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Office for Gas and Electricity Markets
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By Email only: smartmetering@ofgem.gov.uk

Dear Graeme

Smart meter Guaranteed Standards: Supplier Guaranteed Standards of Performance Consultation

The Data Communications Company Ltd (DCC) are supportive of efforts to improve the smart metering consumer experience. Ensuring consumers continue to buy in to this critical enabling technology will be of national importance over the coming years as we strive to reach ambitious net zero targets and commence swap out of existing devices to ensure continued connectivity beyond 2033.

We want to work closely with our customers and the regulator to ensure there is clear accountability and collaboration for resolving issues as they arise. We are committed to playing our part in this, but it is vital we have harmonious incentives that bring parties together – not set them apart.

Any performance standards must be considered in the context of broader governance and target structures, including existing SEC obligations and the post 2025 target regime for suppliers, to ensure a holistic and coherent regime that supports collaboration across the sector.

About DCC

DCC, in partnership with our customers and suppliers, built and now manages the technology infrastructure that underpins the smart meter roll-out. The network we operate plays a multi-faceted role in supporting people to efficiently manage their energy usage through automated meter readings and improving the accuracy of energy bills. At scale, the smart metering system will support secure messaging across over 100 million devices in 33 million homes, as well as enabling consumers to switch seamlessly from one energy supplier to another.

With c.16k new meter installations each day, DCC remains committed to supporting an improved consumer experience that will be vital to ensure energy suppliers are able to meet further roll-out targets. We already have strong obligations and service measures in place under the Smart Energy Code to ensure all newly installed and operating smart meters are operating in smart mode.



Our response

Our response builds on the many years' experience we now have of working collaboratively with Energy Suppliers and the regulator to enable installation and continued operational performance of smart meters across Great Britain. Our key points are summarised as:

- Smart meter issues can be complex, with the root cause of issues and accountability sometimes unclear between energy suppliers and other parties. Further work is needed to agree a shared understanding of where accountability lies to ensure any proposed standards increase industry cohesion required to deliver the best outcomes for consumers;
- Any new regime needs to be aligned with and complementary to existing governance structures (e.g. SEC) and the updated target framework due in 2026;
- Potential changes will need to consider the associated impact on DCC costs (for example negotiating new Service Level Agreements with our supply chain) and ensure implementation timelines are achievable;
- DCC is committed to playing our part in delivering the best consumer experience. We continue to look for ways to upgrade the network and enhance our capabilities in support of our customers. Discussions are already underway on what more we can do in this regard, including enhanced diagnostic capabilities.

We understand the need for continuous improvement to enhance the consumer experience, and well-designed performance standards are one way to achieve this. We would welcome further, detailed discussion with both Ofgem and Energy Suppliers as to how this can best be delivered.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Stève Hervouet', written over a series of horizontal lines.

Stève Hervouet

Chief Strategy and Regulation Officer

CC: Penny Brown, Chief Operating Officer



Response

Clarification of regulations

Q1. Do you agree the 2015 regulations should be updated to reflect the current metering landscape and explicitly mention smart meters?

Yes. DCC are broadly supportive of the introduction of new smart meter standards designed to enhance the consumer experience of getting and having a smart meter. A better experience will encourage wider adoption and accelerate the smart meter rollout, enabling more people to make informed decisions about their energy use.

However, further collaboration is needed between energy suppliers and DCC to develop a more holistic approach to identify and resolve challenging installation and operating issues where responsibility is unclear. Further consideration is also required to ensure any new standards align with the SEC code and a new smart meter target framework due to come into force next year.

Q2. If yes, what areas of the 2015 regulations do you consider should be updated to reflect that they apply to smart metering?

A new standard, alongside existing standards for Appointments, Faulty Meters and Reconnections, would need to be introduced to support proposals for smart meter installation appointments. Proposals relating to smart meter operational issues could also be captured within this new standard, perhaps as a "Smart Meter Availability standard. Alternatively, smart meter operational issues could be incorporated into the existing Faulty Meter standards.

Appointment availability

Q3. Do you agree that a new standard to ensure requests for smart meter installation appointments are fulfilled within a set number of weeks is right for consumers?

Whilst Energy Suppliers are best placed to answer the range of questions around appointment availability, broadly, we see this as the right direction of travel as we recognise the benefit of setting this new standard to continue to drive uptake and improve the consumer experience.

Establishing this as accepted practice will be important as we look ahead to significant programme to swap out older 2G/3G Communications Hubs with 4G hubs from 2026 onwards providing greater network reach, enhanced stability and security, and delivering cost savings we can pass onto consumers. This will require Energy Suppliers going back into people's homes again so if they've had a poor customer experience or long delays, this could make the remainder of the roll out more challenging.

Consumer facing organisations have reported that some consumers can wait a significant amount of time to get a smart meter installed and we also see different levels of compliance to SEC Installation and



Maintenance guidelines for installs across Energy Suppliers. However, we also recognise the challenges Energy Suppliers face including availability of skilled workers, complexity of installs, geography, property types etc. It is therefore important to balance the regulatory standards that protect consumers with practical considerations for Energy Suppliers.

We would also encourage Ofgem to explore whether specific consumer segments should / could be prioritised such as potentially vulnerable consumers as identified through the Priority Services Register.

Q4. Do you agree that six weeks is an achievable timeframe to meet?

Out of scope.

Q5. Do you agree this should apply to new/first time smart meter appointments only?

Out of scope.

Q6. Do you agree that this should only apply in cases where a consumer is technically eligible to have a smart meter installed, and what do you consider those cases to be?

We agree that this should only apply in cases where the consumer is technically eligible to have a smart meter installed. Those cases should include where DCC's WAN Coverage database indicates coverage at the premises as TRUE (that there is coverage).

For those that are not technically eligible, this includes the 0.7% according to DCC's WAN Coverage database that do not have coverage. Over time we expect the number of ineligible homes to reduce as we work closely with DESNZ and our Service Providers to look at solutions to address the 0.7% without WAN coverage, including the development of Virtual WAN (VWAN) that uses an Internet-based Smart Metering Solution using the consumer's broadband.

Other cases include situations where suppliers are unable to install a smart meter for consumer specific reasons, but energy suppliers are best placed to advise on these instances.

Q7. Are there any other exemptions that should be considered with this standard?

We believe there would be merit to have some form of mechanism to apply for an exemption due to unforeseen or exceptional circumstances. This could be arbitrated by the SEC Panel.

More broadly, we believe consideration should be given to the role of the Energy Ombudsman to implement any new standards and potentially resolve any areas of disagreement.



Q8. Do you agree a consumer could receive this compensation every six weeks should a supplier not be able to offer an appointment in that time frame?

Out of scope.

Q9. Are there any other factors not clearly outlined you think need to be considered?

Yes – it is important that the next stage of this consultation works to align revised standards within the context of the broader incentive regime. Without knowing the future policy direction around smart meter installation targets, it is challenging for DCC and Energy Suppliers to determine the overall impact of these revised standards, in particular any additional costs or administrative burdens that may arise.

A further factor to consider is what happens when someone switches energy supplier mid-way through – does this reset the 6-week period.

Smart Meter Installation Failures

Q10. Do you agree a new standard to ensure consumers receive compensation for failed smart meter installations, where the failure is within a supplier's control, is right for the consumer?

Yes - DCC agrees with this in principle and remains committed to supporting suppliers to reduce the number of smart meter installation failures through the ongoing development and sharing of best practice guidance, and our established incident management processes.

However, there are some circumstances where responsibility for an install failure can be challenging to identify across the supply chain. For this to be successful it is imperative there are clear and agreed reasons where this is solely within an energy suppliers' control.

Q11. Are there any scenarios within an energy supplier's control leading to failed smart meter installations that have not been covered?

We recognise the significant difference in supplier install performance detailed in the consultation. For example, in the North region, in Q1 this year there was a 7% difference amongst the Big 6 energy suppliers on CHs commissioning on to the network within 30 mins.

This can be due to the issues highlighted in the consultation as well as differences in suppliers' installation processes and specifically the use of 'Install and Leave' in the North.



As part of the dedicated Customer Improvement Programme in the North, DCC worked closely with our Service Provider and energy suppliers to understand install practices and develop an updated Best Practice Guide. This has helped to close the gap to 5%. Work is continuing with customers to share best practice further and continuously support installs. There is likely always going to be a degree of disparity across energy suppliers due to the specifics of their install processes, including adaptor provider, use of different message types (Service Request Variants) etc.

However, our view is that significant improvements could be made to the end-to-end installation experience for consumers through industry adopting a more collectively consistent approach including improved quality assurance processes.

Improved data sharing among all parties should also be a key consideration, as the reasons for installation failures are currently not communicated between Energy Suppliers or shared with the DCC. One potential approach is to require suppliers to share this information with the DCC, enabling us to identify root causes and support improved performance across all installations.

Q12. Do you agree this should be applicable to both first time and replacement smart meter appointments?

Yes – we believe ensuring a strong customer experience will be critical for both continued rollout and replacement of meters.

Q13. Do you agree there should be no restrictions on the number of times a consumer could receive this compensation?

Out of scope.

Q14. Are there any other factors not clearly outlined you think need to be considered?

Yes – as part of a drive for continuous improvement DCC share good installation practice, observed from those with high performance, across industry but this could be improved further if data was shared between suppliers on failed installs.

Therefore, one area that could be considered to reduce smart meter installation failure rates would be to allow DCC to assist suppliers by providing more comprehensive, consolidated data from across industry, to enable greater comparison of not just successful installs (as is the case today) but also failed installs and non-communicating devices in different geographic locations.

The benefits of this would be in helping to provide a clearer picture of whether a potential install in a particular location will be successful, enabling improved guidance to support the most challenging installs,



as well as helping to validate the accuracy of the coverage checker. For example, we have done some work to reduce the number of failures in a key step in the installation process by identifying the issue across suppliers then engaging with them to share good practice.

Sharing this data at an appropriate geographic spatial level (and without any direct linkage to energy suppliers) could prove valuable both for industry and also DESNZ and Ofgem to help inform policy designed to overcome challenges in particular locations.

Investigating Smart Meter Operational Issues

Q15. Do you agree that this standard would support customers with suspected problems with their smart meters, and IHDs?

Yes – we continue to stand ready to provide any necessary support that falls within our area of responsibility for the smart metering system. New or updated guaranteed standards of performance should be developed in tandem with the service measures in place under the Smart Energy Code (SEC) recognising that any impact to existing measures should be managed concurrently, rather than as a reaction following implementation. In accordance with our commitments under SEC, the DCC has an incident management process where we must respond to any issues related to the CH or connection to the WAN raised by suppliers. The Target Resolution Times for incidents are set out in SEC Appendix AG and vary depending on the severity of the incidents impact, with a Target Resolution Time of up to 10 days in some cases.

The definition of “initial assessment” must be clear and consistently understood across all Energy Suppliers. There is a risk of unintended consequences - currently, Energy Suppliers raise incidents under the processes described within SEC Appendix AG - Incident Management Policy.¹ The initial target response times for category four and category five incidents are 9 hours and 90 hours respectively, however the SEC descriptions of these categories are very similar. Therefore, it is important that the Supplier “initial assessment” does not assume a DCC response would have always been received during the proposed five-day period. There would be an increased service provider cost if DCC receives an increase in category four incidents, which would then be passed on to Energy Suppliers and consumers.

It is also important to note we do not track and respond to issues relating to IHDs as these can often be the result of customer behaviour e.g. consumers can unplug these at will. However, we are aware that lots of issues are raised about IHDs not working properly which impacts on the overall customer experience with smart meters. We therefore feel greater information should be made available, including via consumer advice charities (e.g. Citizen’s Advice – who receive numerous enquiries on this topic) to help consumers triage basic faults and resolve issues themselves.

¹ [SEC Appendix AG - Incident Management Policy](#)



Q16. Do you agree the best approach is to expand on the existing “Faulty meter” and “Faulty prepayment meter” standards?

As described within our response to question two, we believe this is a viable option alongside introducing a new “Smart Meter Availability” standard that incorporates both Smart Meter Operational Issues and Smart Meter Installation requirements. Ofgem and Energy Suppliers should consider whether combining Meter Faults and Smart Meter Operational Issues within the same standard will be the most efficient approach from an operational and reporting perspective. There should be no impact to the end consumer proposals in either case.

Q17. Are there any other factors not clearly outlined you think need to be considered?

We recommend that Ofgem, Energy Suppliers, DCC and any other relevant stakeholders are fully aligned on the specific definitions related to “non-communicating” smart meters and which party has responsibility in each situation in advance of new guaranteed standards of performance measures going live. There should be confidence and a shared, detailed understanding in what is meant by “an issue within the energy supplier’s control to resolve”.

Smart Meters not Operating in Smart Mode

Q18. Do you agree a new standard to ensure consumers receive compensation for a smart meter that does not operate in smart mode, which is within a supplier’s control to resolve, and has not been resolved, is right for consumers?

Yes – we are broadly supportive of this and welcome the opportunity to work more closely with Energy Suppliers and industry to improve ways of working to address these issues in a timely and effective manner.

Q19. Do you agree with our initial views of “in scope” and “out of scope”?

Yes – we also support the primary proposals that define what is in and out of scope for the revised standard, recognising that ambiguity can arise between the supplier and ‘another party’ regarding the root cause of a smart meter not operating in smart mode. We would welcome opportunities to address this, including by enhancing DCC’s own diagnostic capabilities.

Q20. Do you agree with our initial views on what constitutes a “smart meter” and “not operating in smart mode” for the purposes of this proposal only?



We support a clear, consistent definition of a “smart meter not operating in smart mode” and recommend adopting the agreed industry-wide definition: any smart meter that requires manual readings for billing, regardless of the cause. This consumer-focused definition is technology-agnostic and covers all root causes—such as lack of WAN, dormant SMETS1 meters, delayed commissioning, non-communicating devices, or supplier transitions where smart functionality hasn’t yet resumed.

To complement this, we recommend Ofgem also align with the DCC/DESNZ technical definition of non-communication, where a device (CHF, ESME, GSME, GPF) is classed as non-communicating if it hasn’t had a successful communication in 35 days. This includes rules around HAN and/or GPF communication fallback.

Together, these definitions provide a robust, unified standard that ensures fairness for consumers and clarity across the smart metering ecosystem—avoiding fragmentation, dispute, or gaps in accountability.

Q21. How do you consider “actions of another party” could be clearly defined for this proposal?

DCC recognises that a range of issues can occur that impact on whether a smart meter operates in smart mode related to the smart meter, the smart meter WAN, the CH, the HAN, the IHD or a combination of these. Of these, anything related to the WAN and functioning of the CH would require the ‘actions of another party’ as they would be for DCC to resolve within 90 days in collaboration with the Energy Supplier using the DCC’s incident management process.

As stated in the consultation, our current WAN coverage is 99.3% across the UK and we are working closely with DESNZ to find solutions for the 0.7% to create ‘Virtual WAN Arrangements’ that connect to the DCC’s network via a consumers’ broadband.

Issues relating to the smart meter, HAN and IHD would be the responsibility of Energy Suppliers to resolve but, as already stated, it’s important to highlight that due to the inherent complexity of smart meter installations, identifying the root cause of a meter not operating in smart mode can be challenging. This creates ambiguity around responsibility, leading to delays and a poor consumer experience.

We continue to work with industry to establish greater transparency and accountability over these issues. Indicative examples of the complexity include:

WAN issues

Initial connection of the Communications Hub to the network

We continue to work with our Service Providers to improve the accuracy of DCC’s coverage checker, but we recognise that in rare cases, discrepancies between postcode and property level coverage can cause issues. Beyond this, in locations of confirmed coverage, local issues can arise where a meter install is attempted near a local obstruction (installed deep indoors, near metal obstructions which block radio/cellular signals), or the selection of technology is inappropriate / non-compliant for the required install.

HAN issues



Where the Communications Hub has connected and the initial data requests are successful, but the meter can't be commissioned.

This would mostly be an Energy Supplier issue to resolve but in some circumstances, issues can materialise whereby the sequencing of initial messages sent to the meter can cause failure (in some cases due to data packet size). These issues result in challenges to establish root cause and accountability for issue resolution.

There will also be small number of devices where the root cause of the issue is unknown that will require further investigation. This includes issues that are no fault of either Energy Suppliers or Smart DCC such as environmental issues i.e when a RING doorbell is installed it can interfere with the CH frequency.

We are committed to work proactively with suppliers and wider industry to define clearer lines of responsibility and ways of working to address these types of issues in the future.

Q22. Do you agree that 90 days is an appropriate timeframe to resolve smart meters not operating in smart mode in the future?

Any timeframe agreed as part of this standard will need to consider the impact on current SLA's within our key provider contracts, including the time/ cost of change should renegotiations be required.

Q23. Do you agree consumers should receive compensation for both gas and electricity meters if applicable?

Out of scope.

Q24. Do you agree that for each instance of an "in scope" smart meter not operating in smart mode, the consumer should receive another compensation payment if the meter remains not operating for 365 days, and for every other 365-day period thereafter?

Out of scope.

Q25. Are there any other factors you think need to be considered that have not been covered in this section for this proposal?

Regulatory levers that can increase focus on quality over volume, combined with a collective uplift in skills and knowledge capabilities can ensure meters are installed and measured more effectively, with predictive identification of issues and more proactive resolution across the supplier chain.



We would encourage Ofgem to explore these considerations not just in context with initial installations but also the swap-out of existing technology which requires updating. Proposals should consider how the supply chain can be incentivised to complete technology updates prior to rather than after a point of non communication / obsolescence to ensure a continued positive experience for consumers.

As already stated, with a strong focus on continuous improvement, DCC is committed to working with Energy Suppliers and wider industry to drive efficiency and improve outcomes for consumers. For example, DCC is currently exploring the use of AI and automation to deal with higher volumes of reported incidents across the network.

DCC also stands ready to use our operational insight and capability to better help Energy Suppliers identify, triage and resolve issues more quickly. We have some capability, but this could be enhanced with additional diagnostic capabilities that we are currently discussing with DESNZ.

We also need to consider how intermittent faults are handled if they are within the 90-day period as we are aware this can be frustrating for consumers.

Extension of standards to include non- domestic consumers

We are broadly supportive of these proposals, subject to a review of contracts with our Service Providers to ensure non-domestic is fully covered. Extending these standards will help provide consistency of regulation for consumers and is likely to result in increased consumer confidence which will support future roll out.