



Department of Energy & Climate Change

To Potential Users of the Data and Communication Company (DCC) services

Department of Energy & Climate Change
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08 04 2013

Dear Industry Participant

Notification of Core Communication Services Schedule for inclusion in version 1 of the Smart Energy Code and invitation to submit Elective Communication Service Requests

Smart meters are the next generation of gas and electricity meters and they can offer a range of intelligent functions. Consumers will have real time information on their energy consumption to help them control and manage their energy use, save money and reduce emissions. Smart meters will also provide consumers with more accurate information and bring an end to estimated billing.

DECC's Smart Metering Implementation Programme (the Programme) was established to manage the rollout of 53 million smart electricity and gas meters to all domestic properties and smart or advanced meters to smaller non-domestic sites in GB by the end of 2019, impacting approximately 30 million premises.

Communications between smart meters in consumers' premises and smart meter data Users will be coordinated by a new, GB-wide data and communications body. This new central body will have a key role in both data and communications services and is referred to as the Data Communications Company (the DCC).

The roll-out of smart meters across Great Britain will require changes to the regulatory framework governing energy industry participants. This includes the creation of a new industry code, the 'Smart Energy Code' (SEC).

A first draft of the first stage of the Smart Energy Code (SEC1) was issued for consultation in November 2012¹ and the final version of SEC1 is due to be published at the end of April 2013. The Government intends to introduce SEC1² into the regulatory framework when the DCC licence is granted in July 2013. At the same time, holders of gas or electricity supply, electricity distribution and gas transportation licences will be required to accede to and comply with the Smart Energy Code as a result of a new condition that will be inserted into their licences.

¹ DECC Smart Metering Implementation Programme: Stage 1 of the Smart Energy Code – Government Responses and Consultation on Draft Legal Text, November 2012

² This will be achieved using a power provided in the DCC licence for the Secretary of State to designate the Smart Energy Code.

The SEC will require DCC to offer communications services in relation to smart metering systems that are enrolled with it. These communication services are categorised into core and elective services. The Programme has previously consulted upon the concept of core and elective services³. Core communication services will be readily available to eligible SEC parties upon request. The DCC will be obliged to offer terms for the provision of elective services, if requested by a SEC party. Should the SEC party accept the terms offered, DCC will enter into a bilateral confidential agreement with that SEC party for the provision of the requested elective services.

The November 2012 SEC publication explained that the Programme was continuing to engage with industry to develop the schedule of core communication services. To do so the Programme has followed an iterative process to take account of information gathered from the service provider procurement process and input from DCC Users. The Programme originally anticipated that the core services schedule would be incorporated when the next version of the SEC was produced. However further thinking has shown that it would be preferable to include a first version within SEC1, as this will facilitate the service provider procurement process and the identification of any necessary elective services to be provided from the time at which the DCC's services are operational.

Over the last few months the Programme has engaged potential Users of the DCC's services to establish the aggregate numbers of communication services required. In addition to industry-wide stakeholders meetings the Programme has engaged with large suppliers and the larger network operators on a bilateral basis and has issued invitations for smaller potential DCC Users to meet as necessary. Using initial input from Users and indicative cost information from the DCC service providers, the potential Users were given another opportunity to review their requirements. In the few weeks preceding this Notice Users were given a final opportunity to consider their requirements. Their views have been incorporated in the schedule accompanying this Notice.

This purpose of this Notice is to:

- (i) Inform the industry of the core communication services that the DCC will provide and the rights of DCC Users to receive them, and
- (ii) Serve as an invitation for DCC Users to submit Day 1 Elective Communication Services requests.

Therefore, this Notice is set out in two parts.

Part A: The Core Communication Service Schedule where industry participants are asked to provide comments on the schedule by 29 April.

Part B: Invitation to submit requests for specific Day 1 Elective Communication Services, with a requirement to submit by 29 April 2013 also.

Comments and submissions should be marked for the attention of Jenny Boothe sent to [jenny.boothe@decc.gsi.gov.uk; Regulation Team, Smart Metering Implementation Programme, Department of Energy and Climate Change, Orchard 3, Lower Ground, 1 Victoria Street, London SW1H 0ET].

Following any requests received for elective communication services provision, the Government will follow the process outlined in Part B and ensure that the DCC is obliged to offer to enter into elective service contracts with the relevant parties.

³ DECC Smart Metering Implementation Programme: Smart Energy Code – Consultation Document, April 2012

Should you have any queries in relation to this Notice please contact Jenny Boothe via email (jenny.boothe@decc.gsi.gov.uk) or by phone on 0300 068 5917.

Yours faithfully,

Smart Metering Implementation Programme

Part A: The Core Communication Services Schedule

The draft core communication services schedule is now being published for comment prior to its incorporation into SEC1. It should be noted that this schedule represents the set of core services that would be available in relation to metering equipment that complies with the second version of the Smart Metering Equipment Technical Specification (SMETS2) that has been installed with a DCC communications hub that complies with the Communication Hub Technical Specification (CHTS). It is therefore based upon the anticipated contents of SMETS2 and the CHTS, which are subject to consultation.

Further work will be undertaken to identify which of the core services in the attached schedule should be available in relation to SMETS1 meters if they are enrolled with DCC and whether there are additional core services that should be offered in relation to SMETS1 meters (to the extent that the functionality of those meters differs from SMETS2 meters).

The enrolment of SMETS1 meters with DCC and the adoption of associated communications contracts were considered in the November 2012 publication⁴. Any further changes to the core services schedule required to support SMETS1 meters will be considered by the Programme once conclusions in that area have been finalised.

Draft SEC1 Core Services Schedule

Attached in Annex 1 is the draft Core Communication Services Schedule which reflects the results of the Programme's stakeholder engagement process and which the Programme considers suitable for incorporation into the SEC when it is designated later this year. The list of available Core Communication Services has been produced for each DCC User type which contains the following:

- a. A reference to the corresponding item in the draft User Gateway Catalogue that the Programme has produced.
- b. The name of the service.
- c. A description of the service.
- d. The response time for the service being the summation of:
 - i. the time for the communication to be transmitted from the DCC's User Gateway to the Communications Hub, and
 - ii. the time for the response from the smart metering device⁵ to be transmitted from the Communications Hub across the DCCs User Gateway.
- e. Whether the service is provided automatically upon its occurrence (e.g. an alert from the meter) or whether the service is only provided in response to a request from a DCC User for the service.
- f. A column indicating the performance standard applying to the service, which is currently empty.
- g. The entitlement to use the service: specifically whether there is no limit on the number of times the service can be requested, or if there is a limit, the amount of the limit.

The applicable performance standards will be incorporated when the final DCC solution has been procured and been subject to market proving. Therefore, the performance standard will be known before DCC's service become operational.

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/43075/6908-stage-1-smart-energy-code-cons.pdf

⁵ This might be the Communications Hub in the case of messages to a Gas Proxy Device.

Updated SEC Core Communication Services Schedule

The core services schedule that exists once the DCC's services are operational will have to contain additional information resulting from further provisions arising in the updated version of the SEC specifically:

- a. A column identifying those services that are critical commands, as these will have additional processes attached to them to support security requirements.
- b. The inclusion of any additional core communication services required to support the security requirements.
- c. The definition of response times for services given the need for additional processes to be applied to communications as a consequence of the security requirements.
- d. The distribution of alerts that are received from a smart metering system (to which DCC User(s) they are sent). The communication services that will be automatically provided by DCC when alerts are received from the meter and the DCC User(s) to which such alerts are sent.
- e. "Pre-enrolment" communication services that are available in relation to smart metering systems that have not yet been enrolled but where the supplier has installed the smart metering system (e.g. services to remotely commission the smart metering system).
- f. Further consideration to be given to the core communication services that a Supplier Nominated Agent is able to request or receive on behalf of the registered supplier.
- g. Further differentiation (if necessary) of eligibility for services in the event that two import suppliers share the same smart metering system (the Programme is currently investigating whether such arrangements might arise).

These updates to the Core Communication Services Schedule will be published along with the associated updated version of the SEC drafting that gives rise to them over the coming months.

The programme intends to procure CSP capacity to support the delivery of the core services that will be embodied in SEC1 schedule and the subsequently updated version of that schedule, and to support the enrolment of SMETS1 meters with the DCC.

Comments on the draft SEC1 Core Communication Schedule are invited by **5pm 29 April 2013**.

Part B: Day 1 Elective Communication Services Provision

In the November 2012 SEC publication the Government considered the timing of when the DCC should be required to respond to requests for elective communication service provision. The Government considered that it would be more efficient for the DCC to do this at the point where its services go live. This was because, during the period between DCC licence award and services go-live, the DCC and its service providers will be designing, building and testing their systems and the Government did not consider it desirable to detract from their ability to finalise and deliver their solution in a timely manner. It was noted that the Programme was undertaking an exercise to identify necessary communications services that the DCC will offer from go-live and that this could be a combination of core and elective services.

Should the draft core communication services schedule attached be considered insufficient to meet any prospective DCC User's anticipated requirements from services go-live, the Government invites that prospective User to submit requests for any 'day 1' elective communication service provision.

It should be noted that section H7.3 of the draft SEC identifies 'Restricted Supplier Services' and 'Restricted Network Services'. The effect of this is to restrict the elective services that can be requested or received by a DCC User. The intention is that only the import supplier, export supplier or gas supplier for the meter can request or receive the restricted supplier services and only the relevant network operator for the smart metering system can request or receive the restricted network services. The drafting in H7.3 will be finalised such that any service that matches the description of services in the:

- i. import supplier schedule will only be available to be requested as an elective service by the import supplier
- ii. export supplier schedule will only be available to be requested as an elective service by the export supplier
- iii. gas supplier schedule will only be available to be requested as an elective service by the gas supplier
- iv. electricity distributor schedule will only be available to be requested as an elective service by the relevant electricity distributor
- v. gas transporter schedule will only be available to be requested as an elective service by the relevant gas transporter.

These restrictions should be borne in mind when considering requests for elective communication services.

Upon receipt of requests for elective service provision which shall remain confidential to the requestor, DECC and the DCC, once appointed, the Programme will:

- i) Engage further to clarify the exact details of the service being requested, should this be necessary,
- ii) Produce draft elective contracts for handover to the DCC once it is appointed, which will include within them a date by which the contract must be entered into, otherwise the offer lapses,
- iii) Oblige the DCC to include within those draft contracts the price for provision of the service and offer to enter into those contracts with the individuals that have requested the service
- iv) If the draft contract is entered into, DCC will then instruct its service providers to provide the associated communication services.

To ensure that the contracts are drafted appropriately potential Users will need to provide the following information to the programme no later than **5pm 29 April 2013**:

1. Company name and contact details (person name, email address and contact telephone number).
2. Description of communication service required.
3. Frequency of service request (e.g., daily, weekly, monthly etc.).
4. Response time.
5. Percentage population of meters that the service must cover.

Responses should be sent to Jenny Boothe at jenny.boothe@decc.gsi.gov.uk the email "Subject" field as follows – "[Company Name] Day 1 Elective Services Requirements – Confidential submission".