



SMETS1 Consultation on improvements to the DMCT Process

**A consultation on changes to the SEC Variation Testing
Approach Document for SMETS1 Services (SMETS1 SVTAD)**

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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 a detailed approach for migrating SMETS1 Installations into DCC's systems.

The SEC Variation Testing Approach Document for SMETS1 Services (SMETS1 SVTAD) sets out the rights and obligations for a range of SMETS1 testing matters including SIT and the DMCT Process and also provides the framework for the MTAD which sets out the rights and obligations for Migration Testing. The SMETS1 SVTAD is Appendix AK of the Smart Energy Code¹ (SEC) and the latest version (AK 3.0) was included in the SEC on 3 April 2020.

This consultation covers changes to the SMETS1 SVTAD to provide efficiency improvements to the DMCT Process which is captured within Clause 20 of the SMETS1 SVTAD.

2. DMCT Process Improvements

Based on operational experience of the DMCT Process, DCC is proposing a limited number of improvements to provide efficiency gains which are intended to allow DCC to add entries on the EPCL promptly and thus bring forward the benefits of SMETS1 enrolment to end customers e.g. those benefits arising from interoperability.

Within the DMCT Process, DCC can propose not to undertake testing where DCC considers a DMC is substantively equivalent to another entry on the EPCL as set out in Clause 20.6 (d) of the SMETS1 SVTAD. In addition, Clause 20.12 of the SMETS1 SVTAD provides any impacted Supplier Party a right to object when notified of any DCC decision to treat a DMC as substantively equivalent. DCC has no right to challenge a Supplier Party's objection to the use of substantive equivalence by the DCC, but instead must put that DMC through testing.

This approach was adopted for the DMCT Process when it was first included in the SMETS1 SVTAD in 2019, however at this point DCC were unaware of the sizeable proportion of DMCs that would need to go through the DMCT Process. The obligation for Supplier Parties to submit DMCs planned for enrolment did not commence until after the drafting came into effect. Following the submission of enrolment plans by Supplier Parties and supporting data from the SMETS1 SMSO(s), the wide range of DMCs with differences that are not expected do not impact interoperability with the DCC solution (such as SMETS1 PPMID Firmware variations) has become apparent. Additionally, when designing the DMCT Process in the SVTAD, DCC had an expectation that the process overall (testing and governance) would be quicker. DCC therefore considers there are material benefits, both in terms of costs and timescales, from the use of substantive equivalence rather than extensive testing where it considers DMCs to be substantively equivalent. Furthermore, in cases where DCC cannot source devices to test, but where they are substantively equivalent, there is a route for those DMCs to be added to the EPCL and thus become eligible for enrolment. If testing were required and test devices could not be sourced, the outcome would be that the DMCs would not become eligible for enrolment and ultimately the corresponding SMETS1 installations would require replacement with SMETS2 smart metering system(s).

¹ <https://smartenergycodecompany.co.uk/the-smart-energy-code-2/>.

Given this situation, DCC considers that an inability to challenge a Supplier Party's objection to substantive equivalence is inefficient, as it may lead to a material increase in the overall cost and timescales for the DMCT Process. It may also result in delays to DMCs becoming eligible for enrolment, or for them never becoming eligible for enrolment (where test devices cannot be sourced), for all impacted Supplier Parties, and not just the objecting Supplier Party. DCC therefore considers that where there is disagreement between DCC and a Supplier Party regarding DCC's proposed treatment of a DMC as substantively equivalent, this should be referred to the Secretary of State for a final decision. DCC is therefore proposing the following changes to the DMCT Process in the SVTAD:

- a) a requirement for the Supplier Party to set out their reason(s) for objection, which would apply in respect of any future objections; and
- b) a new Clause 20.12A to provide a right for DCC to refer objections on the proposed treatment of a DMC as substantively equivalent to the Secretary of State for determination, where the DCC holds a different opinion to any objecting Supplier Party, and this new Clause 20.12A also requires DCC to notify any impacted Supplier Party of its referral.

Additionally, within Clause 20.12 of the SMETS1 SVTAD, currently each Supplier Party's right to object to any DCC decision notified (pursuant to Clause 20.11 of the SMETS1 SVTAD) is not time bound. The lack of a time scale for any objection means that DCC is proceeding at risk with the DMCT Process regarding any planned entries that rely on substantive equivalence as an objection could be submitted at any point within the DMCT Process. In order to address this risk, DCC is proposing a limit of 10 working days on objections in order to ensure that the DMCT process can be expedited consistent with DCC's wider SMETS1 objectives.

A few typographical amendments to the definitions in Table 1.1. of the SMETS1 SVTAD are also included along with a minor consequential change to Clause 20.41.

DMCT Q1

Do you agree with the proposed improvements to the DMCT Process?
Do you have any detailed comments on the relevant changes to the legal drafting?
Please provide a rationale for your views.

3. Next Steps

Following the closure of this consultation, DCC will take into account respondents' views, and, subject to the consultation responses received, submit to the Department for Business, Energy and Industrial Strategy (BEIS) an amended version of the SMETS1 SVTAD that it considers suitable for re-designation into the SEC by the Secretary of State.

DCC is aiming to provide a conclusions report to BEIS no later than 18 September 2020. DCC has discussed the re-designation of the SMETS1 SVTAD with BEIS and it is proposed that, subject to timely receipt of DCC's report, copies of relevant stakeholder responses to this consultation, and the outcome of the consultation exercise, BEIS will re-designate the SMETS1 SVTAD on 25 September 2020 or as soon as reasonably practicable within one month.

In order to expedite the re-designation of the SMETS1 SVTAD, DCC is also seeking views on behalf of BEIS on the proposed date for re-designation of the SMETS1 SVTAD as well as the draft

direction which is presented in Attachment 1 of this consultation document for stakeholder consideration.

DMCT Q2

Do you agree with the proposed re-designation date of 25 September 2020 for updates to the SMETS1 SVTAD related to DMCT Process Improvements (or, if necessary, as soon as reasonably practicable within one month thereafter) using draft notification at Attachment 1?

4. How to Respond

Please provide responses in the attached template by 1600 on 11 September 2020 to DCC at consultations@smartdcc.co.uk. This template may be submitted in PDF or similar format rather than Microsoft Word format if preferred.

Consultation responses may be published on our website www.smartdcc.co.uk. Please state clearly in writing whether you want all or any part, of your consultation to be treated as confidential. It would be helpful if you could explain to us why you regard the information you have provided as confidential. Please note that responses in their entirety (including any text marked confidential) may be made available to the Department for Business, Energy and Industrial Strategy (BEIS) and the Gas and Electricity Markets Authority (the Authority). Information provided to BEIS or the Authority, including personal information, 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 and the Environmental Information Regulations 2004). If BEIS or the Authority receive a request for disclosure of the information we/they will take full account of your explanation (to the extent provided to them), but we/they 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.

If you have any questions about the consultation documents, please contact DCC via consultations@smartdcc.co.uk.

5. Attachments

Attachment	Title
1	Draft Notification Text on DMCT Process Improvements
2	Response Template
3	SMETS1 SVTAD AK 3.1 – delta against current version

Table 1 - Attachments

Attachment 1

This attachment contains the text that BEIS plans to use should it decide, having considered the outcome of the DCC consultation exercise, to direct changes to the SMETS1 SVTAD for DMCT Process Improvements.

SMETS1 SVTAD Draft Direction Text

This direction is made for the purposes of the smart meter communication licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the "DCC Licence") and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the "SEC").

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from [DD MMM YYYY], the SEC Variation Testing Approach Document for SMETS1 Services previously designated and incorporated into the SEC as Appendix AK is hereby re-designated and incorporated in the form set out in Annex [XX] to this direction.

For the avoidance of doubt such re-designation of the SEC Variation Testing Approach Document for SMETS1 Services shall be without prejudice to anything done under the DCC Licence or the SEC on or after this document first being designated, or to the continuing effectiveness of anything done under this document prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is also being notified to the SEC Administrator.