



UK Government

Non-Domestic Smart Meter Rollout Post-2025

Driving Smart Meter Uptake in support of the Clean Power Mission and Protecting Non-Domestic Consumers in the Transition to Smart-Contingent Contracts

Closing date: 16 January 2026

October 2025



© Crown copyright 2025

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

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

Contents

General information	5
Why we are consulting	5
Consultation details	5
How to respond	6
Confidentiality and data protection	6
Quality assurance	7
Interpretation	8
Executive Summary	11
Introduction	13
Importance of the non-domestic smart meter rollout	13
Non-domestic smart meter rollout to date	13
Sector-specific constraints as the rollout progresses	15
Growth in the use of non-domestic smart-contingent contracts	16
Overarching rollout policy objectives & related measures	18
1. Delivering a high-quality, improved consumer experience	18
2. Providing certainty to the non-domestic sector to enable investment and underpin the transition to Clean Power 2030	21
3. Providing flexibility to the sector, allowing non-domestic suppliers to deliver new installations in a way that accounts for broader commercial priorities and nuances specific to the non-domestic energy market	21
Section One: Proposed policy package: non-domestic smart-contingent contracts	22
Case for intervention	22
Proposed Policy Package: Summary	24
Universal implementation & communication requirements	25
Energy buying intermediaries	26
Binding consumer protection code	27
Code provisions	27
Governance	30
Alignment with existing non-domestic consumer protections	31
Policy impacts	32

Consultation questions	34
Section Two: Driving smart meter uptake in the commercial private rented sector	35
Background	35
Policy proposals and commercial tenants' requests for smart meters	36
Protecting commercial tenants (and landlords) in cases of the other's refusal	37
Proposed provisions in customer code	37
Broader considerations regarding more complex works	38
Draft policy statement and boilerplate letters	39
Consultation questions	42
Section Three: Policy scope	43
Whether the policy should apply with respect to designated premises or all non-domestic premises	43
Meter type	44
Definition of designated premises	45
Other types of energy contract	47
Energy suppliers in scope of the proposals	47
Consultation questions	48
Section Four: Policy engagement strategy	49
Smart Energy GB	49
Tailored public sector communications	50
Third Party Intermediaries	50
Message testing consumer research and energy supplier guidance	50
Consultation questions	51
Section Five: Providing flexibility to the non-domestic sector	52
4G transition	52
Installer capacity	53
Consultation questions	54
Section Six: Legal Drafting	55
Consultation Questions	55
Summary of consultation questions	56
Next steps	59
Annexes	60

General information

Why we are consulting

The existing Smart Meter Targets Framework, set out in the gas and electricity supply licence conditions¹, 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 68.7% of relevant non-domestic domestic premises in Great Britain, at which point the existing Targets Framework comes to an end.

The government is therefore consulting on a policy framework to drive new non-domestic smart meter installations to proceed the Targets Framework.

The proposals are intended to drive the high levels of non-domestic smart meter uptake needed to support the government's Clean Power by 2030 Mission, alongside protecting non-domestic consumers in the transition to smart-contingent contracts.

Consultation details

Issued: 23 October 2025

Respond by: 23:59 on 16 January 2026

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

Consultation reference: Non-Domestic Smart Meter Rollout 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 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.

¹ [Licences and licence conditions | Ofgem](#)

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: energygovuk.citizenspace.com/sm/non-domestic-smart-meter-rollout-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](https://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:

‘Advanced meter’ is a meter that, either on its own or with an ancillary device, and in compliance with the requirements of any relevant industry code or document, provides measured electricity/gas consumption data for multiple time periods, is able to provide such data for at least half-hourly/hourly time periods and is able to provide suppliers with remote access to such data (as defined in energy supplier licence conditions).

‘all reasonable steps’ (ARS) refers to a legal obligation on energy suppliers to take ‘all reasonable steps’ to complete an activity directed within the licence conditions.

‘Communications Hub’ (CH) 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.

‘Consolidated Metering Code of Practice’ (CoMCoP) refers to a section within the Retail Energy Code that outlines metering standards and protections for microbusiness consumers.

‘Current Transformer (CT) meter’ refers to a type of electricity meter which uses a current transformer as part of the mechanism for measuring the electric current (typically used in premises that are large consumers of electricity).

‘Data Communications Company’ (DCC) is the holder of the Smart Meter Communication Licences (currently Smart DCC Limited), which 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.

‘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).

‘Energy supplier’ or ‘supplier’ (used interchangeably throughout) refers to an energy supplier of non-domestic premises.

‘Evergreen contract’ in this context refers to a non-domestic energy supply contract that continues indefinitely and which does not contain a fixed term period that applies to any of the terms and conditions.

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

‘Guaranteed Standards of Performance’, refers to a regulatory standard that requires energy suppliers to meet certain performance metrics, such as responding to smart meter installation requests within a set timeframe or are obligated to pay compensation to the affected customer.

‘Home Area Network’ (HAN) refers to a wireless network used within homes to link smart meters to other devices, such as in-home displays (IHDs) or smart appliances.

‘Hot shoe installation’ refers to sites where the electricity meter has not yet been upgraded to SMETS and therefore a hot shoe is required to connect the gas SMETS meter to the meter tails of the traditional or advanced electricity meter.

‘Market-wide Half-Hourly Settlement’ (MHHS) refers to 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.

‘non-domestic’ refers to designated premises in scope of the smart meter rollout unless otherwise specified. 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.

‘Polyphase electricity metering’ and ‘polyphase installation’, refer to metering systems used in premises with three-phase electrical supply. These meters measure multiple electrical phases.

‘Public Sector Buying Organisation’ (PSBO) refers to an intermediary that procures energy on behalf of public sector bodies, often through framework agreements.

‘Retail Energy Code’ (REC) refers to the industry code governing operational and commercial arrangements between energy suppliers and other market participants, including metering provisions and consumer protections.

‘Smart-contingent Contracts’ refers to fixed term non-domestic energy supply contracts (i.e. contracts that are for a pre-determined, set period of time) that require non-domestic consumers to have, or agree to the installation of, smart or advanced meters under the terms of that contract.

‘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) refers to the first generation of the technical specifications for smart metering equipment qualifying to meet licence rollout targets.

‘SMETS2’ (Smart Metering Equipment Technical Standards) 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 Targets Framework’ and ‘the Framework’ refer to the smart meter installation obligations which have been implemented and took effect from 1 January 2022.

‘Third Party Intermediary’ (TPI) refers to an intermediary that facilitates energy procurement.

‘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.

‘Void premises’ refers to non-domestic sites that are currently unoccupied.

‘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 help make non-domestic buildings cleaner and more efficient and affordable to heat and run. They are being rolled out to ~3 million smaller businesses and public sector sites across Great Britain across a range of sectors, from retail and hospitality to schools.

Smart meters are expected to reduce consumption by between 2.8% (electricity) and 4.5% (gas) per non-domestic meter, delivering customer bill savings and avoiding estimated bills. Since 1st October 2024, energy suppliers must provide all smaller organisations with smart meters, with free and regular information on their energy use based on their smart meter data, helping them manage their energy bills, reduce costs and heat their premises efficiently. Smart meter data can be used by non-domestic organisations to identify potential savings from clean heat measures and inform decisions about how to retrofit buildings and decarbonise operational processes.

Energy suppliers currently have annual, binding smart meter installation targets in both the domestic and non-domestic sectors until 31st December 2025. As with domestic, the non-domestic rollout is now well established and the majority of metered sites have smart or advanced meters installed (64% of smaller non-domestic sites at end Q2 2025).

The government is committed to ensuring that all consumers can benefit from smart meters as soon as possible. We recently published, and are now analysing responses to, a consultation on measures to improve the customer experience of smart metering (for domestic and non-domestic consumers) and a 2030 obligation to complete the domestic rollout².

We are now consulting (within this document) on a framework intended to drive new non-domestic smart meter installations post-2025 in support of the 2030 Clean Power Mission and to protect non-domestic consumers in the transition to smart-contingent contracts.

Smart-contingent contracts are fixed term non-domestic energy contracts (which are significantly cheaper than alternatives) that require the installation of a smart meter. The government has observed the growing use of these contracts by non-domestic energy suppliers, who unlike in the domestic sector are under no obligation to supply premises when requested, and have started to use these contracts to drive smart meter uptake, particularly amongst smaller organisations who are more disengaged with smart metering.

The government believes there are benefits to be realised from the introduction of smart-contingent contracts, though there are also potential risks for non-domestic consumers caused by inconsistent market implementation. These risks include customer confusion over what action they need to take or suppliers implementing unfair enforcement action

² [Smart metering policy framework post 2025 - GOV.UK](#)

against consumers (such as penalising the customer even if not having the smart meter installed was outside of their control).

However, if prompt policy action is taken now, the government can protect non-domestic consumers from these risks at the same time as utilise these contracts to drive the high levels of smart meter coverage needed for the 2030 Clean Power Mission. The government is therefore proposing a package of new energy supplier licence conditions intended to both ensure non-domestic consumers are protected from the risks of these contracts and drive additional consumer demand for smart meters. The principles guiding our proposals are:

- Delivering a high-quality, improved consumer experience of smart metering
- Providing certainty to the non-domestic sector to enable investment and underpin the transition to Clean Power 2030
- Providing flexibility to the sector, allowing non-domestic suppliers to deliver new installations in a way that accounts for broader commercial priorities and nuances specific to the non-domestic energy market

In this consultation, we are seeking views on the following requirements for energy suppliers:

- **A universal implementation requirement.** From 1st January 2027, energy suppliers cannot enter into new fixed term energy contracts with non-domestic customers unless the customer has, or agrees to have, smart or advanced meters installed in their premises. This ensures a phased transition for non-domestic customers over time as they reach the point of contract renewal after this date.
- **A universal communication requirement.** All suppliers must start to communicate these upcoming changes as soon as the licence modifications are made. This allows a period ahead of 1st Jan 2027 for the market to prepare for the step-change and for widespread awareness raising to customers so that they understand what is expected of them, why and when.
- **A legally binding customer code** which suppliers must adhere to from 1st January 2027 to protect consumers from the risks of the smart-contingent contracts. The code would contain provisions with respect to supplier fulfilment of customer appointments, ensuring suppliers are transparent, fair and proportionate in their implementation and account for small organisations in financial difficulty.
- Measures to drive smart meter uptake in the **commercial private rented sector**.

We are also inviting views on policy scope and our proposed approach to stakeholder engagement.

We look forward to engaging with stakeholders throughout the consultation process 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

Importance of the non-domestic smart meter rollout

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 are being rolled out to smaller businesses and public sector sites in Great Britain (the “non-domestic smart meter rollout”). The non-domestic smart meter rollout covers ~3 million meters in smaller-medium sites across a range of sectors, from retail and hospitality to schools³. Smart meters are expected to reduce consumption by between 2.8% (electricity) and 4.5% (gas) per non-domestic meter, delivering customer bill savings and avoiding estimated bills.

Smart meters help make non-domestic buildings cleaner and more efficient and affordable to heat and run. Since 1st October 2024, energy suppliers must provide all smaller organisations with smart meters with free and regular information on their energy use based on their smart meter data, to help them manage their energy bills, reduce costs and heat their premises efficiently. Smart meter data can be used by non-domestic organisations to identify potential savings from clean heat measures and inform decisions about how to retrofit buildings and decarbonise operational processes. It can be used to set, and evidence progress against, emissions reduction targets, support commercial landlord portfolio planning towards decarbonisation pathways and inform business cases for green finance and grant applications. Non-domestic smart meter data also facilitates energy system benefits such as demand-side response measures and Market-wide Half-Hourly Settlement.

The government’s vision for non-domestic smart metering is to reach the highest levels of uptake in small businesses and public sector sites by 2030 in support of the Clean Power Mission, and to maximise access to, and engagement with, smart meter data across the energy system through a mix of policy, engagement and innovation.

Non-domestic smart meter rollout to date

The non-domestic rollout is now well established, with the majority of metered premises now upgraded to smart (as of Q2 2025 64% of non-domestic premises had smart or advanced meters installed).

³ The non-domestic smart meter mandate is defined in energy supplier licence conditions as non-domestic sites in electricity profile classes 1-4 or with gas consumption below 732 MWh per annum.

The approach to the rollout of smart meters in the domestic and non-domestic sectors has, to date, been treated largely the same, though with increasing tailoring of the policy framework to sector-specific circumstances over time.

In earlier stages of the rollout, energy supplier obligations were generally left flexible in terms of how much priority suppliers should place on each sector, with suppliers needing time to adapt to the operational complexities associated with the non-domestic rollout. This included procuring meter variants needed in non-domestic premises (such as polyphase electricity metering), training specialised installers (such as those capable of fitting 'hot shoes' where installing a gas meter that meets the Smart Metering Equipment Technical Specifications (SMETS) and where the electricity meter has not yet been upgraded to smart⁴) and developing tailored customer journeys to meet the needs of organisations (such as offering out of hours appointments to minimise disruption to business).

In 2019, Smart Energy GB's remit was extended to require it to raise awareness of smart meters (and the associated benefits) amongst microbusinesses. Since then, it has launched a range of multi-channel campaigns and media activities with targeted messaging, collaborating with industry partners and business influencers, and tailoring content to address the diverse needs and challenges faced by microbusinesses.

In 2022, a series of policy changes were made to improve the data offer that non-domestic customers receive with their smart meter whilst recognising the diversity in non-domestic sites and data needs. Since 1st December 2022, organisations of all sizes can request free access to their smart meter data and energy suppliers must respond for free and within a time limit. Since 1st October 2024, energy suppliers must provide all smaller organisations with smart meters with free and regular information on their energy use based on their smart meter data, e.g. via an online portal, display or App.

From 2022-2025, the Government introduced a new four-year Smart Metering Installation Targets Framework under which energy suppliers have been set individual annual smart meter installation targets:

- In Year 1 (2022) and Year 2 (2023) of the Targets Framework, mixed portfolio energy suppliers (suppliers of both domestic and non-domestic premises) had one single binding 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). Large mixed portfolio suppliers had to publicly report on individual progress in both sectors.
- 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. This change was made to ensure

⁴ Due to it being common for non-domestic customers to choose different energy suppliers for their electricity and gas supplies.

suppliers prioritise the rollout in both sectors, maximising benefits for all consumers including non-domestic.

Positive progress has been made, with suppliers having annual installation targets under the current Targets Framework to reach at least 68.7% non-domestic smart coverage by the end of 2025.

Sector-specific constraints as the rollout progresses

Despite this positive progress, there is growing evidence that demand for smart meters among non-domestic consumers is becoming an increasing constraint to achieving the highest levels of uptake needed to support the government's 2030 Clean Power Mission.

In 2021-2022 the government commissioned a segmentation of non-domestic customer attitudes to smart meters to better understand how reasons for smart meter acceptance and rejection might be categorised to inform future engagement⁵. This suggested that market-wide non-domestic attitudes to smart metering were broadly positive (with 6 in 10 willing to seek/accept a smart meter in the next six months). However:

- Two segments of non-domestic consumers (categorised as “no risks and cost conscious” and “profit focused and instinctual” organisations) had higher rates of smart meter rejection (49% and 56% respectively).
- Around a fifth of non-domestic consumers remained indifferent to smart meters despite increasing targeted campaign activity from energy suppliers⁶.

Non-domestic consumer rejection of smart meters was generally due to smaller organisations having limited time to engage with smart meters or the perception of hassle and inconvenience, which contributes to a lack of motivation (rather than organisations having negative views about smart meters themselves).

Overall, the evidence concluded that across the market there was sufficient non-domestic consumer demand for smart meters for suppliers to meet their installation targets although the government committed to ongoing monitoring of consumer demand.

In Q4 2024, we therefore procured a YouGov survey of the latest non-domestic attitudes to smart meters (see Annex A- Analytical Evidence). This survey concluded that whilst market-wide non-domestic consumer attitudes remains positive overall (79% either already had a smart meter or would seek/accept an installation in the next six months), non-domestic consumers that would reject a smart meter (also in the next six months) had become a larger proportion of the non-smart population. This suggests that the increase in ownership since 2022 has likely been the result of installations from some of the

⁵ [Non-domestic smart meter consumer segmentation - GOV.UK](#)

⁶ [Smart meters targets framework: minimum installation requirements for Years 3 and 4 - government response, analytical evidence](#)

seek/accept group. It also suggests that those who have rejected smart meters in the past have predominantly remained rejectors and now make up a larger proportion of the non-smart population that needs to be converted by energy suppliers in future.

Similarly, energy suppliers have indicated in bilaterals that whilst some strategies to encourage more installations have been successful (such as offering rewards, leveraging green energy campaigns, improving customer service and focusing on resolving technical issues to build trust) converting the remaining segments of non-domestic consumers remains challenging. Suppliers also noted vacant non-domestic premises and customers that manage their energy via Third Party Intermediaries (TPIs) as further examples of premises they consider hard to engage but are needed if smart meter uptake is to reach higher levels.

This notion of some consumer groups being less responsive to supplier engagement is further supported by insights from Smart Energy GB⁷. Their research suggests that a group of microbusinesses remain unaware of messaging on smart meters and, they often do not recall such engagement as they remain focused on other aspects of business delivery.

In summary, energy suppliers have generally adapted to the operational nuances of the non-domestic rollout and the rollout is now in a steady state. However, evidence suggests that reaching the highest levels of smart meter uptake could be constrained by limited engagement from some non-domestic organisations in the next phase of the non-domestic rollout without intervention. The government also recognises that this is likely due to organisations having many competing priorities and limited time, and therefore any future policy framework must account for the real-world constraints such organisations face and ensure the transition to smart metering is as simple as possible.

Growth in the use of non-domestic smart-contingent contracts

It's in this context that the government has been monitoring the growth in use of "non-domestic smart-contingent contracts" by energy suppliers.

For the purpose of this consultation, "non-domestic smart-contingent contracts" are defined as fixed term non-domestic energy supply contracts (i.e. contracts that are for a pre-determined, set period of time) that require non-domestic consumers to have, or agree to the installation of, smart or advanced meters under the terms of that contract.

⁷ Smart Energy GB (2023). This was a qualitative research project with 18 microbusinesses who were unaware of smart meters for business prior to the research. This involved 1-hour interviews conducted online. Fieldwork took place between 7th-16th November 2023.

Non-domestic fixed term contracts are, on average, around 40% less expensive than alternatives (e.g. out of contract rates or deemed energy contracts⁸) due to there being more scope for price differentiation in the non-domestic market as there is no price cap. Therefore, non-domestic energy suppliers (who unlike in the domestic sector are under no obligation to supply premises when requested and who often negotiate bespoke arrangements with non-domestic customers rather than apply standard tariff rates) have started to use smart-contingent contracts to drive smart meter uptake amongst some smaller organisations who they consider harder to engage with smart metering.

This is based on the premise that the customer is motivated to access the cheaper rates for their energy and comply with the terms of their contract. In addition, general contract breaches in the non-domestic energy market (i.e. breaches associated with any clause, not particularly those associated with smart-contingent clauses) may be dealt with by suppliers by terminating customers' access to their fixed term contract (and moving them onto such deemed or out of contract rates), thus further incentivising contractual compliance.

In 2022, the Government observed a small number of smart-contingent contracts in the non-domestic market. We noted that suppliers were not taking steps to enforce against customers that breached their contractual commitment to have smart meters installed or were not actively communicating these contract terms.

In 2023, the government (as part of the Smart Metering Targets Framework Mid-Point Review Government response⁹), noted that energy suppliers do have the commercial flexibility to make their non-domestic contracts conditional on smart meters, and subsequently worked with industry to develop and publish voluntary customer protection principles covering fair customer access, proportionate enforcement and customer awareness. These were published in 2024¹⁰. Ofgem also referenced the principles in their non-domestic retail market review response¹¹.

Since 2024, we have seen a further increase in the number of non-domestic suppliers implementing smart-contingent contracts. Several large non-domestic suppliers now have, or are developing, a smart-contingent element within their contract terms and conditions. Some suppliers are using assertive messaging to remind customers of these terms (but not yet enforcing the terms) whilst others are planning or considering enforcement action if customers renege on their contractual agreement to have smart meters.

The government considers that there are positive opportunities to be realised as a result of the increase in smart-contingent contracts, though there are also potential risks for non-

⁸ Out of contract rates are higher rates paid for energy when a fixed term contract ends and is not renewed, but which were specified upfront in that contract. Deemed rates are higher rates paid when out of contract but not specified up front within a fixed term contract.

⁹ <https://www.gov.uk/government/consultations/smart-meter-targets-framework-minimum-installation-requirements-for-year-3-2024-and-year-4-2025>

¹⁰ [Non-domestic smart meter contingent contracts: industry best practice sharing principles \(accessible webpage\) - GOV.UK](#)

¹¹ [Non-Domestic Market Review Decision](#)

domestic consumers caused by inconsistent market implementation. These risks include customer confusion over what action they need to take or suppliers implementing unfair or prohibitive enforcement action against consumers (such as penalising the customer even if not having the smart meter installed was outside of their control). Prompt policy action taken now can help to support the development of this market in a way that protects non-domestic consumers from these risks whilst driving the levels of smart meter coverage needed for Clean Power 2030.

The government is therefore proposing a package of new energy supplier licence conditions intended to both ensure non-domestic consumers are protected from the risks of these contracts and drive additional consumer demand for smart meters.

This includes measures to standardise the rollout of non-domestic smart-contingent contracts across energy suppliers to ensure a phased transition for consumers over time (by requiring suppliers to make all new fixed term non-domestic energy contracts entered into after the same date smart-contingent and to communicate this to consumers in advance) and a requirement on suppliers to follow a legally binding consumer protection code of practice with respect to the implementation and enforcement of smart-contingent contracts. Full policy proposals with respect to non-domestic smart-contingent contracts are set out in Section One onwards.

Overarching rollout policy objectives & related measures

Underpinning the proposals in this consultation are several overarching policy objectives, shared with the domestic smart meter rollout.

1. Delivering a high-quality, improved consumer experience

As we look ahead to the next phase of the smart meter rollout, we want to deliver a step-change in the consumer experience of smart metering and ensure all smaller non-domestic organisations can access the full benefits of their smart meter data.

The proposals in this consultation focus on ensuring non-domestic consumers are protected from the risks of market-led implementation of non-domestic smart-contingent contracts. However, the government, working with key delivery partners, is overseeing a number of additional steps to those outlined in this consultation relevant to these overarching aims.

Non-domestic consumer experience

Strengthened supplier obligations to ensure meters remain operational. The government recently published, and is currently analysing responses to, a consultation¹² on

¹² [Smart metering policy framework post 2025 - GOV.UK](#)

measures to ensure smart meters operating 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 of the fact that they are no longer working in smart mode.

Suppliers will also need to take steps to pre-emptively replace smart metering assets so they continue to communicate when they will otherwise stop as a result of Wide Area Network services ending, such as the switch-off of 2G and 3G mobile services by end of 2033. These proposals would apply to domestic and non-domestic meters.

Guaranteed Standards of Performance: Ofgem is currently analysing responses to a consultation¹³ on new smart metering Guaranteed Standards of Performance for microbusiness energy consumers. These include compensation if consumers are not offered an appointment to take place within six weeks when they request a smart meter, if the smart meter installation fails where this could have been prevented by the supplier, if they report an issue with their smart meter and do not hear back within five working days, or where their smart meter is not operating in smart mode for a period of over 90 days.

Consumer guide to rights and expectations: The Government has begun work with energy suppliers to tailor the domestic guide to consumers' rights and expectations to a non-domestic context. This can complement Ofgem's proposals and help non-domestic consumers clearly understand what standards of service they can expect from their energy supplier throughout the smart meter customer journey.

Consumer engagement: The national smart metering campaign run by not-for-profit organisation Smart Energy GB has played an important role in raising microbusiness awareness of smart meters to date. We propose Smart Energy GB would have an important role to play in communicating the policy proposals set out in this consultation to microbusinesses- more detail is set out in Section Four.

Smart Metering Installation Experience: We recently published, and are currently analysing responses to, a call for evidence (CfE) to seek industry's views on how to enhance the consumer journey towards Clean Power 2030 including looking at the potential to drive efficiencies through the integration with other Low Carbon Technologies (LCTs) installations¹⁴. This CfE also sought industry's views on how the smart meter installation experience can be improved so that all consumers in all parts of Great Britain can get smart meters more quickly. We expect learnings from that CfE to inform future considerations for the non-domestic rollout.

Improving the availability and reliability of smart metering services

4G in the 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

¹³ [Statutory consultation on smart meter guaranteed standards of performance | Ofgem](#)

¹⁴ [Enhancing the smart meter installation journey towards Clean Power 2030 - GOV.UK](#)

network or the Long-Range Radio network in the CSP-North, in support of improved first time installation success rates in the North.

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: The DCC will in 2026 launch a Virtual WAN service, so that with consumer consent, broadband can be used to connect premises 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: the Department has now published the conclusions to the February 2024 consultation on the DCC charging mechanism and associated legal changes via the Smart Energy Code website¹⁵. Ofgem and DESNZ have also published a joint consultation on the centralised price calculation methodology for 4G Communications Hub only site visits¹⁶. This consultation closes on 4th November.

Maximising the benefits of non-domestic smart meter data

Non-domestic smart meter customer data offer: Government continues to monitor supplier progress in delivering the requirement (since 1st 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. Suppliers have launched a range of innovative functionalities to support organisations to engage with their data in response to the policy. We continue to drive best practice via regular non-domestic supplier bilaterals and forums.

Data guidance for commercial landlords and tenants: We intend to develop guidance for commercial landlords and tenants on how they can cooperate to navigate the existing non-domestic energy data landscape and access the data they need to decarbonise their premises.

Next steps from innovation programmes: We will continue to drive market innovation, including next steps from the Non-Domestic Smarter Tariff Comparisons Innovation Programme which aimed to help small businesses get the best deal on their energy based on their own energy use patterns¹⁷ and the Smart Meter Energy Data Repository Programme (SMEDR). SMEDR sought to determine the technical and commercial feasibility of a smart meter energy data repository, enabling innovation to benefit

¹⁵ [Smart Metering Implementation Programme: DESNZ conclusions on 4G Communications Hub only exchange site visit DCC charging mechanism and legal changes - Smart Energy Code](#)

¹⁶ [4G Communications Hub only exchange site visits: proposed methodology for calculating a centralised price | Ofgem](#)

¹⁷ [Non-Domestic Smarter Tariff Comparisons Innovation Programme: successful projects - GOV.UK](#)

consumers (including non-domestic) and streamlining (or facilitating) access to smart meter data while ensuring their data remains protected under the smart meter Data Access and Privacy Framework.

2. Providing certainty to the non-domestic sector to enable investment and underpin the transition to Clean Power 2030

The policies set out in this consultation are intended to give suppliers confidence in future non-domestic consumer demand for smart metering and as a result are anticipated to drive significant certainty for industry and enable appropriate investment to continue to deliver the non-domestic smart meter rollout at scale including specialised field forces, tailored engagement strategies and market preparation. To support the Clean Power Mission and ensure no one is left behind, we aim to enable the vast majority of non-domestic consumers to have smart meters by 2030.

3. Providing flexibility to the sector, allowing non-domestic suppliers to deliver new installations in a way that accounts for broader commercial priorities and nuances specific to the non-domestic energy market

We recognise that, in the period beyond 2026, there is a wider range of metering related activities that non-domestic energy suppliers need to deliver, which will impact suppliers differently according to their varying metering and customer portfolios. This includes nuances specific to the non-domestic sector such as the industry-led upgrade of advanced metering portfolios to 4G.

The policies in this consultation give non-domestic energy suppliers the flexibility to meet customer demand for new installations over time gradually and at the point of fixed term contract renewal, providing more choice in how suppliers campaign to customers in-between, thereby also reducing administrative and engagement costs. In addition, it is envisaged that the new policy framework will reduce the administrative burden on suppliers with a simplified reporting process under the Retail Energy Code. More information is set out in Section One.

In addition, the absence of new regulatory requirements in relation to non-domestic suppliers' 4G transitions in this consultation recognises that in the immediate years Post-2025, some suppliers may need to prioritise 4G upgrades by the relevant end dates of varied technologies and communications provider contracts in the advanced meter market (e.g. ahead of some SMETS2 Communications Hub exchanges). More information can be found in Section Five.

We will, however, continue to review progress by energy suppliers and are prepared to work with Ofgem and the relevant industry parties to bring in additional measures if we consider that insufficient progress is being made towards the non-domestic 4G transition.

Section One: Proposed policy package: non-domestic smart-contingent contracts

Case for intervention

The government wants to ensure the delivery of a high-quality, improved consumer experience of smart metering and provide both certainty and flexibility to industry to ensure they can continue to drive non-domestic smart meter rollout progress in support of the Clean Power Mission.

The current policy framework, which sets non-domestic energy suppliers binding, annual minimum smart metering installation targets, is due to expire on 31st December 2025. The government recently consulted on a new policy framework to drive domestic smart meter installations to the highest levels of coverage by 2030¹⁸.

In the absence of a new policy framework to drive the non-domestic rollout post-2025, the only policy driving new non-domestic installations would be the New and Replacement Obligation (NRO), which requires suppliers to take all reasonable steps to install a smart meter in non-domestic premises wherever a meter is replaced or installed for the first time. In addition to meeting the NRO, energy suppliers would be left to drive additional smart meter uptake and implement incentives (such as levers intended to increase non-domestic consumer demand for smart meters), if they wish to, by themselves and with no policy intervention.

As outlined in the Introduction, the government has noted a growth in the use of smart-contingent contracts by non-domestic energy suppliers. These require non-domestic consumers to already have, or agree to the installation of, smart or advanced meters in their premises to access fixed term energy contracts which are typically around 40% cheaper than alternative options in the non-domestic market (deemed and out of contract rates).

The government is concerned that if the market is left to drive the non-domestic smart meter rollout and utilise these contracts by themselves post-2025, that two alternative scenarios may occur stemming from piecemeal or uneven supplier delivery and both with potential negative outcomes for non-domestic consumers.

Scenario One: Slower market progress resulting in the non-domestic smart meter rollout stalling

¹⁸ [Smart Metering Policy Framework – Post 2025: consultation](#)

In this scenario, without a new policy framework driving new installations, suppliers lack sufficient motivation to prioritise their non-domestic smart meter rollouts in the context of competing priorities. This, combined with a fear of commercial disadvantage from being the first to enforce breaches of smart-contingent contracts (i.e. implement consequences) means that suppliers decide against (or roll back on) implementing smart-contingent contracts or do not actively implement consequences if a customer signs up to a smart-contingent contract but then breaches the terms by refusing to proceed with the installation.

Scenario Two: Smart-contingent contracts increase but with poor outcomes for consumers

In the absence of regulation, it is also possible that some (though not all) energy suppliers will voluntarily seek to drive their non-domestic rollouts by using smart-contingent contracts and in doing so, enforce these contract terms (i.e. implement consequences if the customer breaches their contract). These suppliers would need to abide by existing licence conditions regarding their implementation and may choose to follow existing voluntary customer protection principles (published in 2024). However, there are currently no binding legal obligations which are specific to protecting non-domestic consumers from more punitive action taken by suppliers as a result of breaches of these smart-contingent contracts.

To date, the government has observed a mix of approaches with some suppliers starting to implement and/or communicate the existence of these contracts (but not enforcing the terms) and others considering or implementing financial penalties for contract breaches. The extent to which suppliers would continue to introduce and enforce smart-contingent contracts in the absence of further policy intervention is therefore uncertain, with both scenarios sharing several risks for non-domestic consumers and the smart meter rollout:

- **Limited transparency in the market drives negative consumer outcomes.** It may not be clear to consumers which deals are smart-contingent and which are not or what the consequences will be for them failing to comply with the smart-contingent element. This is particularly heightened where suppliers use assertive messaging with consumers but ultimately choose not to enforce, with potential to drive confusion and mistrust. This confusion may also extend to Third Party Intermediaries, who may have limited time to engage in the complexities of varied market offerings (preferring instead to avoid messaging on smart metering to customers altogether). In some scenarios, some customers could face penalties for smart-contingent contract breaches that could have been avoided, due to limited understanding of their suppliers' expectations. The large number of smaller non-domestic suppliers in the market and likely diversity in approaches magnifies this risk.
- **Supplier implementation approaches drive negative consumer outcomes.** Risks to consumers include unfair or disproportionate enforcement action against customers by suppliers, such as implementing penalties where the reason the consumer could not have a smart meter was not in their control or failing to consider the circumstances of smaller organisations when applying penalties for contract

breaches (e.g. small businesses in financial difficulty or critical national infrastructure sites where there may be additional security considerations).

- **Smart meter coverage below that needed for the Clean Power Mission.** Analysis suggests that both scenarios deliver levels of smart meter uptake below the levels needed for the Clean Power Mission, resulting in 73% and 81% non-domestic smart meter uptake by 2030 respectively. More detail can be found in Annex A- Analytical Evidence.
- **A significant loss of consumer benefits due to lower smart meter coverage.** As outlined, smart meters, together with the provision of data, enable non-domestic customers to monitor, manage and reduce their energy use as well facilitating accurate bills and access to innovative products and services. Reduced smart meter uptake means bill savings potential is missed in addition to customers losing out on the benefits of smart services and potentially facing estimated bills.
- **Reputational damage to the rollout.** If suppliers implement smart-contingent contracts in a way that is detrimental to non-domestic consumers without sufficient parallel steps taken by government to protect consumers from the risks, this could similarly drive consumer mistrust across the sector.
- **Loss of specialised non-domestic installers.** Energy suppliers may fail to sufficiently invest in installers that are specialised in delivering non-domestic installations due to a lack of regulatory drivers on new installations. This could have negative impacts for suppliers' abilities to successfully deliver other strategic objectives such as the 4G transition and its associated non-domestic nuances (e.g. the 4G upgrade of advanced meters). Fewer installers than currently employed would also have negative consequences for **individuals employed as installers and economic growth**.

In addition, in 2021 and 2022, the government commissioned a segmentation of non-domestic consumer attitudes to smart meters¹⁹. This sought to better understand non-domestic consumer attitudes to smart meters and test a range of high-level ideas for driving smart meter uptake. This research suggested that the idea of a “smart-contingent contract” had the most potential to reduce smart meter rejection amongst segments of non-domestic consumers that are less open to smart meters, however some organisations had concerns about the fairness of these contracts.

Proposed Policy Package: Summary

The proposed policy package has therefore been designed to maximise the opportunities from, and mitigate the risks of, the recent growth in use of smart-contingent contracts by

¹⁹ [Non-domestic smart meter consumer segmentation - GOV.UK](#)

non-domestic energy suppliers. It consists of the following new energy supplier licence conditions²⁰:

A universal implementation requirement. From 1st January 2027, energy suppliers cannot enter into new fixed term energy contracts with non-domestic customers unless the customer has, or agrees to have, smart or advanced meters installed in their premises. If the supplier's contract is with an energy buying intermediary (and not the customer directly) the supplier must take All Reasonable Steps to include provisions in their new contracts with these intermediaries to require that the intermediary makes their new fixed term energy contracts with non-domestic customers smart-contingent from 1st January 2027 also.

A universal communication requirement. As soon as the proposed supplier licence modifications are made (currently intended for early 2026), all energy suppliers must regularly and clearly communicate to customers that if they wish to enter into or renew a fixed term energy contract after 1st January 2027 they will need to have or agree to have smart or advanced meters installed in their premises.

A legally binding consumer protection code of practice. From 1st January 2027 and in delivering the universal implementation requirement, energy suppliers must follow a legally binding consumer protection code of practice with respect to their new non-domestic smart-contingent contracts. The code will contain provisions relating to appointment fulfilment and being fair, proportionate and transparent to customers in implementing these contracts. The obligation to abide by the code would be a licence condition whilst the detailed code provisions themselves would be drafted as a new schedule to the Retail Energy Code (more details can be found later in this section).

Universal implementation & communication requirements

The universal implementation and communication requirements are intended to mitigate the risks of inconsistent market implementation of smart-contingent contracts, recognising that there remains significant uncertainty about the extent to which all energy suppliers will make the commercial decision to implement and enforce contracts without policy intervention.

Standardising the rollout of these contracts is therefore intended to ensure a phased transition for non-domestic consumers over time, only impacting them when a new fixed term electricity or gas contract is entered into after 1st January 2027 (with many business energy contracts being 3+ years long). By coordinating supplier implementation approaches, communications and timings across the market, the government can also

²⁰ Proposed changes to supplier licence conditions and the Retail Energy Code would be made under Section 88 of the 2008 Energy Act

ensure suppliers provide a clear and consistent message for consumers on what is expected of them, why and when (with our engagement suggesting that businesses value advance-notice of, and certainty, regarding contractual changes).

The government also recognises that if rolled out in a way that minimises harm to consumers, these contracts, by virtue of organisations being motivated by price and to comply with their contracts, can present opportunities to drive significant consumer demand for smart meters and help suppliers address evidence that consumer disengagement is becoming more common as we reach higher levels of non-domestic smart meter uptake.

In addition, ethnographic research carried out by Smart Energy GB suggests that because microbusinesses are time-limited, the ideal time for them to be prompted to engage with smart meters is at key moments where energy management is front of mind, such as when an energy contract needs to be renewed²¹. The research also identified that the need for customers to actively enforce change (i.e. taking a proactive decision to get a smart meter) can be a key blocker to action for microbusinesses. The proposed policy package will therefore enable all energy suppliers to target their smart meter engagement during the contract renewal process, when energy management is already salient to smaller organisations. This will help to simplify and clarify the decision-making process by aligning it with contract renewal.

Smart meters are now the default meter type in Great Britain (with almost two-thirds of non-domestic meters being smart or advanced meters) and therefore the government appreciates that completing the rest of the transition to smart meters in a cost-effective manner is in the interest of all businesses- both energy suppliers and non-domestic consumers.

It should be noted that the government is not proposing any changes to the rules relating to when energy suppliers can install meters that meet the Smart Metering Equipment Technical Specifications (SMETS meters) versus advanced meters in smaller non-domestic premises. Therefore, all policy proposals should be considered “neutral” to these arrangements (i.e. a smart-contingent contract refers to the contract requiring the installation of a SMETS or advanced meter, providing suppliers installed the relevant meter in compliance with licence conditions). More information can be found in Section Three.

Energy buying intermediaries

We acknowledge the role of energy buying intermediaries, particularly (although not uniquely) in the public sector (e.g. Public Sector Buying Organisations (PSBOs)) that contract with the supplier directly to bulk-buy energy for a group of non-domestic

²¹ Smart Energy GB (2025). This involved ethnographic research carried out with 16 microbusinesses, including 2-hour on-site ethnographic interviews, a one-week online diary post-recruitment and a follow-up online focus group with 7 of the 16 participants. Fieldwork dates were between 18th February and 25th April 2025.

consumers and sell it onwards e.g. through a framework agreement. These arrangements work by securing aggregated deals, therefore having the potential to reduce costs for consumers and often with the intermediary managing the relationship with the supplier on the customer's behalf (in order to maximise resource efficiency).

We appreciate that in these instances, suppliers will not have a direct contractual relationship with the customer (e.g. business or public sector organisation). Therefore, we propose that the obligation on the supplier in these instances would be to take (all reasonable) steps to negotiate provisions in their new contracts with these intermediaries to require that the intermediary makes their new fixed term energy contracts with non-domestic customers smart-contingent from 1st January 2027. The intention of this is to ensure a level playing field in the way the policy is implemented in the public sector (e.g. that the rollout of smart-contingent contracts is equally coordinated and consistent).

The drafting of this provision provides suppliers some flexibility to manage the smart-contingent obligation where there are unexpected barriers in negotiating these arrangements with PSBOs (and in noting that PSBOs are not in scope of energy supplier licence conditions directly). However, we are already aware of several public sector organisations taking steps to support their customers to benefit from smart meters (e.g. to help public sector organisations access their smart meter data, reduce bills and receive advice in support of their decarbonisation objectives). We therefore expect suppliers and PSBOs to maximise opportunities to cooperate in implementation of the policy.

It should be noted that this provision applies only where the supplier has a contractual relationship with the intermediary. Therefore, broker baskets where brokers negotiate deals on behalf of businesses, but the contract remains between the supplier and customer, would be in scope of the main universal implementation requirement and not the All Reasonable Steps provision.

Binding consumer protection code

Code provisions

The proposed legally binding consumer protection code of practice is guided by the following overarching objectives (in each case in so far as the contract relates to the requirement to have smart or advanced meters):

- To ensure that suppliers are overall reasonable, accommodative and accountable in the implementation of non-domestic smart-contingent contracts.
- To protect non-domestic customers from disproportionate enforcement action by energy suppliers with respect to implementation of smart-contingent contracts, including ensuring that consumers are not unfairly penalised or subject to inconsistent practices.

- To ensure that consumers are adequately informed about smart-contingent contracts and understand their implications. This helps prevent consumers from accidental contract breaches due to a lack of awareness or understanding.
- To ensure that suppliers pay particular attention to the needs and circumstances of specific groups of non-domestic customers when implementing and enforcing smart-contingent contracts. This includes organisations where enforcement action (e.g. being moved onto a higher rate for energy) may have a disproportionate impact on people within organisations with protected characteristics, on the overall success of the business and on sites crucial for the operation of government business or national infrastructure.
- To ensure suppliers drive timely smart meter installation appointments for customers on smart-contingent contracts and arrange these on their behalf. This mitigates the risk of suppliers putting in place a smart-contingent contract but then failing to follow up on the smart meter installation (which would not only negatively impact smart meter uptake but could lead to enforcement action against the customer being taken unfairly). In addition, this supports smaller organisations, who may have limited time to arrange the installation themselves, to meet their side of the contract.

The code builds on existing voluntary principles developed in collaboration with industry in 2024. Proposed provisions are summarised in the table below, with full proposed legal drafting (including supporting definitions) found in Annex C.

Fairness and proportionality

In implementing the policy, suppliers must:

- ➔ Be fair (and therefore proportionate) to all non-domestic customers.
- ➔ Pay particular attention to the needs & circumstances of a) smaller organisations in financial difficulty, b) domestic residents at non-domestic premises and c) critical national infrastructure sites.
- ➔ Where there is a delay to the installation of the smart or advanced meter and before any action is taken to enforce the smart-contingent contract, give the customer an opportunity to clarify their circumstances and take into account circumstances outside of the customer's control. This includes situations where the customer can evidence the written refusal of a third party with influence over the meter arrangements (such as a commercial landlord/tenant where the other has refused or customers with a shared power supply), operational or system failures, metering equipment faults or any act or omission of the installer.
- ➔ Where the delay to the installation of a smart or advanced meter has occurred due to circumstances outside of the customer's control, take all reasonable steps to

ensure that the customer retains the benefit of their fixed term energy contract while the delay remains outstanding.

Awareness and communication

Suppliers must:

- ➔ Make non-domestic customers fully aware of the terms and conditions of any smart meter contingent contract that they sign up to (in so far as the contract relates to the requirement to have a smart/advanced meter) with the supplier taking steps to bring the contract information (including any requirement to have a smart meter installed) to the attention of the business, communicating in plain and clear language.
- ➔ Clearly communicate specific consequences of the customer failing to proceed with the smart (or advanced) metering installation.
- ➔ Make Third Party Intermediaries (TPIs) aware of the existence of, and terms and conditions of, smart meter contingent contracts, including the specific consequences for the customer of failing to proceed with the smart (or advanced metering) installation.
- ➔ Take All Reasonable Steps to ensure that TPIs fully relay and communicate terms and conditions (in so far as they relate to the requirement to have a smart/advanced meter), and the relevant consequences of not adhering to these terms and conditions, to the TPI's non-domestic customers.

Installation standards and timelines

Following the inception of a new smart-contingent contract:

- ➔ For customers with three or fewer sites²², suppliers must take All Reasonable Steps to arrange for the smart (or advanced) meter installation appointment to take place within three months of the contract inception date. Suppliers must also take All Reasonable Steps to make arrangements with Third Party Intermediaries to take any necessary steps to facilitate the installation appointment at the premises of that customer within three months.
- ➔ For customers with four or more sites (e.g. larger multi-site customers) suppliers must take All Reasonable Steps to agree an installation project plan with the customer within three months of the contract inception date [the project plan must contain future dates for appointments for all sites, even if outside of that three

²² Defined as any number or combination of buildings or structures spread across three or fewer separate and non-contiguous geographical locations

month window] OR make arrangements with Third Party Intermediaries to agree such an installation project plan.

- ➔ For all customers, suppliers must further take All Reasonable Steps to install the smart meter no later than the end of the fixed term contract.

We recognise that in meeting the universal implementation requirement some non-domestic energy suppliers may implement and enforce these contracts when they otherwise wouldn't have. We welcome stakeholder views on all of the proposed consumer protections, including any further suggestions or examples of how the policy can further protect business owners or employees with protected characteristics, to inform our assessment of the Public Sector Equality Duty.

We also recognise that it is key that the overall policy package drives new non-domestic smart meter installations in support of the 2030 Clean Power Mission and therefore that the customer code achieves the right balance between protecting non-domestic consumers from genuine risks of inconsistent treatment by the market, whilst avoiding creating opportunities for misuse of the code by stakeholders (suppliers or consumers) that may have additional incentives to avoid progressing with the smart meter installation. We are therefore inviting stakeholder views on whether the proposed code provisions do achieve this balance, and any ways in which risks of misuse or 'gaming' could be mitigated.

Governance

The government appreciates that for the policy to achieve its intended outcomes, both in terms of driving non-domestic smart meter uptake and protecting consumers from the risks of smart-contingent contracts, universal implementation of, and compliance with, the obligations by all energy suppliers will be key (more rationale for including all non-domestic energy suppliers within scope of the obligations is set out in Section Three).

Therefore, the government is proposing a simplified governance and reporting process for the policy to drive supplier compliance and ensure ease of implementation. We propose that:

- The universal implementation and communication requirements would be introduced as new energy supplier licence conditions.
- In meeting those obligations, suppliers would also be bound by a licence condition to comply with the consumer protection code of practice.
- The detailed provisions of the consumer code of practice would be drafted as a new schedule within the Retail Energy Code (REC). The REC has precedent for housing both metering provisions and non-domestic consumer protections (e.g. for microbusinesses) within the Consolidated Metering Code of Practice (CoMCoP).

- Responsibilities with respect to monitoring compliance and enforcement of the code of practice would be split neatly, with responsibility for monitoring and evidencing supplier compliance primarily falling to the Retail Energy Code Company (RECCo) and performance assurance and enforcement action relating to that evidence falling to Ofgem.

With respect to the proposed Retail Energy Code governance arrangements, we propose that:

- The REC code manager would be responsible for monitoring the consumer protection code, using risk monitoring and assessment techniques.
- With expertise from the Metering Expert Group (if needed), the code manager could develop and compile reports for the Performance Assurance Board, who would quality assure reports, sign them off and once finalised, submit them to Ofgem.
- Qualitative KPIs for monitoring would include evidence of supplier smart-contingent contract terms, conditions and how they are communicating them, with RECCo having flexibility to adapt the frequency of reporting over time to ensure this remains proportionate for suppliers as smart-contingent contracts become increasingly normalised.
- Quantitative KPIs for monitoring would include the number of new fixed term energy contracts entered into in a given period, the number of associated smart or advanced meter installation appointments arranged and the number of smart or advanced meters installed.
- Changes to the consumer protection code would follow usual REC modification processes. Any stakeholder (including REC parties, industry/consumer bodies or a member of the public) can submit a proposed REC change, meaning that the code can adapt to market developments and stakeholder perspectives longer-term. However, Ofgem would have final approval on all code changes proposed by non-government stakeholders given the consumer protection focus of the code (e.g. to ensure such protections are upheld as appropriate over time).

The detailed draft REC schedule for stakeholder views is included in Annex C. We welcome stakeholder views on both the draft code provisions and governance arrangements, including whether stakeholders agree that the Retail Energy Code is the most appropriate place for the code.

Alignment with existing non-domestic consumer protections

The proposed provisions in the binding code have been designed to be read in conjunction with other existing non-domestic supplier obligations and guidance. For example:

- Standard Licence Condition 0A requiring suppliers to treat all non-domestic customers fairly.

- Standard Licence Condition 7A requiring suppliers to communicate the principal terms of contracts to microbusiness energy consumers.
- The Health and Safety at Work Act 1974.
- Several provisions in CoMCoP regarding the needs of microbusiness consumers in relation to metering installations.
- Ofgem's letter on good practice expectations for non-domestic debt and disconnection which says suppliers should have approaches which identify sites within their non-domestic customer base which have domestic residents²³.

The proposed binding consumer protection code in this consultation complements these areas as it focuses specifically on supplier implementation and enforcement of smart-contingent contracts. In addition, we also propose that at a minimum it applies with respect to all designated premises for both electricity and gas- see interactions with policy scope in Section Three.

In addition, Ofgem's statutory consultation on smart metering Guaranteed Standards of Performance (GSOPs) recently confirmed Ofgem's intention to apply the GSOP proposals, including the "Appointments" GSOP, to microbusinesses with SMETS meters²⁴. The proposed statutory instrument would require that suppliers compensate microbusiness consumers who are not offered an installation appointment date within six weeks of them requesting that their supplier visits their premises, or a supplier requests permission to visit the customer's premises. Ofgem is currently analysing responses to the consultation.

Overall, Ofgem's proposals seek to ensure that microbusiness consumers that want a smart meter installation, are offered one in a timely manner. Such consumers may be seeking a smart meter outside of a fixed term contract renewal process and/or be on an energy contract which is not fixed term.

The proposed binding consumer protection code in this consultation ensures that suppliers arrange an installation appointment on behalf of all relevant non-domestic consumers (not just microbusinesses) as part of the fixed term contract renewal process associated with the policy proposals, within three months.

Therefore, we consider the policy objectives complementary. Nevertheless, we note that some sites could fall in scope of both proposed obligations. We welcome views on this point.

Policy impacts

The government anticipates that the proposed policy package will deliver 88% non-domestic smart meter uptake by 2030, compared to 73-81% in the absence of further

²³ [Open letter: Good practice expectations for non-domestic suppliers on issues surrounding debt management and disconnection of customers | Ofgem](#)

²⁴ [Statutory consultation on smart meter guaranteed standards of performance | Ofgem](#)

regulation after the current Targets Framework ends (with the range in uptake reflecting uncertainties regarding how far non-domestic energy suppliers will implement smart-contingent contracts without policy intervention). The policy will therefore drive the high levels of smart meter uptake needed to deliver the government's Clean Power Mission, as well as it having a positive Net Present Value (NPV) of £161m - 340m (meaning that the benefits significantly outweigh the costs).

By driving high levels of non-domestic smart meter uptake and therefore engagement with data provision, the policy is anticipated to deliver £92m - £194m in energy savings for smaller non-domestic customers in scope of the non-domestic smart mandate over time as well as £81m – 171m in air quality and carbon emission reduction benefits for Great Britain.

The policy leverages existing switching patterns in the non-domestic market, e.g. customers that wish to renew a fixed term non-domestic energy contract will need to have, or agree to have, smart meters installed from 1st January 2027. Given that non-domestic customer rejection of smart meters tends to be categorised by limited motivation to engage (rather than ideological rejection)²⁵ and that non-domestic energy market switching behaviour is influenced by a range of complex factors, we have concluded that the policy is highly unlikely to influence switching behaviour itself (and therefore we do not anticipate businesses will choose a different, or more expensive, type of contract because of the policy itself).

In addition, we assume that organisations are motivated to comply with their contractual obligations. Nevertheless, the policy is also designed to minimise financial impacts on organisations, should they in rare circumstances breach their smart-contingent contracts. For example, the customer code requires that energy suppliers take multiple steps to mitigate the risk of the organisation breaching their contract in the first place and then they must account for organisational circumstances, including any financial difficulties of an organisation, in determining a course of action if this does occur. Without the proposed policy package, we note that suppliers would still be able to enforce such smart-contingent contracts in cases of contract breaches, but without the proposed specific legally binding consumer protections.

We acknowledge that the policy proposals as drafted would not directly impact those businesses who choose to remain out of fixed term energy contract. However, those organisations will still be able to arrange a smart meter installation with their supplier and, in cases of microbusinesses (subject to Ofgem's statutory consultation on smart metering guaranteed standards of performance), will receive compensation if the supplier cannot offer a timely appointment. The policy is also anticipated to provide a longer-term solution to the conversion of void non-domestic premises to smart metering, who may be temporarily out of contract, but then wish to re-engage should a new tenant enter the premises and seek to enter a new fixed term energy contract.

²⁵ [Non-domestic smart meter consumer segmentation - GOV.UK](#)

More details on the costs and benefits of the policy proposals are set out in Annex A-Analytical Evidence.

Consultation questions

Q1. Do you agree with the proposed policy package with respect to non-domestic smart-contingent contracts set out in Section One? Please provide rationale and evidence to support your answer.

Q2. Are there any specific elements of the policy package where you agree/disagree? Please provide rationale and evidence to support your answer.

Q3. Do you have comments or views on the proposed consumer protection code of practice provisions, including:

a) whether they achieve the right balance between protecting consumers from the risks of inconsistent treatment from the market whilst minimising risks of misuse by stakeholders that may wish to avoid smart metering installations for other reasons, and

b) their alignment with other consumer protections? Please provide rationale and evidence to support your answer.

Q4. Do you have comments or views on the proposed governance arrangements for the consumer protection code? Please provide rationale and evidence to support your answer.

Q5. Do you agree that the code of practice best sits within the Retail Energy Code? Please provide rationale and evidence to support your answer.

Section Two: Driving smart meter uptake in the commercial private rented sector

Background

Rented buildings make up 61% of the total non-domestic stock in England and Wales, and account for 37.5% of the total emissions from non-domestic buildings²⁶. Data from the Small Business Survey (2023-2024) shows that over half of the non-smart non-domestic population falls into the private rented sector (54%). Therefore, driving smart meter uptake in the non-domestic private rented sector is a key priority to ensure benefits for consumers are maximised.

Previous engagement with commercial landlords suggests that they can initially be unaware of the benefits of smart meters for both their premises and tenants. However, once made aware (e.g. of the potential to use data to help decarbonise and support their tenants to make bill savings), they are generally unlikely to refuse their tenants' their permission to install smart meters in the leased premises.

On the other hand, commercial tenants, who are focused on day-to-day operations, can worry that their landlord might refuse them the ability to arrange a smart meter installation in their leased premises²⁷. In the face of highly varied tenancy agreements in the non-domestic sector²⁸ and limited time to engage with the specifics of their agreement, they may therefore refrain from understanding their rights to install smart meters in their premises, or in proactively seeking their landlord's agreement to install them.

In the context of energy suppliers increasingly implementing non-domestic smart-contingent contracts, we propose that without mitigation, this presents potential risks to the commercial private rented sector:

- Commercial tenants could be penalised by suppliers for breaching the smart-contingent terms of their contracts (e.g. they do not proceed with the smart meter installation under contract), even if the reason they did not do so was because their landlord has refused them a smart meter installation or they did not understand their rights with respect to arranging a smart meter installation.
- Low understanding amongst both commercial tenants and landlords of the growth in use of smart-contingent contracts could mean they do not take steps to support one

²⁶ <https://www.gov.uk/government/consultations/non-domestic-private-rented-sector-minimum-energy-efficiency-standards-epc-b-implementation>

²⁷ [Non-domestic smart meter consumer segmentation - GOV.UK](#)

²⁸ For example, the tenants' ability to arrange for a smart meter installation may depend on the balance between the tenant's general right to make improvements to the premises versus whether the installation impacts the value and character of the premises or whether any structural alterations are required

another in ensuring they can both respectively access fixed term contract rates and secure the best deal for their premises accordingly.

Policy proposals and commercial tenants' requests for smart meters

The proposed universal implementation requirement set out in this consultation (see Section One) would require that energy suppliers cannot enter into new fixed term energy contracts with non-domestic customers unless the customer has, or agrees to have, smart or advanced meters installed in their premises from 1st January 2027. As outlined, this is intended to ensure the rollout of these contracts is coordinated across the market and implemented in a fair way for consumers.

DESNZ also considers that the universal implementation requirement **strengthens commercial tenants' rights to arrange for the installation of smart meters in their premises²⁹**.

In particular, the Department considers that, in most instances, in the context of commercial tenants seeking the installation of a smart meter to meet their contractual commitments with their energy supplier (and access the cheaper rates of energy associated with fixed term energy contracts), a commercial landlord who refuses a request from a tenant under a commercial lease to install a smart meter would be acting unreasonably.

Therefore, a key additional benefit of the policy proposals is that they provide additional clarity for commercial tenants and landlords, both with respect to what is expected of them under contract and in terms of how they can support one another to facilitate the smart meter installation. This is particularly helpful given the known diversity in non-domestic lease agreements across the market.

We are therefore proposing several steps to help commercial tenants and landlords make use of these policy changes to support smart meter installations in rented premises:

- A DESNZ policy statement, to be published on gov.uk, setting out the interactions between the universal implementation requirement and commercial tenants' requests to install smart meters. A draft of this statement- for which we welcome stakeholder views- is set out in Box A at the end of this section. Stakeholders should not use this draft statement until government has published a full response to this public consultation including confirming any policy decisions with respect to proposals set out in this consultation and (if necessary) updating the statement in light of consultation responses received.

²⁹ Subject to interactions with non-standard installations - see subsequent section

- Boilerplate letters, to be published on gov.uk, which commercial landlords and tenants can send to one another, cross-referencing the DESNZ policy statement and seeking/granting the consent of the other to arrange for, or facilitate, the installation of smart meters in rented premises. Draft letters- for which we welcome stakeholder views- are set out in Boxes B-D at the end of this section. In particular:
 - Given that commercial tenants have limited time to engage in the specifics of their tenancy agreement and may be worried about potential landlord refusal to install smart meters, they may benefit from being granted proactive consent from their landlord to arrange for the installation of smart meters without necessarily seeking it.
 - Given that commercial landlords and tenants (whoever is the bill payer) would need smart meters to access the cheapest deal for their energy, they may both benefit from having boilerplate letters to populate and send to one another to either seek landlord consent to proceed or notify the tenant of the intention to install (and therefore seek their help in facilitating the installation). This should help save time for both, minimise costs for the premises and streamline the process of informing one another of next steps.
- In addition to the above, the government proposes to engage Smart Energy GB and a range of commercial landlord and business representatives in order to drive widespread awareness of the policy statement and boilerplate letters. We therefore welcome stakeholder views on how to maximise the likelihood of these being utilised and how messaging could be adapted to help communicate these messages.

Protecting commercial tenants (and landlords) in cases of the other's refusal

We appreciate that there may be a small number of circumstances where the installation of a smart or advanced meter is non-standard and raises additional considerations relevant to both energy contracts and non-domestic lease agreements. For example, in complex cases, “customer remedial works” may be required to the premises before a meter exchange can take place, with potential cost implications. Some examples may include where the non-domestic customer needs to arrange for an electrician or builder to attend the premises, such as to conduct work on wiring, or where a fixed or unfixed object (e.g. a wall or large skip) is blocking access to the meter cupboard.

Proposed provisions in customer code

We note in these instances that commercial landlords and tenants may need to discuss (both with each other and with their energy supplier) options for managing these works to enable the smart meter installation. Nevertheless, there may be instances where following

these conversations, respective landlords and tenants are not able to agree to proceed due to cost considerations.

The government is therefore proposing protections in the binding consumer protection code of practice (see Section One), requiring energy suppliers to account for situations where the customer can evidence the written refusal of a third party with influence over the meter arrangements (such as a commercial landlord/tenant where the other has refused to agree to the smart meter installation) and, where the delay to the installation of a smart meter has occurred due to circumstances outside of the customer's control, take all reasonable steps to ensure that the customer retains the benefit of their fixed term energy contract while the delay remains outstanding. In addition, we are undertaking a project with energy suppliers to improve data on the nature, scale and potential cost of remedial works required in smaller non-domestic premises in tandem to this consultation.

Broader considerations regarding more complex works

We also welcome stakeholder views on how else the policy proposals in this consultation could be adapted or strengthened to address instances of more complex works and whether any additional protections (such as for owner occupied buildings) may be needed. Indicative and exploratory ideas include:

- Creating an additional protection in the customer code for any sites where additional works are required. This would ensure suppliers do not unfairly penalise these customers when implementing smart-contingent contracts and would therefore minimise potential cost impacts of remedial works on organisations. However, this would not address the longer-term challenge of ensuring that these works are conducted and these premises are suitable for smart meter upgrades (or that consumers in those premises can benefit from smart meters).
- Signposting existing financing options available to organisations to enable them to arrange the works.
- Exploring alternative longer-term financing options including the potential for non-domestic industry stakeholders such as energy suppliers to cover costs of works.

We welcome stakeholder views on these high-level ideas and any additional proposals for how such works could be managed. We are also seeking responses to several evidence collection questions at the end of this section to inform policy development. The government is aware that some of these options may have a longer delivery timeframe than others and therefore also welcome views on which options may complement one another (e.g. they are not mutually exclusive).

Draft policy statement and boilerplate letters

As outlined above, the boxes below contain the proposed (draft) DESNZ policy statement and boilerplate commercial landlord and tenant letters which could be leveraged, alongside the core policy proposals set out in Section One, to drive smart meter uptake in the commercial private rented sector. We welcome stakeholders' views on the proposed contents.

Box A: Draft DESNZ policy statement regarding the interactions between the (proposed) universal implementation requirement with respect to smart-contingent contracts and commercial tenants' requests to install smart meters

From 1st January 2027, energy suppliers cannot enter into a new fixed term energy contract with non-domestic consumers in Great Britain unless that consumer has, or agrees to have, a smart or advanced meter installed in their premises.

To this effect the Department for Energy Security and Net Zero considers that, in most instances, in the context of commercial tenants seeking the installation of a smart meter to meet their contractual commitments with their energy supplier (and access the cheaper rates of energy associated with fixed term energy contracts), a commercial landlord who refuses a request from a tenant under a commercial lease to install a smart meter would be acting unreasonably.

The Department notes that there may be a small number of circumstances where the installation of a smart or advanced meter raises additional complexities relevant to non-domestic lease agreements, for instance where works may be required to the premises before a meter upgrade can take place, with cost implications. We note in these instances that commercial landlords and tenants may need to discuss options with their energy supplier and cooperate regarding how their specific tenancy agreement applies in these circumstances.

Box B: Draft boilerplate letter (commercial landlord proactively granting their energy bill paying tenants consent to arrange for the installation of smart meters)

Dear [Tenant],

I am writing to confirm my consent for you to arrange the installation of a smart meter(s) within the premises you are currently leasing from [organisation].

According to the Government's official website:

From 1st January 2027, energy suppliers cannot enter into a new fixed term energy contract with non-domestic consumers in Great Britain unless that consumer has, or agrees to have, a smart or advanced meter installed in their premises.

To this effect, the Department for Energy Security and Net Zero considers that, in most instances, in the context of commercial tenants seeking the installation of a smart meter to meet their contractual commitments with their energy supplier (and access the cheaper rates of energy associated with fixed term energy contracts), a commercial landlord who refuses a request from a tenant under a commercial lease to install a smart meter would be acting unreasonably. The full statement can be found [here \[link\]](#).

Please contact your energy supplier to arrange for smart meters to be installed in the premises at your earliest convenience to ensure you can access fixed term energy contracts at renewal.

Smart meters are usually installed in non-domestic premises at no additional cost. Smaller organisations with smart meters also receive free and regular information on their energy use from their supplier to help manage bills.

If you encounter any unexpected issues during the installation process, I would be more than happy to discuss in finding a solution.

Regards,

[LANDLORD]

Box C: Draft boilerplate letter (commercial landlord that pays energy bills notifying commercial tenant of intention to install smart meters)

Dear [Tenant],

I am writing to inform you that I/organisation intend to install smart meters in your leased premises [at “address of premises”].

According to the Government’s official website:

From 1st January 2027, energy suppliers cannot enter into a new fixed term energy contract with non-domestic consumers in Great Britain unless that consumer has, or agrees to have, a smart or advanced meter installed in their premises.

This means [organisation] will need to install smart meters to ensure we can secure the best energy rates and avoid unnecessary cost increases for the premises.

[Our energy supplier] will contact you shortly to schedule the installation/s. We would be grateful if you can arrange for someone to grant access to the premises at a time convenient to you. You can request an appointment outside of business hours to minimise disruption.

Regards,

[Landlord]

Box D: Draft boilerplate letter (commercial tenant that pays energy bills seeking their landlord's consent to them arranging for the installation of smart meters)

Dear [Landlord],

I am writing to seek your consent for the installation of smart meters within the premises we are leasing from you.

According to the Government's official website:

From 1st January 2027, energy suppliers cannot enter into a new fixed term energy contract with non-domestic consumers in Great Britain unless that consumer has, or agrees to have, a smart or advanced meter installed in their premises.

To this effect, the Department for Energy Security and Net Zero considers that, in most instances, in the context of commercial tenants seeking the installation of a smart meter to meet their contractual commitments with their energy supplier (and access the cheaper rates of energy associated with fixed term energy contracts), a commercial landlord who refuses a request from a tenant under a commercial lease to install a smart meter would be acting unreasonably.

The full statement can be found here: [Link]

We would be grateful if you can confirm your consent by no later than [date] to ensure we can access the best energy rates when we next come to renew our contract.

We will then contact our energy supplier to arrange the installation.

Smart meters are usually installed in non-domestic premises at no additional cost. However, if our energy supplier raises any unexpected issues during the installation process we will of course be in touch with you to discuss next steps before proceeding.

Regards,

[Tenant]

Consultation questions

Q6. Do you have views on the interactions between the policy proposals in Section One and commercial tenants' rights to arrange for the installation of smart meters in their premises? Please provide rationale and evidence to support your answer.

Q7. Do you agree with the proposals to publish a DESNZ policy statement regarding interactions between the policy and commercial tenants' requests, alongside boilerplate letters for commercial landlords and tenants to support each other with the smart meter installation process? Please provide rationale and evidence to support your answer.

Q8. Do you have comments or views on the draft DESNZ policy statement and boilerplate commercial landlord/tenant letters included in Section Two? How could they be adapted or utilised to maximise smart meter uptake in the commercial private rented sector? Please provide rationale and evidence to support your answer.

Q9. Do you have views on the ideas for managing the interaction between these policy proposals and cases of remedial works needed in non-domestic premises? Please provide rationale and evidence to support your answer.

Section Three: Policy scope

Whether the policy should apply with respect to designated premises or all non-domestic premises

The non-domestic smart meter rollout covers ~3 million meters across ~2 million sites. These are small-medium sized organisations, formally defined in energy supplier licence conditions as “designated premises”. The current definition of “designated premises” is sites with electricity meters in profile classes 1-4 or with gas consumption below 732 MWh per annum.

Ofgem historically governed the rollout of advanced meters to larger Industrial & Commercial sites (around 300-400k meters) prior to the smart meter rollout. These are very large industrial users such as steelworks/factories, with electricity meters in profile classes 5-8 or gas consumption above 732 MWh per annum.

Under licence conditions, suppliers must not supply these larger Industrial & Commercial meters other than through an advanced meter, although this does not apply where the supplier is unable to install or arrange for the installation of an advanced meter despite taking all reasonable steps to do so (see Standard Licence Condition 12 for electricity and gas). Since 2017 under P272 in the Balancing and Settlement Code, non-domestic businesses with electricity meters in profile classes 5-8 and with advanced meters installed were also required to have their energy use recorded every half hour for settlement. Therefore, we estimate that only around 9,000 electricity meters³⁰ and 8,000 gas meters³¹ in these larger Industrial & Commercial sites have not yet been upgraded to advanced metering.

At a minimum, the government proposes that the policies set out in Section One of this consultation would apply to non-domestic customers with respect to their designated premises. This would mean that suppliers cannot enter into new fixed term energy contracts with their non-domestic customers unless that customer has, or agrees to have, smart or advanced meters installed in their designated premises. Suppliers would need to communicate this to customers ahead of time (see universal communication requirement) and follow the binding customer protection code with respect to the implementation of smart-contingent contracts with respect to designated premises.

However, the government is also seeking stakeholder views on whether the policy proposals would also be suitable for larger Industrial & Commercial sites with electricity

³⁰ Non-half hourly profile class 5-8 statistics, end Q1 2025 as published by Elexon, [Gross Supplier Market Share Data reports - Elexon BSC](#)

³¹ Estimate based on metering point data maintained by gas shippers on the Central Data Services Provider system

meters in profile classes 5-8 or gas consumption above 732 MWh per annum. This would mean that suppliers cannot enter into new fixed term energy contracts with their non-domestic customers unless that customer has, or agrees to have, smart or advanced meters installed in all of their non-domestic premises (with the universal communication requirement and binding consumer code therefore applying to all non-domestic premises accordingly). To this effect, the universal implementation requirement would supersede the existing requirement on suppliers to only supply these meters with advanced meters, subject to an all reasonable steps provision, in cases where suppliers enter new fixed term energy contracts with these sites (with the existing obligation only continuing to apply for sites that have not entered into a new fixed term energy contract).

On one hand, extending the policy proposals could ensure a simplified, consistent long-term policy framework governing non-domestic metering. In addition, the policies could help convert the remaining Industrial & Commercial users to smart or advanced metering and the associated benefits (e.g. supporting demand-side response measures, half-hourly/hourly data for settlement, accurate billing and advanced meter data tools and services).

However, the extent to which the policy proposals are appropriate for the largest end of the market depends on the reasons why some large industrial users have not yet upgraded to advanced metering (to assess whether the policy would drive the intended impact of converting outstanding sites to advanced metering) and the suitability of the proposals (e.g. proposed consumer protections) for larger organisations.

The government, supported by Ofgem (who oversaw the original rollout of advanced meters to industrial users) therefore welcomes stakeholder views and supporting evidence on the benefits and risks of extending the policy to suppliers with respect to all of their non-domestic customers' premises. We also welcome views on whether particular aspects of the policy proposals are more or less suitable to the largest end of the market. To this effect, the proposed legal drafting of the energy supplier licence conditions being consulted on reflects the options for policy scope- see Annex B.

Meter type

As summarised in Section One, we are not proposing any changes to current arrangements with respect to the installation of SMETS meters versus advanced meters in designated premises.

Currently, the Advanced Meter Consumer Choice Policy, within the New and Replacement Obligation section of supplier licence conditions, is drafted as an all reasonable steps obligation, meaning that suppliers must take all reasonable steps to install SMETS2+ meters in designated premises of microbusiness consumers, except where the meter is a Current Transformer or Large Gas meter, in which case it must be an advanced meter.

Non-microbusiness consumers can be offered a choice of SMETS and advanced meter, providing SMETS metering is an option and all relevant information to make an informed decision between SMETS and advanced metering has been provided. Suppliers can choose to offer SMETS by default to all designated premises.

In Years 3 and 4 of the Smart Metering Installation Targets Framework, licence conditions were amended so that advanced meters installed in the designated premises of microbusiness consumers once all reasonable steps had first been taken to install SMETS (e.g. gas advanced meters installed because a SMETS installation had failed in “gas-first premises”³²) could count towards targets.

In summary, existing rules relating to the installation of SMETS versus advanced meters in designated premises would remain unchanged and be copied over to the new section of the licence conditions on smart-contingent contracts- see draft legal text in Annex B. In addition, the universal implementation requirement itself would be neutral to meter type – i.e. suppliers cannot enter into new fixed term energy contracts with customers unless they have, or agree to have, smart **or** advanced meters installed in their premises (with the specific type of meter installed needing to be in accordance with the rest of the licence). We welcome any stakeholder views on the legal drafting of this or whether there are any unintended consequences of carrying over existing arrangements.

In addition, should the scope of the policy be extended to include the largest Industrial & Commercial meters (electricity meters in profile classes 5-8 or gas consumption above 732 MWh per annum) existing rules relating to the installation of meter type would also remain unchanged. Currently, suppliers must only supply these sites via an advanced meter, subject to All Reasonable Steps. Given that meters which meet the Smart Metering Equipment Technical Specifications also meet the definition of an advanced meter as defined by energy supplier licence conditions, energy suppliers already have flexibility under licences to install SMETS or advanced meters in these sites. Therefore, should these sites be brought into scope of the proposals in this consultation, no additional references to meter type would be required beyond the universal implementation requirement (“smart or advanced meters”).

Definition of designated premises

There are also interactions between options for policy scope and the definition of designated premises for electricity meters. The government appreciates that as meters are migrated for Market-wide Half-Hourly Settlement (MHHS), there will be a revised approach to populating the top-line of Meter Point Administration Numbers (MPANs) in supplier systems and on consumer bills and statements. In particular, whilst profile class information

³² Sites where the electricity meter has not yet been upgraded to SMETS and therefore a hot shoe is required to connect the gas SMETS meter to the meter tails of the traditional or advanced electricity meter

will be retained for traditional meters, suppliers will no longer be required to record previous profile class in the top-line of the MPAN for smart and advanced meters (with these slowly changing to 00).

As outlined, designated premises for the purpose of electricity supply are currently defined in electricity supplier licence conditions as sites with electricity meters in profile classes 1-4 (as defined in the Balancing and Settlement Code on 30 November 2012). All obligations with respect to designated premises (including with respect to traditional meters, smart and advanced meters) will therefore continue to apply during the shift to MHHS, as the 2012 definition of profile class factually remains constant over time. Suppliers will therefore need to ensure a means of accessing smart or advanced meters' previous profile classes throughout MHHS migration for the purpose of meeting such obligations.

Nevertheless, we do appreciate that over time, it may be important that definitions in licence conditions remain relevant and suitable for post MHHS migration. In particular, whilst profile class will remain for traditional meters, the distinction between smaller-medium non-domestic sites and the largest industrial users could be relevant for future policy considerations for all meter types. The government is therefore considering the technical matter of how to define designated premises post-MHHS migration.

We propose that options for new definitions will interact with any final policy decisions taken following this consultation. For example, the final scope and design of the smart-contingent policy proposals, if taken forward following consultation, could impact suppliers' views on whether the existing definition of designated premises should be changed and if so, what the impact would be of any changes to the definition (as some sites could be brought in/out of scope of obligations accordingly).

The government therefore intends to conclude its consultation on non-domestic smart-contingent contracts before considering whether any technical changes to the definition of designated premises in supplier licence conditions are required. In the meantime, we welcome any stakeholder views on whether the technical definition of designated premises would need to be changed and on any ideas for how designated premises could be defined post-MHHS.

We particularly welcome views on whether existing electricity profile classes 1-4 can be clearly distinguished from profile classes 5-8 through other means for both smart and non-smart meters, such as by annual electricity consumption (and if so, do stakeholders have early views on where this threshold could be set). Another option is whether a site having Current Transformer metering or not is a way to distinguish larger industrial users from small-medium sites. In summary, we welcome views from technical experts across industry in response to this consultation.

Other types of energy contract

The proposals in this consultation are for all new **fixed term** non-domestic energy contracts to become smart-contingent and for suppliers to be bound by a consumer protection code. We welcome stakeholder views on whether the proposals in this consultation could be suitable for other specialist forms of energy contracts available in the non-domestic market (such as evergreen contracts, which can remain in place under pre-agreed terms for an indefinite length).

We are also particularly keen to gather more evidence on the nature and types of non-domestic organisations who remain permanently outside of fixed term energy contract, including the nature of customers on evergreen contracts. Existing industry insight suggests that those outside of fixed term contract can consist of a mix of very engaged large energy users (who may buy and trade their own energy on the market at variable rates in real-time), as well as very disengaged users (such as void premises that are using little to no energy as there are no current tenants in place). Any additional evidence, including quantitative analysis, would be welcomed.

Energy suppliers in scope of the proposals

It is crucial that the policy proposals apply to all non-domestic suppliers, including smaller non-domestic energy suppliers who supply 22% of meters in scope of the non-domestic smart meter rollout. The rationale for this is that the policy would not deliver its objectives if any suppliers were to be made exempt. A consistent market-wide transition to smart-contingent contracts removes first mover disadvantages with respect to implementing and enforcing smart-contingent contracts. The introduction of a universal implementation date and communication requirement also ensures that there is clear and equal information available to all non-domestic consumers regarding the need to agree to smart meters if they wish to renew a fixed term energy contract from 2027. Universal implementation of the consumer protection code ensures that all consumers benefit from the protections irrespective of the size of their energy supplier.

Equally, if the policy only applied to larger suppliers, the policy could begin to impact non-domestic switching choices (in that the most disengaged customers could choose to renew a fixed term contract with a small supplier instead of facilitating the smart meter installation), leading to market distortion and reducing the impact of the policy on customer demand for smart metering.

In addition, not applying the smart-contingent requirements to all non-domestic suppliers would reduce the impact of the policy on smart meter uptake. This is particularly significant in the non-domestic sector given most of the benefits are incurred by businesses themselves in the form of energy consumption savings. The 2015 Business Energy Efficiency Survey suggests that the private sector accounts for 75% of non-domestic energy

consumption³³. Given that more than 99% of private businesses in Great Britain are defined as small or micro businesses (i.e. businesses with 0 to 49 employees), evidence suggests that a significant proportion of the £92m - £194m in non-domestic energy consumption savings generated by this policy package will be realised by small and micro businesses³⁴.

Nevertheless, we appreciate that it is important that the policy framework minimises burdens on suppliers. In particular, it is envisaged that the new policy framework will reduce the administrative burden on non-domestic suppliers, with a simplified reporting process under the Retail Energy Code. More information is provided in Section One. The policy is also anticipated to reduce the burden on suppliers to drive demand for smart metering amongst more disengaged non-domestic sites, thereby reducing administrative and engagement costs.

Consultation questions

Q10. Do you have views on whether the policy proposals should apply only with respect to designated premises, or all non-domestic premises? Please provide rationale and evidence to support your answer.

Q11. Do you have views on the interactions between the policy proposals and meter type (i.e. arrangements with respect to the installation of SMETS versus advanced meters). Please provide rationale and evidence to support your answer.

Q12. Do you have any early views on future options for how designated premises could be defined post-MHHS or any comments on interactions with the proposals set out in this consultation? Please provide rationale and evidence to support your answer.

Q13. Do you have views on whether the proposals in this consultation could be suitable for other specialist forms of energy contracts available in the non-domestic market? Please provide rationale and evidence to support your answer.

Q14. Do you have any additional evidence on the nature and types of non-domestic organisations who remain permanently outside of fixed term energy contract, including the nature of customers on evergreen contracts? Please provide rationale and evidence to support your answer.

Q15. Do you have any other views on policy scope that may inform policy design decisions? Please provide rationale and evidence to support your answer.

³³ [BEES overarching report FINAL.pdf](#)

³⁴ [Business population estimates 2024 - GOV.UK](#) Calculated using Table 9 of detailed data tables.

Section Four: Policy engagement strategy

Clear, timely and inclusive communication is essential to inform non-domestic customers about the proposed policy changes set out in this consultation and the reasons for the policy change. In addition to the universal communication requirement proposed in Section One (i.e. a requirement on energy suppliers to regularly and clearly communicate to non-domestic customers that if they wish to enter into or renew a fixed term energy contract after 1st January 2027 they will need to have, or agree to have, smart or advanced meters installed in their premises), the government also proposes several additional routes for engaging non-domestic consumers with the policy. This includes raising awareness of the binding consumer protection code and other policies relevant to ensuring a positive customer experience of smart metering such as those set out in the Introduction.

We welcome stakeholder views on the proposals for consumer engagement set out in this section, as well as any other ideas or suggestions for ensuring widespread, clear and inclusive communication of the policy.

Smart Energy GB

Smart Energy GB is responsible for communicating the smart meter rollout to microbusinesses and has built a range of experience and expertise in communicating energy-related policies and initiatives via tailored messaging and channels appropriate to a business audience.

In particular, Smart Energy GB has objectives in licence conditions to build microbusiness confidence in the installation of smart meters by suppliers, build microbusiness awareness and understanding of the use of smart meters and increase the willingness of microbusinesses to use smart meters to manage their energy use (e.g. through data provision).

Therefore, there remains an essential role for Smart Energy GB to support messaging regarding these policy proposals to microbusinesses. In addition, we consider that Smart Energy GB's objectives remain relevant to communicating the transition to smart-contingent contracts to microbusinesses and that Smart Energy GB can continue to carry out these activities without updating Supplier Licence Conditions.

Tailored public sector communications

Public sector organisations are not directly within Smart Energy GB's remit and may also procure their energy through framework providers rather than energy suppliers directly (see Section One). The government therefore proposes developing a range of tailored public sector communications aimed at target sectors such as local authorities, schools and transport. These can be disseminated via central government and local channels to maximise engagement and will more directly address the needs of public sector organisations.

Third Party Intermediaries

The proposals in the binding consumer protection code (in the Retail Energy Code- see Section One) would require suppliers to take all reasonable steps to communicate the terms and conditions of smart-contingent contracts to Third Party Intermediaries in the market including brokers, as well as taking all reasonable steps to make arrangements with TPIs to facilitate the smart meter installation for the customer . However, engagement with TPIs themselves will also be important to ensure that they co-support the policy's objectives and cooperate with suppliers to protect consumers. We will therefore engage TPIs with these proposals directly, as well as considering interactions with Ofgem's plans for the regulation of TPIs in the retail energy market ³⁵.

Message testing consumer research and energy supplier guidance

It is the government's intention to conduct research with non-domestic organisations to better understand how stakeholders can clearly explain the concept of smart-contingent contracts and the policy proposals to consumers (including why the government is taking steps to ensure fair implementation of these contracts across the market). The proposed research would inform voluntary guidance for non-domestic energy suppliers on how they could meet the universal communication requirement set out in Section One. This would emulate the approach taken when the government implemented recent changes to the non-domestic smart meter customer data offer and published supporting industry guidance³⁶.

We note that energy suppliers also have wider obligations regarding accessibility, including a duty to comply with the Equalities Act 2010, and with Electricity and Gas Supply Licence Condition 0A which requires them to treat non-domestic customers fairly. Energy suppliers

³⁵ Following the government's announcement that Ofgem will directly regulate TPIs to ensure a market that works in consumers' best interests: [Regulating Third-Party Intermediaries in the retail energy market: summary of consultation responses \(HTML\) - GOV.UK](#)

³⁶ <https://assets.publishing.service.gov.uk/media/629752a78fa8f5038dcd28b5/maximising-non-domestic-smart-meter-data-offer-industry-guidance.pdf>

will need to consider these wider obligations when deciding how to adapt their communications to meet the accessibility needs of their non-domestic customers.

Consultation questions

Q16. Do you have views on, or suggestions to inform, the policy engagement strategy set out in Section Four? Please provide rationale and evidence to support your answer.

Section Five: Providing flexibility to the non-domestic sector

4G transition

In delivering the policy proposals set out in this consultation, it is key that any peaks in workload (i.e. in delivering new smart meter installations resulting from fixed term contract renewals) can be managed by suppliers in addition to other strategic objectives they have Post-2025, including maintaining a positive non-domestic customer experience of smart metering.

As of the end of June 2025, there were 1.25m advanced and 0.78m SMETS non-domestic meters in operation in scope of the smart meter rollout, most of which will need upgrading to use 4G communications. Advanced meter upgrades may require a modem upgrade or a full meter swap out (which could be either an advanced meter to advanced meter replacement or the replacement of an advanced meter with a SMETS meter). As advanced meters do not connect to the Data Communications Company, the dates by which they will require an upgrade to 4G will therefore be determined by their specific communications provider arrangements.

Rationally, some energy suppliers may therefore prioritise new installations and advanced replacements before 2030 ahead of the comparatively smaller number of SMETS upgrades and Communications Hub exchanges needed in the sector.

Non-domestic energy suppliers are in scope of proposed amendments to the Operational Licence Condition set out in the (primarily) domestic consultation. Those proposals would require suppliers to pre-emptively replace SMETS meters ahead of longer-term 2G sunsetting deadlines and ensure suppliers resolve smart meters not operating in smart mode in a timely manner.

Therefore, to give suppliers flexibility to balance their obligations with respect to new installations and SMETS meters alongside their advanced meter 4G upgrades, the **government is not proposing any further regulatory measures with respect to the non-domestic 4G transition as part of this consultation.** In particular, non-domestic energy suppliers will not be required to provide deployment plans to Ofgem (as proposed in the domestic consultation) because binding metrics with respect to SMETS meter replacements or Communications Hub exchanges are not currently appropriate for the non-domestic market context at this stage given the possible shorter-term focus on advanced meter upgrades.

Instead, we intend to utilise existing regulatory powers³⁷ to request regular information from non-domestic energy suppliers on their installer capacity and resource plans for managing competing priorities post-2025, including balancing new installations against 4G upgrades for advanced and SMETS meters. We will utilise this information to continue to drive best practice, such as within the Non-Domestic Working Group (a monthly closed forum for DESNZ, non-domestic energy suppliers and other market actors as required) and amongst industry stakeholders supporting the advanced meter transition (e.g. Elexon, Ofgem, Meter Equipment Managers (MEMs), Other Government Departments).

We will, however, continue to review progress by energy suppliers and are prepared to work with Ofgem and the relevant industry parties to bring in additional measures if we consider that insufficient progress is being made towards the non-domestic 4G transition.

Installer capacity

Our analysis (see Annex A- Analytical Evidence) shows that the number of new non-domestic installations anticipated as a result of these policy proposals after 2025 (in addition to meeting the NRO) is consistently well below recent levels of annual market-wide activity³⁸ which suggests that suppliers will have flexibility to continue to fulfil other licence conditions and commercial priorities in those years including progressing their 4G advanced meter transition.

In addition, the absence of additional regulatory requirements with respect to the non-domestic 4G transition in this consultation means that suppliers can manage their installer capacity in accordance with the dates by which different meter types will require an upgrade to 4G (with advanced meter upgrades determined by their specific communications provider arrangements).

However, at a market-wide level, across 2026-2033, we estimate an average of ~280k total non-domestic activities are likely to be needed each year, which is an increase on recent annual non-domestic activity levels of 230k. This could mean that some suppliers, depending on their individual portfolios and the combination of activities they need to undertake, may need a small increase to the number of installers they have available to carry out non-domestic jobs within this period. However:

- Any increases are likely to be small (we estimate that all non-domestic activities post-2025 would require the equivalent of 350-400 dedicated FTE installers, in the context of over 6000 FTEs recently available in the whole market). While this includes an assumption of a higher productivity rate for exchanging advanced meter

³⁷ The Secretary of State can 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. The government recently consulted on extending the ability to issue an Information Request, see page 44 here: [Smart Metering Policy Framework – Post 2025: consultation](#)

³⁸ See modelled distribution of new installations in 2026-2033 in Figure 1 of Annex A.

modems and SMETS2 Communications Hubs than a traditional meter replacement, the assumed productivity increase is prudent and may underestimate resource efficiency. In addition, the consultation is anticipated to provide industry with the certainty and notice they need to invest (including confidence in non-domestic consumer demand for smart meters). The peak activity volumes could be decreased if consumers who are made aware of the smart-contingent policy proposals in 2026 (e.g. as a result of the supplier awareness raising requirement) proactively seek a smart meter or accept one at the point of contract renewal (rather than wait until the supplier obligation takes effect on 1st January 2027). In our modelling we conservatively assumed that 20% of switchers in 2026 get a smart meter installed.

- The policy is anticipated to enable efficient resource planning for suppliers, with the majority of non-domestic energy contracts coming up for renewal in Spring and Autumn each year. Along with the anticipated reduced need to campaign to non-domestic customers as a result of this policy, this also offers opportunities to drive efficiencies with respect to wider meter upgrades by tying them to the contract renewal process and/or staggering them to occur at alternative points in the year.

Overall, it is key that all non-domestic energy suppliers continue to invest in non-domestic installers post-2025, including the relevant specialist skillsets such as polyphase installations and hot shoes for SMETS2 gas installations. We welcome stakeholder views on any interactions between the policy proposals and industry resource management post-2025.

Consultation questions

Q17. Do you have views on the proposals in relation to maintaining industry flexibility to manage the nuances of the 4G transition in the non-domestic sector, including with respect to installer capacity? Please provide rationale and evidence to support your answer.

Section Six: Legal Drafting

Implementation of the proposals in Section One will require amendments to conditions in the Electricity Supply Standard Licence Conditions and Gas Supply Standard Licence Conditions respectively. Annex B sets out our proposed amendments to these Standard Licence Conditions in order to implement the policy proposals outlined in this consultation.

As outlined in Section Three, the drafting of the proposed licence conditions is reflective of the options with respect to the possible scope of the policy (i.e. whether the policy should apply to customers only with respect to smaller-medium sites (“designated premises”) or whether the policy proposals should apply to all non-domestic sites including larger industrial users).

We are also consulting on a new schedule to the Retail Energy Code, containing the binding consumer protection code of practice with respect to smart-contingent contracts set out in Section One. The drafting of that code schedule is set out in Annex C- Proposed Retail Energy Code Schedule (Consumer Protection Code of Practice).

Changes to both energy supplier licence conditions and the introduction of a new schedule in the REC would be made under government’s powers in Section 88 of the 2008 Energy Act.

Consultation Questions

Q18. Do you agree that the draft amendments to energy supplier licence conditions set out in Annex B implement the policy intentions proposed in Section One of this document? Please provide rationale and evidence to support your answer.

Q19. Do you agree that the draft amendments to energy supplier licence conditions set out in Annex B reflect the policy options with respect to scope set out in Section Three? Please provide rationale and evidence to support your answer.

Q20. Do you agree that the draft Retail Energy Code schedule set out in Annex C implements the policy intentions proposed in Section One of this document. Please provide rationale and evidence to support your answer.

Summary of consultation questions

Q1. Do you agree with the proposed policy package with respect to non-domestic smart-contingent contracts set out in Section One? Please provide rationale and evidence to support your answer.

Q2. Are there any specific elements of the policy package where you agree/disagree? Please provide rationale and evidence to support your answer.

Q3. Do you have comments or views on the proposed consumer protection code of practice provisions, including:

a) whether they achieve the right balance between protecting consumers from the risks of inconsistent treatment from the market whilst minimising risks of misuse by stakeholders that may wish to avoid smart metering installations for other reasons, and

b) their alignment with other consumer protections? Please provide rationale and evidence to support your answer.

Q4. Do you have comments or views on the proposed governance arrangements for the consumer protection code? Please provide rationale and evidence to support your answer.

Q5. Do you agree that the code of practice best sits within the Retail Energy Code? Please provide rationale and evidence to support your answer.

Q6. Do you have views on the interactions between the policy proposals in Section One and commercial tenants' rights to arrange for the installation of smart meters in their premises? Please provide rationale and evidence to support your answer.

Q7. Do you agree with the proposals to publish a DESNZ policy statement regarding interactions between the policy and commercial tenants' requests, alongside boilerplate letters for commercial landlords and tenants to support each other with the smart meter installation process? Please provide rationale and evidence to support your answer.

Q8. Do you have comments or views on the draft DESNZ policy statement and boilerplate commercial landlord/tenant letters included in Section Two? How could they be adapted or utilised to maximise smart meter uptake in the commercial private rented sector? Please provide rationale and evidence to support your answer.

Q9. Do you have views on the ideas for managing the interaction between these policy proposals and cases of remedial works needed in non-domestic premises? Please provide rationale and evidence to support your answer.

Q10. Do you have views on whether the policy proposals should apply only with respect to designated premises, or all non-domestic premises? Please provide rationale and evidence to support your answer.

Q11. Do you have views on the interactions between the policy proposals and meter type (i.e. arrangements with respect to the installation of SMETS versus advanced meters). Please provide rationale and evidence to support your answer.

Q12. Do you have any early views on future options for how designated premises could be defined post-MHHS or any comments on interactions with the proposals set out in this consultation? Please provide rationale and evidence to support your answer.

Q13. Do you have views on whether the proposals in this consultation could be suitable for other specialist forms of energy contracts available in the non-domestic market? Please provide rationale and evidence to support your answer.

Q14. Do you have any additional evidence on the nature and types of non-domestic organisations who remain permanently outside of fixed term energy contract, including the nature of customers on evergreen contracts? Please provide rationale and evidence to support your answer.

Q15. Do you have any other views on policy scope that may inform policy design decisions? Please provide rationale and evidence to support your answer.

Q16. Do you have views on, or suggestions to inform, the policy engagement strategy set out in Section Four? Please provide rationale and evidence to support your answer.

Q17. Do you have views on the proposals in relation to maintaining industry flexibility to manage the nuances of the 4G transition in the non-domestic sector, including with respect to installer capacity? Please provide rationale and evidence to support your answer.

Q18. Do you agree that the draft amendments to energy supplier licence conditions set out in Annex B implement the policy intentions proposed in Section One of this document? Please provide rationale and evidence to support your answer.

Q19. Do you agree that the draft amendments to energy supplier licence conditions set out in Annex B reflect the policy options with respect to scope set out in Section Three? Please provide rationale and evidence to support your answer.

Q20. Do you agree that the draft Retail Energy Code schedule set out in Annex C implements the policy intentions proposed in Section One of this document. 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 on 16 January 2026. 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 Conditions and Gas Supply Standard Licence Conditions

Annex C: Proposed Retail Energy Code Schedule (Consumer Protection Code of Practice)

This publication is available from: www.gov.uk/government/consultations/non-domestic-smart-meter-rollout-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.