
Authority decision to Approve MP271: Sub-Committee seats for Other Users, Meter Data Retrievers and Registered Supplier Agents

Decision: The Authority¹ determines that this modification² should be made³

Target audience: Data and Communications Company (DCC), SEC Panel, Parties to the SEC and other interested parties

Date of publication: 29 May 2025

Implementation date: 26 June 2025

Background

Each Sub-Committee under the Smart Energy Code (SEC)⁴ has a certain number of Voting Member seats allotted to each Party Category⁵ ("The Category"). To become a Voting Member on behalf of a particular Category, a Member must be elected among Parties in the relevant Category. The Other SEC Parties ("OSP") Category is the largest Category of the SEC and comprises 50% of all SEC Parties. Unlike other Categories that represent one specific type of organisation, the OSP Category includes all organisations that would like to be SEC Parties but are not required by License to do so, leading to greater variety within this Category.

The current composition of the Change Board, as set out in Section D8⁶ of the SEC, includes five voting Categories, with each of the Categories having a specific number of Voting Members. Each Category's collective vote is determined by simple majority among the Category's Voting Members. The OSP Category currently has three Elected Member seats at the Change Board. All types of OSP Category Parties are equally eligible for these three seats.

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

² 'Change' and 'modification' are used interchangeably in this document.

³ This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989 and by section 38A of the Gas Act 1986.

⁴ [Smart Energy Code - Smart Energy Code](#)

⁵ [Current SEC Parties - Smart Energy Code](#)

⁶ <https://smartenergycodecompany.co.uk/the-smart-energy-code/>

The current composition of the Technical Architecture and Business Architecture ("TABASC") Sub-Committee, as set out in Section F1⁷ of the SEC, includes four voting Categories, with each of the Categories having a specific number of Voting Members. Each Category's collective vote is determined by simple majority among the Category's Voting Members. The OSP Category currently has two Elected Member seats at TABASC. All Members of OSP Category are equally eligible for these two seats.

The modification proposal

In August 2024, Stark Software International (Holdings) Limited⁸ ("The Proposer") raised SECMP271, 'Sub-Committee seats for Other Users, Meter Data Retrievers and Registered Supplier Agents'. This modification proposed to add one OSP category seat to the TABASC Sub-Committee, to be filled by an elected Party acting in the User Role of Other Users ("OU"), Meter Data Retrievers ("MDR") and Registered Supplier Agents ("RSA"). It would also reallocate one existing OSP Category seat at the Change Board to an elected Party that acts in the role of OU, MDR or RSA. Both seats would become available to any OSP Category Party if no OUs, MDRs or RSAs applied for the seat.

This modification proposal considers the matter of adequacy of representation of the OSP Category at the Change Board Sub-Committee and the TABASC Sub-Committee. The Proposer has raised a concern about the representatives of the OSP category being unable to adequately represent the entire Category due to a high number of different types of organisations comprising it, noting that these different types of organisations have conflicting priorities. They noted that this leads to lack of representation for certain specific Party Types within the OSP Category, namely OUs, MDRs and RSAs. The Proposer noted that the involvement of these specific Party Types in the DCC Network is set to increase in the coming years, and lack of representation could lead to technical solutions being developed without their insight, which could, in turn, lead to increased costs.

⁷ <https://smartenergycodecompany.co.uk/the-smart-energy-code/>

⁸ As registered at Companies House under company number 09978378.

The Proposer considered that SECMP271 would enable OUs, MDRs or RSAs to provide their expertise, fulfilling their obligation to Suppliers and Consumers, as they carry out metering and data services on their behalf. As such, it would better facilitate SEC Objectives (a), (c) and (d).⁹

SEC Change Board¹⁰ recommendation

At the SEC Change Board meeting on 22 January 2025, most of the Change Board considered that SECMP271 would better facilitate the SEC Objectives, and the Change Board therefore recommended its approval. The Change Board stated that they believe that this modification would provide OUs, MDRs and RSAs with opportunities to be more involved in the SEC Sub-Committee discussions and would lead to better representation of their views, and as such better facilitate the SEC Objectives (a), (c) and (d).

Our decision

We have considered the issues raised by the proposal and the Change Report dated 27 January 2025. We have considered and taken account of the votes of the SEC Change Board on the proposal which is attached to the Change Report. We have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the SEC Objectives¹¹
- directing that the change is approved is consistent with the Authority's principal objective and statutory duties.¹²

Reasons for our decision

We consider this modification proposal will better facilitate SEC Objectives (a) and (c) and has a neutral impact on the other applicable Objectives.

⁹ The SEC Objectives in accordance with DCC Licence 22.10-22.17

¹⁰ The SEC Panel and Change Board are established and constituted pursuant to and in accordance with DCC Licence 22.26(a).

¹¹ The Objectives in accordance with DCC Licence 22.10-22.17

¹² The Authority's statutory duties are wider than matters that the Panel must take into consideration and are detailed mainly in the Electricity Act 1989 as amended and the Gas Act 1986 as amended.

a) facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain

The Proposer considers that this modification would better facilitate SEC Objective (a). The Proposer is of the view that ensuring OUs, RSAs and MDRs have a seat at TABASC Sub-Committee and Change Board would facilitate efficient provision, installation and operation of Smart Meters by enabling their expertise to be included more in discussions during these Sub-Committee meetings, thus better supporting this SEC Objective.

The majority of respondents to the Modification Report Consultation (MRC) stated that they believe that this modification proposal better facilitates SEC Objective (a), generally agreeing that specific representation would better enable OUs, RSAs and MDRs to apply their expertise, which would better support this objective. One of the respondents also noted that ensuring OSP Category sees more equitable representation would support the consideration of all stakeholder views across the industry, which would promote efficient provision of Smart Metering in the UK. Other respondents did not comment on this objective specifically.

We note the concerns raised by the members of the September Working Group, raised also in the responses to the Refinement Consultation, observing that the issue this modification identifies relates to a lack of engagement within the OSP category rather than lack of specific representation. We have carefully considered further information submitted by key stakeholders as part of our due diligence on this proposal, and we consider that appropriate steps are being made to further improve the engagement within the OSP category.

We agree that making it possible for any Party from the OSP Category to apply for the re-allocated seat if no OUs, MDRs or RSAs apply is a positive step in ensuring the representation for the OSP Category is not reduced.

The Proposer considered that the usage of the DCC Network is set to increase for OUs, MDRs and RSAs, which would warrant having better representation for these specific User Roles in Change Board and TABASC Sub-Committees. Based on all the evidence available to the Authority, we agree that it would appear to be beneficial to accommodate specific representation of OUs, MDRs and RSAs in the future. Considering the existing and projected

changes in DCC Network usage, both these impacted roles and the other SEC Parties would be likely to benefit from OUs, MDRs and RSAs being present in discussions about the evolution of the DCC System.

We noted the comment raised by an OSP Change Board member who observed that the Proposer classifying the existing Change Board Representatives primarily as Manufacturers may not accurately reflect their knowledge. Multiple Parties within the OSP Category act in several roles, and often their expertise is varied, and we appreciated that it is not always productive to consider their engagement in the context of a single primary role.

Additionally, the Duties of any Category Representative at any Sub-Committee are defined by the SEC and the relevant Terms of Reference of that Sub-Committee. In the case of the Change Board, the Change Board Members are expected to represent the entire Category, regardless of the roles they act in. We note that this modification proposal has not suggested amendments to the wording of the Section D8 of the SEC outlining the Duties of Category Representatives. While we see value in specific representation of OUs, MDRs and RSAs, especially as the DCC Network usage continues to evolve, and consider that this modification would better enable the Change Board to address specific relevant issues, including meter device testing, we require all Category Representatives to uphold the Code.

We consider that this modification would have positive impact on SEC Objective (a). Ensuring the OUs, MDRs and RSAs are included in key conversations at these Sub-Committees may enable them to more directly contribute to facilitating the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain. We require all Category Representatives to continue to fulfil their duties under the Code however, including that of representing the views of the entire Category at Change Board.

c) facilitate Energy Consumers' management of their use of Energy through the provision to them of appropriate information by means of Smart Metering Systems

The Proposer considers that this modification better facilitates SEC Objective (c), noting that specifically including OUs, RSAs and MDRs at Sub-Committees would enable them to use their experiences to help create consumer propositions that facilitate energy management.

The majority of the respondents to the Modification Report Consultation (MRC) considered that this modification proposal would better facilitate SEC Objective (c). One of the respondents noted that specific representation for the impacted Parties may help ensure that the consumers' voices are better heard as we make the transition towards Net Zero. This respondent also noted that they have dealt with a number of issues with non-responding meter variants that were a direct result of inadequate testing with the OU role, which led both to needing to deal with related costs, and to consumers being unable to get the data from the device or to other consumer device issues. Other respondents did not comment on this objective specifically.

We have carefully considered the information provided in the FMR, during discussions and in the consultation responses, as well as further information which we requested and which was submitted on the matter of insufficient testing of devices leading to consumer device issues, and we consider that there is evidence to suggest that this modification is likely to contribute to better addressing and preventing these issues in the future.

Based on the above, we consider that this modification would have a positive impact on the SEC Objective (c).

d) facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy under the Principal Energy Legislation

The Proposer considers that this modification better facilitates SEC Objective (d), because the approval of this modification proposal would help encourage greater engagement from the OU, RSA and MDR community, which in turn may facilitate competition between organisations connected to supply of energy.

Some respondents to the Modification Report Consultation (MRC) stated that they consider that this modification proposal would better facilitate SEC Objective (d). No notable arguments or discussions on the impact on competition were offered by the Parties during the development of this modification. Other respondents did not comment on this objective specifically.

We conclude that this modification has neutral impact on the SEC Objective (d). While we recognise that this modification will lead to positive outcomes for all SEC Parties due to greater engagement with the OUs, MDRs and RSAs and that it may enhance competition among organisations in the energy sector by providing them with more accurate data and information, there is no evidence to suggest that it has any quantifiable impact on the SEC Objective (d) that we can assess.

Decision notice

In accordance with standard licence condition 23 of the Smart Meter Communication licence, the Authority hereby determines that modification proposal SEC SECMP271 'Sub-Committee seats for Other Users, Meter Data Retrievers and Registered Supplier Agents' be made.

Gavin Baillie

Head of Industry Codes

Signed on behalf of the Authority and authorised for that purpose