

Communications Hubs & Networks

DCC conclusions on Phase 2 regulatory
changes (transitional and enduring)

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1. Introduction and context

1.1. Purpose of this document

1. The purpose of this document is to conclude on the Data Communications Company's (DCC's) recent consultation to make changes to the Smart Energy Code (SEC) to facilitate elements of the 4G Communications Hubs and Networks (CH&N) service. This delivers the Joint Industry Plan (JIP) milestone: 'Conclusions on enduring and transitional legal text regulatory changes for the programme – Phase 2' which was due by 31 May 2024. The following SEC Subsidiary Documents were impacted by this consultation:
 - SEC Appendix AU 'Network Evolution Transition and Migration Approach Document' (NETMAD)
 - SEC Appendix I 'CH Installation and Maintenance Support Materials' (CHIMSM)
2. We also consulted on the designation date for the SEC Appendix H 'CH Handover Support Materials' (CHHSM) changes to support the Forecasting, Ordering and Delivery Service

1.2. DCC and the CH&N programme

3. The DCC is Britain's key enabler to a future smart 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 (Smart Metering Equipment Technical Specifications (SMETS2) smart meters, as well as the migration of existing first-generation (SMETS1) meters onto its network.
4. The CH&N Programme is a DCC initiative to define and deliver future-proofed Communications Hubs and 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 the development and implementation of options for a 4G solution.
5. The delivery plan for the CH&N Programme¹ includes several JIP milestones. One of these is 'Conclusions on enduring and transitional legal text regulatory changes for the programme – Phase 2' with a milestone date of 31 May 2024. This document forms our conclusion on the consultation on those changes. We note that the 31 May 2024 milestone has been missed, however, this does not impact the overall timeline of the programme.

1.3. Background

6. In September 2023, DCC consulted on proposed enduring and transitional regulatory changes and published its conclusion on 20 December 2023². In parallel to this consultation, the Department for Energy Security and Net Zero (The Department) published a consultation on proposed changes to the DCC Licence and the Main Body Smart Energy Code (SEC) for the 4G CH&N programme.³
7. On 5 April 2024, DCC concluded on proposed SEC changes to support the 4G Communications Hub (CH) Forecasting, Ordering and Delivery Service being introduced by the CH&N programme⁴. In its initial consultation, DCC set out further items that it was still considering which are required to support the roll out of 4G CHs, including:

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

² [CH&N Conclusions on its consultation on Transitional and Enduring Regulatory Changes | Smart DCC](#)

³ [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 » \(smartenergycodecompany.co.uk\)](#)

⁴ [CH&N Conclusions on SEC Changes for 4G Communications Hub Forecasting, Ordering & Delivery Service](#)

- temporary rules for 4G CH ordering and forecasting;
- rules for 2/3G Mesh CH replacement; and
- the Communications Hub Supporting Information (CHSI) (these changes are currently undergoing a separate consultation).⁵

8. The purpose of this most recent consultation was to obtain views on the proposed changes to the first two of these areas, which include provisions to facilitate the following:

- Temporary forecasting and ordering rules for 4G CHs;
- The replacement of 2/3G Mesh CHs via a pilot during the Initial Pallet Validation (IPV) Stage;
- Enduring rules for 2/3G Mesh CH replacement supported by regular reporting provided by DCC;
- Provisions permitting the issuing of Device Certificates and Organisation Certificates to enable DCC to undertake the activities required for Initial Pallet Manufacture (IPM) of 4G CHs;
- Transitional amendments to switch off, from the point of their introduction until the start of IPV, some of the Main Body SEC obligations that the Department consulted upon in September 2023. These changes were expected to be introduced into the SEC in July 2024. However, due to the general election that has been called, these changes are expected to be made in September 2024.

9. The consultation also sought views on the following:

- The re-designation date of the CHHSM to support the 4G CH Forecasting, Ordering and Delivery Service;
- The re-designation date of the NETMAD to support the temporary forecasting and ordering rules for 4G CHs, the 2/3G Mesh CH replacement pilot, clauses to support IPM and other clauses to support the application of the 4G changes to the SEC Main Body; and
- The re-designation date of the CHIMSM to support Enduring rules for 2/3G Mesh CH replacement.

1.4. Decision and next steps

- 10. DCC received four responses to the consultation. This document summarises the consultation responses received and DCC's response.**
- 11. Based on stakeholder feedback and a further review of the proposed legal drafting, DCC has made amendments to the NETMAD drafting consulted upon. These include:**
- amendments to provide general clarification;
 - amendments to replace references to JIP Milestones for the temporary forecasting and ordering rules with the actual Delivery Months (meaning they would undergo SEC governance rather than the JIP Change Request (CR) process); and
 - due to the general election called in 2024 and the expected delay in the Department's introduction of the Main Body changes to the SEC, we have added definitions for terms within the NETMAD which were initially expected to be introduced by the Department's Main Body SEC changes.

⁵ [CH&N Consultation on the Communications Hub Supporting Information](#)

12. We have also made an amendment to the CHIMSM to clarify that clause 4.2 is subject to clause 8.15, meaning that if the criteria at clause 8.15 is met, a 4G Communications Hub should not be installed.
13. DCC will submit its conclusions to the Secretary of State on 13 June 2024. Subject to the Department's approval, the NETMAD changes are due to be designated on 21 June 2024 (or within one month thereafter), the CHIMSM changes are due to be designated on 1 November 2024 (or within one month thereafter) and the CHHSM changes are to be designated on 1 August 2024 (or within one month thereafter).

2. Consultation Questions & Responses

2.1. Questions

14. The consultation asked the questions set out in Table 1.

Q1	Do you have any comments on the proposed temporary rules for forecasts and ordering of 4G Communications Hubs? Please provide your rationale.
Q2	Do you have any comments on the proposed approach to utilise the JIP Change Request Process should any of the new delivery month JIP Milestones need changing, ensuring all SEC Parties are consulted? Please provide your rationale.
Q3	Do you agree with the DCC proposal that should any of the Delivery Month dates be amended, any previously submitted forecasts and orders in respect of that Delivery Month should be treated as if submitted in respect of the amended Delivery Month? Please provide your rationale.
Q4	Do you have any detailed comments on the legal drafting in SEC Appendix AU (NETMAD), including the proposed temporary process for submitting forecasts and orders of 4G Communications Hubs set out in section 6 of the NETMAD? Please provide your rationale.
Q5	Do you have any comments on the proposed rules for the replacement of 2/3G Mesh Communications Hubs during IPV?
Q6	Do you have any detailed comments on the legal drafting in Clause 7 of SEC Appendix AU (NETMAD)? Please provide your rationale.
Q7	Do you have any comments on the proposed enduring rules for the replacement of 2/3G Mesh Communications Hubs, including the proposal to protect active Mesh CH Gateways and Hops until 31 December 2031?
Q8	Do you have any comments on the proposed date of 1 January 2025 and whether this is an appropriate time from which DCC will provide reporting on Active Mesh Gateways and Hops?
Q9	Do you have any comments on the proposal that the detailed format and mechanism for this reporting will be developed so that it can be included in the SEC prior to the reporting date commencing?
Q10	Do you have any detailed comments on the legal drafting in SEC Appendix I (CHIMSM), including the proposed new definitions and Clauses 8.14 and 8.15? Please provide your rationale.
Q11	Do you have any comments on the proposed changes to support IPM?
Q12	Do you have any comments on the proposed transitional amendments to enabling the switching on/off of the SEC main body 4G provisions?
Q13	Do you have any comments on the proposed re-designation date of 1 August 2024 or as soon as reasonably practicable within one month thereafter of the CHHSM?
Q14	Do you agree with the proposed approach to re-designate the NETMAD by 21 June 2024 and the CHIMSM by 1 November 2024? Please provide your rationale.

Table 1 – Consultation questions

2.2. Responses

15. DCC received written responses from four parties including three from Large Suppliers and one from the Smart Energy Code Administrator and Secretariat (SECAS) on behalf of the Communications Transition Group (CTG) and the Operations Group (OPSG).

3. Analysis of Responses

16. DCC has analysed the feedback provided. This section sets out an overview of the responses on the topic and DCC's response.

3.1. Question 1

17. DCC sought views on the proposed temporary rules for forecasts and ordering of 4G Communications Hubs: "Do you have any comments on the proposed temporary rules for forecasts and ordering of 4G Communications Hubs? Please provide your rationale."

Respondent views

18. DCC received four responses to this question.
19. All the respondents agreed with the proposed temporary rules and associated dates and acknowledged that these were agreed as part of the previous industry workshops.
20. One respondent noted that the process should not be unduly complex or onerous. Another respondent advised that any precautionary measures taken to allow for 2/3G CH orders at short notice, in the event of 4G CH delays, would have been welcomed. However, they acknowledged that this is not in scope of this consultation.

DCC response

21. We agree that the process should not be unduly complex or onerous. We have taken steps following the consultation to further reduce the complexity of the legal drafting relating to the temporary rules for forecasts and ordering of 4G Communications Hubs. This is described in our response to question 2 below.
22. We will consider the respondent's suggestion to allow for 2/3G CH orders at short notice, in the event of 4G CH delays. More detail is provided in our response at question 3 below.

3.2. Question 2

23. DCC sought views on its proposal to utilise the JIP CR process should any of the new delivery month JIP Milestones need changing: "Do you have any comments on the proposed approach to utilise the JIP Change Request Process should any of the new delivery month JIP Milestones need changing, ensuring all SEC Parties are consulted? Please provide your rationale."

Respondent views

24. DCC received four responses to this question.
25. Two respondents acknowledged that the use of the JIP CR process for governing the temporary rules would provide visibility and clarity. However, they also believe use of the JIP CR process to

be excessive for this particular use case and questioned if it would facilitate date changes at short notice.

26. One of these respondents went on to reference DCC's suggested change in approach at the consultation webinar held on 13 May 2024, whereby the delivery months would be referenced in the NETMAD, rather than the JIP. They agreed this would be a pragmatic approach that could mitigate their concerns over the use of the JIP CR process. However, they noted potential challenges with leaving the dates in the NETMAD as any date changes would be required to undergo the SEC Section X5 designation process. They therefore advised that DCC and the Department should consider together the most appropriate approach to governing the temporary rules.
27. One respondent supported the use of the JIP CR process, but highlighted the damaging effects any such date changes could cause. Another respondent noted the use of the JIP CR process was not discussed in the previous industry workshops and suggested that if it was used, that the dates should not be changed should there be any delays.
28. Two respondents agreed that DCC must regularly update the CTG with the status of the delivery months subject to the temporary rules.

DCC response

29. We agree with respondents' views that the JIP CR process would be an excessive form of governance for managing the delivery dates and that it may not be suited to date changes at short notice. Therefore, as suggested in our industry consultation webinar held on 13 May 2024, we have decided to not utilise the JIP CR process and have removed all references to 4G CH delivery JIP Milestones from the NETMAD. Instead, we have decided to simply reference the actual delivery months in which the temporary rules will be applied to within the NETMAD. This means that date changes will require a NETMAD change, so all SEC Parties will still be consulted on any date changes and will ultimately require Department re-designation of the NETMAD. We believe this approach will better allow for date changes should they be required at short notice. We also believe that this will make the process easier to understand from reading the legal drafting.
30. We will provide regular updates to the CTG on the status of the delivery months in which temporary forecasting and ordering rules will apply.

3.3. Question 3

31. DCC sought views on how to manage previously submitted forecasts and orders if the respective delivery months were changed: "Do you agree with the DCC proposal that should any of the Delivery Month dates be amended, any previously submitted forecasts and orders in respect of that Delivery Month should be treated as if submitted in respect of the amended Delivery Month?".

Respondent views

32. DCC received four responses to this question.
33. Two respondents agreed with the proposed approach for previously submitted forecasts and orders, should any of the Delivery Month dates be amended.
34. One respondent advised they plan to transition to new 4G CH technology as quickly as possible, and as a result would benefit from the ability to increase stock orders in the event of delays. They noted that if, for example, the programme was to face a three-month delay and by the time stock is ready for deployment they were unable to increase the initial order, this would pose an issue.

35. One respondent noted that Energy Suppliers are best placed to provide the DCC with detailed comments on this given proposal.

DCC response

36. DCC notes the risk of delay to the programme raised by one respondent. DCC understand the importance of having sufficient stock available to ensure rollout plans can continue during the transition to 4G. If any delays to the CH&N programme occur before an order is placed, Suppliers will have the opportunity to increase or decrease orders by up to 20% (using existing tolerances). Once an order is placed, it cannot be increased or decreased, regardless of whether the delivery date subsequently changes such that the delivery date is now more than five months after the order was placed.
37. If the programme faces a delay, delivery schedules will be adjusted accordingly. For example, if a delivery was due in July 2025 but the programme was delayed by three months, the delivery date would move to October 2025. DCC will provide monthly updates to track progress against the delivery months for which temporary rules apply to the Supply Chain Working Group (SCWG), the CTG, and the OPSG as part of the Live Service Criteria readiness updates for mass manufacturer.
38. Energy suppliers are responsible for managing their CH supply chains in the event that a delay is found in the 4G CH&N Programme. If this scenario arises, DCC is of the view that energy suppliers should have planned for sufficient contingency stock of 2G/3G CHs when placing forecasts for the 4G transition period and can further utilise the 20% tolerance allowed at order confirmation five months prior to delivery.
39. To assist energy suppliers with their 4G transition planning, we are providing regular insight on the outlook of 2G/3G stock utilisation up to the end of the currently planned transition period. We are further considering whether the current 2G/3G CH forecasting and ordering rules provide sufficient flexibility to enable energy suppliers to react to a potential 4G delay, such as an issue found late in IPV. The DCC will work with industry via the CTG on this matter whilst further information is obtained from our Service Providers.

3.4. Question 4

40. DCC sought views on the proposed legal drafting for the NETMAD: “Do you have any detailed comments on the legal drafting in SEC Appendix AU (NETMAD), including the proposed temporary process for submitting forecasts and orders of 4G Communications Hubs set out in section 6 of the NETMAD? Please provide your rationale.”.

Respondent views

41. DCC received four responses to this question.
42. Two respondents advised they had no comments on this proposal.
43. One respondent expects DCC to hold appropriate engagement with Suppliers and the IMF prior to any changes to the proposed JIP Milestones.
44. One respondent raised several points regarding the proposed legal drafting. They noted that the NETMAD drafting includes references to “4G Central/South Region” which is not currently defined in the SEC and won’t be until the Department designates the Main Body changes to the SEC. Therefore, they believe that these changes to the NETMAD should only be designated once the Main Body SEC changes that introduce this definition have been designated.
45. The respondent also acknowledged DCC’s stated intention at the industry webinar on 13 May 2024 to reference the delivery dates in the NETMAD rather than use JIP Milestones. However, they raised several points in case DCC opted to use the JIP CR process to govern the delivery

dates. They noted that the reference at Clause 6.4 to request a change to the JIP Milestones is not clear as the mechanism for requesting that change is not defined. They added that the reference to "...notify all Parties of its intention to do so" is also not clear in terms of what it entails and how this obligation will be met. They suggested that "...as soon as reasonably practicable..." should be added to this obligation and that DCC should be required to engage the SEC Panel where a change is anticipated.

46. The respondent went on to make more specific amendments to the legal text as follows:
- Suggestion to combine Clauses 6.3 (b) to (f) into a single paragraph noting that they are exactly the same other than the reference to the specific delivery month;
 - Clause 6.3(f) finishes on a semicolon (;), which should be a full stop;
 - Clause 6.3 € should be (e) and finish with an "and" after the semicolon; and
 - In Clause 6.5 that the reference to "...resubmit the forecast or the order...", be changed to "...resubmit the Communications Hub Forecast or the Communications Hub Order for the changed JIP Milestones...".

DCC response

47. As noted in our response to question 2, we have decided to reference the actual delivery months in which temporary rules will be applied to within the NETMAD, rather than referring to JIP Milestones. However, this will still require DCC to engage not only Suppliers, but also to consult with all SEC Parties should any of the delivery months need to be changed.
48. We anticipate a delay to the Department's designation of the Main Body SEC changes for the 4G service due to the general election. To mitigate this, we have decided to add any definitions that are referenced in the NETMAD but only defined in the Department's Main Body SEC changes to the definitions section in the NETMAD itself. This includes the term '4G Central/South Region'.
49. Regarding one respondent's suggestion to define the JIP CR process, as noted above we can confirm we will not be referring to any JIP Milestones in the NETMAD in relation to the temporary forecasting and ordering rules. This has resulted in the deletion of the proposed Clause 6.4 from the drafting meaning we also haven't added "as soon as reasonably practicable..." to the Clause.
50. We note one respondent suggested that the NETMAD be amended to require DCC to notify the Panel as soon as reasonably practical when it anticipates a change in the delivery months. However, we have decided not to include this in the legal drafting as the consultation process for the NETMAD itself requires DCC to consult all SEC Parties, including the Panel. As noted in our response to question 3 above, we will provide monthly updates to track progress against the delivery months for which temporary rules apply to the SCWG, the CTG, and the OPSG as part of the Live Service Criteria readiness updates for mass manufacture.
51. We have updated the legal drafting to reflect the corrections noted at paragraph 42 above. However, we have not taken on the respondent's suggestion to combine Clauses 6.3 (b) to (f) into a single paragraph. We believe keeping the clauses separate makes it clear which forecasts the tolerances apply to which are set out in Clauses 6.2 (a) to (c).

3.5. Question 5

52. DCC sought views on the proposed rules for the replacement of 2/3G Mesh Communications Hubs during IPV: "Do you have any comments on the proposed rules for the replacement of 2/3G Mesh Communications Hubs during IPV?".

Respondent views

53. DCC received four responses to this question.
54. All four respondents supported the proposal to trial the replacement of Mesh CH 'leaf nodes' during IPV. One respondent noted this is essential work to prove (or otherwise) the theoretical 4G coverage in geographically challenging areas.
55. Another respondent agreed that it is appropriate to place rules on Suppliers around the replacement of any Mesh CHs as it's in no one's interest for customers to lose smart services because of the actions of another Supplier.
56. One respondent noted that it is important that IPV tests the DCC Systems and the firmware version of the 4G CHs in the live environment. They added that this would provide Energy Suppliers with the opportunity to test their own systems and gain confidence in the overall solution. This would give DCC Users confidence that the new 4G WAN is fit for purpose, especially for those premises that were reliant on Mesh connectivity.
57. Whilst they agreed with the proposed trial, one respondent felt that the proposed mechanism for the identification of eligible Mesh CHs to be reliant upon manual processes and suggested the use of the 4G coverage checker instead.

DCC response

58. DCC notes that the coverage checker is governed by the DCC User Interface Specification (DUIS). Therefore, any change to the checker would require a formal DUIS change which would likely be costly and take time to deliver, with a value for money impact assessment required. In any case we can confirm that it would not be possible to incorporate a change to the coverage checker in time for IPV Start.
59. However, DCC will share Mesh CH data prior to IPV Start as part of the IPV Working Group, and we will support in planning for IPV with potential Mesh CH targets for swap out.

3.6. Question 6

60. DCC sought views on the proposed legal drafting for Clause 7 of the NETMAD: "Do you have any detailed comments on the legal drafting in Clause 7 of SEC Appendix AU (NETMAD)? Please provide your rationale."

Respondent views

61. DCC received four responses to this question.
62. One respondent advised that Clause 7.3(a) which requires DCC to provide an email address and telephone number for Suppliers wishing to take part in the pilot is outdated. They suggested that DCC could securely issue the Mesh CH information to participating IPV Suppliers two weeks before IPV starts to facilitate planning, rather than expecting Suppliers to proactively contact DCC. They added that Clause 7.3(c) seems superfluous.
63. Another respondent also suggested typographical amendments to Clause 7 of the NETMAD.
64. Two respondents had no comments on the proposed legal drafting for the Mesh CH pilot during IPV.

DCC response

65. Whilst we have committed to providing an email address and telephone number for those intending to take part in the pilot, we can also facilitate the respondent's request to provide the Mesh CH information two weeks before IPV starts to assist in their planning for the pilot. However, we will leave the drafting in Clause 7.3(a) as proposed in the consultation as we believe Suppliers would still benefit from having DCC contact details for the pilot.
66. Regarding the comment on Clause 7.3(c), we believe this clause is required to make sure that DCC provides a Supplier with the eligible Mesh CHs for the pilot, following a Supplier's request to participate. We have also updated this clause to clarify that the list of eligible Device IDs for the pilot will be those that have not been an active gateway or hop in the six-month period preceding the Supplier's request to take part in the pilot.
67. We also note that the data we provide for the pilot will be a snapshot of data. Therefore, the status of Mesh CHs could change after we've provided the data. However, the likelihood of this occurring is low.
68. We can confirm that we have updated the NETMAD to consider the respondent's suggested typographical amendments.

3.7. Question 7

69. DCC sought views on the proposed enduring rules for the replacement of 2/3G Mesh Communications Hubs: "Do you have any comments on the proposed enduring rules for the replacement of 2/3G Mesh Communications Hubs, including the proposal to protect active Mesh CH Gateways and Hops until 31 December 2031?".

Respondent views

70. DCC received four responses to this question.
71. All four respondents agreed with the proposal to protect active Mesh CH Gateways and Hops until 31 December 2031. Two respondents noted that as 'leaf node' CHs are replaced, this will expose further leaf nodes that are suitable for replacement and lead to an organic reduction as time goes on.
72. One respondent questioned whether the proposed six-month rule for acting as a 'leaf node' before removal should be re-considered before 31 December 2031. This is considering that the number of 'leaf nodes' decreases, so will the number of 2/3G Mesh CHs operating as 'Hop' nodes. They suggested that future analysis done on the likelihood of 'Leaf' nodes switching to 'Hop' nodes over time could show the six-month period can be reduced. They also added that there is no mention of repercussions or communication if Suppliers replace 2/3G CH Mesh 'Gateway' or 'Hop' nodes. In that instance, they suggested it may be more appropriate to replace the disconnected 'Leaf' nodes with 4G CHs.

DCC response

73. We note one respondent's suggestion to re-consider the proposed six-month rule for acting as a 'leaf node' before removal before 31 December 2031. This is considering that the removal of Leaf nodes should see an organic reduction in the number of 'Hops' as well. As the replacement of Leaf nodes progresses, DCC will review the efficacy of the six-month rule. Any amendment to the rule could be carried out via the SEC Section D Modification Process along with engagement with the CTG and consultation with all SEC Parties.

74. DCC's Mesh CH data will be able to identify for Suppliers those Mesh CHs that are active 'Gateways' or 'Hops' and so we believe the likelihood of the inadvertent replacement of these Mesh CHs to be low. We note a suggestion from one respondent that should any 'Gateway' or 'Hop' nodes be inadvertently replaced, that any stranded 'Leaf' nodes should be replaced with a 4G CH. However, DCC cannot enforce this and in any case, such a scenario would be a breach of the SEC that the Panel would review and manage appropriately. We also note an edge case may arise whereby the stranded 'Leaf' nodes are not in an area of 4G coverage. Whilst this is unlikely to occur, it would mean replacing the stranded 'Leaf' nodes with 4G CHs would not resolve the WAN connectivity. Due to the low likelihood of an active 'Gateway' or 'Hop' being replaced, rules have not been established to handle such scenarios. Should this scenario arise, DCC will identify the optimum route to reestablishing WAN connectivity for any stranded CHs considering the specific circumstances.

3.8. Question 8

75. DCC sought views on the proposed date for the provision of reporting on Active Mesh Gateways and Hops: "Do you have any comments on the proposed date of 1 January 2025 and whether this is an appropriate time from which DCC will provide reporting on Active Mesh Gateways and Hops?".

Respondent views

76. DCC received four responses to this question.
77. Three respondents agreed with the proposed date of 1 January 2025. However, one of them raised concern with the method of reporting and advised that the data should be made available via the 4G coverage checker. This would allow them to automate their processes for identifying Mesh CH Gateways and Hops without reliance on manual intervention.
78. One respondent requested that DCC collaborates with the CTG, the OPSG and DCC Users to ensure that the proposed reports are fit for purpose.

DCC response

79. Regarding the suggestion to use the coverage checker to provide Mesh CH data, we have covered this in more detail in our response to question 9 below.
80. We can confirm we will engage the CTG, the OPSG and DCC Users on the content of the Mesh CH reporting.

3.9. Question 9

81. DCC sought views on the development of the detailed format and mechanism for the Mesh CH reporting: "Do you have any comments on the proposal that the detailed format and mechanism for this reporting will be developed so that it can be included in the SEC prior to the reporting date commencing?".

Respondent views

82. DCC received four responses to this question.
83. Three respondents advised that the Mesh CH data should be incorporated into the 4G coverage checker rather than a report. This would ensure all the data is held in one place and remove the need for multiple and/or manual processes.

84. One respondent reiterated that DCC must work in collaboration with the CTG, the OPSG and DCC Users to agree the detailed format and mechanism of the reporting. Additionally, they expect DCC to consider Energy Suppliers' detailed responses to this question as part of the development of the reporting.

DCC response

85. As noted above, we can confirm that we will engage the CTG, the OPSG and DCC Users on the enduring Mesh CH reporting. We will work with industry to develop an enduring and cost-effective way of providing information that supports Supplier business processes for the replacement of Mesh CHs. One option that we could explore is through the coverage checker if Parties feel that this could be of benefit. However, we note that this would require a formal DUIS change. This would be costly, take time to deliver and require a value for money impact assessment.

3.10. Question 10

86. DCC sought views on the proposed legal drafting for the CHIMSM: "Do you have any detailed comments on the legal drafting in SEC Appendix I (CHIMSM), including the proposed new definitions and Clauses 8.14 and 8.15? Please provide your rationale."

Respondent views

87. DCC received four responses to this question.
88. One respondent recommended that that the information provided on Mesh CHs should list all Mesh CHs, including those with a status of 'not active' and those that are 'leaf nodes'. They considered that including 'not active' would give clarity to the Supplier that the CH is suitable for replacement rather than assuming it is suitable for replacement by being absent from the list. They also noted a status for 'leaf nodes' would give the Supplier information regarding the lack of previous cellular 2G/3G coverage. They suggested that the legal text should be amended to accommodate these additions.
89. One respondent reiterated their concern the legal drafting suggests that DCC will produce a report. However, their preference is that the data be incorporated into the 4G coverage checker providing a more automated process.
90. One respondent suggested that Clause 8.14 should be amended to specify that DCC will provide a report, rather than just referring to the provision of 'information'. They also noted that Clause 8.15 states the following, '...then the replacement Communications Hub installed by the Supplier Party shall not be a 4G Cellular Communications Hub'. They advised that it is not clear whether there is a link between this clause and Clause 4.1. They suggested that in these circumstances, the WAN Variant that is identified in the Coverage Checker for the installation location should be used and that a reference to Clause 4.1 should be added to Clause 8.15 to make this clear.
91. One respondent had no comments on the proposed legal drafting for SEC Appendix I.

DCC response

92. DCC notes the response requesting that Leaf nodes and non-active Mesh CHs be identified in the reporting considering they would be a target for swap-out. We recommend that this be an item for discussion at the CTG where further details around the content and delivery mechanism of the reports can be discussed before we consult more widely. We can also confirm that we will consult with the CTG and the OPSG on the content of the reporting. Any further changes to the legal text

for this can be developed and consulted upon at the same time, to account for the outcomes of these discussions.

93. As noted in our response to question 9, provision of Mesh CH data via the coverage checker would be both timely and costly and would impact the DUIS. However, as noted above, if Parties feel that this change could be of benefit, then DCC will investigate a DUIS change further as part of our engagement on the enduring Mesh CH reporting.
94. We note the suggested amendment to explicitly reference the provision of a 'report' rather than 'information' at Clause 8.14 of the CHIMSM. However, we believe this to be unnecessarily prescriptive in terms of the format of the information provided, which is yet to be consulted on and agreed. We also note other respondents' views that the data should be provided via the coverage checker rather than a report. We consider that the legal text should be left unchanged at this time, and that any further updates required are developed and consulted on following the detailed discussions with the industry on the approach and content of these reports.
95. We note the comment on Clause 8.15 and its link with Clause 4.1 of the CHIMSM. We also note that Clause 4.2 of the CHIMSM states that where the Coverage Database identifies multiple WAN Variants for the Central and South Regions for the Installation Location, the Supplier may install either a 4G Communications Hub or for 2G/3G the WAN Variant identified in the Coverage Checker. To remove any ambiguity from the drafting, we have updated Clause 4.2 to reference that the clause is subject to Clause 8.15 meaning that should the criteria at Clause 8.15 be met, a 4G Communications should never be installed.

3.11. Question 11

96. DCC sought views on the proposed changes to support IPM: "Do you have any comments on the proposed changes to support IPM?"

Respondent views

97. DCC received four responses to this question.
98. Two respondents questioned whether the Security Sub-Committee (SSC) had been engaged on the proposed changes considering the subject matter. One respondent added that they do not disagree with the changes but sought assurances that the SSC has been engaged. The other respondent set out the following criterion on behalf of the SSC for the proposed change to be approved:
 - *The Penetration Tests and remediation of any material findings (currently planned for 16 June) are completed.*
99. They added that the SSC would expect to see evidence and a supporting letter from DCC's Chief Information Security Officer (CISO) to be able to provide an approval. The respondent's expectation is that DCC will engage with the SSC to arrange an ex-committee approval of these outstanding security assurances after 16 June 2024 to enable Certificate generation between 19 and 24 June 2024.
100. Two respondents had no comments on the proposed changes to support IPM.

DCC response

101. We can confirm that the SSC was consulted on the changes for IPM on 8 May 2024. We agree with the SSC's criterion for generating the Certificates for IPM and we are aligned with the SSC's expectation for the Penetration Tests and remediation of any material findings to be completed on 16 June 2024 prior to the planned designation of the NETMAD. Should these dates be delayed,

we will discuss the most appropriate way forward for commencing IPM with the Department and the SSC.

3.12. Question 12

102. DCC sought views on the proposed transitional amendments to enabling the switching on/off of the SEC main body 4G provisions: “Do you have any comments on the proposed transitional amendments to enabling the switching on/off of the SEC main body 4G provisions?”.

Respondent views

103. DCC received four responses to this question.
104. Three respondents agreed with the proposed transitional amendments.
105. One respondent had no comments on the proposals.

DCC response

106. DCC notes that since the consultation was issued, the calling of the general election has delayed the expected designation date of the SEC Main Body changes, with these now not expected to be designated before September 2024. The application of the transitional amendments to temporarily switch of clauses regarding the provision of Test CHs and the provision of Device and User System Tests (DUST) would no longer need to apply by this date. Therefore, for efficiency, we believe it appropriate not to include them in the updates to the NETMAD, and so have removed them from the proposed changes.

3.13. Question 13

107. DCC sought views on the proposed re-designation date for the CHHSM: “Do you have any comments on the proposed re-designation date of 1 August 2024 or as soon as reasonably practicable within one month thereafter of the CHHSM?”.

Respondent views

108. DCC received four responses to this question.
109. Three respondents agreed with the proposed date of 1 August 2024.
110. One respondent had no comments on the proposed date.

DCC response

111. As noted in our consultation, we intend for the CHHSM changes to be designated on 1 August 2024 (or within one month thereafter).

3.14. Question 14

112. DCC sought views on the proposed re-designation date for the NETMAD and the CHIMSM: “Do you agree with the proposed approach to re-designate the NETMAD by 21 June 2024 and the CHIMSM by 1 November 2024? Please provide your rationale.”.

Respondent views

113. DCC received four responses to this question.
114. Three respondents agreed with the proposed date of 21 June 2024 for the NETMAD and 1 November 2024 for the CHIMSM. However, one of these respondents noted their concern that the proposed changes in the NETMAD require the Main Body SEC changes that are being laid before Parliament to be in effect. They believe this to be after the proposed date of 21 June 2024.
115. One respondent had no comments on the proposed date.

DCC response

116. We consider the NETMAD will require designation on 21 June 2024 in time to support IPM and that the CHIMSM will require designation on 1 November 2024 in time for the 'Initial Pallet Validation Start' JIP Milestone on 2 December 2024.
117. We note that the recent decision to hold a general election may impact the Secretary of State's ability to designate the Main Body changes to the SEC and that they will be delayed beyond July 2024. As a result, there would be a longer gap between terms used in the NETMAD and them being defined in the SEC via the Secretary of State's Main Body changes. To mitigate this and to remove any ambiguity, we have decided to additionally define the following terms used in the NETMAD, within the definitions section of the NETMAD itself, noting that those definitions have previously been consulted upon by the Department in its September 2023 consultation on the main body SEC and DCC Licence changes:
- **4G Central/South:** is a Region, and refers to the Geographical Regions covering central Great Britain and the south of Great Britain and the use of 4G mobile communications technology in those Geographical Regions
 - **Geographical Region:** means each of the three regions of Great Britain recognised for the purposes of this Code, being north, central and south. The region into which a premises (or future potential premises) falls shall be identified by the DCC and confirmed to other Parties on request. Once a premises has been identified by the DCC as being in a particular region, the DCC shall not identify that premises as being in a different region (unless agreed by the Supplier Party or Supplier Parties Registered for the MPAN and/or MPRN at the premises and the Network Party or Network Parties for the network(s) to which the premises is, or is intended to be, connected).
 - **Region:** means a combination of Geographical Region and Communications Technology as follows:
 - a) North;
 - b) 2G/3G Central;
 - c) 2G/3G South; and
 - d) 4G Central/South.
 - **Special Installation Mesh Communications Hub:** means a WAN Variant which is distinguishable from a standard Mesh Communications Hub by the existence of an additional external aerial port. These WAN Variants are only used for 2G/3G Central and 2G/3G South.

4. Summary of drafting changes

4.1. NETMAD changes

118. As a result of the consultation responses and to clarify the content of the drafting, DCC has made several changes to the version of SEC Appendix AU (NETMAD) that was consulted upon, as follows:
- Where referenced in the NETMAD, definitions which the Department is expected to designate to the Main Body of the SEC have been added to the NETMAD due to the expected delay to the Department's designation of the Main Body changes
 - Removed references to JIP Milestone Delivery Months (and the JIP CR process) for the temporary forecasting and ordering rules, replacing these with references to the actual Delivery Months for which the rules will apply
 - Deleted Clause 6.4 to require DCC to notify all SEC Parties as soon as reasonably practicable when it anticipates changes to the Delivery Months referenced in the NETMAD
 - Amended Clause 6.5 to replace references to 'forecast' and 'order' with 'Communications Hub Forecast' and 'Communications Hub Order' respectively to ensure terminology aligns with SEC Section F
 - Typographical amendments made to Clauses 7.3 (b) and 7.3 (c)
 - Removed Clauses 9.1 (e) and 9.1 (f) to remove the transitional obligations for DCC not to be required to provide Test 4G Communications Hubs and DUST respectively

4.2. CHIMSM changes

119. As a result of a comment at Clause 8.15 of the CHIMSM, DCC has made an additional amendment at Clause 4.2 to reference that this clause is subject to Clause 8.15, meaning that should the criteria at Clause 8.15 be met, a 4G Communications should never be installed.

5. Conclusions

120. DCC is of the view that it has had appropriate engagement and consultation with industry on the changes that have been proposed to the NETMAD and the CHIMSM in this consultation. As the responses to the consultation and engagement in industry were supportive of the proposed changes, DCC will submit the proposed changes to the Department for designation into the SEC.
121. 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 NETMAD or the CHIMSM drafting and, as such, further consultation is neither necessary nor appropriate.
122. In summary, DCC considers that the revised NETMAD and CHIMSM are fit for purpose.

6. Next Steps

123. We will submit our conclusions to the CH&N Consultation on the Phase 2 regulatory changes to the Secretary of State on 13 June 2024 along with the amended version of the NETMAD that it considers suitable for re-designation into the SEC by the Secretary of State.
124. As stated in the consultation, DCC considers the NETMAD will require designation in time to support IPM. Therefore, we propose these changes are designated on 21 June 2024 (or one month thereafter). We also propose that the CHIMSM changes are designated on 1 November 2024.
125. We propose that the CHHSM changes are designated on 1 August 2024.

7. Attachments

- Attachment 1: SEC Appendix AU – NETMAD (Tracked Changes)
- Attachment 2: SEC Appendix I – CHIMSM (Tracked Changes)