Department for Energy Security & Net Zero

Smart Metering Policy Framework – Post 2025

A consultation on obligations for energy suppliers to improve smart meter operations and complete the domestic smart meter rollout by the end of 2030

Closing date: 3 October 2025

August 2025

Any enquiries regarding this publication should be sent to us at:
smartmeters@energysecurity.gov.uk

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General information

Why we are consulting

The government is committed to improving the consumer experience of smart meters and to ensuring that all consumers can benefit from smart meters as soon as possible, to support the Clean Power 2030 Mission.

The existing Smart Meter Targets Framework, set out in the gas and electricity supply licence conditions, was designed to ensure timely delivery of the smart meter rollout by setting energy suppliers minimum annual smart meter installation targets. By the end of 2025, the existing targets require suppliers to have delivered smart meters to 74.5% of relevant domestic premises in Great Britain, at which point the existing Targets Framework comes to an end.

In addition, the Operational Licence Condition, set out in the gas and electricity supply licence conditions, has been the main regulatory tool requiring suppliers to ensure that installed smart meters remain operational. However, there were 3.5m smart meters operating in traditional mode across Great Britain at the end of March 2025, which represents 9% of all smart meters.

We are consulting on proposals for Licence Condition amendments that include strengthening the smart metering Operational Licence Condition to deliver service improvements, a 2030 obligation on energy suppliers to complete the domestic rollout, and a requirement on energy suppliers to submit annual deployment plans.

Consultation details

Issued: 08 August 2025

Respond by: 23:59 on 03 October 2025

Enquiries by email to: smartmetering@energysecurity.gov.uk

Consultation reference: Smart metering policy framework post 2025

Audiences:

This consultation is expected to be of most interest to consumer groups, energy suppliers and installers, as well as other supply chain stakeholders, such as smart meter and In-Home Display manufacturers, Meter Asset Providers, Distribution Network Operators and anyone affected by or interested in the performance of smart meters. We have engaged with Ofgem in developing this consultation. This consultation is not limited to these stakeholders; any organisation or individual is welcome to respond.

Territorial extent:

This consultation applies to the gas and electricity markets in Great Britain. Responsibility for energy markets in Northern Ireland lies with the Northern Ireland Executive's Department for the Economy.

How to respond

When responding, please state whether you are responding as an individual or representing the views of an organisation. If you are responding on behalf of an organisation, please make it clear who the organisation represents and, where applicable, how you assembled the views of members.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome. When considering responses to this consultation, the government will give greater weight to responses that are based on argument and evidence, rather than simple expressions of support or opposition.

We are inviting responses to this consultation via the online e-consultation platform, Citizen Space.

We strongly encourage responses to be submitted online using the online e-consultation platform, Citizen Space, where possible, as this supports timely and efficient analysis of responses.

Respond online at: https://energygovuk.citizenspace.com/energy-security/smart-meter-policy-framework-post-2025

Or, in the event that you are unable to do so:

Email to: smartmetering@energysecurity.gov.uk

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our privacy policy.

We will summarise all responses and publish this summary on GOV.UK. The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This consultation has been carried out in accordance with the government's consultation principles.

If you have any complaints about the way this consultation has been conducted, please email: bru@energysecurity.gov.uk.

Interpretation

In this document:

‘**communications hub**’: a communications hub is installed in homes and businesses to connect the DCC's secure network to smart gas and electricity meters and allow smart meters and in-home displays to connect to each other. The communications hub typically sits next to or on top of the electricity smart meter.

‘**customer-driven churn**’ refers to consumers switching between energy suppliers as a result of the consumer’s active choice.

‘**Data Communications Company (DCC)**’: is the holder of the Smart Meter Communication Licences (currently Smart DCC Limited) and is regulated by Ofgem. It is responsible for linking smart meters in homes and small businesses with energy suppliers, network operators and energy service companies, via a centralised data and communications network. DCC has an outsourced service model, with a number of Fundamental Service Providers, which include the Communications Service Providers (CSPs), who help to build the Smart Metering data and communications infrastructure. The CSPs manage and maintain the secure communication networks that remotely relays messages to and from smart meters within a set region. They include: Arqiva (Communications Services Provider North); O2 UK (a subsidiary of VMO2) (Communications Services Provider South and Central); and Vodafone (national 4G provider).

‘**DESNZ**’ or ‘**the department**’ refers to the Department for Energy Security and Net Zero, that has published the consultation on behalf of the UK Government.

‘**domestic**’ refers to premises at which a supplier of gas or electricity (or both) is taken wholly or mainly for a domestic purpose (see Gas Supply Licence and Electricity Supply Licence standard condition 6).

‘**4G in the North**’ refers to the planned extension of the fourth generation (4G) communication network into a defined northern region negotiated by Data Communications Company (DCC).

‘**Guaranteed Standards of Performance**’ refers to regulations that require energy suppliers to meet specific service standards, such as fulfilling requests for appointments, and provide compensation to consumers if they fail to do so.

‘**Home Area Network (HAN)**’ refers to a wireless network used within homes to connect smart metering system devices in the home which are communications hub, smart meters (electric and gas), In-Home Displays (IHDs) and Consumer Access Devices (CADs).

‘**non-domestic**’ refers to designated premises in scope of the smart meter rollout. These are smaller sites with electricity meters in profile classes 1-4 or with gas consumption below 732 MWh per year.

‘**Ofgem**’ stands for the Office of Gas and Electricity Markets. It is the energy regulator for Great Britain and its role is to protect the interests of energy consumers.

‘**Smart Energy Code (SEC)**’ refers to a multi-party agreement which defines the rights and obligations of DCC, energy suppliers, network operators and other relevant parties involved in the end-to-end management of smart metering in Great Britain.

‘**Smart Energy GB (SEGB)**’ is the organisation responsible for the delivery of consumer engagement in relation to smart metering under Electricity and Gas Supplier Licence Conditions 45 and 39 respectively.

‘**Smart meter operating in traditional mode'** refers to a smart meter where the respective energy supplier cannot obtain remote meter readings as expected, therefore the meter needs to be read manually or where the consumer cannot access their relevant energy information across the HAN including updated tariff information on a relevant consumer device.

‘**SMETS1**’ (Smart Metering Equipment Technical Specifications - first generation) refers to the first generation of the technical specifications for smart metering equipment qualifying to meet licence rollout targets.

‘**SMETS2**’ (Smart Metering Equipment Technical Specifications - second generation) refers to the second generation of the technical specifications for smart metering equipment qualifying to meet licence rollout targets.

‘**the government**’ refers to the UK Government.

‘**the Programme**’ refers to the Smart Metering Implementation Programme which includes the department’s Smart Metering Team and the wider group of partners and stakeholders responsible for delivering the rollout.

‘**the Targets Framework**’ refers to the smart meter installation obligations which have been implemented and took effect from 1 January 2022.

‘**Smart tariffs**’ refers to energy pricing plans that vary the cost of electricity based on the time of day

‘**Virtual WAN (VWAN)**’ refers to an arrangement where, providing the consumer consents to the use of their broadband, smart meters can connect to the DCC via the internet. DESNZ and DCC have been working together to implement this arrangement for consumers that live in premises that have no WAN coverage.

‘**we**’ refers to the UK Government.

‘**Wide Area Network (WAN)**’ the WAN is used for communication between smart meters and the DCC via a communications hub, enabling (amongst other things) suppliers to receive meter readings remotely.

Executive summary

Smart meters are an essential upgrade to our national energy infrastructure. They bring significant benefits to consumers and underpin a modern, clean and flexible energy system.

Smart meters help consumers take control of their energy use, cut their energy bills, and unlock the benefits of the transition to clean power. By supporting grid resilience and flexibility, they also play a vital part in the government's commitment to deliver Clean Power 2030.

The government is committed to ensuring that all consumers can benefit from smart meters as soon as possible. To support the Clean Power Mission and ensure no one is left behind, we are consulting on a framework to enable the vast majority of consumers to have smart meters by the end of 2030.

To meet this ambition, the government previously introduced a four-year 'Targets Framework' from 2022 to end 2025, under which energy suppliers have been set annual smart meter installation targets, which collectively required energy suppliers to deliver smart meter coverage to 74.5% of the domestic sector by end 2025.

Consumers are at the heart of the smart meter rollout. However, we know that not all consumers have received the quality of service that we expect across the country.[1] Improving the consumer experience of smart metering is a priority. We are working at pace alongside industry partners to improve smart meter services across all areas of Great Britain.

The proposals set out in this consultation aim to deliver a step-change in consumer experience, provide certainty to industry, and drive the completion of the rollout to support the transition to Clean Power. That means making sure that smart meters work as they should, transitioning the smart meter network to use the 4G communications network before the 2G and 3G communications networks are switched off by 2033, and ensuring the vast majority of consumers benefit from a smart meter by the end of 2030.

The principles guiding our proposals are:

- delivering a high quality and improved consumer experience
- providing certainty to enable investment and underpin the transition to Clean Power 2030
- providing delivery flexibility to the sector, whilst ensuring progress and accountability

[1] 9% of smart meters were not operating in smart mode as of end March 2025: Smart meters in Great Britain, quarterly update March 2025 - GOV.UK

In this consultation, we are seeking views on the following requirements for energy suppliers to take all reasonable steps to:

- ensure smart meters in traditional mode are back working in smart mode for consumers as soon as possible and no later than 90 days from the date energy suppliers are first aware
- pre-emptively replace smart metering assets so that they continue to communicate when they will otherwise stop as a result of Wide Area Network (WAN) services ending, such as the switch-off of 2G and 3G mobile services by end of 2033
- complete the smart meter rollout by installing smart meters in remaining domestic premises by the end of 2030

We are also consulting on an underpinning requirement for energy suppliers to submit annual deployment plans to Ofgem, outlining supplier domestic activities to meet their installation, operational and replacement obligations.

We are gathering evidence on In-Home Displays (IHDs) and other feedback tools, to better understand consumer and industry requirements for accessing real-time energy consumption data. This will help us consider the case for any potential further improvements to the consumer experience of smart metering in relation to consumption data feedback.

Proposals with respect to resolving smart meters operating in traditional mode and clarifying obligations to pre-emptively replace smart metering assets apply to both domestic and non-domestic energy suppliers. Proposals to drive new smart meter installations in the non-domestic sector will follow in a separate consultation.

We look forward to engaging with stakeholders and to work together to deliver our shared objective of delivering a universal smart metering service across Great Britain that works for everyone by the end of 2030.

Introduction

Smart metering rollout to date

Smart meters are upgrading Great Britain's energy system, bringing significant benefits to consumers, and playing a vital role in building a flexible and decarbonised power system.

Consumers are at the heart of the smart meter rollout, as they bring an end to manual meter readings and estimated bills, whilst providing households with near-real time information which they can use to save energy and cut their bills. There is robust evidence from the rollout to date that consumers with smart meters are achieving sustained savings using their smart meters and In-Home Displays of 3% for electricity and 2.2% for gas credit.[2] This is particularly beneficial at a time of high global energy prices. In addition, the wider system savings enabled by smart meters flow back to help reduce all consumer bills.

Prepayment customers see particular benefits from smart meters, which enable consumers to top-up remotely as well as track their balance easily, reducing the risk that they unknowingly run out of credit. Smart prepayment meters also make it easier to access government cost of living support. For example, the £400 Energy Bills Support Scheme discount was applied automatically for those on smart prepay between October 2022 and March 2023, with no need to redeem a voucher.[3]

Smart meters help consumers unlock the benefits of clean power and clean technology like heat pumps, batteries and solar panels. Smart meters allow consumers to access the Demand Flexibility Service, which was launched by the National Grid Electricity System Operator (ESO) in winter 2022 and now runs year-round, and which rewards consumers for reducing their energy usage during Demand Flexibility Service events.[4] Smart meters enable consumers to access optional smart tariffs, which reward consumers for using electricity flexibly, and can be particularly beneficial for consumers using clean technology like heat pumps, batteries, solar panels and electric vehicles, for example saving electric vehicle customers up to £900 per year.[5] Smart meters also provide significant benefits for gas consumers. Mains gas is still prevalent in Great Britain, serving around 80% of premises and supplying a substantial portion of cooking and space heating energy needs. Gas forms a substantial part of both consumer savings and carbon reductions, and many of the benefits from smart meters – both for suppliers and for consumers – are realised when both fuels are served by smart meters, such as remote top-up for prepayment customers and more accurate billing without manual meter readings.

[2] Impacts of smart metering roll-out on household energy use

[3] Energy Bills Support Scheme GB: payments made by electricity suppliers to customers

[4] Demand Flexibility Service explained

[5] Table 1, Future default tariffs Call for evidence

The government is committed to decarbonising all sectors of the UK economy to accelerate the transition to net zero. A low carbon future will deliver benefits to the planet, the economy and energy security, and will significantly reduce household bills.

Smart meters underpin the cost-effective delivery of the government's commitment to achieve Clean Power 2030 and net zero greenhouse gas emissions by 2050. They enable a flexible modernised energy system, that changes the way we use energy and provides significant benefits to consumers and suppliers. A more flexible energy system will allow us to scale up the use of renewables and reduce reliance on imported fossil fuels, giving us greater control of our energy security. The data from smart meters is helping Distribution Network Operators (DNOs) to more actively plan and manage their networks, as well as respond to outages more quickly.

The smart meter rollout has delivered significant benefits to date. As of the end of March 2025, 67% of all meters are now smart or advanced meters, and 91% of all smart meters were operating in smart mode.[6] By the end of 2025, the existing targets require suppliers to have delivered smart meters to 74.5% of relevant domestic premises in Great Britain, at which point the existing Targets Framework comes to an end. Smart meters installed to the end of 2024 will deliver a total Net Present Value (NPV) of £2.2 billion over the appraisal period, with each new installation from this point expected to deliver additional net benefits.[7]

However, we know that not all consumers have received the quality of service that we expect across the country. Too many smart meters have not been operating in smart mode (data collated by the department show that 9% of smart meters were not sending automatic readings as at the end of March 2025). This means that some consumers are not receiving the full benefits of smart meters and we recognise that this can undermine trust in smart meters. Industry is responsible for installing smart meters and for ensuring they are working correctly, with suppliers responsible for smart metering assets, and the Data Communications Company (DCC) responsible for the smart metering communication network and service.

Principles for the future framework

As we look ahead to the next phase of the smart meter rollout, we want to deliver a step-change in consumer experience, ensure a smooth transition to 4G communications, and give industry certainty to enable appropriate investment to continue to roll out smart meters at scale. This will ensure that, by the end of 2030, nearly all homes and smaller non-domestic sites have working smart meters, to support the Clean Power 2030 Mission and to give consumers the positive experience they rightly expect and deserve.

1. Delivering a high-quality, improved consumer experience

We want to deliver a high-quality, improved consumer experience of smart meters. This will ensure households and smaller non-domestic sites receive the full benefits of smart metering

[6] DESNZ (2025) Smart meters in Great Britain, quarterly update March 2025 - GOV.UK
[7] 2011 prices, discounted to 2019. DESNZ (2025) Smart_Metering_2025_Costs_and_Benefits_Report.pdf

and help give those who still have traditional meters the confidence to agree to a smart meter installation.

The first proposal, for suppliers to resolve smart meters operating in traditional mode within 90 days, aims to ensure that smart communications and the services they support are restored in a more consistently timely manner to consumers whose smart meters fall into traditional mode.

The second proposal, for suppliers to pre-emptively replace smart metering assets before relevant communication services terminate, clarifies that communications hubs (and any other associated smart metering assets) should be pre-emptively replaced by energy suppliers under the Operational Licence Condition to ensure smart services are maintained when the DCC's relevant Wide Area Network service contracts come to an end and are replaced by different services. This includes national SMETS1 services and 2G/3G communications services which most smart meter communications hubs in the Central and South regions currently use. All communications hubs using 2G/3G communications (and associated metering devices as relevant) will need to be replaced with devices that support 4G communication services by the end of 2033 in order to maintain smart connectivity.

The above two proposals apply to both the domestic and the non-domestic sectors.

In addition to the core proposals in this consultation, set out in Sections 1, 2 and 3, we set out our vision more broadly on priority actions needed to deliver an improved customer experience. This includes:

- the development of Guaranteed Standards of Performance for smart metering by Ofgem
- a continued role for Smart Energy GB in delivering a national consumer engagement campaign for smart metering
- setting out government's intention to accelerate the rollout in the Private Rented Sector, where smart meter coverage is behind average
- working with Ofgem to ensure delivery of smart prepayment remains on track, including through considering the role of deployment plans
- delivering a positive non-domestic consumer experience
- we are also gathering evidence on IHDs and other feedback tools, to better understand consumer and industry requirements for accessing real-time energy consumption data - this will help us consider the case for further improvements to the consumer experience of smart metering

2. Providing certainty to enable investment and underpin the transition to Clean Power 2030

With the Targets Framework coming to an end this year, this consultation sets out a proposal for industry to complete the rollout by the end of 2030. This will give industry certainty and enable appropriate investment to continue to deliver the programme at scale. To support the Clean Power Mission and ensure no one is left behind, we aim to enable the vast majority of consumers to have smart meters by end of 2030.

This proposal applies to the domestic sector. A consultation on proposals for the future rollout of smart meters in the non-domestic sector will follow separately.

3. Providing flexibility to the sector, whilst ensuring progress and accountability

We recognise that, in the period beyond 2025, there is a wider range of smart-metering related activities energy suppliers need to deliver, which will impact suppliers differently according to their varying metering and customer portfolios. We also recognise that, although we consider there is sufficient consumer demand for energy suppliers to meet and go beyond their current installation targets, the remaining pool of consumers yet to take up a smart meter will increasingly be made up of consumers who may be less engaged and harder-to-reach as the rollout progresses.

At this stage, the government is proposing a regulatory framework that provides energy suppliers with a degree of flexibility to optimise their delivery programmes whilst meeting regulatory requirements. We expect suppliers to continue to proactively engage their consumers to generate demand for smart meters, and to increase their installer workforce where necessary to meet their requirements, including in regions that are currently underserved.

We are proposing that energy suppliers will be required to submit annual deployment plans to Ofgem to show how they will meet their obligations to install smart meters and ensure they are operating correctly, including pre-emptively replacing relevant technology ahead of service end-dates, to meet the needs of their customers. It is proposed that the annual milestones for new installations and pre-emptive replacements in these plans are binding from 2027. We expect energy suppliers to take action in 2026 to ensure they meet their obligations by increasing the numbers of smart meters operating in smart mode and improving consumer experience, continuing new installations, and ramping up pre-emptive replacements, as well as by putting plans in place to ensure they will have sufficient workforces to deliver against their requirements to 2030 and beyond. The deployment plans will apply to the domestic sector.

We will, however, continue to review progress by energy suppliers and are prepared to bring in less flexible measures if we consider that insufficient progress is being made towards completion of the rollout by the end of 2030 and improved smart meter operations.

Related measures

Government, working with key delivery partners, is overseeing a number of steps over and above those outlined in this consultation, to improve the availability of smart metering, improve the consumer experience, and support consumer demand.

In addition to the measures described here, we will continue to consider other ways in which government policy can support the rollout, including further potential measures to support consumer experience, demand and conversion.

Improving the availability and reliability of smart metering services

4G in the CSP-North: The Data Communications Company (DCC) has agreed the extension of 4G communications into the CSP-North. This enables suppliers to use either the 4G mobile network or the Long-Range Radio network in the CSP-North, in support of improved first-time installation success rates.

DCC SMETS1 service contract extensions: The DCC has extended its contracts with core service providers to enable SMETS1 service provision to 2033. This will allow energy suppliers to maximise the asset life of installed equipment and reduce early replacements.

Virtual WAN: In 2026 the DCC will launch a Virtual WAN service so that, with consumer consent, broadband can be used to connect homes without WAN coverage to the national communications network for smart metering. This means that all remaining consumers who do not have a WAN service, but have broadband, will be eligible for smart meters.

4G communications hub only exchange site visits arrangements: Government will confirm the conclusions to the February 2024 consultation on the DCC charging mechanism and associated regulatory changes on the SEC website in due course. Ofgem and government will also jointly be consulting on the centralised price calculation methodology for 4G Communications Hub only exchange site visits via Ofgem's website.

Consumer protections, experience and rights

Guide to consumers' rights and expectations: Government has published new guidance for consumers, setting out what they should expect from their smart metering experience.

Guaranteed Standards of Performance: Ofgem is consulting on Guaranteed Standards of Performance for smart metering to support faster appointment fulfilment, smoother installations, faster support and resolution of post-installation issues, and ensure meters operate in smart mode, which if not met will result in automatic compensation for consumers.

Consumer engagement: The national smart metering campaign, run by not-for-profit organisation Smart Energy GB, has played a vital role in driving the uptake of smart meters to date. There will continue to be a need for a large-scale national consumer engagement campaign led by Smart Energy GB to support rollout activity.

Tenants' rights: We are exploring ways to strengthen the rights of domestic tenants in getting smart meters.

In-Home Displays: We are also using this consultation to gather evidence on IHDs and other feedback tools, to better understand consumer and industry requirements for accessing real-time energy consumption data. This will help us consider the case for further improvements to the consumer experience of smart metering.

Smart metering installation experience: We are also publishing a call for evidence to seek industry's views on how to enhance the consumer installation journey towards Clean Power

2030, including by looking at the potential to drive efficiencies or integration in both smart meter and low carbon technology (LCT) installations.

Further interventions to support consumer demand for smart meters

Flexibility and low carbon technology: The Clean Power 2030 Mission is expected to drive higher demand for smart metering benefits, such as smart tariffs, particularly for users of low carbon technology, as well as leveraging benefits provided by the Market-wide Half Hourly Settlement.[8] We note that, in line with the government's Warm Homes Plan, we expect low carbon technology use to rapidly increase across Great Britain in this period. We would encourage suppliers to make full use of these opportunities by deploying smart-contingent tariffs and related incentives.

Energy Company Obligation (ECO) / Great British Insulation Scheme (GBIS): Advice on the benefits of smart meters is provided to recipients of retrofit measures under ECO4 and GBIS, and voluntary pledges to install a smart meter are being implemented following the mid-scheme consultation.[9] We have also committed to continue to explore ways to integrate smart metering further within any successor ECO scheme.

Other energy efficiency funds: Similar to ECO4 and GBIS, we ensured advice on the benefits of smart meters was provided to recipients of retrofit measures under the Home Upgrade Grant, the Local Authority Delivery scheme, and the Social Housing Decarbonisation Fund.

Future Homes Standard: Government has consulted on enhanced guidance so that new homes in England are built smart meter ready from the outset and will publish its response to the consultation in Autumn 2025.[10]

Energy Performance Certificates*:* We have met our commitment to include a check for the presence of a smart meter when a full or reduced assessment of a home's energy and environmental performance takes place, with advice on how to get a smart meter reflected on the Energy Performance Certificates (EPCs) of properties where one is not present.[11] Further to this, we are working towards reforming EPCs, including considering how and where to best reflect smart capability within future metrics.[12]

Electric vehicles: We are working with stakeholders to raise awareness that smart meters enable smart tariffs which could help reduce energy bills for electric vehicle users, such as recently updated advice on the Energy Savings Trust website.[13]

[8] An industry-led programme transitioning all consumers to half hourly meter readings, to allow a move to a smarter, more flexible energy system where settlement reflects actual real-time energy usage.
[9] Energy Company Obligation 4 and the Great British Insulation Scheme: mid-scheme changes - GOV.UK
[10] The Future Homes and Buildings Standards: 2023 consultation
[11] As of 11 April 2023 and 15 June 2025 respectively
[12] Home Energy Model: Future Homes Standard assessment - GOV.UK, DESNZ (2023)
[13] Smart charging for electric vehicles - Energy Saving Trust, June 2025

Heat pumps: We are working to ensure that relevant information is provided to householders installing a heat pump, with messaging now provided to consumers receiving the Boiler Upgrade Scheme support.

Smart Export Guarantee: We have moved away from deemed export payments under the Feed In Tariffs scheme; a smart meter or an export meter capable of half-hourly readings is required under the replacement Smart Export Guarantee scheme.

Delivering a high-quality, improved consumer experience

The government is committed to improving the consumer experience of smart metering and is working at pace alongside industry partners to share best practice and improve smart meter connectivity across all areas of Great Britain. As of the end of March 2025, 91% of all smart meters were operating in smart mode, with the remainder operating in traditional mode;[14] a 1.3% percentage point improvement between September 2024 and March 2025.[15] Correspondingly, Ofgem customer service data from January 2025 shows that satisfaction with smart meters rose from 72% in July 2024 to 76% in January 2025, with dissatisfaction also reducing from 10% to 7%.[16] We want to see this positive progress continue, and at a faster pace.

The proposals set out in this consultation will strengthen consumer experience by driving installations, unlocking the benefits of smart metering for consumers who have not yet taken up the offer, and by placing clear requirements on energy suppliers to take more urgent action on maintenance, repair and replacement activity that will keep consumers benefitting from smart meters long into the future.

Guide to consumers' rights and expectations

Alongside strengthening requirements on energy suppliers, the government recognises the importance of consumers understanding what to expect from their smart metering experience, and how to resolve issues when they arise. In parallel to this consultation, we have launched new guidance for consumers which sets out what all consumers should expect from their end-to-end smart metering experience. This guidance also provides information on how consumers can get the most from their smart meters and what to do if things go wrong. The new guidance will inform a Consumer Charter for smart metering when other rights and protections referred to in this consultation have come into effect.

Guaranteed Standards of Performance for smart metering

The ambitions set out in this consultation are supported by proposals in development by Ofgem to introduce Guaranteed Standards of Performance for smart metering. These proposals were published by Ofgem in an initial policy consultation which ran from 28 March to 9 May 2025, and their statutory consultation was published on 8 August 2025 to close on 12 September 2025. The Guaranteed Standards of Performance proposals will work to address

[14] Smart Meter Statistics in Great Britain: Quarterly Report to end March 2025
[15] Ofgem opens compliance engagement into British Gas, EDF, E.ON, Octopus, OVO and Scottish Power relating to smart meter obligations
[16] Energy Consumer Satisfaction Survey: January 2025

key issues in consumers' journey with smart metering, alongside the proposals detailed in this consultation.

The first of the proposed Guaranteed Standards of Performance would support consumers who would like to take up the offer of a smart meter but have not yet done so, by ensuring suppliers compensate consumers who are not offered an installation appointment date within six weeks of the request being made. This will support the proposed 2030 obligation for suppliers to take all reasonable steps to complete the domestic smart meter rollout by end of 2030. In addition, Ofgem propose a second Guaranteed Standard of Performance, which would require compensation for those consumers who booked an appointment, but where their energy supplier's representative did not possess the necessary skills or resources to fulfil the smart meter installation. These new standards seek to minimise consumer detriment during the smart meter booking and installation experience, which would also support the proposed 2030 obligation.

Where a consumer has a smart meter operating in traditional mode for a significant length of time, Ofgem propose that some of these consumers would also have a right to compensation via a new Guaranteed Standard of Performance. Separately, these consumers would also be protected by a Guaranteed Standard of Performance which would require energy suppliers to respond to and support their consumers within five days where the consumer contacts their energy supplier to report that their smart meter is not working as intended. Both standards will work to enhance consumers' experience with the smart metering rollout and thus improve the rollout's reputation and the likelihood of remaining consumers without a smart meter taking up the offer.

Proposals on Guaranteed Standards of Performance are subject to consultation by Ofgem and are not in the scope of this consultation. However, Ofgem and DESNZ have worked together to ensure that the proposals in this consultation are compatible with these proposed additional consumer protections and will continue to do so as policy is refined. It is government's view that a regime comprising both Guaranteed Standards of Performance and the measures proposed in this consultation will provide an appropriately strong incentive for energy suppliers to improve the consumer experience of smart metering, both in terms of driving coverage through first-time installations and ensuring that suppliers take prompt action to maintain the operation of smart meters, as well as compensating consumers where certain expectations are not met. We consider it is right both for consumers to be able to access redress when issues occur, and for energy suppliers to be held to account through clear and robust obligations set out in Licence Conditions.

A continued role for consumer engagement campaigns

The national smart metering campaign, run by not-for-profit organisation Smart Energy GB, has played a vital role in driving uptake to date, with industry-verified statistical analysis showing that 50% of smart metering installations are attributable to Smart Energy GB's activities.[17] The supplier-funded campaign's multi-channel and tailored engagement approach has ensured that consumers benefit from clear, consistent messaging on the benefits of smart metering, supplemented by more targeted communications. Delivering a national campaign through Smart Energy GB has also ensured value for money and economies of scale for energy suppliers, who benefit from the reach of the national campaign and can build on its messaging in their own direct communications to consumers.

The next phase of the smart metering rollout will focus on delivering installations for the remaining third of consumers, including some of the harder-to-reach consumers, alongside significant supplier activity to replace SMETS1 meters and 2G and 3G communications hubs. Compelling national consumer engagement and clear calls to action for consumers will remain critical, and we envisage a strong continued role for Smart Energy GB in delivering this.

After the end of the current Targets Framework (end of 2025), we envisage that Smart Energy GB will need to:

- continue to drive consumer demand for first time installations in both domestic and microbusiness properties
- provide support for harder-to-reach customer segments and specialist audiences and assist consumers on low incomes and with prepayment meters to realise the benefits of smart metering
- drive consumer acceptance of the transition to 4G communications and to encourage affected consumers to book an appointment to switch out their smart meter or communications hub
- support consumer understanding of the actions they can take to resolve meters not operating in smart mode and drive engagement with energy suppliers to address these issues
- support consumer awareness and action so that consumers respond promptly and positively to supplier engagement for any other scheduled maintenance activity
- leverage emerging policy across DESNZ to improve smart meter uptake and benefits realisation, driving consumer awareness of and engagement with wider opportunities such as smart tariffs and the key role smart metering plays as part of the journey to net zero

[17] Smart Energy GB, April 2023, unpublished

Furthermore, there remains an essential role for Smart Energy GB to evidence the level and key drivers of consumer demand in the domestic and non-domestic markets through regular tracker surveys and supplementary research.

We consider that Smart Energy GB's objectives remain relevant to delivering the completion of the rollout by 2030, and that Smart Energy GB can continue to carry out these activities without updating Supplier Licence Conditions.

Progressing the rollout in the Private Rented Sector

The government wants all consumers to benefit from smart metering, no matter their living circumstances. The domestic Private Rented Sector continues to be a more challenging area for the smart metering rollout. The proportion of privately rented properties with smart meters has consistently lagged behind other types of housing tenures. Data from Ofgem's Energy Consumer Satisfaction Survey (January 2025) found that 62% of private renters owned a smart meter, compared with 70% for social renters and 69% for homeowners.[18] Additionally, data from the English Housing Survey 2023-24 showed 47% of privately renting households reported having an electricity smart meter, compared to 59% for owner occupiers and 53% for social renters at the time.[19] This is a statistically significant difference that has been consistent over time.

While the reforms proposed in this consultation will support consumers across Great Britain in obtaining, and getting the most from, their smart meter, the government acknowledges that further intervention is needed to support consumers who rent their homes to take up the offer of a smart meter. There are several reasons why smart meter uptake is lower in the Private Rented Sector, including operational and technological constraints, as well as renter-specific factors such as tenants who move home frequently. However, uncertainty amongst some landlords and tenants over a renter's right to request a smart meter remains a key barrier.[20]

Tenants who pay the energy bills have the ability to request a smart meter from their energy supplier. However, some tenancy agreements contain provisions which restrict the ability of tenants to unilaterally arrange the installation of smart meters. Ofgem's guidance for the rental sector states: "If you pay for the gas or electricity in your rented property, you can choose to have a smart meter. If your tenancy agreement says you need your landlord's permission to alter metering at your property, they should not unreasonably prevent it."[21]

While it may only be a minority of landlords who include restrictive clauses in tenancy agreements, the fact that some do creates general uncertainty for tenants who, for whatever reason, may be reluctant to enter into dialogue with their landlord. This can lead to renters who are interested in getting smart meters not taking action to book an installation.

[18] Energy Consumer Satisfaction Survey: January 2025
[19] English Housing Survey 2023 to 2024: headline findings on demographics and household resilience
[20] Tenancy Deposit Scheme, 'The Voice of the Tenant Survey: Wave 5'.
[21] Get a smart meter (Ofgem)

The government wants to explore ways to strengthen the rights of domestic tenants in getting a smart meter, while also being cognisant of the reasons why a minority of landlords may seek to refuse smart meter installations in properties they own. We are currently undertaking sector-specific stakeholder engagement with consumer organisations, energy suppliers and organisations representing landlords and renters across both the private and social rental sectors to refine policy proposals and identify the most appropriate implementation route.

Delivering the benefits of smart prepayment

Smart meters operating in prepayment mode offer significant benefits to consumers – enabling top ups online, by app or by phone, as well as allowing consumers to track their balance easily. Smart meters also allow suppliers to better monitor and respond to consumers at risk of self-disconnection, and provide support when they do self-disconnect, through remote configuration of emergency and friendly hours credit. As of the end of December 2024, 12% of domestic smart meters were in prepayment mode (PPM), which is broadly in line with traditional prepayment meters in the domestic market (two thirds of PPM meters are now smart meters).[22]

Government will continue to closely monitor the deployment of smart meters for prepayment customers to ensure consumers using traditional prepayment meters are not left behind in the transition, recognising that these consumers often stand to gain the most from their smart meters. We note that energy suppliers already have strong commercial incentives to install smart meters for prepayment customers, given the operational cost savings and improved customer service this allows.

Alongside this, we recognise the vital role that relevant, tailored consumer engagement continues to play in communicating the benefits of smart metering to consumers who prepay for their energy. We continue to advocate for energy suppliers, Smart Energy GB and consumer groups to provide inclusive, tailored messaging for consumers using traditional prepayment to encourage them to take up the smart offer and to build trust, alongside a clear call to action in the national campaign.

Areas of low smart meter and high traditional prepayment meter coverage have a correlation with inner city areas, and often with Private or Social Rented Sector occupancy. For example, in 2023-24, 32% of households in London were private renters and 21% were social renters, compared with 17% and 16% in the rest of England respectively.[23] As of the end of May 2025, domestic smart meter coverage in London was 60%, compared to a GB average of 68%.[24] We therefore anticipate that our work to strengthen the rights of domestic tenants in getting a smart meter will have a positive impact on smart prepayment coverage.

[22] Smart Meter Statistics in Great Britain: Quarterly Report to end December 2024
[23] Chapter 1: Profile of households and dwellings - GOV.UK
[24] Smart Meter Statistics in Great Britain: Quarterly Report to end March 2025

We also note that a substantial proportion of smart meters replacing traditional prepayment meters are installed in credit mode. This indicates that smart meters are giving consumers greater flexibility in choosing how to pay for their energy - empowering them to change the way they pay without needing to change their meter.[25]

Energy suppliers should continue to ensure they give consideration to the replacement of traditional prepayment meters when planning their overall approach to smart meter deployment. Section 3 of this consultation proposes a requirement on energy suppliers to complete annual deployment plans, submitted to the regulator, Ofgem. This is to allow Ofgem to monitor progress and hold suppliers accountable. We will work with Ofgem to explore ways to ensure supplier delivery of smart prepayment remains on track, including through the use of deployment plans.

Helping consumers better monitor their energy usage

A key benefit of smart metering is the ability for consumers to access near real-time data about their energy consumption. Consumers can use this information to better understand how they use energy and to take informed decisions on how to reduce their energy consumption, benefitting both the individual in terms of saving money, and the wider network in terms of carbon savings. Independent evaluation by the Behavioural Insights Team (2023) and DESNZ research (2024) found energy consumption savings for consumers with smart meters that were consistent with the Programme's 2019 Cost Benefit Analysis assumptions of 3% for electricity credit and 2.2% for gas credit.[26]

When installing a domestic smart meter, energy suppliers are required to offer an IHD which is compliant with the Smart Metering Technical Specification (SMETS2). This is a device with a screen which gives accurate information about energy consumption in pounds and pence. Consumers do not have to accept this offer, although the vast majority do. Energy suppliers can offer alternatives – such as mobile apps or their own devices – but they must not mislead the consumer concerning the availability and benefits of an IHD. Where a consumer accepts the IHD, the energy supplier is responsible for maintaining the IHD for the first 12 months following installation.

The government understands that some consumers experience issues with their IHD which can undermine their smart metering experience, and, in some cases, consumers are not offered one at all by their energy supplier. We expect all energy suppliers to comply with their obligation to offer IHDs to consumers when installing smart meters. We also expect to see all energy suppliers take action to ensure IHDs are working, welcoming the further commitments made by 11 suppliers who have adopted the 'Smart meter In-Home Display voluntary replacement principles' to ensure that their customers can access repairs and replacements

[25] Over the previous two years, the number of prepayment meters has reduced by 600,000 or 1.3% of all meters, aided by the ease of converting prepayment customers to credit once they have upgraded to a smart meter. Source: unpublished data collected by the Smart Metering Implementation Programme.
[26] Impacts of smart metering roll-out on household energy use

after the 12-month warranty period has elapsed.[27] Since the principles were launched, through engagement with industry, we understand that consumer advocates have received fewer complaints relating to IHD provision, and government has received fewer correspondence cases highlighting problems. We intend to continue to monitor this issue closely and drive further improvements where necessary.

Many energy suppliers and third-party providers already offer non-IHD feedback tools, such as apps, which are in addition and can be complementary to the IHD. We expect these will continue to provide consumers with a growing number of benefits, from ways to inform decisions on energy efficiency home retrofit, to providing feedback tailored for those on smart tariffs, to accessing better, more targeted support from their energy supplier. For example, it is already the case that low carbon technologies such as batteries and photovoltaic panels come with apps that display real-time energy information in ways that supplement information available via an IHD.

However, considering available evidence, it remains the government's position that the IHD is still the best option for a universal, baseline feedback tool and means of making energy consumption data and tariff information available to multiple members of a household. For example, it does not rely on internet access or user confidence in using mobile apps, and information on the screen can be easily accessed by all members of a household. In addition, the specification for IHDs is set out in SMETS2, ensuring that consumers receive a standardised product which is interoperable between energy suppliers. The scope and range of other feedback tools are broad and not subject to smart metering regulations. While this allows for innovation and diversification of products that may be well-suited to a wide range of applications, government is mindful of both the risks and opportunities of this approach for consumers.

We therefore intend to consider further strengthening and future-proofing consumer protections in relation to IHDs and other feedback tools and will explore the ways in which feedback data is made available to consumers.

We are keen to build our evidence base to better understand consumer and industry requirements for accessing real-time energy consumption data. This will help us consider the need for appropriate interventions relating to IHDs or other feedback tools, such as apps, online accounts or physical devices, whether now or in future. Should we reach a view that further intervention is needed following our analysis of the evidence collected, we will consult on policy options. We welcome views on the following evidence questions.

[27] Smart meter In-Home Display: voluntary replacement principles

Consultation questions

Q1. What evidence can you provide on both the cost savings and energy consumption savings to consumers of non-IHD feedback tools in comparison to IHDs? Are these realised for all groups of consumers?

Q2. Thinking about the current role of IHDs and how this could evolve; is there evidence of the role that additional functionality may play in supporting a more flexible and dynamic Clean Power system?

Q3. What evidence can you provide on additional, broader benefits to consumers of non-IHD feedback tools in comparison to IHDs? Please make reference to specific functionality and features of non-IHD feedback tools in your response, where appropriate.

Q4. What evidence can you provide on the specific needs of vulnerable and low-income consumers in relation to feedback tools, including IHDs?

Delivering a positive non-domestic consumer experience of smart metering

Smart meters are being rolled out to smaller businesses and public sector sites as well as into homes. The non-domestic smart meter rollout covers 3 million meters across a range of sectors from retail and hospitality to schools.[28]

As with the domestic rollout, the government is committed to improving the smaller non-domestic consumer experience of smart metering to support organisations to realise the benefits of their smart meter. Alongside the proposed inclusion of non-domestic suppliers in strengthened requirements on suppliers (see Section 1 of this consultation), this includes:

- Ofgem's consultation which is inviting views on applying the proposed Guaranteed Standards of Performance to microbusiness energy consumers with smart meters
- work with suppliers to tailor the domestic 'Guide to consumers' rights and expectations' to a non-domestic context which can complement Ofgem's proposals
- continued Smart Energy GB campaign activity to microbusinesses, using a range of tailored channels and messages
- a requirement on energy suppliers (since 1 October 2024) to provide all smaller organisations with smart meters with free and regular information on their energy use to help them monitor and manage costs

[28] The non-domestic smart meter mandate is defined as sites with electricity meters in profile classes 1-4 or with gas consumption below 732 MWh per annum.

- continued activity by government to drive best practice with respect to supplier delivery of this requirement, with suppliers having launched a range of innovative functionalities to support organisations to engage with their smart meter data

Section 1: Ensuring consumers benefit from operating smart meters

As we look ahead to the next phase of the smart meter rollout, we want to deliver a step-change in the consumer experience and ensure a smooth transition to 4G communications.

Background

We want to deliver a high-quality, improved consumer experience of smart meters. It is critical that energy consumers receive the full benefits of the smart meters they have installed, and that consumers yet to take up the offer of having a smart meter installed have confidence in smart meters and their benefits. This is in both consumers' and suppliers' interests and is the best way of ensuring a smart meter rollout that is optimised for supporting future challenges and the government's 2030 Clean Power Mission.

Too many smart meters are currently operating in traditional mode and, looking to the future, millions of smart metering assets need to be replaced ahead of service end-dates in order to maintain smart services for consumers.

In the absence of government intervention, it is expected that fewer consumers would benefit from smart meters being maintained in smart mode, and that those consumers whose smart meters fall into traditional mode would see this persist for longer. This would create a number of negative consequences, including:

- insufficient operating smart meter coverage to meet the objectives of the Clean Power 2030 Mission and so support sufficient flexibility opportunities
- labour market impacts as replacement rate timescales are compressed, resulting in higher peak capacity requirements with consequences on the cost and time needed to ramp up resource rates
- reduced rollout benefits as fewer consumers would have operating smart meters, compounded by a potential fall in uptake of first time installs as a result of negative consumer sentiment - expected impacts would include, reduced energy market interaction as fewer consumers capitalise on energy consumption insights, reduced uptake of smart services and technology as fewer consumers have the platform to benefit
- inequity in the distribution of costs and benefits across the consumer base as benefits would mainly accrue to those consumers with smart meters operating in smart mode

We are therefore proposing amendments to the Supplier Licence Conditions and the DCC Licence, to provide clarity on the levels of service consumers can expect to see, and on the dates ahead of which suppliers must act in order to ensure smart services are maintained. This will provide all consumers with a consistent experience and will give certainty to industry to

underpin the investment needed to improve at pace the number of smart meters operating in smart mode and to ensure they continue to do so.

Smart meters operating in traditional mode

Smart meters that operate in traditional mode result in estimated bills for consumers unless a consumer provides manual meter readings. Smart meters operating in traditional mode limit both consumers and service providers (and other users) from realising the full benefits of smart meters. We need to maximise the opportunities that working smart meters underpin such as from flexible energy usage, the effective use of low carbon technologies, electrical vehicle (EV) chargers, and updating tariff information. A number of wider supplier and network benefits are expected to flow down to consumers and an increasing proportion of smart meters in traditional mode will mean they do not materialise to the same extent.

The percentage of smart meters operating in traditional mode was c.9% at the end of March 2025, with consumers often left with smart meters operating in traditional mode for too long.[29] The percentage of smart meters operating in traditional mode has been gradually reducing since autumn 2024 as a result of actions taken by suppliers. There has been a 1.3% percentage point improvement between September 2024 and March 2025 (from 10.6% to 9.3%), following Ofgem's compliance engagement initiated against six large suppliers in July 2024 under the existing Supply Licence Conditions.[30] We welcome the recent increase in the percentage of smart meters operating in smart mode. We expect to see this momentum sustained and to see meaningful improvements in the operating percentage by the end of 2025.

The business case for smart metering is predicated on energy suppliers installing, and energy consumers benefiting from, operating smart meters. Energy suppliers are subject to existing Licence obligations which seek to ensure that smart meters are maintained in smart mode. The DCC are subject to existing obligations which seek to ensure a minimum level (99.25%) of smart meter coverage.

The root causes of smart meters operating in traditional mode are multifaceted and vary in their extent and ease of resolution, with the majority requiring an engineer to visit the consumer premises. Causes include:

- Smart Metering Systems unable to communicate via the WAN or HAN, which may be due to coverage and connectivity limitations/performance variation, technology faults, device software updates being required or environmental and/or radio interference
- installed meters yet to be connected to the national smart meter network managed by Smart DCC - this is common in new build premises but can also be seen where technical, communication or operational issues arise, stemming from equipment faults or weak/inconsistent network connectivity for example

[29] Smart Meter Statistics in Great Britain: Quarterly Report to end March 2025
[30] Ofgem opens compliance engagement into British Gas, EDF, E.ON, Octopus, OVO and Scottish Power relating to smart meter obligations | Ofgem

- where the customer has switched energy supplier, and their new supplier has yet to connect to and commence operation of the smart meter either because of process delays by the gaining supplier or because it had not been commissioned with the DCC national network by the original installing supplier or was already operating in traditional mode prior to the switch to the new supplier

We recognise that there is regular cross industry consideration of the causes of smart meters falling into traditional mode. We welcome the information sharing and focus on common issues resolution we have seen in smart meter governance forums. This remains an important means of focusing collectively on consumer benefits being realised.

It remains the case that the volume and percentage of smart meters operating in traditional mode is too high. We want consumers to have confidence in their smart metering service, that the installation will leave a consumer with a working smart meter from the outset and in how quickly a smart meter operating in traditional mode will be recovered should that arise unexpectedly.

Pre-emptive replacements to avoid smart meters operating in traditional mode

In the coming years, as commercial and technical changes are implemented, there are distinct risks to consumers' retention of smart services – stemming from the DCC's SMETS1 communication services terminating and the Mobile Network Operators closure of 2G/3G services by the end of 2033. In both instances, urgent action is needed to replace millions of communications hubs (and associated equipment as needed) before the service end-dates. Through our bilateral engagement, we know that many industry parties are focused on planning for and effectively resourcing a smooth transition from SMETS1 to SMETS2 systems and from 2G/3G services to 4G services. The extension in commercial arrangements out to 2033 of parts of DCC's SMETS1 communication service that would have ended in 2029 ensures suppliers have more time and flexibility to plan this transition so that it is efficient and effective for consumers.

The existing Operational Licence Condition requires suppliers to have replaced communication hubs (and metering as necessary) to maintain HAN and WAN communications. We consider however that there are benefits in setting out further detail and requirements in Licence Conditions to support consumer outcomes and suppliers' efforts to successfully manage changes in the communication services available. In turn, this will afford government greater confidence the necessary actions will be taken in a timely way to the benefit of consumers.

Proposal 1: Time bound recovery of smart meters operating in traditional mode

Summary of proposal

The existing Operational Licence Conditions require suppliers to take all reasonable steps to maintain the HAN and ensure that they do not act to compromise the WAN connection once it

has been established. The current drafting does not explicitly focus on consumer outcomes and what suppliers should do when smart services are no longer maintained.

We propose to amend the Operational Licence Conditions in Supplier Licence Conditions to require that suppliers take all reasonable steps to ensure any smart meters operating in traditional mode are operating in smart mode as soon as possible and no later than 90 days from the date they first become aware of an issue. This would, for example, be expected to result from internal monitoring or the failure to successfully take a remote reading but could also be as a result of situations such as a consumer raising the issue or on change of supplier.

Introducing a maximum timeframe for recovery of smart services will strengthen the existing Operational Licence Condition by setting a service standard for consumers and clear expectations for industry to focus on operational readiness to triage and fix smart communications in support of this obligation. It is proposed to be consistent with the broader Operational Licence Conditions which apply equally to domestic and non-domestic suppliers, large and small suppliers. The principle of the policy is that consumers should reasonably expect a smart service and have equivalent expectations on redress timescales where that is not the case.

This proposal aims to provide clarity about the standard of service consumers can expect from suppliers if their smart meters lose smart services and aims to complement proposals for new smart meter Guaranteed Standards of Performance issued by Ofgem.[31] It is expected to support a continued acceleration in the percentage of smart meters operating in smart mode as result of the improved triage efficiencies and recovery timescales this proposal should drive. We consider that this proposed Licence amendment is in consumers' and energy suppliers' interests and is the best way of enabling an optimised percentage of smart meters operating in smart mode as needed to support the government's 2030 Clean Power Mission which is based on an expectation of high levels of operating smart meter coverage by the end of 2030.

90-day timeframe

We consider that 90 days is a reasonable period to recover or replace a Smart Metering System (SMS). This is on the basis that most resolutions require a site visit to replace at least part of the SMS, once suppliers, DCC and other parts of industry have triaged and identified how to rectify the root cause of the smart meter falling into traditional mode.

There are arguments for shortening this 90-day period on the basis that we want any consumer detriment to be minimised. Historically a proportion of smart meters operating in traditional mode have been fixed remotely, and given this precedent, we could expect that a proportion could be resolved remotely in future and so potentially more quickly than the 90-day requirement. However, we consider that a 90-day period provides an achievable target that will improve consumer services. Ultimately this would reduce the period of time that consumers' energy bills are being calculated based on estimated or manually read consumption as opposed to automatic calculations and so reduces the impact that estimated bills have for example, overpayments accumulating unnecessary credit, or underpayments causing a large

[31] Smart meter guaranteed standards: Supplier Guaranteed Standards of Performance (Ofgem, 2025)

debt to repay. It is crucial therefore that any incident triage is undertaken swiftly and comprehensively.

We propose the 90-day target should be triggered as soon as suppliers become aware the SMS is not operating in smart mode. We would, for example, expect the triggers to include but not be limited to: becoming aware at the time of installation, customer notification, change of supplier, loss of remote meter reads and the DCC or supplier reporting.

We recommend applying the same 90-day timeframe to both gas and electricity smart meters. This will require consistent high consumer service standards delivered by energy suppliers to recover smart services, irrespective of whether it is the gas or electricity smart meter operating in traditional mode.

Wide Area Network (WAN) and Virtual WAN (VWAN)

We have reason to be confident that the smart meters affected by WAN issues will reduce in the near term as additional technology is developed and deployed for example, there are opportunities brought by DCC agreeing 4G service coverage extension to CSP-North. It is essential, however, that consumers can be confident in the industry-wide service level on offer. We note that a 90-day period aligns with the Service Level Agreement (SLA) in the Smart Energy Code (SEC) within which the DCC is required to resolve a No-WAN ‘install and leave’ scenario when a supplier installs a smart meter expecting to find WAN coverage, but instead finds insufficient WAN coverage to establish a connection, and so raises the incident with the DCC. Industry confidence in incident resolution allocation is important for leveraging swift action to the benefit of consumers and we understand that this is not always the case. In order to provide clarity and streamline processes, we will shortly bring forward proposed amendments to the Smart Energy Code which address this. We expect energy suppliers to raise a WAN incident as early as possible where there is a smart meter in traditional mode that DCC should initially assess the potential response to. We expect DCC to then undertake this action consistent with the existing obligations placed on them in the SEC. Where a WAN incident is accepted by the DCC as having a resolution path which only sits with them, the incident will then become the DCC’s to resolve within their existing 90-day service levels. All parties should be working to maximise the benefits accruing to consumers.

There is an interaction between these proposals and the new obligations in Licence supporting and governing the installation of Virtual WAN devices. Where a smart meter is operating in traditional mode as a result of a VWAN device no longer working, potentially as the consumer has unplugged it, we would expect suppliers to take all reasonable steps in the timeframe to restore that service. We would expect that to mean that they should encourage consumers to re-establish the connection in support of benefits, but stop short of actions such as paying the consumers to turn the VWAN on or making contributions to the costs of their broadband connection.

Guaranteed Standards of Performance

Our proposals complement Ofgem’s consultation proposals on Guaranteed Standards of Performance to set higher and more responsive standards of customer service by energy

suppliers which, if not met, result in automatic compensation to consumers where a smart meter operating in traditional mode has not been recovered in 90 days. Bringing equivalent proposals into Licence Conditions strengthens Ofgem's oversight in ensuring that consumer detriment is avoided where action by the supplier to swiftly restore communications (including by replacing the communications hub and relevant other metering devices) can be reasonably expected, as well as making sure consumers are compensated (under the Guaranteed Standards of Performance framework) where this does not happen.

Deployment plans

As discussed further in Section 3, these proposed measures will be underpinned by the new proposed requirement for energy suppliers to submit deployment plans that set out annual milestones for smart meters operating in traditional mode. The annual milestones for meters operating in traditional mode will be indicative only to help with monitoring and planning, and not binding, as the proposed timebound recovery target will provide the necessary impetus in this context.

Proposal 2: pre-emptive replacements to avoid smart meters operating in traditional mode

Summary of proposal

Standard Licence Conditions (SLC) 49 of the Electricity Supply Licence and SLC 43 of the Gas Supply Licence already require suppliers to take all reasonable steps to establish and maintain installed smart meters in smart mode. This means energy suppliers are required to pre-emptively replace communications hubs (and any other impacted equipment on the smart metering system) to ensure that a smart meter stays in smart mode. This ensures the smart metering system in a consumer's home is able to support ongoing regular remote reads and enables the consumer to access all relevant information across the HAN, including up to date tariff information.

Were communications hubs and other impacted equipment not to be replaced in time ahead of WAN contracts ending, it would lead to significant consumer detriment. Currently, some 12 million first generation smart metering systems (SMETS1) are at risk of falling into traditional mode when DCC's first generation WAN service ends if they have not been replaced beforehand.[32] There are a similar number of second-generation smart metering systems at risk of falling into traditional mode at the end of 2033 when 2G/3G services are to be switched off. We therefore consider there are clear benefits to ensuring there is a transparent schedule of these WAN closures and their scope of impact on communications hubs, and to clarifying the need to undertake pre-emptive replacements at scale in accordance with these dates, including commencing the replacement programmes at scale years in advance.

[32] Smart meter statistics and network coverage

DCC is currently considering whether to extend services in CSP-North with its incumbent SMETS2 communications service provider. We have therefore not included large-scale upgrade/replacement of associated communications hubs in our analysis but consider that increases in capacity to undertake such upgrades would be manageable if required.

We are proposing a clarification in licence obligations for suppliers to take all reasonable steps to pre-emptively replace the relevant technology ahead of service end-dates. The following proposals seek to ensure suppliers have clear and unambiguous information on which to plan the upgrade or replacement of communications hubs (and, where relevant, wider metering equipment where they are not otherwise compatible) and which will otherwise not be able to operate in smart mode due to the termination of the WAN service, ahead of that coming into effect, to preserve continuity of smart services. In doing so we will increase market-wide confidence that there will be early investment and operational planning to ensure no consumer is left without their smart service when contracts end.

These measures are part of a package ensuring that consumer benefits are at the heart of the programme delivery and allows consumers to realise the smart meter benefits on a continuous basis.

Supply Licence Conditions

We propose amendments to the Operational Licence Condition (OLC) in Supplier Licence Conditions so that suppliers are clear that in order to successfully meet the OLC and maintain smart meters in smart mode they need to take all reasonable steps to pre-emptively replace communications hubs, and any relevant associated smart metering equipment. Suppliers will be required to take all reasonable steps to achieve this ahead of dates specified by the DCC.

DCC Licence Conditions

In support of these OLC amendments, we propose a new obligation on the DCC within the DCC Licence to issue a ‘Statement of Availability of Communication Services’. This statement will be required to clearly set out dates from when the DCC will not be able to provide SMETS1 and 2G/3G communication services. DCC will need to do this as soon as possible, and update that statement as necessary. This will provide clarity to suppliers of when they need to have pre-emptively replaced communication hubs (and any wider smart metering system equipment impacted).

Deployment plans

As discussed further in Section 3, these proposed measures will be underpinned by the new proposed requirement for energy suppliers to submit deployment plans that set out annual milestones for total number of SMETS1 and SMETS2 2G/3G replacements planned. This will ensure that suppliers carry out the necessary planning and investment required early on to ensure all activities required to meet the 2030 installation and wider operational aims are achieved.

Non-domestic meters

As outlined, we are consulting on both proposal 1 (time bound recovery of smart meters operating in traditional mode) and proposal 2 (pre-emptive replacements to avoid smart meters operating in traditional mode) applying to all energy suppliers with respect to all meters which meet the Smart Metering Equipment Technical Specifications (SMETS meters) within their designated premises (i.e. these will apply to both microbusiness and non-microbusiness SMETS meters within the smart metering mandate).[33]

Evidence suggests that Small and Medium Sized Enterprises (SMEs), which includes smaller non-microbusiness sites, face barriers to engaging with energy efficiency measures.[34] In addition, recent policy changes which require suppliers (since 1 October 2024) to make available free and regular information on energy use based on smart meter data to organisations without them having to first request it (to support with monitoring and managing energy use) apply to all smaller sites within the smart metering mandate, not just microbusinesses, in recognition of these shared barriers to engagement.[35] Furthermore, we propose the technical solutions for addressing smart meters operating in traditional mode are not unique to microbusinesses and are relevant for all smaller sites.

We therefore consider it important that energy suppliers focus on improving consumer benefits for all smaller organisations in scope of the smart meter rollout and drive timely investment in solutions accordingly. This is irrespective of the future framework for driving new installations in the non-domestic sector.

Nevertheless, we welcome stakeholder views on any nuances unique to the non-domestic sector which would make the resolution of smart meters operating in traditional mode in non-microbusiness premises (within the rollout) different from microbusinesses or have any interactions with the proposed requirements.

Clarification of the existing smart metering Operational Licence Condition (SLC 49 of the Electricity Supply Licence and SLC 43 of the Gas Supply Licence)

In addition to the above, we note that the legal drafting of the existing smart metering Operational Licence Condition only applies with respect to SMETS meters within microbusinesses. Previous policy rationale has been silent on the inclusion of smaller non-microbusinesses in scope of the smart meter mandate and could be seen to conflate these with larger industrial and commercial organisations that fall outside of the smart metering rollout, are not connected to the DCC and are often energy intensive industries with energy managers.[36] We are therefore proposing, in parallel to the policy changes outlined, to clarify that moving forward, the existing smart metering Operational Licence Condition applies to all SMETS meters in designated premises. The rationale for this is the same as for applying the new proposals to such sites above. It should also be noted that smart meters in non-

[33] SMETS meters in sites in electricity profile classes 1-4 or with gas consumption below 732 MWh per annum.
[34] Microsoft Word - 141126 Barriers to Energy Efficiency FINAL DRAFT -track changes accepted +5.docx and
[35] Non-Domestic Smart Energy Management Innovation Competition (NDSEMIC): evaluation findings - GOV.UK
[36] Smart metering equipment technical specifications: second version - GOV.UK

microbusiness designated premises make up fewer than 0.3% of smart meters operating nationally and we have no evidence of non-domestic suppliers taking different approaches to the maintenance of their microbusiness versus non-microbusiness SMETS meters. We welcome stakeholder views on this proposed policy clarification.

Consultation questions

Q5. Do you agree that we should introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode, in both domestic and non-domestic sectors, as soon as possible and no later than 90 days, building on the existing obligation on suppliers requiring they maintain all smart meters in smart mode? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q6. Do you agree that we should amend the Operational Licence Condition to require suppliers pre-emptively replace communication hubs (and any associated smart metering equipment) by prescribed dates, supported by a new obligation on DCC under their Licence to issue a statement of dates setting out when DCC will no longer be able to provide specific communication services, so it is clear by when suppliers need to have completed replacements in order to avoid any impact on consumers? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q7. Do you agree with proposals to clarify that the existing smart metering Operational Licence Condition (SLC 49 electricity and SLC 33 gas) applies to all SMETS meters in designated premises moving forward? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q8. Do you have views on any nuances specific to the non-domestic sector which interact with the proposals to introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode within 90 days and to amend the Operational Licence Condition, supported by a new obligation on DCC under their Licence to issue dates, so it is clear by when suppliers need to pre-emptively replace smart metering systems before relevant communication services terminate? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer

Section 2: 2030 domestic rollout obligation

Government recognises the vital role that smart metering plays in the operation of a flexible and decarbonised power system, whilst helping households to manage their energy use and reduce bills. This chapter outlines our proposals to ensure smart meters continue to be installed in domestic properties, to complete the smart metering rollout by the end of 2030.

Background

New smart meter installations need to continue at pace to ensure that all consumers can benefit from smart meters, and to support the Clean Power 2030 Mission. In their Clean Power 2030 report, the National Energy System Operator (NESO) state that 86% to 90% operational electricity meter coverage needs to be achieved by 2030 to 'unlock the full value of flexibility'.[37] Moreover, significant consumer benefits can be accrued from further installations in both the gas and electricity sectors. The earlier smart meters are installed and used in smart mode, the earlier benefits are realised, including those that enable other market mechanisms which support the Clean Power 2030 Mission (for example, settlement reform, enabling benefits from flexible electric vehicle charging and use of heat pumps).

The 2022-25 Targets Framework

Currently the main regulatory obligation driving the installation of smart meters is the Smart Meter Targets Framework (Electricity Supply Licence Condition 39A and Gas Supply Licence Condition 33A), which is set out in energy supplier electricity and gas licences. This four-year 'Targets Framework' was introduced on 1 January 2022 and sets individual minimum annual smart meter installation targets to the end of 2025, at which point the Targets Framework concludes. Annual installation requirements are binding obligations set out in licence conditions which have driven investment and led to an increase in smart meter penetration. As of March 2025, 39 million smart and advanced meters were in homes and small businesses across Great Britain and 67% of all meters are now smart or advanced meters.[38] By the end of 2025, the existing targets require suppliers to have delivered smart meters to 74.5% of relevant domestic premises in Great Britain, at which point the current Targets Framework comes to an end.

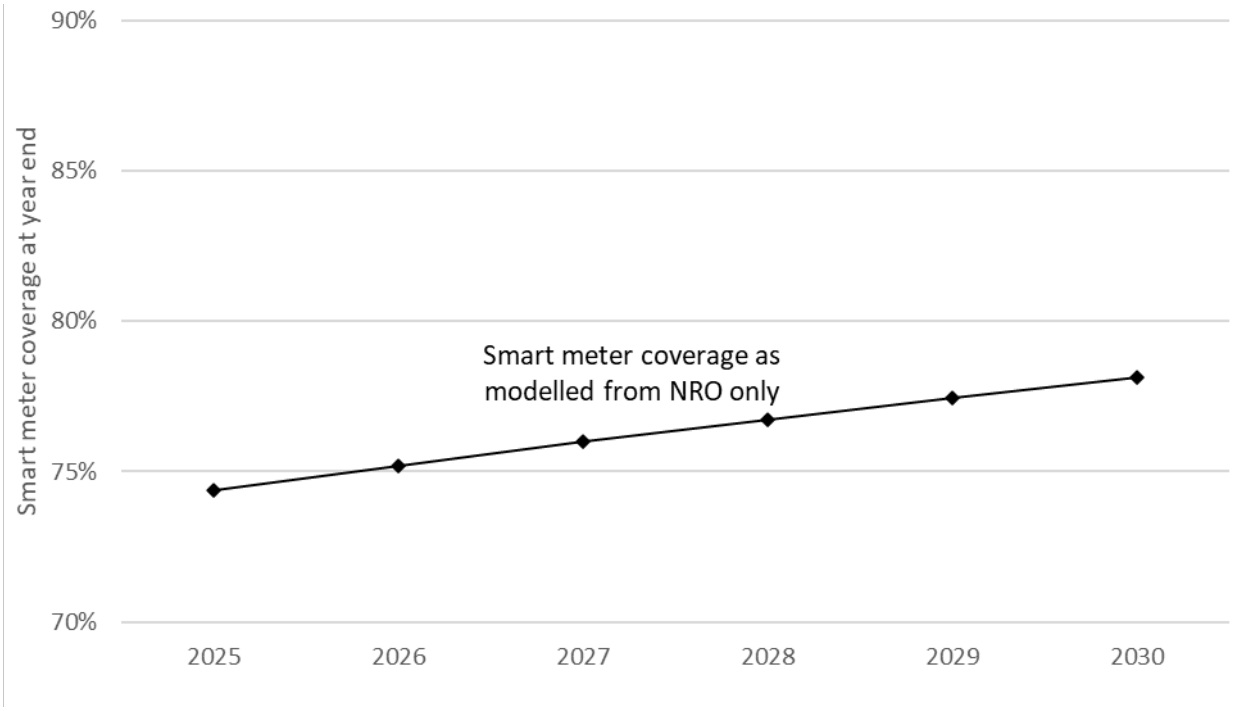
Impact of the "Do Nothing" scenario

From 1 January 2026, the existing 'Targets Framework' will cease to have effect (with no further annual installation targets set for suppliers). In the absence of any intervention, new installations would only be driven by the New and Replacement Obligation (NRO) in Supply Licences (Electricity SLC 39.7 and Gas SLC 33.7) which requires that all installations in new properties or replacements are smart meters, subject to all reasonable steps (ARS). The NRO

[37] Clean Power 2030, Annex 1: Electricity demand and supply analysis
[38] Q1 2025 Smart Meters Statistics Report, DESNZ (2025)

by itself has been modelled to achieve 78% of meters as smart meters at the end of 2030. This would not deliver fast enough progress on the rollout to enable the Clean Power 2030 Mission and maximise the benefits provided by smart meters to households across Great Britain (see the Annex A for further detail).

Figure 1 - Predicted smart coverage under a New and Replacement Obligation only



We believe that in the absence of further regulation on new installations from 2026, there will be a lack of clarity on the scale of progress in new installations expected by government. This includes investments to further increase consumer demand and increase installer capacity.[39]

Proposed framework

Government is proposing a requirement for every energy supplier to take all reasonable steps to reach 100% domestic smart meter penetration for all domestic meter points by 31 December 2030.

Growing smart metering provision to all domestic consumers brings significant benefits to consumers and underpins a modern, clean and flexible energy system.

The proposed obligation gives suppliers a degree of flexibility to optimise their delivery programmes each year according to their varying portfolios and the different activities that need to be completed (new installations, recovering smart meters operating in traditional mode and undertaking pre-emptive replacements to ensure service continuity), in order to meet their regulatory requirements.

[39] Increasing capacity would be necessary to complete the smart metering system replacements alongside new installations

We expect suppliers to continue to proactively engage their consumers to generate demand for smart meters, to provide a positive consumer experience, and to increase their installer workforce where necessary to meet all their regulatory requirements, including in regions that are currently underserved.

As set out in further detail below, local authority level rollout progress shows that some areas are already at or close to 80% smart, with a steady rate of progress still being achieved in areas with the highest coverage[40], and only a small percentage (6%) of people currently saying they never want a smart meter.[41] We anticipate that the measures proposed in Section 1 to improve the consumer experience through enhanced smart meter operation, alongside the further measures to improve consumer experiences, rights and demand for smart meters outlined in the Introduction, will continue to support consumer demand generation for smart meters. We will continue to consider other ways in which government policy can support the rollout, including further potential measures to support consumer experience, demand and conversion, as appropriate.

This framework works in tandem with other proposals to deliver our objectives to complete the smart meter rollout by the end of 2030, transition the smart meter network to use the 4G mobile network before the 2G and 3G mobile networks are switched off by 2033, and deliver a step change in consumer experience:

- the proposed clarifications to the Operational Licence Conditions (see Section 1) ensure that suppliers must take consistent urgent action to recover smart meters operating in traditional mode, and that smart services are maintained
- the proposed use of Deployment Plans (see Section 3) will require suppliers to set out the activities they will undertake to meet their obligations to both install and operate meters - insufficient plans, such as those with unjustified backloading of activity, would be rejected by Ofgem.

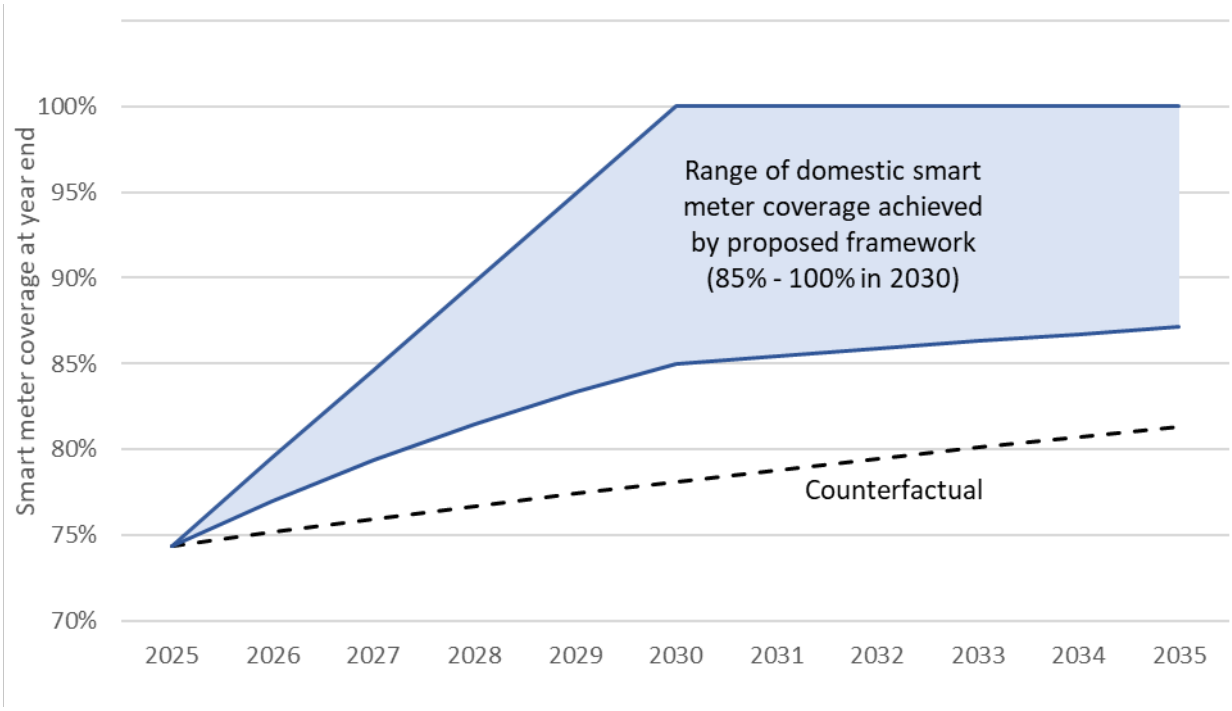
Rollout projections under the proposed framework

The effect of the proposed policy framework has been modelled as a range to account for uncertainty and variation in the trajectory that may occur, given the obligation on suppliers is subject to all reasonable steps. Illustrative lower and upper bounds of 85% and 100% smart meter coverage have been used.

The difference in smart coverage achieved by the counterfactual and proposed policy framework can be seen below in Figure 2, where a range of smart meter coverage is shown for the proposed framework which results in a 7 to 22 percentage point higher level of smart coverage than in the counterfactual, at the end of 2030.

[40] Smart meters in Great Britain, quarterly update March 2025 - GOV.UK
[41] SEGB (2024): SEGB conducted an online and CATI survey of 10,022 GB adults between 11th and 29th November 2024. Data was weighted to be nationally representative of the GB population.

Figure 2: Range of Domestic End of Year Smart Coverage (%) (2025-2035)



If 100% smart coverage is not achieved by 2030 the rollout is modelled as reverting to only being driven by the NRO from 2031 onwards (which is the case in the counterfactual for the whole appraisal period).

There is a range of evidence that supports take up significantly above the lower bound (85%) by 2030 being achievable, including:

- current rates of progress reported by energy suppliers (in terms of achieved conversion or absolute numbers of installations) - maintaining current levels of conversion (the proportion of consumers who go on to get an installation each year excluding new connections) would see coverage reach 85%-87% by 2030 and maintaining current volumes of new installations would see coverage reach 92%-96%
- local authority level roll-out progress shows that some areas are already at or close to 80% smart, with a steady rate of progress still being achieved in areas with the highest coverage[42]

[42] Smart meters in Great Britain, quarterly update March 2025 - GOV.UK

- consumer attitudes data which shows that only a small percentage (6%) of people say that they never want a smart meter,[43] we anticipate these levels may reduce further as, for example, consumers move house or their current meters reach end of life - additionally, behaviour does not always align with stated intentions: 14% of people who have said that they would reject a smart meter in the next 6 months then got, or tried to get, one in that time period.[44]
- we further anticipate that the measures proposed in Section 1 improve the consumer experience through enhanced smart meter operation, alongside the further measures to improve consumer experiences, rights and demand for smart meters outlined in the Introduction, will continue to support consumer demand generation for smart meters
- we expect demand for smart meters to improve as we move towards Clean Power 2030, through the increasing use of low-carbon technology (such as electric vehicles, solar PV or heat pumps), where smart meters often provide significant co-benefits through tailored tariffs and we would encourage suppliers to make full use of these opportunities by deploying smart-contingent tariffs and related incentives

We will continue to consider other ways in which government policy can support the rollout, including further potential measures to support consumer experience, demand and conversion, as appropriate. As part of this we are publishing a call for evidence to seek industry's views on how to enhance the consumer installation journey towards Clean Power 2030, including by looking at the potential to drive efficiencies or integration in both smart meter and low carbon technology (LCT) installations.

Policy framework for driving new smart meter installations in the non-domestic sector

The overarching policy framework to drive the rollout of smart meters in the domestic and non-domestic sectors has, to date, been largely the same, though with increased tailoring over time in recognition of sector-specific circumstances. For instance:

- in Year 1 (2022) and Year 2 (2023) of the Smart Metering Installation Targets Framework, mixed portfolio energy suppliers (suppliers of both domestic and non-domestic premises) had one single annual installation requirement (for electricity and gas separately), but for which the underpinning methodology reflected the domestic and non-domestic components of their portfolio (including a tailored non-domestic tolerance level to reflect complexities unique to the non-domestic rollout)
- in Year 3 (2024) and Year 4 (2025) of the Framework, this was amended such that all energy suppliers have separate, binding domestic and non-domestic targets with further tailoring of the respective methodologies

[43] SEGB (2024): SEGB conducted an online and CATI survey of 10,022 GB adults between 11th and 29th November 2024. Data was weighted to be nationally representative of the GB population.
[44] SEGB (2024): SEGB surveyed 1587 UK adults who six months prior stated they do not have a smart meter. Fieldwork was conducted online and via CATI in November 2024. Data was weighted to be representative of the seek/accept/reject profile in their prior survey.

As per the domestic rollout, the non-domestic rollout is now well established, with the majority of metered premises having a smart meter (at the end of Q1 2025, 63% of non-domestic meters were smart or advanced meters).

Moving beyond 2025, the government is considering whether the opportunities, challenges and constraints facing the non-domestic rollout require additional tailoring of the policy framework to circumstances unique to the non-domestic energy market.

Therefore, non-domestic meters are not in scope of the 2030 obligation proposed in Section 2 of this consultation (or the proposals with respect to deployment plans set out in Section 3). Instead, a further consultation on policy levers to drive new smart meter installations in the non-domestic sector beyond the NRO will follow later in 2025. Non-domestic SMETS meters are in scope of the proposals in Section 1.

We appreciate that non-domestic stakeholders will be seeking further clarity with respect to driving new non-domestic installations. The proposals in Section 1 of this consultation, coupled with the proposed Guaranteed Standards of Performance and steps the government is taking to tailor the guide to domestic consumers' rights and expectations to a non-domestic context, provide a foundation for the next phase of the non-domestic rollout, in addition to work already underway by suppliers to upgrade their advanced meter portfolios to 4G. The further planned consultation on a tailored framework for driving new non-domestic installations will intentionally build on this foundation; harnessing opportunities that exist in the sector to deliver additional impetus to the non-domestic rollout and ensure that smart metering benefits continue to be maximised in both sectors. Taken together, these strongly signal the need for continued investment in non-domestic installer skillsets beyond 2025.

Alternative approaches considered

We considered a variety of alternative approaches to the Framework proposed for consultation here of which the following were the key alternative options:

No new regulation

As outlined above, this would involve the introduction of no new regulatory measures to drive further installations, relying instead on supplier actions in response to the NRO and wider market incentives (for example, half hourly settlement) for the completion of the smart meter rollout, under which energy suppliers are required to take all reasonable steps to install a smart meter when replacing a meter or installing a new connection.

It could also reasonably be expected that, were the Guaranteed Standard of Performance proposed by Ofgem to be introduced – whereby suppliers must offer an installation appointment within six weeks on request or pay the consumer compensation – some additional smart meter coverage could be gained from proactive consumer demand over this timeframe. However, relying solely on proactive consumer demand (where the consumer makes the first approach to the supplier to request a smart meter) compared to reactive consumer demand (where the consumer responds to an offer of a smart meter from the supplier) in addition to the

NRO, is expected to be insufficient to support the transition to Clean Power 2030 and Net Zero. This approach also risks building inequalities into the rollout, noting that low income and more vulnerable consumers are the hardest to reach with campaigning and require particular efforts from energy suppliers, Smart Energy GB and consumer advocates to build the necessary trust that leads to booking an appointment. A purely proactive demand-driven approach may lead to consumers who are more aware of, or better-placed to benefit from energy flexibility – such as those able to purchase low carbon technology like electric vehicles – benefitting from smart meters, while lower-income and more vulnerable households risk missing out on the energy and cost savings enabled by smart meters, given the more limited commercial incentives for suppliers to reach them with targeted campaigning.

For new installations, we consider that the 'do-nothing' option will result in the smart metering rollout taking longer to complete and would deliver an unequal service to consumers. The result of this would mean some consumers, particularly those less commercially attractive to suppliers, are left behind and are unable to benefit from smart meters and the platform they provide to other benefits. The lack of long-term policy certainty would create a challenging environment for industry, including the smart metering supply chain. It is considered that, under a 'no further regulation' option, the country would fall short of the smart meter penetration needed to support Clean Power 2030.

Fixed percentage targets

We considered setting targets and tolerances (similar to under the current Targets Framework). As part of this, we also considered a combined 'working smart meter' target in which the target would be defined as the percentage of a suppliers' portfolio that is both a smart meter and operating in smart mode.

There are potentially considerable benefits to a fixed targets regime, including clearer obligations for enforceability, greater certainty in outcomes, and being able to set targets that are both ambitious and achievable, grounded in the public good, rather than risking different approaches by different suppliers which may reflect individual commercial interests.

However, due to the greater variety of smart metering-related activities that suppliers will need to undertake in this period, and noting the differences between the portfolios of individual energy suppliers, our preferred approach at this stage is to provide the sector with flexibility to account for the different types of activity required, and the different peaks and troughs in this activity according to their individual metering portfolios.

We also considered that an all reasonable steps obligation, at this stage, provides for greater flexibility to account for future improvements in technology, installation capacity and consumer demand, such as due to the greater availability and attractiveness of smart-enabled products and services, such as electric vehicle charging, than a fixed target to 2030.

We considered that there was a risk that a combined working smart meter target could detract from the current operational licence condition under which suppliers are required to take all

reasonable steps to ensure that all their smart meters operate in smart mode and relating to which Ofgem is currently taking compliance engagement.[45]

We therefore consider that the combination of an all reasonable steps obligation to complete the smart meter rollout, with strengthening the existing obligation to ensure smart meters are operating in smart mode, is the right framework to deliver the overall ambition of 100% operational smart meter coverage.

We will however, continue to review progress and will be prepared to bring in less flexible measures if we consider that insufficient progress is being made to ensure consumer benefits are being realised through completion of the rollout by the end of 2030 and improved meter operation.

Other considerations

Data Request power extension

Under the previous and current frameworks, the Secretary of State has been able to issue an *Information Request*, for licensees to provide data. This is set out in Electricity Supply Licence Conditions 43.3 to 43.11 and Gas Supply Licence Conditions 37.3 to 37.11. These powers are used to monitor the rollout, and to allow government to address issues quickly and base any new policy on robust evidence and in response to market evolutions.

Electricity SLC 43.11 and Gas SLC 37.11 currently include a cessation clause, stating that these powers will cease to apply from five years after the ARS specified date (currently set to 31 December 2021 following an extension in June 2021).[46] This period was designed to enable follow-up monitoring over the period after the end of the current Targets Framework.

To ensure that appropriate monitoring can continue, the government is proposing setting a new *Domestic Rollout Date* to reflect the 2030 obligation, and extending the ability to issue an *Information Request* until five years after this date.

[45] Ofgem opens compliance engagement into British Gas, EDF, E.ON, Octopus, OVO and Scottish Power relating to smart meter obligations | Ofgem, July 2025
[46] Smart Meter Policy Framework Post 2020: Government Response to a Consultation on Minimum Annual Targets and Reporting Thresholds for Energy Suppliers, BEIS (2021)

Consultation questions

Q9. Do you agree with the proposed all reasonable steps obligation for energy suppliers to complete the domestic rollout by 2030 set out in Section 2. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q10. What are your views on the benefits and risks of the approaches, outlined under 'Alternative approaches considered'? Please provide evidence and rationale to support your answer.

Q11. Do you agree with the proposal to extend the Data Request powers to five years after 31 December 2030? Please provide rationale and evidence to support your answer.

Section 3: Monitoring progress and ensuring accountability

Alongside providing a degree of flexibility to the sector, government recognises the need to ensure continued monitoring of progress and accountability to ensure obligations to install smart meters and ensure they are operating correctly are met.

Background

The proposed obligations outlined in this consultation – to take all reasonable steps: to resolve smart meters operating in traditional mode within 90 days; to pre-emptively replace smart metering assets before relevant communication services terminate; and to complete the domestic smart meter rollout by the end of 2030 – provide suppliers with a degree of flexibility to determine their own plans and pathways to achieve these requirements by the relevant end-dates.

We consider it necessary to ensure suppliers are held to account for progress towards these obligations in advance of the relevant end-dates, in order to mitigate the risk of insufficient progress being made, which could lead to severe consumer detriment if the deadlines are missed.

In this section, we outline proposals for suppliers to submit annual deployment plans to Ofgem, setting out their domestic activities to meet their obligations. This will enable Ofgem to monitor progress and hold suppliers to account.

These proposals build on lessons learned from the earlier phase of the rollout prior to the current Targets Framework, under which suppliers were required to take all reasonable steps to complete the rollout, and large suppliers were required to provide deployment plans to Ofgem.

Proposed framework

Summary of proposals

In order to support and monitor delivery of suppliers' obligations to install smart meters and ensure they operate in smart mode, government is proposing a requirement for energy suppliers to submit annual deployment plans and progress against those plans to the regulator, Ofgem. In these plans, suppliers will be required to provide annual milestones setting out the activities they will undertake each year for the domestic sector, to meet their smart meter installation, pre-emptive replacement, and operational obligations. We propose that, from 2027, the milestones suppliers set out each year in their deployment plan for smart meter installations and pre-emptive replacements will be binding.

This will:

- ensure that suppliers are held accountable for achieving their obligations, through annual binding milestones to ensure continued progress in advance of the relevant deadlines
- support driving improvements in the consumer experience by requiring provision of non-binding milestones to Ofgem to make sure meters operate in smart mode
- allow suppliers to set milestones according to their individual portfolios, with justification for their pathways, including setting out their plans for consumer engagement and workforce capacity, and justification for deviation from a straight-line trajectory would also be necessary for the binding milestones
- enable suppliers to resubmit plans annually to account for changes over time
- allows suppliers to deliver their planned activities over time in a way that accounts for their portfolio of meters to optimise delivery of their obligations
- provide assurance on a milestone-by-milestone basis on how suppliers plan to invest and provides early monitoring and enforcement opportunities to prevent targets being missed and consumer detriment
- drive supplier planning and investment to fulfil their obligations.

The government and Ofgem's expectation is that deployment plans must be both ambitious and credible, and grounded in reasonable assumptions and verifiable data, such as installer capacity.

Under the previous framework (prior to the current Targets Framework), large suppliers were required to submit deployment plans to Ofgem with binding annual milestones outlining how they would meet their obligation to take all reasonable steps to complete the rollout by 2020 (later amended to 2021). We consider that the administrative cost of this new proposal to suppliers is likely to be low, and the proposed deployment plan framework in this consultation is improved in relation to transparency, accountability and scope, whilst keeping the reporting burden proportionate.

Binding and non-binding milestones

It is proposed that, from 1 January 2027, suppliers would be required to achieve the annual milestones they set out in their deployment plan for smart meter installations and pre-emptive replacements. This means the milestone is enforceable (referred to as binding).

It is proposed that the annual milestone for addressing smart meters operating in traditional mode will not be binding, as the majority will already be covered by the proposed enhanced Operational Licence Condition amendment requiring recovery within 90 days, as well as being more likely to be subject to change within year, such as through additional meters operating in traditional mode arising in-year. This information is considered necessary for submission in the plans, to ensure that progress on recovery of smart meters operating in traditional mode is tracked alongside other requirements. This would provide confidence suppliers are taking the

necessary action to uphold high standards of consumer experience at all times, and would allow suppliers to account for this activity in their delivery profiles by providing a complete picture of smart metering-related activity undertaken by the supplier.

In line with the current Targets Framework, we propose that annual milestones are set separately for each fuel type (gas and electricity), under a single deployment plan to provide a comprehensive picture of supplier activity for each fuel type.

Table 1

Activity	Milestone	Binding or non-binding
New installations	The total number of new smart meter installations that suppliers plan to install in the year ahead, per fuel type (referred to as the Annual Rollout Milestone).	Binding
Pre-emptive replacements	The total number of SMETS1 replacements planned in the year ahead (referred to as the Annual SMETS1 Milestone) and the total number of communications hub replacements planned for replacement in the year ahead, per fuel type (referred to as the Annual CH Milestone).	Binding
Smart meters operating in traditional mode	The total number of meters operating in traditional mode that suppliers will recover by the end of the year, per fuel type (referred to as the Annual Operational Milestone).	Non-binding

We consider that by defining milestones as a total number rather than cumulative percentages would allow greater transparency of data. It is proposed that progress against these milestones at the end of the year will be provided to Ofgem. However, we expect Ofgem may still require the provision of cumulative percentages in the proforma to supplement the information provided by the milestones and allow comparisons to be made.

We propose that suppliers are bound to achieve the annual milestones they set out for new installations and pre-emptive replacements without tolerances (so they must achieve the milestone they provide). This is a departure from under the previous deployment plan framework, in which suppliers had a 5-10% tolerance to achieving the milestone they provided. We consider that the provision of a market-wide tolerance has the effect of lowering overall ambition on top of a milestone which is already self-set. In addition, a pre-set market-wide tolerance would not be sufficiently flexible in accounting for unexpected events which may impact different suppliers differently. Instead, suppliers will have the opportunity to resubmit

plans every year and to make a request to Ofgem to resubmit their plans in-year if exceptional events were to occur that have a significant and negative impact on their ability to meet the annual milestones they had set out in their deployment plans (see 'resubmission of and revisions to deployment plans' below).

Justification of milestones

To ensure plans are consistent with obligations, to better deliver smart metering benefits and strengthen the consumer experience, suppliers will be required to provide justification to Ofgem for their new installation and pre-emptive replacement milestones, including where deviation from a straight-line path is envisaged. As part of this, we expect that suppliers provide justifications for any numerical difference between the milestones provided and a straight-line path – 1/x for the Annual Rollout Milestone, where 'x' is number of years left until the end-date for the obligation proposed under Section 1, meaning 2030 for new installations; 1/y for the Annual CH Milestone and 1/z for the Annual SMETS1 Milestone, where 'y' and 'z' are the number of years left until the proposed end-date for obligations proposed under Section 2, meaning the service end-dates to be set out by the DCC for pre-emptive replacements. This proposal will act as a guideline for comparisons.

We recognise that suppliers will have different commercial delivery profiles that reflect distinct portfolios and the proposed framework will give suppliers a degree of flexibility in determining the optimal path to achieve each of their obligations by the relevant deadlines. However, we consider that a guideline against which, for example, explanations and plans for consumer engagement and installer capacity can justify milestones, is necessary to ensure activity is not unduly concentrated towards the end-dates as it would risk rendering those obligations unachievable. We consider a straight-line trajectory to be the most appropriate comparison to adopt in this case as it provides clarity and accountability, whilst ensuring steady delivery for consumers.

Additionally, we are proposing that suppliers provide supporting evidence to aid justification for their milestones. This includes information on installer capacity as we consider this to be an important factor to support projections of activity. Suppliers will also be asked to briefly set out plans for engaging consumers to encourage them to accept smart meter installation or replacement visits, including consideration of vulnerable and prepayment consumers. We also expect that suppliers will provide in their plans any other customer visit related activity, where not covered already, in order to provide a complete picture of relevant activity undertaken by the supplier.

We propose that deployment plans will be subject to review by Ofgem, which will have the power to reject deployment plans if, for example, it does not consider they demonstrate an acceptable level of trajectory towards the relevant obligations. Ofgem may, within a specified time, confirm in writing the reasons for its rejection. If Ofgem rejects the plan, the supplier will then be required to submit, by a date specified by Ofgem, a further deployment plan. It is proposed that Ofgem will also have the power to issue guidance and that this may include any criteria that Ofgem would have regard to in considering whether to reject a deployment plan. Suppliers would be required to have regard to the guidance that may be issued and, from time

to time, revised by Ofgem. These proposals would support better regulatory outcomes for the consumer by helping to ensure deployment plans are of high quality and provide confidence that suppliers will meet their smart mering obligations in order to provide a high quality smart metering service.

Resubmission of and revisions to deployment plans

It is proposed that suppliers will be required to submit an updated deployment plan to Ofgem each year, detailing the activity they propose to undertake across their obligations to 2033, for which the annual milestones for new installations and pre-emptive replacements would be binding.

We recognise that there may on occasion be large changes to a supplier's portfolio that may result from, for example, any extraordinary events that may occur in-year. We propose that suppliers will additionally be able to request resubmission to Ofgem within year, if exceptional events were to occur that have a significant and negative impact on their ability to meet the annual milestones they had set out in their deployment plan. Suppliers will only be able to submit a revised plan in-year if Ofgem has agreed that they may do so in response to an evidence-based request from the supplier. Subject to the outcome of this consultation, Ofgem may consult further on the implementation of deployment plans which could include details around resubmission of plans in-year.

These proposals provide suppliers with flexibility by allowing for a request for resubmission at any time in addition to resubmission each year, whilst enabling better monitoring on an annual basis relative to the former deployment plan framework and increasing confidence that activities will not be unduly concentrated towards the 2030 end-date, in order to avoid the risk of consumer detriment.

Progress

In order to assess actual progress against milestones in the deployment plan, we are proposing that suppliers must prepare and submit to Ofgem data and information on actual progress against milestones in the deployment plans. This is in line with the previous deployment plan framework, and similar to the current Targets Framework under which suppliers must report annual progress against their targets.

Timings

The government is proposing that licence conditions will set out the earliest possible date that deployment plans are submitted to Ofgem and the date when annual milestones submitted in plans will be binding. Those proposed dates are:

- the first deployment plan to be submitted by 30 June 2026, to ensure continued progress towards supplier obligations and ensure continued investment; the milestones provided for the remainder of 2026 would be non-binding

- the annual milestones set out in the plan would become binding from 1 January 2027 - this means that each supplier must achieve the Annual Rollout Milestone, Annual CH Milestone and Annual SMETS1 Milestone as set out in its deployment plan from 1 January 2027- we consider this date to be appropriate given the maturity of the rollout and the imperative to maximise achievement of the rollout and replacements ahead of the end-dates

We recognise that there may be some dependencies with government and Ofgem's processes, before suppliers can transfer existing plans to the standardised spreadsheet template that will be provided by Ofgem and then seek clearances from their Board. We therefore propose that Ofgem is provided with a direction power to specify later implementation dates, if appropriate and if necessary. For example, Ofgem may propose an additional date for resubmission of the deployment plan later in 2026, ahead of the milestones becoming binding on 1 January 2027, as part of its consultation on deployment plans next year.

In keeping with the framework prior to the Targets Framework, Ofgem will be provided with powers to ensure that it may obtain information in relation to deployment plans and progress against them in order to ensure there is appropriate examination, assessment and monitoring of the regime.

Ofgem may consider consulting further regarding the details of regulatory oversight of deployment plans. Ofgem intends to issue a consultation covering these remaining implementation questions in the first quarter of 2026. This may include, but is not limited to:

- the precise timing of submissions for binding deployment plans and the submission for progress reports from suppliers to Ofgem
- any further content requirements in addition to the contents specified in the licence to inform the deployment plan and progress report
- a template for deployment plans and progress against the milestones in the deployment plans

We expect the template to take the form of a spreadsheet proforma that will prioritise the provision of quantitative data for annual milestones, along with concise supporting evidence for the milestones provided and evidence of plans to meet them. We are expecting that a similar spreadsheet proforma will also require actual progress against the plans themselves and that progress will be subject to the same governance processes as the deployment plans.

Governance and transparency

In order to ensure accountability for the provision of a credible plan to Ofgem, it is proposed that each plan will require approval by the supplier's Board and to be signed by a member of the Board. Approval and sign-off will be required each time the plan is resubmitted.

In continuation of the reporting requirements under the current Targets Framework, we are proposing that energy suppliers will be required to publish milestones and annual progress

against those milestones on their website, no later than two working days after the plan is made effective on 1 Jan 2027 and annually thereafter to ensure accountability to the public.

Exemption for very small domestic energy suppliers

The government is proposing that deployment plans will be required from all energy suppliers that supply domestic premises, except for suppliers that supply gas or electricity, or both, to fewer than 20,000 domestic gas meter points and 20,000 domestic electricity meter points.

Requiring deployment plans from all applicable energy suppliers aims to ensure a consistent service for consumers across the country by being able to monitor progress and ensure accountability. It is important to ensure that consumers who buy energy through small suppliers are not disadvantaged by being at increased risk of not receiving smart meter services and are not exposed to increased risk of those smart services not being maintained or restored.

When energy suppliers were last required to submit deployment plans as part of the 2020 Framework, those categorised as small businesses were exempt. However, those plans were significantly more burdensome than the current proposals. In addition, under the current Targets Framework, all suppliers, regardless of size, are required to submit annual targets and levels of achievement against those targets to Ofgem.

In addition, all energy suppliers are already subject to obligations to undertake activities in relation to targets to meet rollout obligations, such as providing annual data to Ofgem, and are therefore expected to already have some form of rollout plan in place. It is accepted that small suppliers can often face difficulties with cash flow and limited access to affordable finance, therefore can face significant barriers to capital-intensive markets. Small suppliers may also not have as much opportunity as larger suppliers to manage replacements and recover smart meters operating in traditional mode. However, we consider that the administrative cost of this proposal to suppliers is likely to be low as the plans are only required to be submitted once a year, and it is expected that suppliers would in any case incorporate their obligations into their internal business planning in order to deliver their obligations in a sensible and cost-effective way. Including small suppliers reduces the risk of creating an unbalanced level of service to consumers across the market, which would likely disadvantage customers serviced by small suppliers and reduce the magnitude of potential smart metering benefits being realised. This approach will ensure a similar or increased scale of service is provided to customers of small suppliers to larger ones.

We consider there are limited additional benefits to requiring deployment plans from very small energy suppliers – in this case, those that supply gas, electricity or both to customers via, in each case, fewer than 20,000 energy meter points. Exempting suppliers below this threshold would help minimise any regulatory burden on very small suppliers. We therefore propose that these energy suppliers are exempted from the requirement to provide deployment plans. The proposed threshold delivers a similar outcome (based on current market data) to a threshold based on employee numbers (using the microbusiness definition of 0-9 employees used by the

Better Regulation Framework), while aligning with the approach taken elsewhere in license conditions.[47]

Overall, the government considers that the all reasonable steps obligation, combined with the provision of deployment plans in which suppliers will annually set out their plans, would enable suppliers the operational flexibility to undertake the activities required to meet their obligations at a scale and sequence that best matches their own business strategies and commercial exposure, leveraging a cost-efficient rollout and facilitation of improved consumer experience.

Alternatives

The government considered two alternative options that are not proposed for progression.

The first option was a one-off deployment plan with non-binding milestones from 2026 to 2033. Whilst this option would potentially provide some assurance on a milestone-by-milestone basis on how suppliers plan to invest to ensure sustainable growth in operational readiness and allows suppliers flexibility to deliver their activities, it would not provide adequate monitoring of progress, or accountability of suppliers to Ofgem. The lack of accountability would mean there is insufficient incentive for suppliers to provide robust investment plans and this option is therefore unlikely to achieve the 2030 obligation. In addition, a one-off deployment plan may quickly lose its relevance if it is not updated, as it would not be able to account for progress or market changes in the period between 2026 and 2033.

The second option was an annual Request for Information (RFI) with no requirement for a deployment plan. This option would use a well-established RFI process that is familiar to industry. However, this option is considered unlikely to provide additional certainty or promote investment and planning owing to this option being an information-gathering exercise which suppliers are not held to account for delivering. While RFIs work well when requesting data, we consider licence conditions are more appropriate to ensure accountability of a deployment plan to Ofgem as it would require strategic consideration of deliverability across the organisation. In addition, a lack of accountability of suppliers to Ofgem under this option could mean there is a risk that suppliers' activities are weighted towards the end-dates, which risks delivery of the obligations.

Non-domestic sector

Non-domestic meters are not within scope of the deployment plans proposed in this section. More detail, including rationale, is set out in Section 2.

[47] Better regulation framework guidance 2023

Consultation questions

Q12. Do you agree that we should require energy suppliers to provide Ofgem with annual deployment plans and report progress against those deployment plans, with annual milestones setting out what activities they will undertake each year for the domestic sector, to meet their smart meter installation, pre-emptive replacement, and operational obligations? If you disagree, please suggest alternative approaches that would enable monitoring and achieve accountability to ensure energy suppliers take sufficient action each year to meet the obligations set out in Sections 1 and 2 of the consultation. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q13. Do you agree that (a) the annual milestones for new installations and pre-emptive replacements should be binding and without tolerances, and (b) the annual milestone for smart meters operating in traditional mode should be non-binding? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q14. Do you agree that energy suppliers should (a) be required to submit updated deployment plans annually, and (b) be able to request re-submission to Ofgem in-year, in response to exceptional events that have a significant and negative impact on their ability to meet their annual milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q15. Do you agree that the date from which the annual milestones for new installations and pre-emptive replacements should be binding is 1 January 2027? If you disagree, please provide an alternative earliest date, including rationale for how this would be achieved?

Q16. Do you agree with the following measures to ensure deployment plans are of high quality and provide confidence that suppliers will meet their obligations:

a. **Ofgem should be given the option to reject the plan and the option to provide guidance to suppliers on when it might reject the plan? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

b. **That suppliers should be required to provide evidence to support justification of the annual milestones, including justification for any numerical difference between the milestones provided for new installations and pre-emptive replacements, and a straight-line path to the relevant end-date, and supporting information on workforce and consumer engagement? Are there additional quantitative or qualitative information requirements that should be included in the deployment plan to support the assessment and justification of milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

c. **Do you agree that each supplier's deployment plan should be (a) approved by the supplier's Board and (b) milestones and progress against those milestones published on the supplier's website? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

d. **If you disagree, with Q16. a), b) or c), are there alternative or additional design approaches that would reduce the risk of activities concentrated towards the end-dates within the plan and/or to subsequent revisions to that plan? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Q17. Do you agree that all energy suppliers, except those that supply gas or electricity, or both, to domestic sector customers via, in each case, fewer than 20,000 energy meter points, should be required to submit deployment plans? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Section 4: Legal drafting

Implementation of the proposals in Section 1, Section 2, and Section 3 above will require amendments to conditions in the Standard Licence Conditions for Gas and Electricity respectively. *Annex B: Proposed Amendments to Standard Licence Conditions and DCC Licence* sets out our proposed amendments to the Standard Licence Conditions for Gas and Electricity and the DCC Licence in order to implement the policy proposals outlined in this consultation.

Consultation question

Q18. Do you agree that the legal drafting (in Annex B) implements the policy intentions proposed in Section 1, Section 2 and Section 3 of this document? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Summary of consultation questions

Q1. What evidence can you provide on both the cost savings and energy consumption savings to consumers of non-IHD feedback tools in comparison to IHDs? Are these realised for all groups of consumers?

Q2. Thinking about the current role of IHDs and how this could evolve; is there evidence of the role that additional functionality may play in supporting a more flexible and dynamic Clean Power system?

Q3. What evidence can you provide on additional, broader benefits to consumers of non-IHD feedback tools in comparison to IHDs? Please make reference to specific functionality and features of non-IHD feedback tools in your response, where appropriate.

Q4. What evidence can you provide on the specific needs of vulnerable and low-income consumers in relation to feedback tools, including IHDs?

Q5. Do you agree that we should introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode, in both domestic and non-domestic sectors, as soon as possible and no later than 90 days, building on the existing obligation on suppliers requiring they maintain all smart meters in smart mode? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q6. Do you agree that we should amend the Operational Licence Condition to require suppliers pre-emptively replace communication hubs (and any associated smart metering equipment) by prescribed dates, supported by a new obligation on DCC under their Licence to issue a statement of dates setting out when DCC will no longer be able to provide specific communication services, so it is clear by when suppliers need to have completed replacements in order to avoid any impact on consumers? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q7. Do you agree with proposals to clarify that the existing smart metering Operational Licence Condition (SLC 49 electricity and SLC 33 gas) applies to all SMETS meters in designated premises moving forward? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q8. Do you have views on any nuances specific to the non-domestic sector which interact with the proposals to introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode within 90 days, and to amend the Operational Licence Condition, supported by a new obligation on DCC under their Licence to issue dates, so it is clear by when suppliers need to pre-emptively replace smart metering systems before relevant communication services terminate? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q9. Do you agree with the proposed all reasonable steps obligation for energy suppliers to complete the domestic rollout by 2030 set out in Section 2. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q10. What are your views on the benefits and risks of the approaches, outlined under 'Alternative approaches considered'? Please provide evidence and rationale to support your answer.

Q11. Do you agree with the proposal to extend the Data Request powers to five years after 31 December 2030? Please provide rationale and evidence to support your answer.

Q12. Do you agree that we should require energy suppliers to provide Ofgem with annual deployment plans and report progress against those deployment plans, with annual milestones setting out what activities they will undertake each year for the domestic sector, to meet their smart meter installation, pre-emptive replacement, and operational obligations? If you disagree, please suggest alternative approaches that would enable monitoring and achieve accountability to ensure energy suppliers take sufficient action each year to meet the obligations set out in Sections 1 and 2 of the consultation. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q13. Do you agree that (a) the annual milestones for new installations and pre-emptive replacements should be binding and without tolerances, and (b) the annual milestone for smart meters operating in traditional mode should be non-binding? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Q14. Do you agree that energy suppliers should (a) be required to submit updated deployment plans annually, and (b) be able to request re-submission to Ofgem in-year, in response to exceptional events that have a significant and negative impact on their ability to meet their annual milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

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Q16. Do you agree with the following measures to ensure deployment plans are of high quality and provide confidence that suppliers will meet their obligations:

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b. That suppliers should be required to provide evidence to support justification of the annual milestones, including justification for any numerical difference between the milestones provided for new installations and pre-emptive replacements, and a straight-line path to the relevant end-date, and supporting information on workforce and consumer engagement? Are there additional quantitative or qualitative information requirements that should be included in the

deployment plan to support the assessment and justification of milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

c. Do you agree that each supplier's deployment plan should be (a) approved by the supplier's Board and (b) milestones and progress against those milestones published on the supplier's website? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

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Q18. Do you agree that the legal drafting (in Annex B) implements the policy intentions proposed in Section 1, Section 2 and Section 3 of this document? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Next steps

Stakeholders and other interested parties are invited to provide their views on the government's proposed approach and, more specifically, the questions set out above.

This consultation closes at 23:59 03 October 2025. Details on how to respond to this consultation have been provided in the General Information section of this document.

Once the consultation closes, we will consider all responses before publishing the government response in due course.

Annexes

Annex A: Analytical Evidence

Annex B: Proposed Amendments to Electricity Supply Standard Licence, Gas Supply Standard Licence Condition and DCC Licence

This publication is available from: www.gov.uk/government/consultations/smart-metering-policy-framework-post-2025

If you need a version of this document in a more accessible format, please email alt.formats@energysecurity.gov.uk. Please tell us what format you need. It will help us if you say what assistive technology you use.