



Communications Hubs & Networks

Consultation on further
transitional provisions

Issued: 24 June 2024

Respond by: 17:00 on 5 July 2024

Contact: consultations@smartdcc.co.uk

Classification: DCC Public

Table of Contents

1. Introduction and context.....	3
1.1. DCC and the CH&N Programme.....	3
1.2. Previous engagement on regulatory changes	3
1.3. Impact of the General Election on designation timing.....	3
1.4. Purpose and structure of this consultation	4
2. Provisions for 4G Test CHs for UIT.....	4
3. Controlling the application of the 4G changes to the SEC....	5
3.1. Forecasting, ordering and delivering 4G CHs.....	6
3.2. Enrolment and Communication Services for 4G CHs.....	6
4. Redesignation of the NETMAD.....	7
5. Redesignation of the CHHSM	7
6. Next steps	8
7. How to respond	8
8. Attachments	8
Appendix A – NETMAD draft direction text	9
Appendix B – CHHSM draft direction text.....	10

1. Introduction and context

1.1. DCC and the CH&N Programme

1. The Data Communications Company (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.
2. The Communications Hubs and Networks (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.

1.2. Previous engagement on regulatory changes

3. 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.¹
4. 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 planned to be incorporated into the SEC in July 2024. However, due to the impact of the General Election, these are not now expected to be introduced before September 2024 (see section 1.3 below).
5. A few of the SEC changes are only relevant in a phased approach, 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). To provide clarity to industry on which requirements apply when, the Network Evolution Testing and Migration Approach Document (NETMAD) acts as a transitional document to temporarily suspend the application of enduring provisions in such situations.
6. On 24 April 2024, DCC issued a consultation to consult on changes to the NETMAD,² 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 2024,³ 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.

1.3. Impact of the General Election on designation timing

7. The Main Body SEC changes are required to be laid in front of Parliament for 40 sitting days prior to being incorporated into the SEC by the Secretary of State. This period was scheduled to end in early July 2024, with the changes subsequently incorporated into the SEC during July 2024.

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

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

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

8. 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.
9. 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 Device and User System Tests (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. Temporary provisions will be required to facilitate this until the Main Body SEC changes are introduced.

1.4. Purpose and structure of this consultation

10. DCC is proposing legal drafting to be incorporated into SEC Appendix AU 'Network Evolution Transition and Migration Approach Document' through designation by the Department. The purpose of this consultation is to obtain views on the proposed changes, which include provisions to facilitate the following:
 - **Orders for 4G Test CHs:** Introduction of a provision 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. This is covered in section 2 of this document.
 - **DUST provision:** Introduction of a provision requiring DCC to provide DUST in respect of the 4G service prior to the Main Body SEC changes being introduced. This is covered in section 2 of this document.
 - **End-dates for suspensions:** End-dating of 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. This is covered in section 3 of this document.
11. This consultation is also seeking views on the following:
 - The redesignation date of the NETMAD to incorporate the above provisions. This is covered in section 4 of this document.
 - The redesignation date of SEC Appendix H 'Communications Hub Handover Support Materials' (CHHSM) to support the 4G Forecasting, Ordering and Delivery Service. This is covered in section 5 of this document.
12. This consultation is expected to impact Large & Small Suppliers and Other SEC Parties, specifically Meter Asset Providers (MAPs).
13. This consultation will close on **5 July 2024 at 17:00**. Following this, DCC will provide a report to the Department by no later than 19 July 2024 containing its consideration of the responses, the proposed updated version of the NETMAD, and the proposed date for re-designation of this. DCC will publish its conclusions document on its website.

2. Provisions for 4G Test CHs for UIT

14. UIT will provide the first opportunity for Parties to begin testing 4G CHs ahead of go-live. The key milestones are as follows:
 - **Orders and delivery of 4G Test CHs for UIT-B:** The first phase of UIT, taking place in the UIT-B environment, is due to begin on 5 August 2024. Parties require 4G Test CHs to participate in

UIT; these need to be prepared and delivered by DCC in advance. DCC required any orders for 4G Test CHs for UIT-B to be submitted by the start of April 2024. DCC will be delivering these 4G Test CHs on 22 July 2024.

- **Orders of 4G Test CHs for UIT-A:** Testing in the UIT-A environment is currently expected to begin five working days prior to the start of the Initial Pallet Validation (IPV) Stage (scheduled to begin on 2 December 2024). Parties requiring Test 4G CHs for this phase will need to submit their orders by the start of August 2024.

15. A further provision is required in the NETMAD to introduce the concept of '4G Test Communications Hubs' to support their ordering and delivery prior to the Main Body SEC changes going live. Due to the lead time needed on the orders of 4G Test CHs, the provision will confirm that orders submitted prior to this provision being added will be treated and processed as if they were made after the Main Body SEC changes had been introduced. This has been added as new clause 9.2 in the NETMAD.
16. Once UIT commences, DCC will also need to provide DUST for these 4G Test CHs and in respect of the 4G service. Therefore, a further provision is required in the NETMAD to require and enable DCC to provide DUST in respect of the 4G service prior to the Main Body SEC changes going live. This has been added as new clause 9.3 in the NETMAD.
17. The proposed changes to the NETMAD for this can be found in Attachment 1. These changes have been drafted against the version of the NETMAD designated on 21 June 2024.

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.

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.

3. Controlling the application of the 4G changes to the SEC

18. In September 2023, the Department consulted on the changes that are needed to the Main Body SEC to deliver the 4G CH arrangements. These changes include:
 - The right for Parties to place forecasts and orders for unconstrained quantities of 4G CHs;
 - Requirements for DCC to provide unconstrained quantities of ordered CHs that rely on 4G mobile communications technology; and
 - Requirements for DCC to provide Enrolment Services and Communications Services using 4G mobile communications technology.
19. These changes were originally expected to be introduced into the SEC by the Department in July 2024. As set out above, the calling of the General Election has delayed this, and these changes are now expected to be introduced into the SEC in September 2024.
20. However, the above services do not need to be provided at the point these changes are introduced. Provisions were therefore included in the NETMAD to suspend these services for 4G CHs. When these provisions were included in the NETMAD, no dates for when these suspensions would be disapplied, defining when these obligations would be 'switched on' and the associated services required to be provided, were included.

3.1. Forecasting, ordering and delivering 4G CHs

21. The Main Body SEC changes update the enduring obligations to allow Parties to forecast and order 4G CHs in unconstrained quantities, and for DCC to then deliver these. However, Parties and DCC will not be required to do these at the point these changes are introduced. As such, the NETMAD was updated to switch off these provisions for 4G CHs (NETMAD clauses 9.1(a), (b) and (c)).
22. The first Delivery Month when unconstrained orders of 4G CHs can be delivered is July 2025. The temporary forecasting and ordering provisions in the NETMAD require Parties to submit their forecasts of 4G CH quantities for this Delivery Month in October 2024. We therefore propose to update NETMAD clause 9.1 such that the requirement for Parties to forecast the number of 4G CHs that they intend to order is made effective from 1 October 2024.
23. The mass ordering and mass delivery of 4G Communications Hubs should only be enabled following the Department's decision on the Live Services Criteria (LSC) for the commencement of the mass manufacture of 4G CHs. The DCC would not be permitted to manufacture or deliver 4G CHs until the Department determines that the LSC have been met. Consequently, it would not be appropriate to allow Parties to formally submit their orders prior to this point, as if the LSC were not met, those orders could not then be fulfilled by DCC. The Joint Industry Plan (JIP) Milestone for this LSC decision is currently set for 7 April 2025. Orders of 4G CHs for delivery in July, August or September 2025 would then need to be confirmed by Parties by 11 April 2025, as set out in the NETMAD. Given this short window, DCC will work with Parties to enable orders to be submitted in the run-up to the LSC decision, but they will not be confirmed and processed until after the LSC decision has been made.
24. Should the Department approve the commencement of the mass manufacture of 4G CHs, the NETMAD will be updated via a further designation to remove these clauses. DCC therefore plans to consult on the proposed removal of these suspensions and the associated date for their removal at a later date.
25. In the meantime, further provisions are proposed to be added to NETMAD clauses 6.3 and 9.1 to clarify that until this approval has been received, DCC would not be permitted to manufacture or deliver 4G CHs other than those that are required for IPV, and Parties will not be able to submit mass orders for 4G CHs. A further provision is also proposed to clause 6.3 to confirm that any intended orders submitted prior to the LSC decision would be treated as an order following this approval.
26. The proposed changes to the NETMAD for this can be found in Attachment 1. These changes have been drafted against the version of the NETMAD designated on 21 June 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.

3.2. Enrolment and Communication Services for 4G CHs

27. The Main Body SEC changes will require DCC to provide the Enrolment Services and Communications Services for the 4G service. However, these services should not be provided until the start of the IPV Stage, scheduled to begin on 2 December 2024. As such, the NETMAD was updated to switch off these requirements for the 4G service (NETMAD clause 9.1(d)).
28. The disapplication of this suspension is dependent on the Department's decision on the LSC for the commencement of IPV. The JIP Milestone for this LSC decision is currently set for 29

November 2024. Should the Department approve the commencement of IPV, and therefore the requirement for DCC to provide the Enrolment and Communications Services for the 4G service, the NETMAD will be updated via a further designation to remove this clause.

29. For consistency we propose adding a clarifier to clause 9.1(d) regarding this decision similar to the other provisions in clause 9.1, but otherwise no changes are proposed at this time. DCC plans to consult on the proposed removal of this suspension and the associated date for its removal towards the end of Summer 2024.

4. Redesignation of the NETMAD

30. Due to the General Election, the Main Body SEC changes will not now be incorporated into the SEC before late September 2024. We consider that the NETMAD will need to be re-designated as soon as possible to introduce the provisions to support the ordering and delivery of Test 4G CHs and the provision of DUST for the 4G service in UIT, as set out in section 2 above. Test 4G CHs are due to be delivered on 22 July 2024, before UIT then commences on 5 August 2024, and so these provisions would need to be introduced before then. The changes set out in section 3 above are also being proposed for inclusion in this version for efficiency.
31. As such, we are proposing that the NETMAD should be redesignated on 19 July 2024, or as soon as reasonably practicable within one month thereafter as a contingency measure if required. A draft direction for the redesignation of the NETMAD can be found in Appendix A of this consultation document.

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.

5. Redesignation of the CHHSM

32. On 17 January 2024, DCC consulted on proposed changes to the CHHSM to support the 4G CH Forecasting, Ordering and Delivery Service being introduced by the CH&N programme.⁴ DCC subsequently consulted on a proposed re-designation date of 1 August 2024 for these changes as part of the consultation on further changes to the NETMAD issued on 24 April 2024.²
33. When discussing this proposed redesignation date with the Department, DCC proposed that the CHHSM should be re-designated 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 re-designation date for the CHHSM of 1 August 2024.
34. Due to the delay to the incorporation of the SEC Main Body changes into the SEC, DCC has further discussed this redesignation with the Department. DCC continues to propose that the CHHSM should be re-designated in line with, or as soon as reasonably practicable following, the Department's designation of the Main Body SEC changes, which is now expected to happen in September 2024. DCC also notes that these changes need to be introduced before the first 4G CH orders are submitted in October 2024.

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

35. As such, we are proposing a revised redesignation date for the CHHSM of 16 September 2024 or as soon as reasonably practicable within one month thereafter. A draft direction for the redesignation of the CHHSM can be found in Appendix B of this consultation document.

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.

6. Next steps

36. Following the closure of this consultation, DCC will assess respondents' views, and amend the draft changes to the NETMAD. DCC will then submit an amended version of this document to the Department that it considers suitable for re-designation into the SEC by the Secretary of State.
37. DCC is aiming to provide a report to the Department by no later than 19 July 2024. This report will contain DCC's consideration of the responses to this consultation as well as the proposed updated version of the NETMAD, as well as the proposed date for re-designation of this. DCC will publish its conclusions document on its website.

7. How to respond

38. Please provide responses using the attached response form by **17:00 on 5 July 2024** to DCC at consultations@smartdcc.co.uk.
39. Consultation responses may be published on our website (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.
40. If you have any questions about this consultation, please contact us at consultations@smartdcc.co.uk.

8. Attachments

41. This consultation includes two attachments:
- Attachment 1: Proposed changes to SEC Appendix AU (NETMAD)
 - Attachment 2: Consultation response template

Appendix A – NETMAD draft direction text

This appendix contains the text that the Department plans to use for direction of changes to the NETMAD.

This direction is made for the purposes of the smart meter communications licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the “DCC Licence”) and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the “SEC”).

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 19 July 2024, the Network Evolution Transition and Migration Approach Document (NETMAD) previously designated and incorporated into the SEC as Appendix AU is hereby re-designated and incorporated in the form set out in Annex [XX] to this direction.

For the avoidance of doubt such re-designation of the NETMAD shall be without prejudice to anything done under the DCC Licence or the SEC on or after this document first being designated, or the continuing effectiveness of anything done in this document prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is also being notified to the SEC Administrator.

Appendix B – CHHSM draft direction text

This appendix contains the text that the Department plans to use for direction of changes to the CHHSM.

This direction is made for the purposes of the smart meter communications licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the “DCC Licence”) and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the “SEC”).

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 16 September 2024, the Communications Hub Handover Support Materials (CHHSM) previously designated and incorporated into the SEC as Appendix H is hereby re-designated and incorporated in the form set out in Annex [XX] to this direction.

For the avoidance of doubt such re-designation of the CHHSM shall be without prejudice to anything done under the DCC Licence or the SEC on or after this document first being designated, or the continuing effectiveness of anything done in this document prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is also being notified to the SEC Administrator.