



Communications Hubs & Networks

DCC conclusions on further transitional
provisions

Date: 12 July 2024

Author: consultations@smartdcc.co.uk

Classification: DCC Public

Table of Contents

1. Introduction and context.....	3
1.1. Purpose of this document.....	3
1.2. DCC and the CH&N programme	3
1.3. Previous engagement and the impact from the General Election.....	3
1.4. Consultation responses and next steps	4
2. Analysis of responses	5
2.1. Question 1.....	5
2.2. Question 2.....	5
2.3. Question 3.....	6
2.4. Question 4.....	7
2.5. Question 5.....	7
3. Summary of drafting changes	7
4. Next steps	8
5. Attachments	8

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 on including further transitional provisions to support the introduction of 4G Communications Hubs (CHs). These changes are to allow the ordering of 4G Test CHs and the provision of Device & User System Tests (DUST) for the 4G service to go ahead before the Main Body SEC changes are introduced. These changes impacted Smart Energy Code (SEC) Appendix AU 'Network Evolution Transition and Migration Approach Document' (NETMAD). We also consulted on a revised redesignation date for SEC Appendix H 'CH Handover Support Materials' (CHHSM) to support the 4G CH Forecasting, Ordering and Delivery Service.
2. The need for these changes came about following the calling of the General Election, which has delayed the introduction of the Main Body SEC changes for the Communications Hubs and Networks (CH&N) Programme until September 2024.

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 (SMETS) 2) 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 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.

1.3. Previous engagement and the impact from the General Election

5. 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 SEC Subsidiary Documents (SSDs), DCC owned documents and Main Body SEC changes.¹
6. Based on this scoping exercise by DCC, the Department for Energy Security and Net Zero (the Department) published a consultation in September 2023 on the proposed changes to the DCC Licence and the Main Body SEC (the SEC Sections) for the 4G CH&N programme. These changes were originally planned to be incorporated into the SEC by the Secretary of State in July 2024, following their being laid in front of Parliament for the required 40 sitting days. Following the announcement of the General Election and the dissolution of Parliament, and accounting for the subsequent summer recess, this 40-day period will now not end until mid-September 2024. As a result, the proposed changes to the Main Body SEC are now expected to be introduced around late September 2024.
7. User Integration Testing (UIT) for the CH&N Programme is scheduled to begin on 5 August 2024. During this time, DCC will be required provide DUST for the 4G service. 4G Test CHs will also need to be ordered by Parties and subsequently delivered by DCC ahead of UIT commencing.

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

Temporary provisions will be required to facilitate this until the Main Body SEC changes are introduced.

8. This delay will also affect the proposed redesignation date of the CHHSM changes to support the 4G CH Forecasting, Ordering and Delivery Service that were consulted on in January 2024.² DCC had proposed that the CHHSM should be redesignated in line with, or as soon as reasonably practicable following, the Department's designation of the Main Body SEC changes. At the time, this was expected to happen in July 2024, leading to the proposed redesignation date for the CHHSM of 1 August 2024. Following the delay to the introduction of the Main Body SEC changes, DCC considered that the redesignation date for the CHHSM changes should also be revised and proposed a revised date of 16 September 2024 (or within one month thereafter).
9. Separately to this, a few of the Main Body SEC changes need to be disabled and subsequently enabled to support the phased approach to delivery of the 4G service, e.g. when the 4G communications service itself goes live (planned for 2 December 2024) or when the 4G Communications Hubs enduring forecasting and ordering arrangements go live (planned for 1 October 2024 and 7 April 2025 respectively). To provide clarity to industry on which requirements apply when, the NETMAD acts as a transitional document to temporarily suspend the application of enduring provisions in such situations.
10. On 24 April 2024, DCC issued a consultation to consult on changes to the NETMAD,³ including a new section covering the suspension of the relevant Main Body SEC changes referred to above. DCC issued its conclusions on these changes on 13 June 2024,⁴ and the NETMAD was subsequently redesignated by the Department on 21 June 2024. These clauses did not include the end-dates for each suspension, as they had not been confirmed at the time.

1.4. Consultation responses and next steps

11. This consultation sought views on:
 - The proposed temporary provisions to support the ordering of 4G Test CHs and the provision of DUST in respect of the 4G Service prior to the Main Body SEC changes going live. The views received and DCC's responses are covered in sections 2.1 and 2.2 of this document.
 - The proposed changes to the transitional provisions in the NETMAD relating to the forecasting, ordering and delivery of 4G CHs. The views received and DCC's responses are covered in section 2.3 of this document.
 - The proposed redesignation date for the NETMAD to introduce the above changes. The views received and DCC's responses are covered in section 2.4 of this document.
 - The proposed revised redesignation date for the CHHSM to introduce the changes to support the 4G CH Forecasting, Ordering and Delivery Service. The views received and DCC's responses are covered in section 2.5 of this document.
12. Based on stakeholder feedback, DCC is not proposing any amendments to the NETMAD drafting that was consulted upon.
13. DCC will submit its conclusions to the Secretary of State on 12 July 2024. Subject to the Department's approval, the NETMAD changes are due to be designated on 19 July 2024 (or within one month thereafter), and the CHHSM changes are to be designated on 16 September 2024 (or within one month thereafter).

² [CH&N Consultation on SEC Changes for the 4G CH Forecasting, Ordering & Delivery Service | Smart DCC](#)

³ [CH&N Consultation on Phase 2 regulatory changes | Smart DCC](#)

⁴ [CH&N Conclusions on Phase 2 regulatory changes | Smart DCC](#)

2. Analysis of responses

14. DCC received two written responses to this consultation: one from a Large Supplier, and one from the Smart Energy Code Administrator & Secretariat (SECAS) on behalf of the Communications Transition Group (CTG) and the Operations Group (OPSG).
15. DCC has analysed the feedback provided. This section sets out an overview of the responses received to this consultation and DCC's response.

2.1. Question 1

16. DCC sought views on adding a provision to the NETMAD to ensure orders for 4G Test CHs submitted prior to the Main Body SEC changes being introduced are treated and processed as if they were made after the Main Body SEC changes had been introduced.

Q1

Do you agree with the proposed provision in the NETMAD to support the ordering and delivery of 4G Test CHs prior to the Main Body SEC changes going live? Please provide your rationale.

Respondent views

17. Both respondents agreed with the proposed provision to support the ordering and delivery of 4G Test CHs prior to the Main Body SEC changes going live.
18. One respondent highlighted constructive discussions between DCC and Sub-Committees resulting in DCC providing early access to the UIT-A environment from 11 November 2024, with participants being capable of raising issues from 25 November 2024.

DCC response

19. We acknowledge the support for the proposed provision and have made no changes to the version of the NETMAD that was consulted upon.
20. We also acknowledge the correction highlighted by the respondent on the dates and approach for access to UIT-A from what we had said in the consultation document.

2.2. Question 2

21. DCC sought views on adding a provision to the NETMAD requiring DCC to provide DUST in respect of the 4G service prior to the Main Body SEC changes being introduced.

Q2

Do you agree with the proposed provision in the NETMAD to support the provision of DUST in respect of the 4G Service prior to the Main Body SEC changes going live? Please provide your rationale.

Respondent views

22. Both respondents agreed with the proposed provision to support the provision of DUST in respect of the 4G Service prior to the Main Body SEC changes going live and provided no further comments.

DCC response

23. We acknowledge the support for the proposed provision and have made no changes to the version of the NETMAD that was consulted upon.

2.3. Question 3

24. DCC sought views on proposed end-dates for the transitional amendments that suspend some of the Main Body SEC obligations that the Department consulted upon in September 2023 and that are expected to be introduced into the SEC in September 2024.

Q3

Do you agree with the proposed changes to the provisions in the NETMAD relating to the forecasting, ordering and delivery of 4G CHs? Please provide your rationale.

Respondent views

25. One respondent agreed with the proposed provisions relating to the forecasting, ordering and delivery of 4G CHs and provided no further comments.
26. The other respondent considered that the proposed drafting of NETMAD clause 6.3 is unnecessarily convoluted. Clause 6.3(a) states that it would be removed by modification following a decision by the Secretary of State, due to be taken on 7 April 2025, with all orders needing to be placed before 11 April 2025. This means that any consultation to remove this clause would have to be done prior to the decision by the Secretary of State. The respondent believed it would be anomalous to consult on hypothetical outcomes of future decisions.
27. This respondent also noted the proposed change to NETMAD clause 6.3(b) which will allow an order to be placed by 'intended order', which is different from an order as that would be precluded by clause 6.3(a). As this new order mechanism is not an order in terms of SEC Section F5, they considered that the 'intended order' process should be reflected in the NETMAD.
28. Finally, the respondent proposed some alternative wording for these clauses that they considered would resolve these matters.

DCC response

29. We acknowledge the respondent's comments on clause 6.3(a). We agree that any further consultation will need to be completed and concluded upon prior to the Department's decision on the Live Service Criteria (LSC) for the commencement of the mass manufacture of 4G CHs. We intend that the subsequent designation of the changes that will be included in our further consultation would be contingent on the Department's decision. If the Department's decision was to not commence mass manufacture, it would not subsequently designate the changes to the NETMAD. If the delay to the designation exceeded the standard one-month contingency period, a further consultation on a revised designation date would then be required.
30. The alternative mechanism would be to update the NETMAD now with the corresponding date of 7 April 2025 for when these transitional provisions are expected to cease to apply, in line with the alternative wording the respondent proposed. However, if the Department's decision on the LSC was to not commence mass manufacture, a change to this date would need to be consulted upon and designated at very short notice. We consider that our current proposed approach is the more pragmatic approach to managing the outcome of this decision.
31. We agree with the respondent's views that the 'intended order' mechanism should be reflected in the NETMAD. DCC has already engaged the CTG and the OPSG on this mechanism. As noted above, we intend to further consult on the NETMAD later this year, and we can include any further reflection of this mechanism as part of that update.
32. Noting this, we are not making any changes at this time to the version of the NETMAD that was consulted upon.

2.4. Question 4

33. DCC sought views on the redesignation date of the NETMAD to incorporate the provisions consulted on in the first three questions.

Q4

Do you agree with the proposed redesignation date for the NETMAD of 19 July 2024 (or as soon as reasonably practicable within one month thereafter)? Please provide your rationale.

Respondent views

34. Both respondents agreed with the proposed redesignation date for the NETMAD and provided no further comments.

DCC response

35. As noted in the consultation, we intend for the NETMAD changes to be designated on 19 July 2024 (or within one month thereafter).

2.5. Question 5

36. DCC sought views on a revised redesignation date for the changes to the CHHSM to support the 4G Forecasting, Ordering and Delivery Service, following the delay to the Main Body SEC changes being introduced.

Q5

Do you agree with the proposed revised redesignation date for the CHHSM of 16 September 2024 (or as soon as reasonably practicable within one month thereafter)? Please provide your rationale.

Respondent views

37. Both respondents agreed with the proposed revised redesignation date for the CHHSM and provided no further comments.

DCC response

38. As noted in the consultation, we intend for the CHHSM changes to now be designated on 16 September 2024 (or within one month thereafter).

3. Summary of drafting changes

39. After reviewing the responses received, DCC is not proposing any changes be made to the version of the NETMAD that was consulted upon. This version can be found in Attachment 1 to this document.

4. Next steps

40. DCC is of the view that it has had appropriate engagement and consultation with industry on the updates that have been proposed to the NETMAD 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.
41. 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 drafting and, as such, further consultation is neither necessary nor appropriate.
42. In summary, DCC considers that the revised NETMAD is fit for purpose.

5. Attachments

- Attachment 1: Proposed changes to SEC Appendix AU (NETMAD)