

# Communications Hubs & Networks Consultation on SEC Changes for the 4G Communications Hub Forecasting, Ordering and Delivery Service

A DCC consultation on proposed changes to the Smart Energy Code (SEC) to support the 4G Communications Hub Forecasting, Ordering and Delivery Service being introduced by the Communications Hub & Network Programme

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# 1. Introduction and context

1. 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 of second-generation (SMETS2) smart meters, as well as the migration of existing first-generation (SMETS1) meters onto its network.
2. The Communications Hubs and Networks Programme (CH&N) is a DCC initiative to define and deliver future-proof Communications Hubs & Networks in the Central and South Regions with an efficient supply chain and a targeted longevity of at least 15 years. To ensure this longevity of smart functionality DCC is developing a solution to allow for the introduction of new Communications Hubs (CHs) which use the 4G network. To achieve this, DCC established the CH&N Programme to assess development and implementation options for a 4G solution.
3. The delivery plan for the CH&N Programme<sup>1</sup> includes several DCC Licence Condition 13B milestones relating to the DCC's Order Management capability and logistics arrangements to support the introduction of 4G CHs. These include customer engagement and delivery activities relating to the Ordering Management System (OMS) and Logistics.

## 1.1. Background and approach to regulatory change

4. On 31 March 2023, DCC concluded on its initial assessment of regulatory changes that will be required for the 4G solution. In those conclusions, DCC outlined the anticipated changes required to several Smart Energy Code (SEC) Subsidiary Documents (SSDs), DCC owned documents and Main Body SEC changes<sup>2</sup>.
5. In September 2023, DCC further consulted on proposed enduring and transitional regulatory changes and published its conclusion on 3 November 2024<sup>3</sup>. In parallel to this consultation, the Department for Energy Security and Net Zero (The Department) published a consultation on proposed changes to licences and the Main Body SEC for the 4G CH&N programme.<sup>4</sup> In its consultation and conclusion, DCC set out several items that were still under consideration by DCC which are required to support the roll out of 4G CHs.
6. These items included the OMS and Logistics arrangements which are the provisions to support the forecasting, ordering and delivery of 4G CHs to SEC Parties. DCC set out its intention for further engagement with customers on the 4G solution prior to consulting on any further regulatory changes.
7. DCC has been engaging with its customers (Energy Suppliers and Meter Asset Providers (MAPs)) through a series of workshops and engagement with SEC Sub-Committees and has undertaken further analysis of the potential regulatory changes required to the SSDs to support the forecasting, ordering and delivery of 4G Communications Hubs, and this has resulted in the proposals set out in this document.

## 1.2. Purpose of the consultation

<sup>1</sup> [Conclusions on the revised delivery plan for the CH&N Programme | Smart DCC](#)

<sup>2</sup> [Regulatory Changes for the Communications Hub and Network Arrangements | Smart DCC](#)

<sup>3</sup> [CH&N Conclusions on its consultation on Transitional and Enduring Regulatory Changes | Smart DCC](#)

<sup>4</sup> [Department for Energy Security and Net Zero: Smart Metering Implementation Programme Consultation on changes to the DCC Licence and the Smart Energy Code for the 4G Communications Hubs & Networks Programme » \(smartenergycodecompany.co.uk\)](#)

8. The purpose of this consultation is to obtain views on proposed changes to SSDs to support the provisions for forecasting, ordering and delivery of 4G CHs.
9. This consultation is expected to impact Large and Small Suppliers and Other SEC Parties, specifically Meter Asset Providers (MAPs).
10. This consultation will close on 16 February 2024 at 17:00.

## 2. 4G Forecasting, Ordering & Delivery

11. The CH&N programme and introduction of 4G CHs means that DCC will be introducing new Service Providers and functionality within the DCC Total Systems in the Central and South Regions. This includes new providers and functions for the OMS and Logistics provisions which are required in accordance with SEC Section F 'Smart Metering System Requirements' and SEC Appendix H 'Communications Hubs Handover Support Materials (CHHSM)'.
12. The existing OMS for the 2/3G service comprises two customer facing interfaces (one for Central & South Regions<sup>5</sup> and one for the North Region) which allow Energy Suppliers and MAPs to submit and review their CH forecasts and CH orders.
13. DCC initially set out its intention to procure an interim OMS for the ordering of 4G CHs for the Initial Pallet Validation (IPV)<sup>6</sup> and an enduring OMS to support other (non-IPV) 4G CH forecasting and ordering that it would introduce for CH&N. However, DCC has since decided to use the same solution for both purposes and therefore is proposing changes to the SEC to accommodate the enduring 4G CH forecasting, ordering and delivery. It should be noted that the recently designated Network Evolution Transition and Migration Approach Document (NETMAD)<sup>7</sup> already contains provisions that support the ordering of Communications Hubs for IPV and these will remain in place due to some variations to the enduring rules to support the ordering of a limited amount of 4G CHs for IPV.
14. The OMS solution for 4G will not include a customer facing interface and therefore a new process will be required for DCC and SEC Parties. This section sets out the 4G CH forecasting, ordering and delivery service which will be in place for the enduring supply of 4G CH.

### 2.1. Forecasting and Ordering

15. The 4G forecasting and ordering service will comprise excel templates produced and maintained by the DCC which parties will be required to complete and submit via email to the DCC each month for their forecasts and orders. Whilst templates will be stored and maintained on the DCC SharePoint for access at any time, DCC will also send parties email reminders including the Excel template (to addresses associated with existing OMS accounts in the Central & South Region) to complete their submissions at the start of each month. DCC will also ensure that its email addresses for all correspondence relating to 4G CH forecasts and orders are updated on the Nominated Contact List on DCC SharePoint. This approach was agreed at a workshop on 27 September 2023
16. Once forecasts have been submitted by Parties, DCC will validate the forecasts and orders received, confirm details with individuals via bilateral engagement where required, and then submit the information provided to its Service Providers via an internal DCC OMS. Once confirmation has been received from the Service Providers, DCC will provide a confirmation via email notification to each party.
17. DCC has ensured that this process allows for submissions and confirmations to be provided within the existing SEC required timescales. DCC has further worked with customers through workshops and bilateral engagement to design the service and ensure the process is fit for purpose. Appendix A of this document sets out the 'as-is' process (2/3G) and 'to-be' (4G), noting that there will be no impacts to the existing service for 2/3G CH forecast and ordering.

<sup>5</sup> there is currently one interface which serves the Central and South Regions, however, SEC Parties have separate accounts for each Region.

<sup>6</sup> the period where a limited number of 4G CHs are installed on the DCC System to allow Parties and DCC to gain confidence in the DCC System (referred to as Initial Pallet Validation (IPV) within the CH&N delivery plan

<sup>7</sup> [Department for Energy Security & Net Zero – Smart Metering Implementation Programme: Direction to designate the Network Evolution Transition and Migration Approach Document » \(smartenergycodecompany.co.uk\)](#)

18. DCC tested the process via a trial with two parties in November 2023. The aim of this test was to ensure that the working instructions, template, and overall process was fit for purpose. This testing uncovered three minor issues which DCC has since resolved as set out the table below.

Issue	Description	Resolution
Old Address Details	<ul style="list-style-type: none"> <li>An old address was listed for one specific service user</li> </ul>	<ul style="list-style-type: none"> <li>This address was deleted, and a new address was added. A full review of Service User addresses is being completed, with a quarterly Service User check being implemented.</li> </ul>
Available Delivery Dates	<ul style="list-style-type: none"> <li>Template allowed for any date to be selected as a delivery date</li> </ul>	<ul style="list-style-type: none"> <li>Template changed to only allow days within the appropriate delivery month.</li> </ul>
4G Aerials	<ul style="list-style-type: none"> <li>The Template does not have an option to order 4G aerials</li> </ul>	<ul style="list-style-type: none"> <li>Aerials will not be ordered separately from 4G devices as they are built into the device.</li> </ul>

Table 1 – Outcome of 4G CH forecast and ordering process test

## 2.2. Order Management

19. Each party who has submitted a 4G CH order will be able to request information pertaining to each order (including status updates) at any time by sending a request via email to the DCC. Additionally, parties can request amendments or cancellations to their orders in accordance with existing SEC provisions by submitting requests to the DCC via email. Upon receipt of these requests, DCC will continue to provide any estimates and Explicit Charge information within the current specified timescales via email. Parties will be required to accept or reject estimates in accordance with the current SEC timescales.

## 2.3. Logistics

20. As stated in the September 2023 consultation, DCC has ensured that the existing SEC obligations are reflected in the new DCC Service Provider contracts covering the logistics service for the 4G CH when procuring new capability for 4G CH delivery to parties. DCC identified a benefit to the new arrangements in relation to the capacity of delivery vehicles and proposed SEC changes in the September 2023 consultation.
21. There are no further planned changes to the SEC for the 4G CH delivery service. For 4G, DCC will continue to provide delivery documentation for 4G CH Consignments and provide notification via email. This includes Advance Shipment Notifications (ASNs) and any labels for the returning of rejections via the Delivery Issue Report Notifications (DIRNs). All communications to parties on the delivery of Consignments will continue to be via telephone and email notification with any documentation also shared on the DCC SharePoint.

## 2.4. Returns

22. DCC currently provides a returns process for 2/3G CHs and it is proposed that the returns process for 4G will follow the same process. DCC is assessing options for the 4G CHs returns procedure, noting that the existing 2/3G CH SEC requirements are also under review via a SEC Modification Proposal ([MP252 'Amending the process for Communications Hub returns'](#)). Where DCC considers SEC changes are required to distinguish the 4G CH returns in SEC Appendix I 'CHIMSM', DCC will include changes in its Phase 2 consultation anticipated in March 2024.
23. The returns process is not part of the current testing, but any potential future changes will be considered and tested if required.

## 2.5. Future Changes

24. In March 2024, DCC intends to consult on further changes to the SEC which are being considered in the 4G Transition Phase 2 workshops. This includes potential changes related to temporary rules for ordering and forecasting and Mesh Communications Hubs. DCC is of the view that the changes proposed in this consultation are all the changes required for OMS and the phase 2 changes do not impact the current 4G CH&N testing.

Q1

Do you have any comments on the proposed 4G CH Ordering service? Please provide your rationale.

## 3. Proposed changes to enduring regulation

25. SEC Section F sets out the requirements for smart metering systems, and Sections F5 'SMETS2+ Communications Hub Forecast & Orders' and F6 'Delivery and Acceptance of SMETS2+ Communications Hubs' set out the obligations specific to the provision of forecasting, ordering and delivery of CHs. These sections also stipulate that further information may be set out in SEC Appendix H 'CHHSM'.
26. Once the enduring supply of 4G CHs begins, 2/3G CHs and 4G CHs will be operating in parallel in the Central and South Regions and, therefore, there will be two different CH forecasting, ordering & delivery services and procedures in those regions at that time. DCC has reviewed the SEC to see what updates are required to distinguish the two services and whether updates are required to the 'CH Ordering System' described in the SEC Main Body (known as the OMS).
27. DCC considers that whilst the 4G CH Ordering Management Service does not include a technology-based interface which can be accessed by SEC Parties, the solution will provide a 'CH Ordering System' in accordance with SEC Section F5 and F6 as parties can access the service remotely and receive data for each submission from the DCC via the email notifications and DCC SharePoint. On that basis, DCC considers that the existing definition of 'CH Ordering System' (OMS) in the SEC is appropriate for the 4G service and does not require amendment.
28. DCC notes that SEC Section F5 also requires the CH Ordering System to allow each party to access the Smart Metering Wider Area Network (SM WAN) Coverage Database<sup>8</sup>. The existing SM WAN Coverage Database can be accessed via the Self-Service Interface (SSI) or the information can be made available via DCC User Interface Specification (DUIS) Service Reference Variants (SRVs). For 4G Central and South Regions, Parties will be able to access the SM WAN coverage database through the SSI and DCC is therefore of the view that it will be meeting its SEC obligations. DCC is therefore proposing that no changes are required to the SEC.

<sup>8</sup> The SM WAN Coverage Database will provide Parties with information regarding SM WAN coverage at potential Installation Locations and the WAN Variant (and, where applicable, the Communications Hub Auxiliary Equipment) required for each Installation Location.



29. DCC notes that there is a SEC requirement to provide access to the CH Ordering System via the SSI, DCC will be updating the SSI interface with links to the applicable systems prior to go live of the service. DCC is therefore of the view that it will be meeting its SEC obligations relating to the SSI and no changes are proposed.
30. The draft changes can be found in Attachment 1 of this document and have been drafted against the draft version 3.1 of the CHHSM which includes the redlining that was concluded on in November 2023 as part of DCC's initial consultation on 'Transitional and Enduring Regulatory Changes'. To avoid any confusion, DCC has accepted all of the redlined changes from the previous CH&N consultation on enduring regulatory changes and the redlining in the draft CHHSM which is attached to this consultation only contains the changes proposed in this consultation.
31. DCC propose amending the definitions for the following OMS Account profiles to distinguish that these OMS Account Profiles apply only to the 2/3G Central & South and North Regions:
  - CH Ordering
  - CH Delivery and Returns
  - CH Query
32. DCC is proposing to amend section 2 of the CHHSM 'Order Management System' to clarify that communication via the OMS for 4G will be via email where specified elsewhere in the CHHSM (proposed new section 10).
33. DCC propose adding a new section to the CHHSM (section 10) to set out the equivalent obligations for 4G for each CHHSM clause where an OMS is required. This includes DCC obligations and SEC Party obligations and reflects the email notification and DCC SharePoint procedure as set out in section 2 of this document.

**Q2**

Do you agree with DCC's proposal to distinguish the 4G CH ordering service from the existing 2/3G OMS SEC requirements in the CHHSM? Please provide your rationale.

**Q3**

Do you have any detailed comments on the legal drafting in SEC Appendix H? Please provide your rationale.

## 4. Additional future regulatory changes

34. There are additional changes to SEC mandated documents that DCC anticipates will be made to support the 4G CH ordering service. These include the Communications Hub Supporting Information (CHSI), to require alignment to the new 4G solution in areas such as the labelling and ASN format section, and the Communications Hub Ordering Policy (CHOP), to include new definitions for the 4G CH.
35. DCC will continue to develop the changes for the CHSI and expects to include them alongside the wider changes due to be consulted on in March 2024. The CHOP has an annual review each September and DCC will consider any required changes for CH&N at this time. This will be prior to CH&N go-live on 2 December 2024.

**Q4**

Do you consider there to be any other changes that the DCC should consider that could have impact on the SEC as a result of the 4G CH ordering service? Please provide your rationale.



## 5. Next steps

36. During the consultation period for these proposals, we will seek to engage all impacted stakeholders via SEC Sub-Committees, and bespoke industry workshops including the 4G CH Phase 2 workshop on 24 January 2024.
37. Following the closure of this consultation, DCC will assess respondents' views, and amend the draft changes to SEC Appendix H (CHHSM) as appropriate. DCC will then submit an amended version of the CHHSM to The Department that it considers suitable for re-designation into the SEC by the Secretary of State.
38. DCC is aiming to provide a report to The Department by no later than 29 March 2024. This report will contain DCC's consideration of the consultation and its responses as well as a version of the CHHSM. DCC will publish its conclusions document on its website.
39. DCC currently considers that the CHHSM will require designation in time to support the delivery of 4G Communications Hubs for IPV, which is a few weeks before the activation of the rest of the 4G SEC changes at Go-Live. A designation notice for the CHHSM will be consulted upon closer to that time.

**Q5**

Do you agree with the proposed approach to re-designate the CHHSM prior to IPV, noting this will be consulted upon at a later date? Please provide your rationale.

## 6. How to respond

Please provide responses by 17:00 on Friday 16 February 2024 to DCC at [consultations@smartdcc.co.uk](mailto:consultations@smartdcc.co.uk).

Consultation responses may be published on our website [www.smartdcc.co.uk](http://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 and the Gas and Electricity Markets Authority (the Authority). Information provided to The Department 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 The Department 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](mailto:consultations@smartdcc.co.uk).

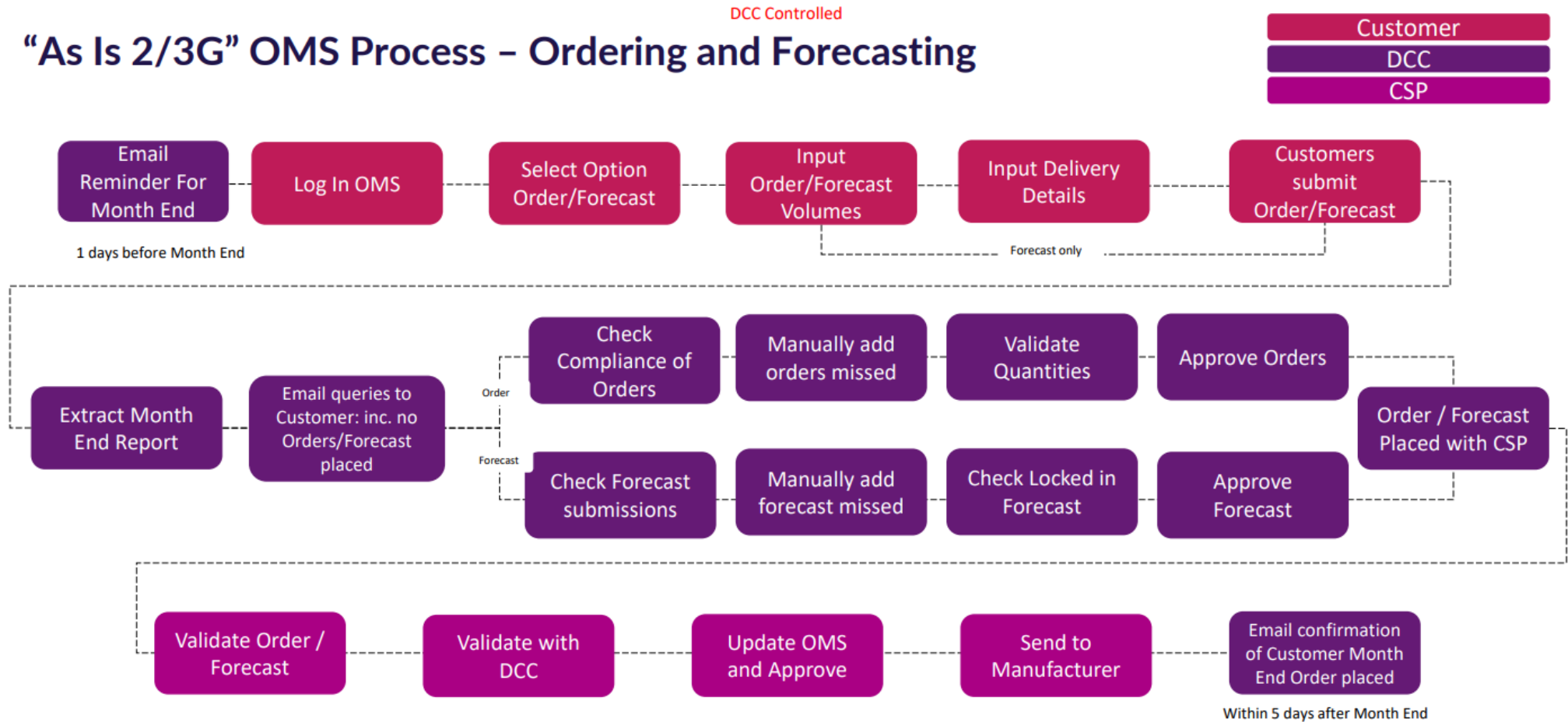
## 7. Attachments

- Attachment 1: SEC Appendix H – CHHSM (Tracked Changes)
- Attachment 2: CHN 4G OMS Response Template

# Appendix A – Forecasting & Ordering Process Maps

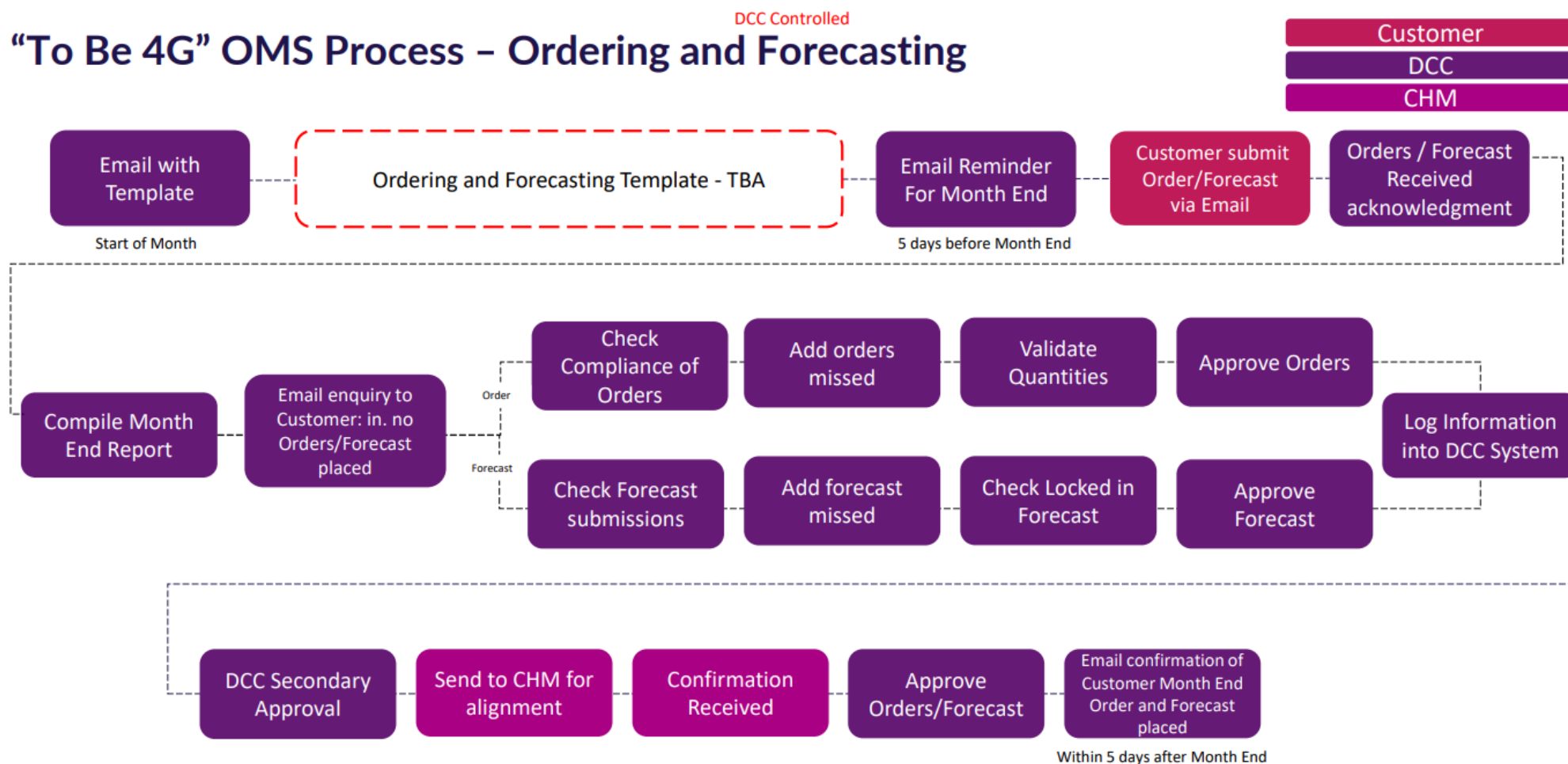
## ‘As-is’ Forecasting and Ordering

This process map sets out the current process for forecasting and ordering 2/3G CHs in the Central & South and North Regions.



## 'To-be' 4G CH Forecasting and Ordering

This process map sets out the 'to-be' process for forecasting and ordering 4G CHs in the Central & South Region.



Note “CHM” means Communications Hub Manufacturer