, it has met its SEC obligations. DCC believes that it has undertaken appropriate consultation with industry regarding the proposed changes to the TMAD. Where necessary, DCC has addressed the comments that have been received from industry respondents and, where appropriate, sought additional feedback from them. DCC does not believe that the respondents' feedback to this consultation and to the Various 1 consultation result in fundamental amendments to the TMAD. As such further consultation is not necessary or appropriate.

DCC is confident that the TMAD version submitted to the Secretary of State for re-designation reflects the requirements for document submission (as per Section N of the SEC) and considers the revised TMAD to be fit for purpose as it:

- is defined to a sufficient level of detail for re-designation into the SEC and is materially complete, and the content is technically accurate;
- contains revisions that continue to align it with the overall solution design for the SMETS1 Service and other relevant documents; and
- continues to provide an overarching framework that sets out clearly and unambiguously parties' rights and obligations which are consistent and aligned with the rest of the SEC requirements in relation to SMETS1 Services.

9. Next Steps

On the publication date for this conclusions report, DCC has submitted it to the Secretary of State and will also publish it on the DCC Website and notify SEC Parties.

DCC expects the Secretary of State to decide whether and when to re-designate the revised TMAD into the regulatory framework provided by the SEC.

As noted above, the amendments to the TMAD could be re-designated between 9 December 2022 and 9 January 2023 without requiring a further consultation on the designation date.

10. Attachments

Attachment	Title
1.	TMAD v23.H draft delta against current version v22.0
2.	TMAD v23.H draft clean

Table 2 - Attachments