



# SMETS1 Conclusions on Improvements to the DMCT Process

DCC Conclusions and Report to Secretary of State on  
changes to the SEC Variation Testing Approach  
Document for SMETS1 Services (SMETS1 SVTAD)

**Filename:** CON\_DMCT\_PI\_Conclusion\_issued

**Date:** 18 September 2020

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**Classification:** DCC Public

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# 1. Introduction and Context

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 Code<sup>1</sup> (SEC) and the latest version (AK 3.0) was included in the SEC on 3 April 2020.

On 14 August 2020, DCC issued a consultation on changes to the SMETS1 SVTAD to provide efficiency improvements to the DMCT Process based on DCC's operational experience of the regime.

This document considers responses to this consultation consistent with the regulatory requirements for revising the SMETS1 SVTAD.

## 2. Stakeholder Engagement

This section details DCC's stakeholder engagement that has taken place in relation to the revisions to the SMETS1 SVTAD.

On 14 August 2020, DCC published the consultation document titled '[SMETS1 Consultation on improvements to the DMCT Process](#)' on the DCC Website and DCC's Service Desk also emailed stakeholders to notify them of its publication.

The scope of the consultation covered the following matters:

- [SEC Variation Testing Approach Document for SMETS1 Services AK 3.1 draft \(change marked against AK 3.0\)](#); and
- draft text and proposed timescale for the Secretary of State's direction for the re-designation of the SMETS1 SVTAD.

Stakeholders were invited to respond by 16:00 on Friday 11 September 2020 using a response template that was provided as part of the consultation.

## 3. Consultation Questions & Respondents

The [SMETS1 Consultation on improvements to the DMCT Process - Response Template](#) presented the following consultation questions as set out in Table 1.

Number	Consultation Question
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.

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

Number	Consultation Question
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?

**Table 1 – Consultation Questions**

DCC received five written responses to this consultation which were provided to the Secretary of State once the consultation had closed.

## 4. Analysis of Responses

DCC has analysed the feedback provided and views of stakeholders. Subject matter experts within DCC have reviewed every response.

DCC has structured the analysis of responses by question. Thus, this section presents DCC’s analysis by question in several separate subsections; with each structured as:

- an overview of the responses on the topic; and
- areas where DCC disagrees with the view presented by respondents (as the regulatory requirements require DCC to report on this).

### 4.1. Changes to the SMETS1 SVTAD (DMCT Q1)

DCC sought views on proposed improvements to the DMCT Process via changes to the SMETS1 SVTAD asking “**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.**”.

#### 4.1.1. Respondent View

Four respondents supported the proposal to amend the SMETS1 SVTAD to provide improvements to the DMCT Process and one respondent objected.

One respondent that was supportive of the change expressed particular support for the 10 working day period for a Supplier Party to raise objections introduced at the start of Clause 20.12 of the SMETS1 SVTAD.

One respondent, that was supportive of the process improvement changes regarding the DMCT Process, sought clarity on how DCC would determine whether to challenge a Supplier Party’s objection to the use of substantive equivalence for a particular DMC.

One respondent objected to the change and set out their view that reliance on substantive equivalence is inappropriate for aspects of the MOC (Secure) cohort. This respondent set out, in detail, several objections to the application of substantive equivalence for the MOC (Secure) cohort. Also, this respondent considered that the 10 working day period for a Supplier Party to raise objections introduced at the start of Clause 20.12 of the SMETS1 SVTAD provided insufficient time for analysis prior to any objection being raised.

The DMCT Process allows for DCC to propose that an entry should be made to the EPCL based on an assessment of substantive equivalence. DCC considers that a DMC is substantive equivalent where there is evidence that the DMC will interoperate with the DCC SMETS1 solution in the same way as an existing (or proposed) entry on the EPCL that has either been through (or will be going through) appropriate testing consistent with the SMETS1 SVTAD, which is either Migration Testing (MT) and Systems Integration Testing (SIT), or Device Model Combination Testing (DMCT). DCC will utilise test evidence from MT, SIT and/or DMCT to support the addition of substantively equivalent DMCs to the EPCL. This approach is set out in more detail in guidance DCC has published<sup>2</sup>; the latest update to the guidance was published as [DCC Guidance Note - Substantive Equivalence 2.0](#) on 6 July 2020. Thus, in considering any objection to substantive equivalence, DCC would assess the further evidence (provided by the Supplier Party) alongside DCC's existing evidence. Based on the various evidence, DCC would then conclude that either:

- the Supplier Party's objection has merit and thus proceed with testing via the DMCT Process; or
- substantive equivalence remains appropriate and thus refer the matter to the Secretary of State for determination.

DCC notes the concerns raised by two respondents regarding the period for objection proposed at the start of Clause 20.12 of the SMETS1 SVTAD. DCC notes that one of these respondents suggested extending the period to be a 20 working day period. DCC considers that extending the period for objection would not introduce a material delay; accordingly the drafting has been amended to be a 20 working day period. DCC considers the change to a 20 working day period for objection to be an appropriate balance between DCC's objective to expedite SMETS1 matters against the requirement expressed by these respondents that Supplier Parties should have reasonable period of time to form a view on whether an objection to substantive equivalence should be made.

#### 4.1.2. Areas of Disagreement

DCC notes that there were discussions on substantive equivalence at the TBDG sub-group on Wednesday 16 September 2020, which included representatives of the respondent that objected, and which helped to further clarify particular areas of concern. At this meeting, a commitment was made by DCC to further engage with the respondent that objected on the basis that reliance on substantive equivalence within the DMCT Process is inappropriate. DCC's intention is to use this further engagement to explore the details of their concerns (regarding aspects of the MOC (Secure) cohort) with the aim of reaching an amicable resolution to the matters raised. Consistent with DCC's objective to expedite SMETS1 matters, DCC remains convinced that it is appropriate to amend the SMETS1 SVTAD to include the improvements to the DMCT Process, consistent with the support expressed by a number of respondents.

#### 4.2. Secretary of State Regulatory Change (DMCT Q2)

DCC sought views on the planned date for the Secretary of State re-designating the SMETS1 SVTAD asking "***Do you agree with the proposed re-designation date for early firmware***

<sup>2</sup> Information on the DMCT Process is available via <https://www.smartdcc.co.uk/smart-future/enrolment-and-adoption/dmct-process/>.

***updates of Friday 4 September 2020 (or, if necessary, as soon as reasonably practicable within one month thereafter) using draft notification at Attachment 1?''.***

#### **4.2.1. Respondent View**

Four respondents supported the proposed date for the Secretary of State to re-designate the SMETS1 SVTAD.

One of the four respondents that supported the proposal also expressed support for DCC to expedite provision of this conclusions report to BEIS given:

- the impact within the existing DMCT Process for all Supplier Parties with relevant SMETS1 portfolios that arises from an objection to substantive equivalence by a single Supplier Party; and
- there are limited number of process changes to the SMETS1 SVTAD proposed.

One respondent that supported the proposed date expressed concern regarding the planned schedule for concluding set out in the consultation document. DCC notes the concern expressed regarding the timeline for conclusion. The consultation document proposed a limited number of changes and on this basis DCC considers there was sufficient time to adequately assess the stakeholder responses.

#### **4.2.2. Areas of Disagreement**

One respondent objected to the proposed date for the Secretary of State to re-designate the SMETS1 SVTAD on the basis that they objected to that change in response to Q1.

## **5. Summary of Drafting Changes**

The consultation process gave rise to one change to the legal drafting to amend the objection window at the start of Clause 20.12 of the SMETS1 SVTAD to be 20 working days.

## **6. Conclusions**

DCC is confident that the version of the SMETS1 SVTAD, submitted to the Secretary of State reflects the requirements for document submission.

DCC is of the opinion that it has had appropriate consultation with industry regarding these changes to the SMETS1 SVTAD.

DCC has, where necessary, addressed the comments that have been received from industry. DCC does not believe that the views expressed result in fundamental amendments to the SMETS1 SVTAD and as such further consultation is neither necessary nor appropriate.

It is DCC's view that it has met its SEC obligation to consult with parties and to address the points raised and identify those comments that have not been resolved. DCC is of the view that it has met its regulatory obligation as set out in the SEC.

The SMETS1 SVTAD revisions are in line with the overall solution design for the SMETS1 Service and other relevant documents.

DCC considers that:

- the revised SMETS1 SVTAD is defined to a sufficient level of detail for re-designation into the SEC;
- the revised SMETS1 SVTAD provides an overarching framework which 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; and
- the revised SMETS1 SVTAD is materially complete, and the content is technically accurate.

In summary, DCC considers that the revised SMETS1 SVTAD is fit for purpose.

## **7. Next Steps**

DCC submitted this conclusions report to the Secretary of State on the date of publication.

Following the submission of SMETS1 SVTAD to the Secretary of State, DCC expects the Secretary of State to make a decision on whether and when to re-designate the revised SMETS1 SVTAD into the regulatory framework.

Given concerns were raised regarding the application of substantive equivalence within the DMCT Process, DCC is planning to arrange a briefing for impacted Supplier Parties on the DMCT Process w/c Monday 12 October 2020.

DCC notes that the earliest the Secretary of State will re-designate the SMETS1 SVTAD will be Friday 25 September 2020.

## **8. Attachments**

- Attachment 1 – SMETS1 SVTAD AK4.0 draft (change marked against AK3.0)