Data Communications Company

Conclusion to Communication Services Availability Statement

SMETS1 VMO2 Extension

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1. Executive Summary

1. In October 2026 DCC consulted on a proposed update to the Communication Services Availability Statement (CSAS) for the "SMETS1 IOC, MOC and FOC" cohort sub-set comprising Devices uniquely dependent on the VMO2 2G WAN. Such devices "roam" from their home network to VM02's 2G network in order to obtain a connection.

2. VM02 planned to withdraw the facility to roam onto its 2G network (known as in-bound roaming) for all users, including Smart Metering, on 1st October 2026 and consequently version 1 of the CSAS recorded 1st October 2026 as the date after which DCC will no longer be able to provide communication services to this cohort.

3. There are approximately 5,700 smart metering systems in this cohort that remain connected to DCC communication services, including around 350 operating in prepayment mode. Vodafone informed DCC that it had agreed with VM02 to extend access to VM02's in-bound roaming facility until 31st December 2026 to support the transition of other users of their network away from 2G and offered DCC the opportunity to also extend its own access. This would enable DCC to continue communication services for this cohort during that period if it elects to do so.

4. In our consultation we sought Parties' views on two options. Option one was to decline the full extension and set a revised communication end date. Option two was to retain services to 31st December 2026 and amend the CSAS end date to 1st January 2027.

5. The consultation closed on the 27th October 2026 and this is DCC conclusion. We received five of responses to the consultation. The majority preferred to end communications before 31st December 2026 citing the benefits of avoiding periods where additional operational pressures are present when changes are made to the network. Customers also highlighted the need for DCC to provide sufficient notification of a new end date.

6. Taking account of responses received we have recommended to the Secretary of State that the CSAS be amended with the new communication end date for the MOC SMETS1 cohort uniquely dependent on VMO2 set as 14th December 2026. We believe this date strikes a sensible balance between maximising the benefits of extending the availability of 2G connections to this cohort whilst avoiding the negative impacts of the withdrawal of this facility during holiday periods.

7. DCC note comments received on the requirement for appropriate notice of changes to dates in the CSAS. Whilst DCC recognise that the notice period of this change was not ideal, on balance we have taken the view that utilising the opportunity of an extension was beneficial. However, we will work with our Service Providers to explore if more notice can be provided should the need or opportunity for further changes to dates in CSAS arise.

2. Introduction

8. The Data Communications Company (DCC) is Britain's digital energy spine, supporting the transformation of the energy system. DCC is licensed by the Government and regulated by the energy regulator Ofgem to connect smart meters in homes and small businesses across Great Britain to a single Secure, digital network. DCC supports the roll-out and operation of second-generation (SMETS2) smart meters, as well as the operation of existing first-generation (SMETS1) meters on our network.

2.1. Communication Services Availability Statement

9. Licence Conditions (LC) 17.33A to E of the first Smart Meter Communication Licence require DCC to produce and publish the Communication Services Availability Statement (CSAS). The obligation was designated in May 2026 by the Department of Energy Security and Net Zero (the Department) in recognition of evolving communication technologies where the provision of older generation communication is due to end.

10. The CSAS identifies cohorts of SMTES1 and 2/3G smart metering systems to which DCC provides communication services, and for each cohort an end date from which DCC will no longer be able to provide those communication services.

11. Following Industry engagement, submission to the Department and their non-objection, we published version one of the CSAS in May 2026[1].

2.2. Proposed VMO2 extension

12. For the cohort "SMETS1 IOC, MOC and FOC" and cohort sub-set "Devices uniquely dependent on VMO2 2G WAN", the end date after which DCC will no longer be able to provide communication services was set as 1st October 2026.

13. There are currently ~5,700 smart metering systems in this cohort subset, of which ~350 operate in prepayment mode.

14. DCC received an offer of an unexpected extension to communication services for these smart installations up to the end of 2026 at no additional cost. Recognising that there are smart metering systems that remain to be exchanged in the impacted cohort DCC continued to provide communication services beyond the CSAS end date.

15. Licence Condition 17.33D obligates DCC to ensure the CSAS remains up to date subject to submission to the Department and receipt of their non-objection. The acceptance of the extension therefore required DCC to consult with Parties given the requirement for a new service end date to be met.

2.3. Consultation Areas

16. We consider that the views of Parties are key before formalising any extension to the CSAS communication end date and we consulted[2] to seek feedback from Parties to allow a considered approach to amending the end of communication services to be taken.

17. Given the relatively low volume of smart metering systems in the cohort, we consider that the implications and focus are primarily related to the consumer impact of such a change, and as such we are most interested in the views of Supplier Parties and those of consumer groups.

[1] Smart Meter Communication Licence & Regulation | Smart DCC
[2] Communication Services Availability Statement | Smart DCC

18. Any SEC Party was welcomed to respond to the consultation. We received five responses to the consultation, three from large Supplier Parties, one from a Meter Asset Provider and one from the SEC Panel.

3. Proposed Options

19. DCC chose to retain communication services to these Devices until the input of Parties had been formally provided. We proposed two options Parties should consider in relation to changes in communication service end date for this cohort.

3.1. Option one

20. Option one was to decline the extension of communication services up to 31st December 2026 and amend the CSAS to reflect an earlier date, set shortly after this consultation conclusion and the notification of an updated CSAS.

3.2. Option two

21. Option two would be the acceptance of the full extension of communication services up to and including 31st December 2026 and implement an amended CSAS end of communication service date to 1st January 2027.

4. Consultation Feedback

22. The following presents the detail of responses received to the consultation. Where responses to questions did not directly relate to the question asked, they will be presented in the feedback for the question to which they related.

4.1. Proposed Options

Question One
Should option one be progressed is there anything that should be considered when removing communication or setting a communication end date? Do you consider that the communication should be removed immediately or should a notice period be applied? What would you deem to be an appropriate period between notification of an amended CSAS and communication ending for this cohort? Please give a rationale for your response.

23. Question one asked Parties to provide their view on what should be considered if option one was implemented, including if a notification period should be provided or not.

24. One Supplier respondent considered that a lengthy notice period would not be required and that two weeks from notification would be sufficient, they also suggested agreeing the end date an appropriate industry forum such as SEC Operations Group.

25. Another Supplier considered that a months' notice period would provide time for planning to manage the new switch-off date and the MAP proposed a 28 day notice period. Both considered that this would allow for Parties to make appropriate plans to manage the amended end of communications.

Question Two

Should option two be progressed is there anything that should be considered beyond the points highlighted above? Please give a rationale for your response.

26. Question two asked Parties to provide their view on what should be considered if option two was implemented.

27. Two Supplier Parties noted that ceasing communication after 31st December would result in additional operational challenges for Parties, including where that coincides with price cap changes and negative consumer impacts of ending services in the winter period.

28. One Supplier considered that this option could disadvantage those Parties who have taken early steps to replace the impacted Devices, while providing a limited benefit to remaining consumers.

29. A MAP responder considered that maximising the length of smart communication is best for consumers and Parties and provides additional time for Parties to complete replacement programmes, which this option would enable.

Question Three

Which option would you prefer DCC to proceed with? Please give a rationale for your response.

30. Question three asked Parties to provide their preference for which option should be progressed.

31. The SEC Panel noted that neither option is without risk and considered that their overriding concern was that the communication closure should minimise customer detriment particularly for vulnerable consumers and those utilising prepayment services. They considered that the closure should be carefully considered in relation to seasonal conditions and the availability of operational support, whilst also recognising the importance of maintaining confidence in communicated closure dates.

32. The SEC Panel preferred option one but noted that the timing of the closure should minimise any potential consumer detriment, particularly to vulnerable consumers and those utilising prepayment services. They considered that the closure should take full account of impact on consumers and Suppliers, including the operational views expressed by Supplier Parties.

33. Two Supplier Parties preferred option one. Two suppliers noted an end date of 31st December would be unacceptable for consumers and create additional operational burden for them, due to overlapping with price cap activity and additional demand on their contact centres. One of these Parties noted this could result in additional burden on contact centres which already expect increased demand linked to the January price cap change.

34. One supplier was neutral on the decision noting that there is little difference in terms of length on communication service between each option.

35. A MAP responder confirmed their preference for option two on the basis of consumers retaining smart services for longer and Parties having additional time to complete replacements.

4.2. Options outcome

36. Following the unexpected extension to communication services for the SMETS1 IOC, MOC and FOC and cohort sub-set Devices uniquely dependent on VMO2 2G WAN DCC continued to provide

communication services beyond the CSAS end date while the views of our customers were gathered. The extension was a result of commercial agreements beyond smart metering.

37. Our consultation sought views from our customers on the extension and the most appropriate end of communication up to 31st December 2026.

38. In responses to the consultation, DCC received clear preference for option one. Two out of three Suppliers noted their preference for option 1, the other supplier remained neutral. There was also support for option one from SEC Panel who noted Suppliers would be best place to describe operational and consumer impacts. There were some differences in opinion in relation to the notice period required between the notification of CSAS update and the ending of communication services for the cohort.

39. We consider that sufficient feedback has been provided for us to recommend an amended communication end date without the need for further engagement, which may only serve to delay the notification provided for the end of communication.

40. In efforts to avoid the loss of Services coinciding with a bank holidays and the end of year holiday period, which may cause additional operational risk for Supplier Parties, and to provide Parties with notification they have indicated will allow them to implement operational plans, DCC considers that a four week notification from the publication of this consultation and the end of communication services for this cohort to be the appropriate balance.

41. The accepted extension of the VMO2 communication service resulted in a need to update the CSAS and consult on those proposals. Following the consultation DCC must now submit a revised CSAS to the Secretary of State for their non-objection.

42. We have therefore recommended that the Secretary of State provide their non-objection to the revised CSAS that the revised CSAS can take effect, where the communication end date for this cohort be amended to 14th December 2026.

43. On 13th November 2026 the Secretary of State provided their non-objection to the proposed CSAS and we confirm that the version is now in effect.

44. DCC will continue to provide detailed data on affected Devices is regularly shared with all impacted energy suppliers to enable them to prioritise Device swap-out. This is shared monthly via DCC SharePoint and includes coverage options for replacement. DCC also utilises monthly engagement, which takes the form of Energy Supplier Service Reviews for larger/medium sized Suppliers and the DCC Small Supplier Forum for others.

4.3. Future Considerations

45. DCC understands that unexpected or late notification of an extension to a communication end date can be problematic for Parties as they manage their replacement programmes and customer communications.

46. DCC will continue to work closely with Service Providers and the Department to ensure, as much as possible, that such late notice is not repeated in the future. We have engaged our Service Providers and will continue to work with them to ensure appropriate notice is provided should there be any future changes.

47. Where changes are possible, Licence Condition 17.33E requires DCC to ensure the CSAS remains up to date, and SEC H3.30 requires DCC to consult with Responsible Suppliers as soon as reasonably practicable after DCC becomes aware of any likely changes to the service-end dates.

Question Four

Where an extension to communication services is offered at late notice, should DCC accept that extension as a matter of principle? Or should such extensions be treated on a case-by-case basis? Is there anything else that should be considered if an extension is offered in the future?

48. Question four invited Parties to provide their view on how to manage any future offers of communication extensions.

49. Two Suppliers and a MAP considered that any future extensions should be considered on a case-by-case basis. One of these Supplier Parties noted that the decision to extend should be based on the consumer benefit, the remaining population and the impact on Suppler Parties.

50. It was also noted by a Supplier Party that earlier engagement by DCC would allow greater opportunity for Parties to replan their operational activities, and that larger cohorts might require longer replanning timelines. And a Supplier commented that extensions should be considered as soon as possible.

51. One Supplier Party commented that extensions should not be offered after the end of communication date in the CSAS has passed. They stated that any changes should be consulted on before making changes to communication availability. This Party also considered that dates in the CSAS need to be reliable since Parties take steps to plan around those dates and engage with consumers.

52. The communication service end-dates that had been published in the DCC's CSAS previously were accurate at the point of publication, with those dates based on the available information. We note that earlier engagement regarding change is preferable to provide additional time for Parties to react to those changes and ensure additional options can be considered. We are required to engage as soon as reasonably practicable where a change occurs and will continue to do so.

53. Any future changes will be considered on a case by case basis and we will work to ensure Parties are informed about any changes as soon as possible.

4.4. Other comments

Question Five

Do you have any further comments?

54. Question five asked Parties to provide any other comments, and we also provide comments made in other questions which didn't directly relate to that question.

55. Two Suppliers and the SEC Panel noted that the first DCC communication related to communication availability continuing beyond the published date was provided 13 days after the communication was due to end, through the options consultation.

    a. The communication extension is available as a result of commercial agreements that go beyond the provision of services for smart meters. DCC first received information on the roaming extension four working days before the communication end date, and we worked to understand the proposition and our focus was to consult with Parties as soon as possible. We continue working with Service Providers to ensure we are made aware where such future changes are being considered or likely to be made.

b. We accept that communication efforts in relation to this do not meet our customers' expectations. DCC should have acted more swiftly by communicating the continued service while preparing for the consultation publication.

56. One Supplier noted that any further extension in this cohort should extend beyond the March price cap and avoid clashes with other industry activity.

a. DCC has recommended to the Department that the communication service end for the cohort sub-set should be set as 14th December 2026, and we do not intend to seek any further amendments.

b. We will consider conflicts with other industry activity in any future changes to other cohort communication end dates.

57. One Supplier noted that advanced warning of extensions is preferable, and that the timing of this notification has reduced the available options where Parties may have declined any length of extension.

a. We recognise that late notification has reduced the options available to Parties.

b. DCC will continue to engage and work closely with Service Providers to understand where commercial agreements or technology plans are changing that might impact the provision of smart communication services. This will allow us to ensure any future changes are considered with as much advanced notice as possible.

58. One Supplier and the SEC Panel noted that Supplier Parties use the published CSAS to plan their replacement plans. The Supplier noted that the impact of changing dates on both Suppliers and Consumers should be understood and acknowledged and considers that the published dates need to be fully relied on for planning and communication purposes.

a. At the time of publication DCC was confident the end of communication dates provided were a true reflection of the communication service end dates.

b. On this occasion an extension of the roaming service has been agreed separately from any DCC agreement or knowledge. We understand this commercial arrangement covers all instances of roaming across the Service Providers portfolio, in which these SMETS1 meters are only a small part.

c. DCC considered that it was important to gather the views of our customers before declining an offer of extension.

d. While we do not expect future changes in other cohorts we will work with our customers and Service Providers in efforts to engage more effectively should any future change be proposed.

e. The responses to this consultation have highlighted further the impact on consumers and suppliers. Responses to this consultation will help to inform any future considerations for changes to communication end dates.

59. Two Supplier Parties noted that costs have been incurred by Parties who have taken early action to replace Devices in the cohort. One of these Suppliers highlighted premature replacement charges and the significant operation resources utilised to target the published communication end dates. One also highlighted additional costs resulting from additional customer communications and changes in operation planning for which they consider to be very little benefit.

a. We recognise that a later communication service termination date in the originally provided timeline may have reduced premature replacement changes, however at the time of publication the end of communication date provided was an accurate reflection of the agreements in place.

b. Given the very late notice of the change DCC chose to maintain communication while the opinion of our customers was gathered. While we recognise the efforts made by Parties to complete timely replacements, we do not consider that this action has caused additional premature replacement charges since they were already incurred.

c. Responses to this consultation will help to inform any future considerations for changes to communication end dates.

60. One Supplier Party considered that DCC was required to terminate communications under the CSAS, that the CSAS does not allow for those published dates to be missed. They asked why DCC did not instruct the Service Provider to cease communications and asked under what authority the variance is permitted.

a. Since continued Service allows the benefits of Smart services to be realised for a longer period of time, including for vulnerable and prepayment consumers, DCC considers that the offer of an extension, at no cost, could not be declined without first gathering the views of our customers.

b. We consider that SEC H3.6A provides for DCC not to be required to provide communication services to identified cohorts from the communication end date, but it does not require DCC to end communication services where services can be extended. We agree that there is no allowance for ending communications earlier than the published communication end date.

c. In addition, Licence Condition 17.33E requires DCC to ensure the CSAS remains up to date and therefore acknowledges that amendments may be required. Under this scenario SEC H3.30 requires DCC to consult as soon as reasonably practicable with Responsible Suppliers before proposing any updates to the Secretary of State.

61. One Supplier Party asked what criteria had been used by the Service Provider to establish 31st December as an acceptable end date.

a. The extension offer is a result of an extended commercial agreement that goes beyond the provision of services for smart meters and for which DCC has no control and at the time had no knowledge of proposed changes. That commercial agreement included all roaming provision including that utilised in the SMETS1 IOC, MOC and FOC cohort with Devices uniquely dependent on VMO2 2G WAN.

b. The 31st December end date for communication services has been presented as the maximum date for communications to be available, not as the most acceptable end date. This consultation has sought views of Parties as to what an acceptable end date should be since they are best placed to consider their own operational requirements and the impacts to their consumers.

62. One Party highlighted lessons from the Radio Teleswitch replacement programme and the importance of consistent messaging and that extensions with no notice undermines consumer confidence and makes future transitions more difficult. Another Supplier Party and the SEC Panel also noted that amending communication end dates generates distrust with consumers and leaves suppliers open to accusations of misinformation, this Supplier also noted the potential impact of changes on the overall level of consumer trust in Smart Metering. Another Supplier also noted that communication to consumers had been provided in good faith based on the published CSAS date, and they consider the change to have had material consumer and commercial harm, the same Supplier considered that Suppliers are now unsure as to how to inform their impacted consumers and asked if DCC could assist with communications.

a. DCC recognise that changes to the CSAS communication end dates, particularly at short notice, can risk consumer confidence and engagement in replacement programmes.

b. We consider that DCC has taken the appropriate steps, with the best intentions in relation to our customers and consumers, to comply with Licence and SEC obligations.

c. While we do not anticipate future changes, we welcome further engagement on how best to manage such a scenario.

d. Responses to this consultation will help shape any future considerations for changes to communication end dates.

e. We do not consider it appropriate for DCC to assist with communications to consumers beyond the provision of information in this consultation.

63. One Supplier Party considered that DCC had retrospectively framed the scenario as an offer for extension since the extension had already been enacted, and noted that Parties had neither requested nor agreed to an extension.

a. DCC accepted an extension of communication services while our customer views were gathered through formal consultation. That extension was accepted with best intentions.

b. While Parties had not requested or agreed an extension to services it is also the case that they had not declined an extension.

64. One Supplier considered that DCC should consider the risk to consumers in the consultation to practically demonstrate our Customer First Strategy.

a. Consumer outcomes and impacts remain a core component of our Customer First Strategy. In our consultation we highlighted what we considered to be important consumer impacts of the two options presented.

b. We also consider that our customers are best place to fully understand the impact of either option on their consumers, and that consumer impacts may be influenced by the operational choices of their Supplier.

c. The formal consultation presents an opportunity for Parties to provide additional information on the consumer impacts for each option to inform DCC decision making.

65. The SEC Panel considered that DCC should review the circumstances that led to the unexpected extension, and to communicate changes at the earliest opportunity.

a. We are aware that greater notification of potential changes would help Parties better react to those changes.

b. We will work with Service Providers proactively to understand where there is any potential for future change in communication end dates.

c. In addition, we are working with Government to understand development in communications beyond smart metering where those changes might be relevant to DCC Services.

5. Next Steps

66. We have recommended that the Secretary of State provide their non-objection to the revised CSAS that the revised CSAS can take effect, where the communication end date for this cohort be amended to 14th December 2026.

67. On 13th November 2026 the Secretary of State provided their non-objection to the proposed CSAS and we confirm that the version is now in effect.