



# SMETS1 Conclusion TMAD Expiry Date 2024

A SMETS1 conclusion on a proposal by DCC to extend the  
TMAD expiry date to 31 December 2024.

Filename: CON\_SMETS1\_Consultation\_TMAD\_Expiry\_Date\_2024

Submission Date: 15 December 2023

Author: [consultations@smartdcc.co.uk](mailto:consultations@smartdcc.co.uk)

Classification: DCC Public

# Table of Contents

- 1. Introduction and Context .....3
- 2. Stakeholder Engagement.....3
  - 2.1. Questions ..... 3
  - 2.2. Responses..... 4
  - 2.3. Analysis of Responses ..... 4
- 3. Extension to the TMAD Expiry Date (TMAD Expiry Date 2024 Q1) .....4
  - 3.1. Respondents' Comments / DCC Analysis / Clarifications..... 4
  - 3.2. Areas of Unresolved Disagreement ..... 7
  - 3.3. Summary..... 7
- 4. TMAD Re-designation (TMAD Expiry Date 2024 Q2)....7
  - 4.1. Respondents' Comments / DCC Analysis / Clarifications..... 7
  - 4.2. Areas of Unresolved Disagreement ..... 7
  - 4.3. Summary..... 8
- 5. Summary of Drafting Changes .....8
- 6. Conclusions.....8
- 7. Next Steps.....8
- 8. Attachments .....9

# 1. Introduction and Context

The vast majority of energy suppliers have installed first generation smart devices (known as SMETS1 devices) in consumers' premises across Great Britain. The Data Communications Company (DCC) has designed a solution for the enrolment of SMETS1 devices into its network. Part of DCC's plan to deliver SMETS1 Services involves an approach for migrating SMETS1 Installations into DCC's systems.

Appendix AL of the Smart Energy Code<sup>1</sup> (SEC) is the SMETS1 Transition and Migration Approach Document (TMAD) and sets out the detailed technical and procedural requirements of the Migration approach. In this document DCC concludes on proposals to amend the TMAD in support of SMETS1 service delivery.

The SMETS1 Consultation - TMAD Expiry Date 2024<sup>2</sup> was published via DCC's website on 2 November 2023 (with an email notification sent to SEC Parties and other interested stakeholders) with responses due by noon on Thursday 30 November 2023. The consultation proposed that the existing expiry date in the TMAD is changed from 31 March 2024 to 31 December 2024 via an amendment to Clause 1.3 of the TMAD. The consultation also proposed to re-designate the amended TMAD between 18 December 2023 and 18 January 2024.

This document provides a response to that consultation consistent with the regulatory requirements for amending the TMAD.

## 2. Stakeholder Engagement

This section details DCC's stakeholder engagement that has taken place in relation to the proposed regulatory changes.

### 2.1. Questions

The consultation set out two questions and this document provides a response to these two questions. Table 1 below details these questions as presented in the public consultation.

Number	Question
TMAD Expiry Date 2024 Q1	Do you agree with DCC's proposal to amend Clause 1.3 to extend the expiry of the TMAD until 31 December 2024? Do you have any detailed comments on the relevant change to the legal drafting? Please provide a rationale for your views.
TMAD Expiry Date 2024 Q2	Do you agree with the proposed re-designation date of 18 December 2023 (or within one month thereafter i.e. in the period between 18 December 2023 and 18 January 2024) for the update to the TMAD within the scope of this consultation? Please provide a rationale for your views.

Table 1 – Consultation Questions – TMAD Expiry Date 2024

<sup>1</sup> The current version of the SEC is available from <https://smartenergycodecompany.co.uk/the-smart-energy-code-2/>.

<sup>2</sup> <https://www.smartdcc.co.uk/consultations/smets1-consultation-tmad-expiry-date-2024/>

## 2.2. Responses

Stakeholders were invited to respond to the consultation by noon on Thursday 30 November 2023 using the response template<sup>3</sup> that was provided.

During this period DCC received a written response from seven respondents regarding this consultation.

Some stakeholders have recently advised DCC that they would generally only respond to DCC's regulatory consultations if they wish to provide specific feedback on or have concerns about the relevant proposals. The number of responses received should be considered in this context.

## 2.3. Analysis of Responses

DCC reviewed the consultation responses and included a statement on any areas of disagreement as set out in the Sections below.

# 3. Extension to the TMAD Expiry Date (TMAD Expiry Date 2024 Q1)

Clause 1.3 of the TMAD sets out the date that the entire TMAD will cease to apply. DCC sought views on a proposal that the expiry date in Clause 1.3 is changed from 31 March 2024 to be 31 December 2024. This extension to the expiry date was proposed as Migration of SMETS1 Installations will not be materially complete within the current TMAD period. In addition, the process for closure of a Migration service (as set out in Clause 7 of the TMAD) needs to extend for a period beyond closure of the final cohort, for example providing rights and obligations around undertaking audits as per Clause 7 of the TMAD. This change was covered by the following question: ***“Do you agree with DCC’s proposal to amend Clause 1.3 to extend the expiry of the TMAD until 31 December 2024? Do you have any detailed comments on the relevant change to the legal drafting? Please provide a rationale for your views.”***

## 3.1. Respondents’ Comments / DCC Analysis / Clarifications

All respondents provided a response to this question. All respondents expressed general support for the proposal to amend the expiry date in the TMAD to be 31 December 2024 and no respondents provided comments on the legal drafting.

Two respondents stated they agreed with the proposal without further comment.

One respondent agreed that the TMAD expiry should be extended for the FOC (BG) cohort but raised concerns related to the MOC (Secure) cohort.

This respondent stated that FOC has been impacted by specific meter asset and S1SP issues since Migrations began. This respondent noted the significant Migration progress made by the remaining energy supplier within the FOC (BG) cohort. Thus, the respondent believes that extending Migration services to a date no later than the end of 2024 for the FOC (BG) cohort is in the best interests of energy consumers.

This respondent expressed concern regarding the material quantity of un-enrolled assets within the MOC (Secure) cohort given that DCC’s Migration services within this cohort have operated successfully since August 2020. This respondent expressed the view that

<sup>3</sup> [https://www.smartdcc.co.uk/media/el2m2szw/smets1\\_consultation\\_tmad\\_expiry\\_date\\_2024\\_response\\_template.docx](https://www.smartdcc.co.uk/media/el2m2szw/smets1_consultation_tmad_expiry_date_2024_response_template.docx)

extending Migration capabilities for MOC (Secure) should not be automatically approved without further challenge or scrutiny. This respondent expressed concern about lack of progress with Migration by certain energy suppliers in the MOC (Secure) cohort as the respondent considers there has been sufficient time to complete Migrations. This respondent stated that DCC's Migration services should be concluded at pace to allow resources and expertise to be reallocated to other important DCC programmes in the period 2024 to 2027. DCC can confirm that it is seeking to close the remaining SMETS1 cohorts as soon as it is economically efficient to do so. These closures will be in the best interests of energy consumers and aligned to the Government's aim for them to benefit from a digitised, smart, interoperable energy market that also enables them to benefit from smart services without undue delays, and to retain smart services using their existing SMETS1 Devices, including when they switch energy supplier. Based on the information provided by energy suppliers<sup>4</sup>, DCC expects that it should be possible to close the remaining cohorts by 30 September 2024. DCC will continue to make available capacity to support these Migrations. To progress these closures, DCC would consult on the respective RP Decommissioning Timetables (as prescribed in Clause 7 of the TMAD) in spring 2024. Also, the respondent suggested the DCC's charging regime should consider moving to a 'polluter pays' approach to re-charge the costs associated with the ongoing provision of the SMETS1 Migration services for the MOC (Secure) cohort. Principles related to the charging regime are captured in the DCC Licence which doesn't currently provide for a 'polluter pays' approach for SMETS1. DCC discussed these matters with this respondent. The respondent understands and accepts that the challenge on the quantity of unmigrated SMETS1 Installations in MOC (Secure) needs to come from Ofgem and the Department for Energy Security and Net Zero (the Department). DCC has highlighted these comments and the challenge to Ofgem and the Department. This respondent accepts that extending Migration services to a date no later than the end of 2024 for this cohort is in the best interests of energy consumers so long as sufficient challenge and scrutiny is applied to the material quantity of un-enrolled assets within the MOC (Secure) cohort.

One respondent expressed support for the proposal to amend the TMAD expiry date to be 31 December 2024 without comments on the legal drafting and provided a range of supporting arguments.

This respondent observed that DCC's reporting indicates a material quantity of un-enrolled Active Meters for the remaining cohorts. This respondent commented that significant investment was made on the basis that SMETS1 meters would be subsequently enrolled into DCC to maximise asset utilisation. This respondent considers that a decision now to limit the time for enrolment of SMETS1 Meters would increase costs for energy suppliers and could limit investor appetite to invest in future metering requirements in Great Britain. DCC notes the observations made by this respondent and can confirm that this extension to the expiry date was proposed as Migration of SMETS1 Installations will not be materially complete within the current TMAD period. DCC can confirm that it will seek to close Migration services for the remaining cohorts promptly where it is in energy consumers best interests and when economically efficient to do so.

This respondent noted that closing the FOC (BG) cohort on 31 March 2024 would reduce the effective enrolment period for this cohort compared to other cohorts. This respondent noted that such 'early' closure of the FOC (BG) cohort would result in the unnecessary early removal of SMETS1 meters, undermining the national infrastructure business case benefits and causing unnecessary impact to the environment. This respondent also noted that FOC has been fraught with system issues which has, in some cases, limited the ability of energy suppliers to migrate. DCC understands these concerns related to FOC. DCC notes that there

<sup>4</sup> See <https://www.smartdcc.co.uk/consultations/smets1-consultation-tmad-expiry-date-2024/>

has been further capability deployed as well as maintenance of the FOC solution over time to support scalability and adding resilience given the size of FOC (NP) and FOC (BG).

This respondent highlighted that end customers are able to switch to a different energy supplier and retain smart services once their SMETS1 Meters are enrolled and the TMAD extension will provide such interoperability to additional end customers. DCC can confirm that interoperability is a key benefit for end customers from SMETS1 enrolment.

This respondent indicated that further activity is required across energy suppliers, DCC, and the remaining SMETS1 SMSOs to validate data across the remaining cohorts and make attempts at enrolling meters. This respondent stated that the proposed extension to the TMAD will provide the required additional time to effectively complete these remaining activities. This respondent also expressed concern related to the quantity of meters reported across the Excluded Categories i.e. where persistent failure to enrol has been demonstrated. This respondent stated that these meters require further investigation / work to provide remedies and could then be re-attempted for Migration. DCC notes that in some circumstances, it may be possible to resolve matters and Migration can be reattempted upon request as per Clause 18 of the TMAD. This respondent noted that recent work in the field by certain energy suppliers has been successfully in remedying meters which were previously considered un-enrollable, but energy suppliers need the extra time from the TMAD extension to continue these activities. DCC can confirm that it is focused on maximising Migrations and will continue to work with energy suppliers and SMETS1 SMSOs to resolve issues thereby maximising successful Migrations.

This respondent emphasised that extending the TMAD from 31 March 2024 to 31 December 2024 would allow for SMETS1 Installations operating in prepayment mode and / or where the end customer is vulnerable to be attempted for Migration after the 2023/24 winter period. This respondent also noted that the TMAD expiry date needs to allow sufficient time for decommissioning to complete successfully and be appropriately audited.

One respondent stated they agreed to the proposed TMAD expiry date and that they have no comments on the legal drafting. This respondent stated that the TMAD extension would avoid the cost of large-scale SMETS1 meter replacement. This respondent also indicated their support relates to concerns regarding the pre-payment operation of enrolled SMETS1 meters that were installed within the MOC (Secure) cohort. The respondent highlighted concerns related to UTRN generation and stated that Migration for a large number of SMETS1 Installations within the MOC (Secure) cohort have been paused pending issue resolution/mitigation as this is considered to avoid consumer impact. DCC can confirm that it has in place mitigations for these UTRN issues. Also, DCC will continue to make available capacity to support these Migrations in the MOC (Secure) cohort such that Migrations could be completed to decommission the relevant Requesting Party for the cohort by 30 September 2024.

One supportive respondent stated they agreed to the proposed TMAD expiry date to allow sufficient time to complete SMETS1 Migrations to avoid the economically inefficient early replacement of the three million remaining unenrolled SMETS1 devices. This respondent indicated they are fully committed to Migrating their remaining SMETS1 Installations within the MOC (Secure) cohort once the platform can provide prepayment customers with acceptable minimum service levels. This respondent indicated further functionality that is required to enhance the pre-payment solution. This respondent expressed the view that the extension to TMAD should allow Energy Suppliers sufficient time to complete Migrations once key enabling functionality can be implemented. DCC can confirm it will continue to make available capacity to support these Migrations for the MOC (Secure) cohort such that Migrations could be completed to decommission the relevant Requesting Party by 30 September 2024.

One supportive respondent stated they agreed to the proposed TMAD expiry date and stated that they supported the legal drafting. This respondent highlighted that there are significant numbers of unenrolled meters within the MOC (Secure) and FOC (BG) cohorts. This respondent expressed the view that completion of enrolment within the existing TMAD expiry period is impossible. This respondent noted that the remaining SMETS1 Installations within the MOC (Secure) cohort currently contain meters operating in prepayment mode. This respondent considers that the extension to the Migration period arising from the amendment to the TMAD expiry date allows Energy Suppliers to migrate these meters after the 2023/24 winter period. This respondent also has concerns that a further TMAD extension may be needed to implement further functional improvements to mitigate issues on tariff change days given the potential impact on prepayment end customers. DCC can confirm it will continue to make available capacity to support these Migrations for the MOC (Secure) cohort such that Migrations could be completed to decommission the relevant Requesting Party by 30 September 2024.

### 3.2. Areas of Unresolved Disagreement

n/a.

### 3.3. Summary

All respondents supported the proposal to amend Clause 1.3 of the TMAD so that the TMAD validity can be extended to 31 December 2024.

## 4. TMAD Re-designation (TMAD Expiry Date 2024 Q2)

DCC sought views on re-designating the TMAD between 18 December 2023 and 18 January 2024 to implement the change proposed in this consultation through the following question: *“Do you agree with the proposed re-designation date of 18 December 2023 (or within one month thereafter i.e. in the period between 18 December 2023 and 18 January 2024) for the update to the TMAD within the scope of this consultation? Please provide a rationale for your views.”*

### 4.1. Respondents’ Comments / DCC Analysis / Clarifications

All respondents provided a response to this question indicating support for the re-designation period.

Three respondents stated they agreed with the re-designation proposal without further comment.

Three supportive respondents indicated that it is important that stakeholders are made aware of any TMAD Extension as soon as possible. One of these respondents also stated that early notification of the decision to amend the TMAD expiry date would allow stakeholders to plan into the New Year with confidence. Another of these respondents stated that the conclusion document should be published promptly so energy suppliers are able to plan appropriately for the holiday period in the event the proposed extension to the TMAD is not accepted.

One supportive respondent noted this approach provides for an extension before the existing TMAD expiry date.

### 4.2. Areas of Unresolved Disagreement

n/a.

### 4.3. Summary

All respondents supported the proposal for the Secretary of State to re-designate the TMAD between 18 December 2023 and 18 January 2024.

## 5. Summary of Drafting Changes

There are no changes to the TMAD arising from the comments received regarding the matters set out in this conclusion document.

## 6. Conclusions

In consulting on the proposed TMAD change, DCC has met its SEC obligations. DCC believes that it has undertaken appropriate consultation with industry regarding the proposed change to the TMAD. DCC does not believe that the respondents' feedback to this consultation results in fundamental amendments to the TMAD. As such, further consultation is not necessary or appropriate.

The TMAD version submitted to the Secretary of State for re-designation reflects the requirements for document submission (as per SEC Section N) and considers the revised TMAD to be fit for purpose as it:

- is defined to a sufficient level of detail for re-designation into the SEC and is materially complete, and the content is technically accurate;
- contains revisions that continue to align it with the overall solution design for the SMETS1 Service and other relevant documents; and
- continues to provide an overarching framework that sets out clearly and unambiguously parties' rights and obligations which are consistent and aligned with the rest of the SEC requirements in relation to SMETS1 Services.

In summary, DCC considers that the revised TMAD is fit for purpose.

## 7. Next Steps

DCC submitted this conclusion report to the Secretary of State on 15 December 2023. Subsequently, DCC will publish the report on DCC's website and notify SEC Parties.

The Secretary of State is expected to decide on whether and when to re-designate the revised TMAD into the regulatory framework for the amendment in the scope of this consultation.

Given this consultation process, DCC notes that the earliest date on which the proposed amendment to the TMAD could be re-designated is 18 December 2023 and the latest date is 18 January 2024 without requiring a further consultation on the designation date.



## 8. Attachments

Attachment	Title
1.	TMAD v28.0 draft delta against current version v27.0
2.	TMAD v28.0 draft clean

Table 2 - Attachments