



Smart Metering Implementation Programme
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Consultation on Stage 2 of the Smart Energy Code

We are pleased to provide comments on the above consultation on behalf of SGN and SSE. We welcome the ongoing engagement with the Smart Metering Implementation Team and have provided answers to the specific questions posed by DECC in the attached annex.

We broadly welcome the definition for the documents included in the Technical Specifications; however we believe the following documents require inclusion: "DCC User Gateway, DCC User Gateway Services Schedule, GB Companion Specification, Commercial Products Assurance Security Characteristics for GB Smart Metering and SMKI".

We urge DECC to reconsider its proposals for Elective Services. In particular, we believe retaining the data details as part of a bilateral contract could impact the security and efficient delivery of the Core Services by restricting visibility of elective data items from the oversight of other SEC parties.

We would seek to confirm that "Supplier Nominated Agents" will definitely form part of the SEC Stage 3 consultation, as the current drafting for its inclusion is unclear.

We would also seek clarity around the role of the Gas Transporter's agent, Xoserve and other common service providers, in communicating with DCC. We are concerned that any restriction in the use of agents, such as Xoserve, in the communication with DCC could significantly increase the costs on Network Operators.

We remain concerned that the management of a limited set of critical commands places a further cost burden on Network Operators. It is important that functionality can be developed further in this area to offer benefit to customers.

We also remain concerned that rules to manage the additional energy consumption from Smart Meters and associated communications devices have yet to be agreed.

Whilst not part of the current consultation, we have noted that the use of MPAN for as a proxy for premises in the DCC Charging Methodology (Section K) could lead to distortions in the allocation of DCC fixed charges. This distortion can occur because the metering arrangements for electric heating etc require multiple MPANs for single premises. We would welcome an opportunity to discuss this matter further with DECC.



We look forward to early visibility of the next stages of the Code and the planned timescales for review, consultation and implementation.

Please call me if you have any questions

Yours sincerely

Regulation

Annex – Consultation Questions

Technical Governance and Change Control

1. 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.

We agree that in the main, the establishment of a Technical Sub-Committee (TSC) is important in providing specialist knowledge to the SEC Panel and Working Groups. However, we have a number of concerns with elements of the approach for the Technical Governance and Change Control. We would like to seek clarification on several points within the proposed text to ensure that intent is adequately reflected.

In Section C2.3, sub-paragraph (n), we are concerned with the drafting of the definitions where there is an obligation on the SEC Panel to periodically commission a review of the End-to-End Technical Architecture. We believe that the definition of the End-to-End Technical Architecture should make explicit that this would comprise a description of the individual components of the Solution, including all Systems, Hardware and Software and interfaces with the Systems. We would refer DECC to the description in the footnote of the Consultation for paragraph 71.

In Section D6.8, sub-paragraph (e), it would seem that the review of Modification Proposals by the TSC is limited to those that are Technical Specification modifications or where the TSC wishes to express a view. We would like to seek clarification on how the TSC would be made aware of a Working Group's activities to be able to provide such a view. We are concerned that, given the breadth of the Technical Specifications, a Modification Proposal may have an impact on the Technical Specifications that has not previously been identified by the raising Party or the Working Group. We believe a stronger definition of the interaction between a Panel Working Group and the Technical Sub-Committee is required. This would provide a robust Governance and Change Control model in respect of technical considerations.

In Section F1.1, We are concerned that the membership of the TSC is to be determined by the SEC Panel and we question how the Panel will be able to do this. Determining the skills required and the appropriate level of expertise appears to be onerous and possibly outside the experience of the Panel. We would like to seek a definition of the membership and areas of expertise required to meet the duties of the TSC.

In Section F1.4, sub-paragraphs (a) and (b) do not include references to Sub-Committees however, we would expect there to be interaction and dependencies between the Technical Sub-Committee and the Security Sub-Committee (SSC). We believe that the relationship between the TSC, SSC and by extension the SEC Panel, still requires further definition in terms of the processes and dependencies.

In Section F1.4, sub-paragraph (e), we believe that the drafting should give further definition on what would constitute the effectiveness of the End-to-End Technical Architecture. The criteria for this evaluation should be set out to ensure clear direction to the TSC.

As stated above in our comments on Section C3.2, sub-paragraph (n), we have similar concerns on the definition of the Technical Architecture Document (TAD) and what this would comprise of in terms of content. In addition, we consider the Security Architecture to be a critical component of the TAD. Whilst Section F1.4, sub-paragraph (g), sets out the duties to maintain the TAD, there appears to be no obligation on the creation of the TAD. We believe there should be a clear obligation defined in the SEC on who will be the responsible party to create the TAD and the mechanism for its delivery.

In Section F1.5, we question the SECAS having the responsibility of determining which of the Modification Proposals will be sent to the TSC. We would expect the TSC to assess all Modification



Proposals, on the basis of their membership having the wide range of skills required to identify potential impacts to the End-to-End Technical Architecture.

We note that the assessment of Elective Services and their potential impact on the End-to-End Technical Architecture is not included within the duties of the TSC. We are concerned that if these Services do not have the same evaluation and focus as the Core Services, then the full responsibility would fall to DCC and Ofgem as final arbiter. These Parties may not have access to the necessary Technical expertise to fully identify potential impacts.

Registration Data

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

We are in general agreement with the principle of the proposed text with respect to the Registration Data. We note that whilst the detailed design and DCC Design Forum for Registration Interface is in progress, that there may be further drafting changes to accommodate and reflect the base lined design.

However, we are surprised that the drafting does not seem to address the issue of how DCC will cross reference Industry Registration data (by Market Participant role under each code) with the SEC Supplier User Roles and User IDs within this section.

In addition, we question why, when DECC have drafted two Registration Interface Specifications (for Electricity and Gas), the specific data items remain duplicated within Section E. Experience from other codes shows that this can become problematic to manage. In Sections E2.1 and E2.2, the data items are very specific without acknowledging the life of that data. Some items may be optional or empty for valid reasons under specific reasons set out under the relevant Code. To avoid issues of non-compliance or in getting the list amended on change to the relevant Codes, it would seem more appropriate for the required data items to reside in the Technical Specifications.

In Section E1.1, there is an unspecified SLA and we believe this needs to be defined, possibly in the Registration Interface Specification.

In Section E1.2, sub-paragraph (a), we would like to seek clarification that the reference to assessing a User's eligibility should cite Section H User Eligibility H1 and not Section H4 as drafted.

In Section E2.7, it would seem the current drafting creates double jeopardy for parties and needs removal. There are other obligations on parties (under MRA) specifying the frequency of Registration Data Exchanges. These Consequential Changes have already been implemented in Industry, following the SMRG WG4 direction for requirements.

We would like to seek clarification on the SEC 2 Consultation - Annex 4 and the consistency of definitions between this Consultation Document and the Definitions in the SEC. We refer to the following examples:

- Annex 4, page 90, references "The Registration (Data) Interface Specification" which seems to be the defined subsidiary SEC document, separate to the Section E2.7/SEC definitions references the "Electricity Registration Data Interface Documents or the Gas Registration Data Interface Documents"
- Annex 4, page 90, Section 4.1 seems to infer that the Registration Interfaces will be treated as other Services are, including quarantining of the Service Request at the User Gateway. We question the treatment of the Registration Interfaces as Services as these are not DCC Services

In Section E2.8, we question the reference to days, and would like further definition on whether these are working or calendar days. We believe that the current draft of 2 days would be insufficient for full refreshes, and we would expect this to be within 5 working days. Currently, there are obligations under the MRA that a full refresh would be actioned within 15 working days and we further note that the Gas Transporters' Registration Data Provider only processes data requests during business days.

In Section E2.9, we would like to seek clarification on the intent as we question that the DCC will maintain the interface. It seems this would be the interface "specification" and that the DCC has an obligation to make these specifications available to the Registration Data Providers (RDP). Thereby, ensuring the specifications are available to the SEC signatory Users. The current drafting is about the DCC maintaining the interfaces, which could lead to an alternate interpretation that they should maintain the integrity of the Registration Data Interfaces as sent by the Networks (or their Registration Data Providers).

In Section E2.12, the drafting for Incidents does not seem to set out the obligations for individual incident raisers, the section seems light and does not fully explain the types of incident etc.

In Section E2.13, there seems to be insufficient information on the dispute process, particularly with respect to the raising and resolution of disputes. Without this information it is hard to be satisfied that the processes will work, as set out in the current drafting.

3. 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.

We feel that use of profile class to identify individual customer types offers a reasonable and pragmatic solution, even though it may not identify all non-domestic customers. If it is deemed that more accurate information is required, this will need to be provided by suppliers. Suppliers would be able to identify the number of non-domestic customers in profile classes 1 and 2. If changes are required to electricity registration systems to maintain this data such changes could be costly to develop with little benefit for Registration Data Providers or other stakeholders

Further consultations are needed to seek clarification on the following:

- Which profile classes have been identified to estimate the number of Non-Domestic Meter Points, to calculate the charges
- DCC Service Flag correlation to Non-Domestic, to be able to support "opt-in/opt-out" appropriately

This would inform our preference regarding these options.

4. 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?

We support the requirement for RDPs to provide the DCC with a 'data refresh' on request within a set number of days. However, we are concerned with the policy decision cited by DECC in "SEC2 Consultation - 90" (p22), where there is a suggestion that they want to oblige RDPs (discharging



Distribution and Gas Network obligations) to be able to refresh outside working day hours, introducing "Calendar Days". This significantly diverges from the industry principles around Registration "Working Days".

We feel that it is not practical to require a 'data refresh' measured in calendar days given that existing services are not supported during weekends and at bank holidays. We are particularly concerned that a data refresh may require the services of support staff who are not currently employed on a 24/7, 365 days per year basis. Should RDPs be required to provide a 'data refresh' service within two calendar days, we firmly believe that additional costs will be incurred by existing RDPs. We feel that five working days would be appropriate for the provision of any required 'data refresh'.

Overlap of obligations between Codes can cause double jeopardy situations on parties to both of those codes. However, we support the obligations on the DCC, as they are not parties to the other codes.

DCC User Gateway

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

We are in agreement with the principle of the proposed text with respect to the DCC User Gateway. We note that whilst the detailed design and DCC Design Forum for DCC User Gateway is in operation, that there may be further drafting changes to accommodate and reflect the base lined design.

We would seek clarity that nothing in respect of the SEC or the DCC User Gateway design will preclude Gas Transporter's from using their agent (Xoserve) to communication with the DCC. Xoserve are the Gas Transporter's agent for many key Uniform Network Code obligations including for gas registration data and any requirement for Gas Transporter's to develop individual systems to communicate to the DCC will add significant costs.

We believe that a decision is required as to whether the Self Service Interface, or any other functions, will operate over the DCC User Gateway. If so, this needs to be incorporated within Section H3. It is important that architectural considerations are articulated through the wording of the SEC and that we have sensible consideration of how logical interfaces, such as the Self Service Interface and the DCC User Gateway Interface, are layered over physical connectivity.

User Gateway is used within this section and therefore should be defined within section A1 Definitions.

In Section H3.6, we are concerned that the ability of a User to request as many connections to the DCC User Gateway as they wish could give rise to significant expense to Parties. We note that this will be dependent on the means of connection and the solution provided by DCC with associated costs, however we would seek this section to have additional limits in place that reflect parties' forecast demand in that relevant period.

In Section H3.7, we believe that the current drafting does need to include a specified notice period for advising DCC of the cancellation of a connection. In addition, we would look for the associated SLA for the completion of actions by the DCC in response to the cancellation.

In Section H3.28, the drafting makes reference to "Good Industry Practice". The definition of this term in the current drafting is extremely open ended, and we question how this is viewed with respect to the proportionate measures that will differ between small and large suppliers.

In Section H3.28, the drafting should make reference to "...at the relevant premises of the User, or their IT Service Provider". There will be parties who will have systems hosted off site from a User.



In Section H3.25, we question why the cancellation of any and all Service Requests concentrates on action after Withdrawal of a SMS, and does this not include cancellation of any and all Service Requests for that SMS after Suspension of services to that User. It would seem to be applicable to cancel all Scheduled Services until such time as the User has the suspension removed.