

Department of Energy & Climate Change
Orchard 3, Lower Ground Floor
1 Victoria Street
London
SW1H 0ET

By email only to: smartmetering@decc.gsi.gov.uk

14 February 2014

Dear Sirs

**Smart Metering Implementation Programme: Consultation on New Smart Energy Code
Content (Stage 3)**


Thank you for the opportunity to respond to the above consultation. This letter should be treated as a consolidated response on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc, and South Eastern Power Networks plc. Our comments are not confidential and can be published via the DECC website.

We have provided answers to the consultation questions in the appendix to this letter and hope that you will find our comments helpful. If any aspect of our response requires further explanation or clarification please do not hesitate to contact me.

Yours faithfully

Copy.

Return Address:
Newington House
237 Southwark Bridge Road
London
SE1 6NP



Appendix

Smart Metering Implementation Programme: Consultation on New Smart Energy Code Content (Stage 3)

UK Power Networks' Answers to the Consultation Questions

Section 3.2: SMKI Policy Management Authority

Question 1: Do you agree with our proposed approach and text for the SEC with respect to the Policy Management Authority? Please provide a rationale for your views.

We agree with the general provisions set out for the SMKI Policy Management Authority (PMA) and the requirement for members to act independently.

We propose that the PMA would benefit by including one additional voting member, nominated by network operators. This member would widen the scope and improve the balance of the PMA.

Question 2: Do you agree with our proposed approach to securing the timely appointment of PMA members? Please provide a rationale for your views.

With the exception of the panel composition (please see our answer to question 1 above), we agree with the proposed approach to appointing SMKI PMA members.

Section 3.3: The SMKI Service

Question 3: Do you agree with our proposed approach and text for the SEC with respect to provision of the SMKI Service? Please provide a rationale for your views.

We agree with the proposed approach which maintains a clear separation between test and live operations. It also appears to provide a sensible approach to managing the demand for certificates cost effectively.

We note (in contrast with point 82 of this consultation) that the DCC proposes to deliver the SMKI Service Interface with minimal additional burden over and above that required to meet the codes of connection for the DCC User Gateway and DCC Registration Interface. We are supportive of such efforts to remove unnecessary burden from the solution and to re-use infrastructure.

Section 3.4: SMKI Assurance

Question 4: Do you agree with our proposed approach and text for the SEC with respect to SMKI Assurance? Please provide a rationale for your views.

We support the proposed approach of an independent audit of SMKI provision and that audit is overseen by the PMA.

As noted in point 98 of the consultation, it is normally the case that DCC Service Users who are subject to assessment by the DCC are also SMKI Participants who are subject to assessment by the PMA on greatly overlapping topics. For all routine matters we seek assurance that the DCC and PMA will coordinate their efforts to obtain a single demonstration of compliance wherever applicable. For non-routine matters (such as suspected breaches of the SEC) we recognise that such coordination might not apply.

Section 3.5: Certificate Policies

Question 5: Do you agree with our proposed approach and text for the SEC with respect to the Device Certificate Policy? Please provide a rationale for your views.

We support the description of the Device Certificate Policy, noting that the establishment of a new private key is wholly confined to the DCC and the Device Issuing Authority – requiring no action by Subscribers and with no impact on Subscribers or meters.

Question 6: Do you agree with our proposed approach and text for the SEC with respect to the Organisation Certificate Policy? Please provide a rationale for your views.

We support the approach outlined in the Organisation Certificate Policy in respect of a subscribing Network Operator. We observe that both the PMA and DCC should seek to combine where practical their assurance assessments of Subscribers where common SEC obligations are being assessed.

Section 3.6: Using the SMKI Service

Question 7: Do you agree with our proposed approach to parties using the SMKI service, including by Opted Out Non-Domestic Suppliers? Please provide a rationale for your views.

We agree with the proposed approach to parties using the SMKI service. It would appear sensible to allow installers to become SEC parties. The process for opted out devices is a complex one and is likely to benefit from a work group approach established by the SEC Panel.

Question 8: Do you agree with our proposed approach for the SEC with respect to Liabilities, Warranties and Indemnities? Please provide a rationale for your views.

A system of limited liabilities, warranties and indemnities provides certainty; conversely, any area of unlimited liability may prove to be a barrier to market entry. Since there are expenses associated with replacing organisation certificates on devices, we agree that such expenses should be included in liabilities.

Section 3.7: Providing the SMKI Repository

Question 9: Do you agree with our proposed approach and text for the SEC with respect to the SMKI Repository? Please provide a rationale for your views.

Yes – the proposed text and approach for the SMKI Repository provide a framework for detailed processes to be developed.

Section 3.8: SMKI Recovery Processes

Question 10: Do you agree with our proposed approach and text for the SEC with respect to SMKI Recovery Processes? Please provide a rationale for your views.

We agree with the proposed approach and text for the SEC.

Section 3.9: SMKI Testing

Question 11: Do you agree with our proposed approach and text for the SEC with respect to SMKI and Repository Testing? Please provide a rationale for your views.

We agree that the proposed approach is appropriate to ensure that the SMKI and Repository are tested.

Question 12: Where appropriate, when do you consider your organisation will first need to obtain live Device and Organisation certificates to be placed on Devices ordered from manufacturers? This will help to determine when the SMKI Service and SMKI Repository should Go Live. Please provide a rationale for your views.

This question is not applicable to our business.

Question 13: Do you agree that Large Supplier Parties should be obliged under the SEC to be ready to participate in SMKI and Repository Testing? Please provide a rationale for your views.

Only Large Supplier Parties are likely to be able to provide the volume to test and therefore we need to ensure that at least one is ready to start testing at the appropriate point.

Question 14: Do you agree that it is sufficient for only one large Supplier to complete SMKI and Repository Testing for the SMKI Service and Repository to have been proved? Please provide a rationale for your views.

The requirement is to prove that the processes between a Party and the SMKI Repository work and therefore, only one high volume Supplier Party is required to complete the tests, provided that the test scenarios are comprehensive. For example, the tests should include the replacement of organisation certificates on devices.

Question 15: Do you agree that the SMKI entry processes should be aligned with the User Entry Process Testing in relation to the DCC User Gateway and Self Service Interface? Please provide a rationale for your views.

SEC Parties need all entry processes to be completed in order to enter the market; therefore, any opportunity to align and simplify the entry process should be adopted.

Section 3.10: Other Security Requirements

Question 16: Do you agree with our proposed approach and text for the SEC with respect to the Location of System Controls? Please provide a rationale for your views.

The proposed approach achieves a reasonable balance between operational flexibility and security requirements.

Question 17: Do you agree with our proposed approach and text for the SEC with respect to the Obligations for Cryptographic Material? Please provide a rationale for your views.

We believe that the Obligations for Cryptographic Material are suitable and proportionate, noting that they focus on supply-sensitive operations. It is envisaged that network operators will also use cryptographic modules, but that these might be of a lesser standard than FIPS 140-2 Level 3.

Section 4: Supplier Nominated Agents

Question 18: Do you think that it is important that MOPs/MAMs are able to access DCC services directly? Please provide a rationale for your views.

The ability of MOPs/MAMs to access DCC services directly supports the ability of an agent to work for multiple suppliers. This also provides a clear audit trail and responsibility for maintaining secure communications.

Question 19: Do you have any views on the possible options identified for MOPs/MAMs to access DCC services? Please provide a rationale for your views.

Options 2 and 3 both appear to be workable. However, Option 3 would provide a clearer contractual framework in a developing market.

Question 20: Are there other options which should be considered for MOPs/MAMs to access DCC services?

We have not identified any other options at this point.

Section 5.1: Testing Phases

Question 21: Do you agree with our proposed text for the SEC with respect to Test Phasing, consistent with our decisions on testing arrangements detailed in our recent consultation response? Please provide a rationale for your views.

We broadly agree with the text on test phasing. However, Registration Data Providers (RDPs) have recently discovered (via DCC specifications and codes of connection) that the DCC Registration Interface will be subject to the full security standards of the SMKI. This presents a timing issue as RDPs were expecting to implement SMKI somewhat later on in relation to their other DCC User Roles as Network Operators using the DCC User Gateway.

Accordingly we believe that the DCC testing programme should acknowledge the different aspects of RDP involvement and spread these across different test phases. This will reduce the risk in stages whilst keeping the testing regime practical and will, at each point in time:

- a) demonstrate that RDPs can produce and process registration data files correctly
- b) provide such registration data files to support DCC testing (via any means of transport)
- c) demonstrate that RDPs can achieve the necessary production and processing at the required speed
- d) demonstrate that RDPs can operate within the full code of connection requirements, including the DCC User Access Network and SMKI

We believe that aspects a) and b) should be delivered in an early test phase, while aspects c) and d) should be part of user entry process testing towards the latter parts of testing.

RDPs have brought forward (via the ENA) suggestions to use the existing industry Data Transport Network arrangements to convey registration files to/from the DCC in the interim period.

Question 22: Do you agree that the term 'Enduring Testing' should be used to encompass both the End-to-End and Enduring Test stages in order to assist comprehension and simplicity? Would the consequential removal of the terms 'End-to-End Testing' and 'User Integration Testing' cause confusion or be undesirable, such that we should reinstate this terminology? Please provide a rationale for your views.

We agree that the term 'Enduring Testing' should be used to encompass both the End-to-End and Enduring Test stages. This will simplify the terminology in the SEC and SEC subsidiary documents.

Question 23: Do you agree with the proposed approach to include the Projected Operational Service Levels within the SEC? Please provide a rationale for your views.

Including the Projected Operational Service Levels within the SEC will provide visibility and place these within the change control framework.

Section 5.2: Issue Resolution during Testing

Question 24: Do you agree with the need for an issue resolution process in testing? Does the proposed process meet that need? Please provide a rationale for your views.

A clear issue logging and resolution process is key to the success of any testing process. The proposed process meets this need.

Question 25: Do you agree with our proposed text for the SEC with respect to Issue Resolution? Please provide a rationale for your views.

The proposed text for Issue Resolution appears to provide for all currently identified disputes that may arise during testing.

Section 6.1: Smart Metering System Requirements

Question 26: Do you agree with our proposed text for the SEC with respect to Equipment Testing, and configuration of enrolled Smart Metering Systems? Please provide a rationale for your views.

We believe that the shared test facility should at all times contain at least one example of each device build (hardware plus firmware) on the Deployed Products List plus candidate device builds that are undergoing testing ahead of joining the Deployed Products List. This is to ensure that the opportunity always exists to detect interoperability issues ahead of deployment and to investigate issues identified post deployment. Ideally, each device build will be accessible via both CSP solutions.

A scheduling mechanism will be required for the shared test facility, given that only one network operator can have their organisation test key installed on a device at any one time and there will need to be a mechanism to reset the meter for a different network operator/MPAN between tests. A mechanism should also exist to alter the electricity supply to the device in order to generate alerts.