

Smart Metering Implementation Programme - Regulation  
Department of Energy & Climate Change  
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### **Smart Metering Implementation Programme: A Consultation on New Smart Energy Code Content (Stage 2)**

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

EDF Energy is generally supportive of the updated legal drafting of the SEC and appreciates the clarity and detail that it now provides. There are; however, a small number of areas where we have concerns.

- The drafting of Section H DCC Services now brings more detail to the processes necessary to support smart metering services and commands. We are concerned that there seems to be a significant amount of lower level detail in terms of process steps defined in the SEC itself rather than in the subsidiary documents (specifically in regards to processes such as installation and maintaining the inventory). Their translation into legal text could be clearer and we note that placing these within the SEC makes them difficult to change. Any amendments to these arrangements would require a modification which would make the process for changing this technical detail quite onerous. Furthermore the detail that will be contained within subsidiary documents is still not available for review. Therefore we are conscious and cautious that some of this detail, when it is released will conflict with, or at the very least, not support the legal drafting of the SEC.
- We believe that in the early stages of the DCC when industry is undertaking testing and issues arise it will be necessary for numerous changes to be raised to these technical processes to enable the industry to resolve issues and progress with the roll out of smart meters. We would prefer the technical detail to be contained within a subsidiary document. This will replicate current industry governance practices and also ensure that a less onerous change process has to be followed, with a route for appeal for any aggrieved parties.
- We are concerned with the proposal for Suppliers to fund a 3 month float of communication hub costs. Although EDF Energy understands the principle and

rationale, we believe that three months communications hub charges being held as a float is too high and we suggest that a float equal to 1 month is more appropriate. Companies such as EDF Energy are credit rated by credit agencies such as Standard & Poor's and so the likelihood of failure to pay additional funds requested is unlikely. We therefore believe that the number of months' credit should be scaled to reflect the different risks posed by different companies. This will ensure that the CSP Communications Hub Financier and DCC is protected from the risk of failure whilst also limiting the cash Suppliers are required to lodge and the costs associated with this. We would note that in the current environment Suppliers are focused on managing their cost base to ensure that the impact on customers is minimised. We would therefore urge the DCC to ensure that they are as transparent as possible on their charges, budgets and costs drivers.

EDF Energy has a number of concerns around the current drafting of the sections of the SEC relating to enrolment. We believe that these sections need to be reconsidered in light of our comments to ensure clarity of intent and remove current ambiguity in an area that is critical to the efficient operation of Smart Metering Systems by both DCC Users and the DCC itself. We would welcome further engagement with industry participants to ensure that the right outcomes are achieved.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact

I confirm that this letter and its attachment may be published on DECC's website.

Yours sincerely,

## Attachment

### Smart Metering Implementation Programme: A Consultation on New Smart Energy Code Content (Stage 2)

#### EDF Energy's response to your questions

#### Technical Governance and Change Control

**Q1. Do you agree with our proposed text for the SEC with respect to Technical Governance and Change Control? Please provide a rationale for your views.**

EDF Energy welcomes the establishment of the Technical Sub-Committee (TSC). We believe that a standing committee of technical experts is essential to provide advice and recommendations on all aspects of the technical specifications and architecture.

With regard to specific comments on the legal drafting, we note the following;

Section C2.3(n) – We question whether or not the suggestion of review 'periodically' provides sufficient obligation on the TSC to review the effectiveness of the End-to-end Technical Architecture? We believe, as a minimum, that the clause should contain a back stop such that the review is performed at least every 24 months.

Section D6.8(e) – EDF Energy believes that the requirement to 'seek' views from the TSC for the impact of any modification proposal should be more specific to ensure that the refinement process clearly recognises and reports the TSC's impact assessment and recommendations at this stage of the change process. This clause is also reflected in the duties described in Section F1.4 (e) where the TSC's duty to provide support and advice could be strengthened to ensure that any advice or recommendations are formally noted and reflected in the Consultation Summary document described in Section D6.14. This is vital if any party is not directly represented on the TSC as they had not been invited to participate.

Section F1 – EDF Energy is generally comfortable that the legal drafting reflects the policy described within the consultation document. However, we note;

- Unlike Section D8 (Change Board) of the SEC, DECC have chosen not to specify the composition of the TSC, other than describing the invitees as being suitable qualified and experienced. EDF Energy would like to ensure that, similar to the composition of the Change Board in Section D8.4, the TSC will be set up and maintained to be representative of all Party Categories, Manufactures and suitable Technical Experts. The drafting makes no mention of a quorum for the TSC or whether or not each member would be expected or able to nominate a suitably qualified and experienced alternate if they are unable to attend a TSC meeting. We also note that this isn't

covered in Section C6 (Sub-Committees). Is it DECC's view that the TSC should be made up of nominated invitees only?

- We further recognise that there is a necessary technical reliance on SECAS to be able to both identify the technical impact of change in addition to providing essential continuity for the update of any technical models maintained under the governance of TSC.
- We also believe that where in Section F1.4, the TSC has a duty to provide support and advice to the Panel, could be strengthened to ensure that any advice or recommendations are formally noted and reflected in the Consultation Summary described in Section D6.14. This will be vital for any party that is not directly represented on the TSC as they will not have any other opportunity to contribute.

#### **Registration Data**

**Q2. Do you agree with our proposed text for the SEC with respect to Registration Data? Please provide a rationale for your views.**

As a large Supplier, EDF Energy is not bound by the primary requirement of Section E to provide Registration Data to the DCC. However, the accuracy of the Registration Data is of the utmost importance to Suppliers, purely because any delays in updating the DCC could cause registration errors and restrict access to suppliers wishing to configure the metering systems of new customers. Errors in registration data would have a significant impact on customer switching and competition.

**Q3. The DCC currently uses profile class data as a proxy to estimate the number of non-domestic meter points registered to users. Should this be replaced with a new data item which accurately reflects non-domestic meter registration, or should the DCC continue to use profile calls as a proxy? If you think it should be replaced, should the DCC rely on Suppliers providing this information separately, or should a change be sought to electricity registration systems to collect this data? Please provide a rationale for your views.**

EDF Energy currently supplies roughly 18,000 genuine non-domestic sites classified in the Profile Class bands of 1 and 2. These sites are all parts of larger non-domestic group contracts. For these customers the policy to charge non-domestic smart meters reflectively appeared to be burdensome on the industry for the numbers involved. We therefore welcome the opportunity to discuss the options for alternatives.

The cost to the industry of producing a monthly extract of non-domestic Profile Class 1 & 2 sites is high compared to the risk and alternatives. We estimate that EDF Energy

development costs alone will be in the region of £50,000 with an estimated £20,000 pa support charge to produce, check and submit the files.

The option to produce a new industry data item denoted non-domestic customers would be much more expensive and require back population of meters to the DCC. Experience of the introduction and population of the 'Market Sector Code' in the gas industry left a lot to be desired.

EDF Energy therefore believe that when calculating non-domestic electricity meters allocated to each supplier, the DCC should continue to utilise profile class as a proxy for non-domestic sites until more comprehensive changes to industry registration data are introduced and the DCC takes responsibility for managing all registration data. This option would have the least risk and cost to the industry and any incremental costs attributed to connecting to these non-domestic customers will be smeared across the industry participants.

**Q4 The SEC will include a requirement for RDPs to provide the DCC with a 'data refresh' on request, within a set number of days. Do you agree that it is sensible to measure in calendar days? If so, what is the impact of providing data refreshes to the DCC within two calendar days? If this has too significant an impact, what should the correct value be? Alternatively, do you believe it should be a set number of working days? If so, how long should this period be?**

As described in our response to Question 2, the accuracy of registration data maintained by the DCC for the purposes of access control is absolutely vital for energy suppliers and customers alike. Failure of daily extracts from Registration Data Providers (RDPs) could have a significant impact on the Change of Supply process leading to consumer dissatisfaction, potential complaints, compensations payments and the reputation loss of both the Supplier and the Smart Metering Programme.

The ability for the DCC to request a full refresh of data for any or all RDPs will be key to resolving any batch errors or data mismatches identified. EDF Energy would be very concerned if this process were to take any more than 2 calendar days from the point that the data is requested. As described in the consultation, customer switching is now a 24 hours a day operation and customer's expectations and perception of smart metering will rely on the quality of the switching process. Any impacts or delays caused by an unresolved mis-match of industry data would be a huge concern to all.

It may be inevitable that DCC and RDP data become misaligned so we believe that the Incident Management Policy must clearly state how and when any misalignments and incidents are identified and resolved immediately

### **DCC User Gateway**

**Q5. Do you agree with our proposed text for the SEC with respect to the DCC User Gateway? Please provide a rationale for your views.**

EDF Energy agrees that the DCC license holder should provide the physical infrastructure for communications between the DCC and the DCC Users. This approach provides a clear boundary between the DCC solution and the systems that Users are responsible for. It also ensures that the Service Level Agreement can be managed throughout the DCC architecture.

The proposed approach for the connection and testing of the communication equipments are consistent with Good Industry Practice which EDF Energy supports.

### **DCC User Gateway Services and Service Request Processing**

**Q6. Do you agree with our proposed text for the SEC with respect to the DCC User Gateway Services and Service Request Processing? Please provide a rationale for your views.**

EDF Energy has the following specific comments relating to the DCC User Gateway Services and Service Request Processing;

- H3.14 – We note that Supplier Nominated Agents are not referred to as Users who are entitled to services within this section. However, they are referenced as a separate User Role within Annex 5 of the consultation document. We further note that that Section H2 of the draft SEC which refers to Supplier Nominated Agents is due to be developed further in future consultations, is the intention to include Supplier Nominated Agents in section H3.14 in future iterations of the SEC?
- H3.16 – The wording of this section would indicate that any User who is allocated the relevant user roles is able to submit the Service Requests detailed in this section. If this is the case, we would be concerned about the consequences for access control and the control of data availability, specifically for the service 'Read Inventory'. While the other Services referred to in this section would not be meter point specific, the data in the Smart Metering Inventory does refer to equipment installed at a specific customer premise. There should therefore be some form of control as to who might be able to access that data, for example, it should only be available to the relevant Electricity Network Operator or Gas Network Operator for the metering point in question and not any party operating in the role of Network Operator. We recognise that restricting access only to this service, might present the current Registered or Pending Supplier with practical issues. For example where the Gas Import Supplier is seeking to determine (based on customer address information) what Smart Metering Equipment



is already installed at a premise before they set out to install additional equipment such as the gas meter. This is because address data quality may not provide a unique mapping of address to MPxN which would allow for MPxN specific access control. We believe that this aspect of access control should be considered to ensure the appropriate balance between enabling access to data and protecting information from being accessed by Users with no right to it.

- H3.20(e) – We are not sure that the reference to ‘the time and date for performance’ is appropriate in the context of this section, and should instead reference the ‘the time and date for execution’ of the Future-Dated Service.
- H3.26 – We note that this section states that Scheduled Services for a Device will be cancelled where that device is decommissioned. This will include Scheduled Services (such as the retrieval of reading or consumption information) that are being provided on behalf of the customer and would require affected Users (specifically Eligible Suppliers and Other Users) to set up new schedules for the new device where the existing device is being replaced. This creates a risk that continuity of service will not be maintained and we do not believe that there is a need for these services (enacted by the DCC on behalf of users) to operate at a device level. If the Scheduled Services were able to be defined at an MPAN or MPRN level, this would enable such schedules to be automatically ported across to the new device in the case of a device exchange, reducing unnecessary interaction with the DCC and ensuring continuity of service to the customer. We believe such an opportunity should be explored further.
- H24 – H26 - We note that the SEC mandates the DCC to cancel Future-Dated and Scheduled Services in the event of Change of Tenancy, Withdrawal and Decommissioning. However, there is no reference to cancelling such Services in the event of a Change of Supplier. This would imply that a Supplier would need to cancel any Future Dated or Scheduled Services as part of the Change of Supplier process, which creates a risk that such commands will not be sent by Suppliers and enacted if they have no visibility of these. We believe that consideration should be given to the automated cancellation of Future-Dated and Scheduled Services for an outgoing Supplier where a Change of Supplier is successfully enacted on a device; this would reduce unnecessary interaction between Suppliers and the DCC and provide assurance that such Services are being cancelled in a consistent manner.
- H4.8 – This section specifies that a User should notify the DCC where they incorrectly receive a communication but does not indicate how this should be done. This should either indicate that the method of such communication is to be agreed between the DCC and the User, or that the method for this will be set out elsewhere, for example, in the Incident Management Policy.

- H4.9(g) – We believe that the reference to 'data range' is a typo in this section should be replaced by 'date range'.
- H4.11(b) – We believe that the reference to section H4.8 in this section should instead refer to section 4.9.
- H4.15(e) – Section H4.14 describes the process for 'CoS Update Security Credentials' Service Requests and indicates that the Service Request will be progressed as if the CoS Party was the User. However, section H4.15(e) indicates that the DCC will check Registration Data to ensure a Pre-Command is being received from an appropriate Responsible Supplier. It is not clear that this check would be possible if the Pre-Command is being sent by the CoS Party and this needs to be verified to ensure this obligation is appropriate based on the process detailed in section H4.14.
- H4.18 – We do not believe that the references to sections H4.10 and H4.14 are correct as those sections do not appear to relate directly to the content referred to within this section.
- H4.19 – We believe that a Command within a sequence should only be sent by the DCC on receipt of a successful Service Response which is not clear. This section only refers to receipt of a Service Response which could be a failure or rejection response. The wording should be updated to reflect this.
- H4.25(a)(iii) – As per our comments on section H3.16 we believe that the DCC should make the necessary check that a User is an Eligible User, before allowing them to use the 'Read Inventory' Service Request.

### **Parsing and Correlation**

#### **Q7. Do you agree with our proposed text for the SEC with respect to Parsing and Correlation? Please provide a rationale for your views.**

EDF Energy is generally supportive of the proposed text for the Parse and Correlation Software, with the exception of the following comments:

- H11.1 and H11.14: EDF Energy believes that issuing a copy of the Parse and Correlation Software to anyone that requests a copy represents an unnecessary security risk. We believe that the software must only be issued to signatories of the Smart Energy Code who have initiated the process to become a DCC User.
- H11.7: We believe that DCC should do more than 'use reasonable endeavours' to test the Parse and Correlate Software. As a minimum, the DCC must ensure that



the software complies with applicable functional and non-functional specifications and satisfies the provisions of Section H11.2.

### **Enrolment in The Smart Metering Inventory**

**Q8. Do you agree with our proposed text for the SEC with respect to Enrolment in the Smart Metering Inventory and other associated processes? Please provide a rationale for your views.**

As detailed below, EDF Energy have a number of concerns around the current drafting of the sections of the SEC relating to enrolment. We believe that these sections need to be reconsidered in light of our comments to ensure clarity of intent and remove current ambiguity in an area that is critical to the efficient operation of Smart Metering Systems by both DCC Users and the DCC itself. We would welcome further engagement with industry participants to ensure that the right outcomes are achieved.

We understand that the overall intent of the Smart Metering Inventory and the commissioning and decommissioning processes is to record relevant details regarding Type 1 and 2 devices along with their status. However, the current wording of these sections in the SEC such as the use of the phrase 'other than Type 2 devices' is not clear and needs amendment to remove any ambiguity. It is not clear, based on recent discussions at the DCC Design Forums, whether Type 2 devices will be held in the Inventory. EDF Energy's preference is for all HAN connected devices to be logically recorded within the inventory to avoid confusion.

This issue can be demonstrated in section H5.8. We believe the intent of section H5.8 is to oblige Suppliers not to add Type 1 devices to the Smart Metering Inventory unless they have followed the process detailed in section H5.7. However, the current wording and specifically the use of parentheses, makes the interpretation of section H5.8 confusing and could be read as requiring Suppliers to only follow this process for Type 2 devices. We believe that this section needs to be clarified to remove any ambiguity.

With regard to H5.7 (b), our understanding is that; where the first supplier to install is an electricity only supplier then the Gas Proxy Function does not need to be added to the inventory by the Electricity Supplier, but is left with the DCC credentials which will be replaced by the Gas Supplier when the GSME is installed.

We also note that section H5.9 refers to adding a Type 2 device to the Smart Metering Inventory. However, there is scant reference to Type 2 devices in the consultation document or in subsequent sections within the SEC. It is not clear whether type 2 devices that are installed are required to be added to the inventory. The consultation document only states that Type 2 devices 'may' be associated with a Smart Meter in the Smart

Metering Inventory and there is no requirement to do so in the SEC itself. For the avoidance of doubt, we have assumed a Type 2 device is updated on the HAN device log but does not need to be commissioned. We have also assumed the ESME / GSME needs to be told to join to the Type 2 device. It is not clear what is to be held in the inventory. However, noting that all details on the HAN device log need to be held by the DCC to facilitate Communications Hub replacement, it would seem sensible to record Type 2 devices in the inventory.

EDF Energy believes that all devices, whether Type 1 or Type 2, should be recorded in the Smart Metering Inventory to enable a DCC User to determine what devices have been installed at a customer premise. This would include Type 2 devices such as the In Home Display or Consumer Access Device which may enable specific service offerings to be made to customers with smart metering installations. The current wording of this section is not clear about which devices should and should not be included in the Smart Metering Inventory and how the status of these would be maintained. Clarity is required to ensure that the information in the Inventory, which is critical to the effective management of smart metering systems, is accurately maintained.

H5.11 places an obligation on suppliers to "keep under review the information recorded in the SM inventory". The expectations in this area should be clear. It seems reasonable for suppliers to correct data where they become aware of inaccuracies; however, it would not seem reasonable for suppliers to undertake a regular validation of the DCC's Inventory. One would expect the DCC to be responsible for ensuring the integrity of its data.

H5.15 requires the Responsible Supplier to update the device log of the Communications Hub Function to include the Gas Proxy Function – we do not believe this is the case for an electricity only installation.

H5.19 states it will not update the status of the Communications Hub Function to 'commissioned'. It is not clear as to what will occur in this situation, whether any exceptions will be generated as a result and who to? This needs to be clarified as the successful commissioning of a communications hub is critical to the installation process.

H5.24 - Similar to our previous comments, this section refers to Type 2 devices being captured in the Inventory, which seems to be contradicted elsewhere. The requirements and the functional sequence should be clarified before specifying rules.

H5.27 requires the Responsible Supplier to place the Network Operator security credentials on the device. This is an overhead placed on the Supplier who will incur costs in managing the process and maintaining an up to date view of the relevant keys for all Network Operators, paying for the transactions to pass the keys to the relevant devices and in resolving exceptions. The Supplier should not be acting as an agent of the Network

Operator. We recommend the DCC should manage this process on behalf of the Network Operator and charge them accordingly.

H5.29 - It is not clear why the 12 month timescale specified in this section is necessary? It introduces an administrative overhead to both the DCC and the Supplier for ensuring stock is installed within 12 months of delivery, which may not be sufficient (e.g. batch sent back to manufacturer for changes). We would appreciate clarification on this requirement. In the event the obligation remains, please ensure that the Supplier is notified of the withdrawal of the pending status so the supplier can amend accordingly.

H5.31 – This section states that where the HAN Device Log is restored that the Gas Supplier will be informed (if they are not the Supplier that requested the restoration). However, section 191 (page 39) of the consultation document states that the Gas Supplier will need to retrieve any data from the Gas Proxy function before it is replaced, in which case they will need to know in advance that this is to occur in order to be able to retrieve this data. It is not clear how the Gas Supplier will know to do this. The relevant obligations around communication between the DCC or the Responsible Supplier and the Gas Supplier (where different) should be included in the SEC. We further note that section 191 (page 39) of the consultation document states the Gas Supplier will need to re-establish the links between the Gas Proxy and the Gas Meter. There is no reference to this requirement with the current drafting of this section of the SEC and this should be included if technically required to ensure this requirement is clear to Gas Suppliers and that customers continue have visibility of their gas consumption.

H6.2 States that the Responsible Supplier may decommission a Communications Hub Function. It is not clear how this decommissioning process would work in the situation where there are separate electricity and gas Suppliers using the same Communications Hub. This needs to be accounted for and clearly documented to ensure that one Supplier's ability to communicate with their smart meter is not compromised by another Supplier.

H6.4 - As per our comments on section 6.2 above part (c) of this section needs to account for the situation where the Communications Hub Function is shared by multiple Suppliers. It should ensure that the actions of one Supplier do not negatively impact on another Supplier's ability to communicate with their devices.

H6.6 does not specify what a reasonable period is for the commissioning of a replacement Communications Hub. Where the Communications Hub Function is being decommissioned as a result of that device being replaced one would expect this to occur within a very short period. However, this may not be the case and any restrictions on these timescales need to be made clear to the relevant DCC Users.

## **Intimate Communications Hub Interface**