Smart Metering Implementation Programme

Department of Energy and Climate Change
3 Whitehall Place
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14th February 2014

Dear SMIP team

Consultation – Third stage of the Smart Energy Code

Thanks for the opportunity to respond. The detailed responses are below. At high level we would like to make a few points.

Further changes to the SEC Subsidiary documents – Some of these referenced within the SEC3 Legal Drafting have not yet been produced and/or published. We would hope for the opportunity to comment on these at a later stage.

Recent SEC2 drafting - We have not taken into account any changes being proposed to the SEC2 drafting within the SEC2 decision document (published on 30th January 2014) within our response to this SEC3 consultation. Our response is based purely upon the SEC3 Legal drafting provided with the SEC3 consultation document.

SMKI procurement risks - We note that on the 30th January DCC issued a Consultation on the Provision of a SMKI Service (consultation closes on 14th February). Within this consultation the DCC are seeking views on whether they should use the Draft SEC3 content (as detailed within this SEC3 consultation) as the basis for proceeding with the procurement and implementation of the SMKI Service. Whilst we will be responding to the DCC consultation directly, we would like to take this opportunity to stress that there is an inherent risk in going out to procurement based upon draft documentation, and that it is therefore important that this risk is borne in mind and that sufficient flexibility is factored into the procurement process to enable any changes that may be required once the final drafting becomes available, to be made in an efficient manner.

Timely visibility of key documents - We note that within this SEC3 legal drafting there is some disparity regarding the use of consultation i.e. some documents will be issued for consultation and the consultation responses will not be published, whereas others will be consulted upon and consultation responses will be published. To assist with transparency it would be helpful if the latter process were followed throughout. Visibility only a short time prior to interface testing, does provide us, and we presume others, with significant challenges in design, development, build, test and procurement, particularly where timescales are prescribed to us.

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DCC Common Test Scenarios - We note that the SEC3 consultation makes a number of references to the development of the We would like to take this opportunity to express our concern that the series of DCC Common Test Scenario Forums that had been scheduled to take place during Q1/2 of 2014 have been cancelled by the DCC. Please see our response to Q21 for our further thoughts on this matter.

The split of the drafting relating to Testing – This is split across a number of sections with the SEC (e.g. Section L ; Section H; Section T). Whilst we can understand why this approach has been taken, we believe that there would be merit in reviewing this approach to try provide greater clarity to SEC Parties regarding what testing they will be required to undertake, and in what order and with what dependencies. We question whether the drafting relating to Testing during Transition would be better placed within the Transition Section (Section X) in order to ensure that all Transitional Text, which will eventually "fall away" is kept together.

Processes for groups with more than one supplier ID. We would welcome further clarity with regards to the processes (e.g. Testing, Comms Hub Ordering Implications etc) that Organisations who have multiple Supplier IDs (some/all of whom might use the same systems) will need to follow

Disaster Recovery and Business Continuity i-We note that Disaster Recovery and Business Continuity is to be covered within a future consultation (we assume SEC4). It is important that the testing aspects of DR and BC are captured within this further consultation.

Security Assurance - We note that security assurance arrangements are to be covered in a future SEC consultation (we assume SEC4). We believe that this requirement needs to broadened out to cover all Assurance activity, not just security assurance activity.

We have also added some comments on definitions, and further comments, that we hope are useful to you

Yours sincerely

SMKI Policy and Management Authority (Q1 and Q2)

Q1 Do you agree with our proposed approach and text for the SEC with respect to the Policy Management Authority?

Yes, subject to comments

We are supportive of DECC's proposal that they should work with the SEC Panel and SECAS to facilitate the early appointment of the SMKI PMA in order that this SEC Sub-committee should be in place when the relevant SMKI provisions in SEC3 come into force. We note that the DCC issued a consultation regarding the provision of the SMKI Service on the 30th January 2014.

Given that the SMKI PMA is only proposed to be a relatively small committee, comprised of 6 Voting Members and 4 Non-voting Attendees (with the ability for the Chair to invite additional specialist attendees as required) we are supportive of the proposal that SMKI PMA members should act independently not as a delegate of their organisation.

Given the relatively small size of the SMKI PMA Committee that is being proposed however, we have a number of concerns regarding the proposed composition of this SEC sub-committee:

- We have some concerns that, on occasions (such as when dealing with disputes as per SEC L1.15h or with assurance activity as per SEC L1.15g) it may be difficult to convene a quorate SMKI PMA Committee given that members will need to declare an interest (as per SEC Clauses C5.24 to C5.26) if their employing organisation is involved (e.g. if their employing organisation is a party to any dispute being considered or if their employing organisation is the subject of any assurance activity). In order to minimise the likelihood of such quoracy issues arising, we propose that each SMKI Voting Member should be appointed from a different employing organisation e.g. we propose that the SMKI Technical Sub-Committee representative should not be employed by the same organisation as any of the other SMKI Voting Members, and that the SEC Legal Drafting should be amended to reflect this position.

- Given that it is proposed that the SMKI PMA will only be quorate when 4 out of the 6 SMKI PMA members are present (SEC L1.11), we question whether it is practical to only allow the SMKI PMA Chair to appoint an alternate (SEC L1.10). In order to facilitate the convening of quorate meetings we propose that all SMKI PMA members should appoint alternates, and that these alternates should be from different employing organisations.

- We note that it is proposed that the SMKI Specialist should be invited to attend each and every SMKI PMA Meeting, and that this SMKI Specialist should be entitled to speak at these meetings without the permission of the SMKI PMA Chair, and furthermore that the SMKI Specialist is to be the nominated alternate for the SMKI PMA Chair. We are comfortable with this

position providing that the SMKI PMA Specialist has no conflict of interest with the appointed SMKI Service Provider i.e. they are not an employee of, or significant shareholder in, the SMKI Service Provider. (SEC L1.10 and L1.12), and that the SEC Legal Drafting is updated to reflect this position.

We question why the powers that are proposed to be given to the Secretary of State with regards to the appointment and removal of SMKI PMA Members (Section L1.6) are proposed to apply to SMKI PMA (Supplier) Members only. If these powers are to apply at all, we propose that they should apply equally to all SMKI PMA Members and Attendees

We note that Clause L1.7b allows "any person (whether or not a Supplier Party)" to nominate candidates to be elected as an SMKI PMA (Supplier) Member. We question whether "any person (whether or not a Supplier Party)" is in a position to determine whether an individual has the suitable skills, experience and independence to undertake this role, and believe that it would be more appropriate for only Supplier Parties to be able to nominate candidates for this role.

We note that the SMKI SEC Documents are a subset of the SMKI Document set (as defined within SEC L9.3 and L94) and question whether the drafting of L1.16 and L1.17 should not be augmented to capture both SMKI SEC Documents and the SMKI Document Set .

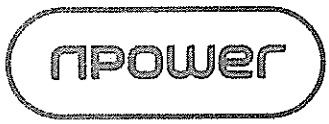
Q2 Do you agree with our proposed approach to securing the timely appointment of PMA members?

Yes, subject to comments

As detailed within our response to Question 1, we are supportive of DECC's proposal that they should work with the SEC Panel and SECAS to facilitate the early appointment of the SMKI PMA in order that this SEC Sub-committee should be in place when the relevant SMKI provisions in SEC3 come into force.

We note that within the consultation document (paragraph 64) DECC state that the initial appointment period for successful Large and Small Supplier Members may be staggered to avoid the loss of expertise caused by the simultaneous retirement of a large proportion of members. We would be supportive of such a staggered approach, for the reasons outlined by DECC within the consultation document, but note that this position does not appear to be explicitly reflected within the proposed Section L1.6 Legal Drafting.

We note (Section L1.8) that until the Security Sub-Committee and the Technical Sub-Committee exist that it is proposed that the Panel shall nominate a person to act as a representative of that Sub-Committee. We assume that the Panel will appoint such (interim) representatives from the current TSEG and TBDG committees, and would appreciate confirmation of this assumption. Furthermore, we believe that any such appointments should be as per our response to Question 1 (see Question 1 response, first bullet point) in order to facilitate quoracy.



THE SMKI SERVICE (Q3)

Q3 Do you agree with our proposed approach and text for the SEC with respect to the provision of the SMKI Service?

We do not support the proposed approach to Managing Demand for SMKI Services, We broadly support the rest of the proposal

We do not support the proposed approach to Managing Demand for SMKI Services (Clauses L8.7 – L8.11)

We have the following specific comments regarding the proposed SEC3 Legal Drafting relating to the provision of the SMKI Service that we would like to make:

H4 – Processing Service Requests

Section H4.5 – this clause states that "the User shall retain evidence of compliance with this Section H4.5, and make this evidence available to the Panel and the Authority on request". Further clarity regarding the timescales for which Users should retain such evidence would be helpful.

We note that the SEC3 legal drafting of Clause H4.28 states that "The form of the DCC ID will be further updated as necessary to ensure that it is consistent with the requirements of Section L". Further clarity regarding the form of the DCC ID, and indeed the GUID for usage by industry parties in general, would be beneficial.

H14.12 – General: SMKI Test Certificates and Test Repository

For clarity, we believe that the drafting of Clause H14.12(c) should be augmented to clearly refer to the Test SMKI Repository, rather than the Test Repository as currently drafted. The definitions section should also be updated to refer to Test SMKI Repository.

H14.23 – H14.31 – SMKI and Repository Entry Process Tests

We note that Clause H14.27 requires each Party to develop its own test scripts and demonstrate how those test scripts meet the requirements of the relevant scenarios set out in the SMKI and Repository Tests Scenarios Document and for each Party to obtain the DCC's approval that such test scripts meet the necessary requirements before SMKI and Repository Entry Process Testing can commence. It is difficult to comment in detail on this requirement at this stage, as we have had no visibility of the SMKI and Repository Test Scenarios Document, however we do question whether it is appropriate that the DCC should be required to approve a Party's test scripts as detailed within this Clause. We question whether the DCC will have sufficient expertise/understanding of Party's systems and processes to be able to undertake such an "approval" role.

Clause H14.30 obliges the DCC to provide written confirmation to a Party, upon request, of the outcome of their SMKI and Repository Entry Process Tests. We believe that this Clause should be augmented to also capture an obligation upon the DCC to notify the SEC Panel of SMKI and Repository Entry Process Test outcomes.

L3: The SMKI Services

L3.7a – This list should be extended to also capture "all Devices" in order to ensure that the requirements for the root and recovery keys are captured.

L3.7d – This Clause, as currently drafted, does not appear to allow Network Operators to update the DNO Key after commissioning, which is a requirement that needs to be captured.

L4: The SMKI Service Interface

L4.6(b)(ii) – We believe that this Clause should read "(which shall take precedence)[by such other **earlier** date as may be specified by the Secretary of State]

We note that Clause L4.7 states that the DCC shall, in consultation with the Parties and such other persons as it considers appropriate, produce a draft of the SMKI Interface Design Specification and the SMKI Code of Connection documents. We are supportive of the inclusion of this reference to consultation, and would like to emphasise that it is very important that Parties get visibility of both of these key documents at the earliest opportunity, and throughout their development lifecycle. If Parties do not have visibility of these key documents in a timely manner then this is likely to have a negative impact upon Parties readiness to commence Interface Testing within the prescribed timescales.

L8.1 – L8.6 SMKI Performance Standards

We believe that Clause L8.1 should be augmented to state explicitly that the Organisation Certificates and the Device Certificates must be inserted into the Repository by the DCC.

We note that the current SEC3 Legal Drafting does not reference any action that may be taken or penalties that may be applied if the DCC fails to meet the Target Response Times contained within Clause L8.1, or the Code Performance Measures detailed within Clause L8.6. We are assuming that this level of detail will be included within the SEC4 Legal Drafting, and would welcome confirmation of this assumption.

L8.7 – L8.11 SMKI Services: Managing Demand

We note that Clause L8.7 proposes that each Authorised Subscriber should provide the DCC with a quarterly forecast of the number of Certificate Signing Requests that they will send in the next six months, and that the DCC will monitor, record and report against the Authorised Subscribers' adherence to this forecast.

This proposed approach to Managing Demand is very similar to the Managing Demand approach that was detailed within the SEC2 consultation. Just as we were unable to support the approach within SEC2 (please see our response to SEC2 Consultation Q16), we are also not supportive of this approach within SEC3:

- This Managing Demand model is based upon an assumption that Authorised Subscribers will always be able to forecast the number of Certificate Signing Requests that they will send going forwards. This is not always the case however, as external factors that are outside Authorised Subscriber's control, and can not necessarily be foreseen (e.g. Force Majeure events), could have a significant impact upon the volume of such Requests
- We do not believe that it is appropriate that the DCC should publish a report on its Website detailing the identity of Authorised Subscribers who have exceeded the 110% target, along with the number of Certificate Signing Requests that they have sent compared to their forecast usage, as this information could be commercially sensitive. In addition, we do not believe that it is appropriate that sanctions should be imposed upon Authorised Subscribers for utilising a process that is necessary to ensure the stability of the network and the integrity of the market.
- Central to the efficient management of any network is the capability of that network to offer capacity in both operational and planning timescales. This fact should be taken into account within the drafting of clauses L8.7 – L8.11
- We believe that there would be benefit in considering more flexible options for Managing Demand, such as the implementation of a "capacity sharing" approach, whereby if Authorised Subscriber X has some spare capacity the DCC should be able to reallocate this to Authorised Subscriber Y according to some principles around "fair use".
- Clause L8.10 states that the DCC should submit a Modification Proposal containing appropriate rules to enable the prioritisation by the DCC of Certificate Signing Requests in circumstances in which the aggregate demand for the Issue of Device Certificates cannot be satisfied within the applicable Target Response Times. This is a "peak congestion management technique" that we trust would be reserved for exceptional circumstances, as it could have significant commercial implications.
- We are concerned that there appears to be no mention of a mechanism by which the DCC can consider building additional capacity in response to Authorised Subscribers' demands. We believe that, in the long term this could be more economic, and have less customer impact, than capping additional network capacity build and solving all congestion in operational timescales. However, well established economic principles such as cost reflectivity must apply.

If the approach referenced within Clauses L8.7 – L8.11 were to be adopted (which we do not support) then we believe that the report referenced within Clause L8.7 should be augmented to also captured a minimum/maximum number of requests that are forecast to be sent within any one day, in order to ensure that the DCC does not assume that demand will be flat across the month, when this may not be the case.

Q4 Do you agree with our proposed approach and text for the SEC with respect to SMKI Assurance?

Yes, subject to comments

As stated within the SEC3 Consultation Document (para 94) we recognise that individual SEC Parties are dependent on the compliance of the DCC and other SEC Parties with the SMKI Document Set in order to maintain their own security. As such, we are supportive of the requirement to procure an independent assurance scheme against which the DCC's SMKI Service can be assessed.

Whilst we are supportive of the establishment of an independent Assurance Scheme, we believe that the obligations detailed within Clause L2.4 are overly onerous, bearing in mind that ISO Compliant requirements already cover SMKI requirements and that the Clause L2.4 requirements will therefore be duplicating ISO compliance activity. We are therefore of the view that Clause L2.4 is superfluous to requirements and should be removed.

We are broadly supportive of the Legal Drafting in relation to "Events of Default", however question whether Clause L2.13 should be augmented to ensure that any approved plan that may be made available to all Parties is redacted in so far as necessary for the purposes of security **and** for the purposes of commercial confidentiality.

With regard to "Emergency Suspension of SMKI Services" (Clauses L2.14 – L21.6) we note that the current legal drafting states "Where the SMKI PMA has reason to believe...." it may instruct the DCC to immediately suspend the provision of services and/or rights of Participants. "Reason to believe" is a vague term however, which could cover a wide range of information such as newspaper articles; blogs; official reports etc. We believe that a tighter definition of "reason to believe" is required in order to ensure that only information which is from reliable sources can be taken into account when considering whether or not to suspend services or rights.

Q5 Do you agree with our proposed approach and text for the SEC with respect to the Device Certificate Policy?

and

Q6 Do you agree with our proposed approach and text for the SEC with respect to the Organisation Certificate Policy?

Yes, subject to comments;

We are generally supportive of the proposed SEC Legal Drafting with respect to the Device Certificate Policy (Q5) and the Organisation Certificate Policy (Q6), subject to the comments below:

We believe that the drafting of Clause L9.4 should be augmented to capture SMKI and Repository Entry Process Tests (as defined within Clause H14.23)

We note that the drafting of Clause L9.5 states that a draft of the RAPP should be available "by such a date as will facilitate the incorporation of the RAPP into the Code [prior to the commencement of Interface Testing]". As has been stated within our response to Q3, it is important that Parties have early visibility of key documents, such as the RAPP, in order that we can incorporate any requirements that are detailed within these documents into our own internal design/build/procurement activity in a timely manner. Without early visibility of key documents, such as the RAPP, Parties ability to meet the required timescales will be compromised.

Q7 Do you agree with our proposed approach to parties using the SMKI service, including by Opted Out Non-Domestic Suppliers?

We support their aspiration, but believe that the proposal needs further work to achieve this

We are supportive of DECC's aspiration that any obligations that are put in place relating to usage of the SMKI Service, including usage by Opted Out Non-Domestic Suppliers, should:

- avoid disruption for consumers on Change of Supplier (CoS) between Opted In and Opted Out Suppliers,
- be proportionate, and
- avoid unnecessary cost.

We note that DECC state that they have had discussions with stakeholders who may choose to become Opted Out Non-Domestic Suppliers with regards to this issue. Given that the issue impacts not only Non-Domestic Suppliers who may elect to Opt Out, but also all other Suppliers who elect to Opt In, we would request that these discussions should continue with a wider industry audience going forwards, and that a workgroup should be tasked with looking at all issues arising from churn between Opted In and Opted Out Suppliers.

We note that DECC are "minded to" require all SMETS2 equipment to have SMKI Device Certificates in order to minimise consumer disruption (i.e. metering equipment replacement activity) in the event of a CoS from an Opted Out Supplier to an Opted In Supplier. We also note that DECC believe that in order to achieve this objective (ie all SMETS2 equipment having SMKI Device Certificates) it will be necessary for subscribers of these certificates to enter into arrangements with the DCC (as the DCA) to receive the Certificates, which will require all installers to become SEC Parties (although only with very limited parts of the SEC applying to them) solely for the purposes of requesting Device Certificates or to access Organisation Certificates held in the repository. Without visibility of the SEC Legal Drafting that is being proposed it is difficult to comment upon this proposal, however based upon the limited information provided we have the following comments for your further consideration:

- We note that DECC believe that in order to enable all SMETS2 equipment to have SMKI Device Certificates, it will be necessary for installers to become SEC Parties, however we question why DECC believe that this is the case? Further information regarding DECC's thinking in this area would be helpful.
- Allowing installers to become SEC Parties, even if only very limited parts of the SEC apply to them, would introduce significant governance complexity into the SEC, and could have knock on implications for a number of areas such as charging, voting, and modifications. We question how this would work in practice, and believe that more consideration needs to be given to how such an approach could be implemented. In addition, please see our response to Questions 18 – 20 (SNAs) which also has relevance to this question.

- The "minded to" position outlined within the consultation document does not provide any details regarding how this scenario would work in practice. For example, how will charging work for this scenario? If per certificate charging were to be utilised, what arrangements would be put in place to ensure that such charging is non-discriminatory between opted in and opted out Suppliers?
- We note that DECC state that they are also "considering extending the above arrangements to apply to those seeking Device Certificates for Opted Out Devices" and that "consideration needs to be given to provisions that would apply to those relying on Device Certificates for non-SEC related Smart Metering Communications, and to permit access to Device Certificates and other information held in the SMKI Repository". It is very difficult to comment upon this brief statement given the lack of detail provided, however we do question how the SEC could be drafted to incorporate provisions to be applied to those relying on Device Certificates for non-SEC related Smart Metering Communications (by which we assume DECC are referring to Opted-Out systems). Insufficient information regarding this potential aspect of the proposal has been provided within this consultation document, and we are therefore unable to provide further comment at this time. We would welcome further discussions on the issue of churn between Opted In and Opted Out Suppliers to be undertaken, and believe that it is important that clear processes for opt-in/opt-out are developed.

Q8 Do you agree with our proposed approach for the SEC with respect to Liabilities, Warranties and Indemnities?

Yes, subject to our comments on legal drafting

We note that DECC envisage that the DCC will act contractually as the Root and Issuing Authority for both Device and Organisation Certificates under the SEC although these roles will actually be carried out by its SMKI Service Provider. We note that DECC advise that "how obligations are to be placed on the DCC to take account of its multiple internal roles will be the subject of a future SEC consultation". We would like to stress that the detail regarding how this is undertaken in practice (both from the perspective of the DCC acting in multiple internal roles and from the perspective of SEC Parties acting in multiple roles) needs to be published as soon as possible, as this information potentially has significant design implications that need to be factored into the design lifecycle as soon as possible

We note that DECC will be consulting on detailed proposals for the liability regime in 2014. Visibility of DECC's proposals, and the associated legal drafting, in the near future would be helpful.

With regard to DECC's current "minded to" position with regards to Liabilities, Warranties and Indemnities we can advise that we are broadly comfortable with the proposals subject to the following comments and provision of the related legal drafting:

- We note DECC's views with regard to a SEC Breach leading to the compromise of a Device Certificate (or a DCA Certificate). We question what scenario would lead to this situation however, and would welcome further clarification from DECC.
- We note DECC's proposals with regards to where the information contained within a Certificate proves to be incorrect. For clarity, we would like to propose that it is made clear that these proposals do not include the Device Private Key.
- We note DECC's comment that Subscribers will be required to ensure that all of the information that it submits to the Certification Authority which is to be included in the Certificate is permitted to be made available to other persons in the Certificate, and that this could create issues with regard to confidentiality and IPR. We can not envisage a scenario whereby making the Certificate available to other person in the Certificate could lead to any confidentiality or IPR issues, and we therefore do not believe that there is any requirement for Subscribers to indemnify the DCC.
- We note that DECC consider that the liability arrangements outlined within the SEC3 consultation should be extended into the framework applying to Opted Out Devices, and that this could be achieved via appropriate drafting of the Subscriber and Relying Party agreements. We believe that this requires further consideration, particularly bearing in mind that such Opted out Devices will be managed outside of the SEC under commercial agreements.

PROVIDING THE SMKI REPOSITORY (Q9)

Q9 Do you agree with our proposed approach and text for the SEC with respect to the SMKI Repository?

Yes, subject to comments:

We are generally supportive of the proposed approach and text for the SEC with respect to the SMKI Repository, subject to the following comments:

General comment:

As currently drafted there is a lack of clarity regarding whether the testing being discussed/referred to is SMKI Testing or other Testing activity. It would be helpful if further clarity could be provided within the Legal Drafting in order that all parties are clear which type of testing (SMKI or other) is being referred to.

Specific comments:

Definition of DCC Live System – this has been augmented to also reference the "Repository Service" and the "Recovery Procedure". "Repository Service" is not a defined term however, therefore we suggest that the definition is amended to align to the appropriate defined term i.e. "SMKI Repository Service", and that all usages of the term "Repository Service" throughout the document should be updated accordingly.

Definition of Test Repository – for clarity this should be augmented to specify that it is SMKI Test Repository. All usages of the term "Test Repository" throughout the document should be updated accordingly.

Definition of Recovery Procedure – for clarity this should be augmented to specify that it is the SMKI Recovery Procedure. All usages of the term "Recovery Procedure" throughout the document should be updated accordingly.

H14.12c – This clause states that the DCC shall keep the Test Repository separate from the SMKI Repository. Confirmation of how many Repositories there are (2 i.e. Test Repository and SMKI Repository or 4 i.e. Test Repository, Live Repository, Live SMKI Repository and Test SMKI Repository) would be helpful. Usage of clear terminology with regards to Repositories would assist in this regard.

L5.3 – "may be lodged" should be changed to "are lodged"

L6.6 – L6.7 – We note that Clause L6.6 - L6.7 states that the DCC shall, in consultation with the Parties and such other persons as it considers appropriate, produce a draft of the SMKI Repository Interface Design Specification and the SMKI Repository Code of Connection documents. We are supportive of the inclusion of this reference to consultation, and would like to emphasise that it is very important that Parties get visibility of these key documents at the earliest opportunity, and

throughout their development lifecycle. If Parties do not have visibility of these key documents in a timely manner then this is likely to have a negative impact upon Parties readiness to commence Interface Testing within the prescribed timescales.

We note that DECC make reference to a party having access to the Repository but not to the Interface. We can not envisage any scenario where this would be the case and would welcome clarification from DECC.

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SMKI RECOVERY PROCESSES (Q10)

Q10 Do you agree with our proposed approach and text for the SEC with respect to SMKI Recovery Processes?

Yes

We are supportive of the requirement upon the DCC to develop a Recovery Process, and the requirement that this Process should be available for testing from the start of Systems Integration Test (SIT).

We are also supportive of the requirement for the DCC to keep the Recovery Process under periodic review, following its approval by the PMA.

We note that some aspects of the Recovery Process must remain confidential, but that the general operation of the Recovery Process, including all actions to be taken by any SMKI party that is compromised, will be published on the SMKI Repository.

We note that the DCC, following its appointment of an SMKI Trusted Service Provider, is to consult with SEC Parties on the proposed Recovery Process, and that the SEC Panel is to be involved in this review process. We are supportive of this approach and welcome the opportunity to comment upon this documentation in the near future.

Further comment at this time is difficult, given that the Recovery Process documentation has not yet been written. Based upon the limited information contained within the consultation document however, we are comfortable with the high level process and the outline of proposed Recovery Process content that is being proposed. We reserve the right to amend this view however subject to further visibility of the documentation, which we hope will be forthcoming in the near future.

Q11 Do you agree with our proposed approach and text for the SEC with respect to SMKI and Repository Testing?

Yes, subject to comments;

We are broadly supportive of the proposed approach and text for the SEC with respect to SMKI and Repository Testing, subject to the following comments:

- Our preference would be for SMKI Entry Testing and SMKI Repository Testing to be treated as a single homogenous entity, rather than being two separate processes, in order to provide Parties with greater clarity regarding the entire SMKI process.
- T4.2 – We question whether this Clause should also make reference to "Smart Metering Equipment".
- T4.9 – This clause states that the approved SRT Approach Document must be published on the DCC Website at least one month (or less if the SoS so directs) before the commencement of SMKI and Repository Testing. This short notice period is insufficient, and we would request that it be extended to at least a minimum of 3 months in all cases.
- T4.10 – the text within square brackets implies that SMKI Testing is not mandatory, however our understanding is that SMKI Testing is an enduring mandatory requirement. We are assuming that the text in square brackets is relating to the fact that DECC are considering placing an obligation on Large Supplier Parties to be ready to participate in SMKI and Repository Testing, rather than implying that SMKI Testing is not an enduring mandatory requirement, however clarification of this assumption is required.

Q12 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 SMKI Service and SMKI Repository should Go Live.

Variable, and could be up to 3 months, but this is uncertain at this time

It is helpful that DECC recognise and have noted that there is a lead time, which will vary between manufacturers, from the point at which Suppliers will order live Device and Organisation certificates to support an order for metering equipment, to when that metering equipment will be delivered.

With regard to when our organisation will first need to obtain live Device and Organisation certificates to be placed on Devices ordered from manufacturers, we are unfortunately unable to provide a definitive response at this time. If the certificates need to be put on the devices at the point of manufacturer (which is not our working assumption), then the lead time could be highly variable, and could be up to 3 months, depending upon where the devices are manufactured.

We are aware that discussions regarding this issue have been undertaken at TSEG and TBDG, and our expectation is that these discussions will continue until further clarity can be provided.

We would like to request that clarification is provided regarding Device and Organisation Certificate requirements for organisations that have multiple Supplier Ids. For example, could such organisations have a common/corporate Device and Organisation Certificate, that applies to all their Supplier Ids (or use a DCC User Proxy Certificate Set?) which is used at the point of manufacture, which then gets updated to the actual Supplier Id Certificate at the point of installation?

Q13 Do you agree that Large Supplier Parties should be obliged under the SEC to be ready to participate in SMKI and Repository Testing?

We recognise the logic but stress that all suppliers must successfully complete SMKI and Repository Testing prior to undertaking User Entry Testing

We accept that in order to enable DCC Go Live within the prescribed timescales, it is not pragmatic that all Supplier Parties should be obliged to be ready to participate in SMKI and Repository Testing during Transition, and that a more pragmatic approach is for Large Supplier Parties only to be obliged to be ready to participate in SMKI and Repository Testing.

We would like to stress however, that it is important that all Suppliers, whether they be Large or Small, successfully complete SMKI and Repository Testing prior to undertaking User Entry Testing. This requirement needs to be explicitly clear within the Enduring SEC Legal Drafting given the importance of security.

If such an obligation is placed upon Large Supplier Parties, it is important that the criteria by which the DCC will select which Suppliers they will utilise for SMKI and Repository Testing (if they do not to utilise all such Large Suppliers which would be our strong preference in this scenario) is transparent and published.

Q14 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?

No

We do not agree that it would be sufficient for only one Large Supplier to have completed SMKI and Repository Testing for the SMKI and Repository to have been proved.

Our rationale for this stance is that, if only one large Supplier were to be utilised, it would be impossible to determine whether any problems encountered were due to the development/interpretation of that Large Supplier, or whether the issues are broader and likely to impact the industry as a whole. In order to ensure that the SMKI Service and Repository is robustly tested and that the industry has confidence in the SMKI Service and Repository prior to DCC Go Live, it is important that all large Suppliers (and at an absolute minimum two Large Suppliers) have successfully completed SMKI and Repository Testing before this testing can be considered to have been completed.

In addition, we would like to stress that it is important that all Suppliers, whether Large or Small, should be given equal opportunity to participate in testing.

Q15 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?

Yes

We are in agreement 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, for the following reasons:

- Such an approach is logical, given that the processes are fundamentally intertwined,
- This approach will enable Parties to prove that the security model works with the Common Test Scenarios
- This approach will provide a more integrated End to End testing approach, which will be beneficial to the industry and thereby ultimately the End Consumer.

OTHER SECURITY REQUIREMENTS (Q16 – Q17)

Q16 Do you agree with our proposed approach and text for the SEC with respect to the Location of System Controls?

We support the intent but believe that the current Legal Drafting needs further work in order to fulfil this

Whilst we are supportive of DECC's intent with regards to the Location of System Controls, (as expressed within Section 3.10 of the SEC3 Consultation document), we do not believe that the current SEC3 Legal Drafting (See Section G3.19 – G3.21) reflects DECC's stated intent.

Our interpretation of DECC's intent, as detailed within Section 3.10 of the SEC3 Consultation document, is:

- The obligations already placed on the DCC require that the operations that control the supply of energy to the premises are located in the UK.
- DECC intend to extend the above obligation to those parts of the DCC User's systems that control the supply of energy. This should not affect the corporate billing systems (ie back end systems) or the customer support and call centre systems, but should be limited to the discrete functions that send a supply-affecting Service Request to Smart Metering Equipment at the end of a business process.
- The "discrete functions" that need to be located, operated, configured, tested and maintained in the United Kingdom by User Personnel who are located in the United Kingdom are:
  - cryptographic modules which contain private keys to sign supply affecting commands; and
  - anomaly detection checks carried out to detect whether any message to the Smart Metering Equipment might have an unintended effect.

We do not believe that the Legal Drafting relating to Location of System Controls (see Section G3.19 – G3.21) reflects the above intent however, for the reasons outlined below:

- The current SEC Legal Drafting requires "*Each User which is an Eligible User in relation to any Supply Sensitive Services Requests*" to ensure that "*any functionality of its User Systems which is used to apply Supply Sensitive Checks is located, operated, configured, tested and maintained in the United Kingdom by User Personnel who are located in the United Kingdom*". As we stated within our response to Q17 of the SEC2 consultation, the current definition of "User Systems" is very broad and captures back office systems (such as billing systems and call centre systems). DECC have clearly stated within Section 3.10 of the SEC3 consultation document that their intent is that back office systems should not be in scope. We therefore request (as we did within our response to SEC2 Q17) that the definition of User Systems is updated to reflect DECC's stated intent. If this definition is not amended then the SEC3 Legal Drafting will be considerably more onerous than DECC's

stated intent, which will have significant cost implications for Parties, and therefore ultimately the end consumer

- The definition of Supply Sensitive Check should be updated to clarify that this check should be carried out by a User in respect of requests that that User is planning to send.

Q17 .Do you agree with our proposed approach and text for the SEC with respect to the Obligations for Cryptographic Material?

Yes

We note that DECC are mindful that the security arrangements that need to be applied to the storage and operation of SMKI private cryptographic keys need to be proportionate to the risk, and that this risk will differ across SEC parties and should not represent a barrier for new entrants. We are supportive of this approach.

We note that the legal drafting with regards to Obligations for Cryptographic Material reflects the discussions regarding this matter that have been undertaken within Smart Security Working Groups. We are supportive of the drafting proposed.

We note that Clause G2.30 states "are compliant with FIPS140-2 Level 3 (or any equivalent to that Federal Information Processing Standard which updates or replaces it from time to time)". It would be helpful if similar drafting were utilised (wherever applicable) throughout the SEC3 drafting for "future proofing" purposes.

SUPPLIER NOMINATED AGENTS (Q18 – 20)

Q18 Do you think that it is important that MOPs/MAMs are able to access DCC services directly?

No

As stated within the SEC3 consultation document, the SEC1 Legal Drafting maintains the "Supplier Hub" principle and does not require Supplier Nominated Agents to become SEC Parties. We were, and still are, supportive of this SEC1 drafting, and are therefore not supportive of the proposal that MOPs/MAMs should be able to access DCC Services directly.

We believe that allowing MOPs/MAMs to have direct access to DCC services should not be progressed for the following reasons:

- DECC state that MOPs/MAMs will require direct access to DCC Services in order to undertake Diagnostic Service Requests; Installer Service Requests and Equipment Procurement. As all such activity will be being undertaken on behalf of a Supplier, or Suppliers, and ultimately responsibility for compliance rests with these Suppliers, it is appropriate that direct access to the DCC services should rest with the Suppliers.
- Supplier Nominated Agents only have a requirement to "read" data available via the DCC in order to satisfy their contractual obligations with Suppliers, they have no requirement to undertake such activity for their own needs, and it is therefore appropriate that SNAs access to the DCC should be managed via the Supplier with whom they have a contractual relationship.
- If MOPs/MAMs were to be able to access DCC services directly then this would require them to become a SEC Party and a SEC User in their own right. This would have significant implications across many areas such as SEC Voting Rights; SEC Charging (it would require MOPs/MAMs to become liable for Explicit Charges as a DCC User for example); and Testing. We believe that progressing this piece of work at this point in time would be an unnecessary distraction from the already challenging plan.
- With regard to the potential issues with the SEC1 approach that DECC has highlighted within the SEC3 consultation, we believe that such issues could be addressed contractually.

We note that DECC advise that the initial credentials installed on the Device could be those of the DCC and that when the Device is subsequently commissioned the DCC could then replace their initial credentials with those of the relevant Supplier. We believe that this approach has merit, both to support the small supplier model outlined by DECC within the SEC3 consultation and to support the model of multiple Supplier Ids per Organisation that exists within many Large Suppliers. We do not believe that progression of such a model must require MOPs/MAMs to have direct access to DCC Services in their own right however.

We note that no reference is made to Prepayment Agents. Clarification regarding the role of Prepayment Agents would be beneficial.

Q19 Do you have any views on the possible options identified for MOPs/MAMs to access DCC services?

We support option 1

Having reviewed the 3 Options outlined by DECC within the SEC3 consultation document, our view is that the progression of Option 1 (MOPs/MAMs rely on commercial arrangements with Suppliers to access information) would be the most appropriate, as this Option is most closely aligned to the current "Supplier Hub" principle, which we believe should be continued.

- We do not support Option 2 for the following reasons:
- Option 2 requires the creation of a distinction within the SEC between activities which are being undertaken on behalf of an individual Supplier and those that are being undertaken "on behalf of multiple Suppliers &/or for its own needs". We believe that the creation of the proposed distinction will lead to the introduction of unnecessary complexity within the SEC, which should be avoided.
- We are not supportive of the proposal that MOPs/MAMs should have direct access to DCC Services for a variety of reasons (see our response to Q18). We therefore do not support Option 2 which would require MOPs/MAMs to accede to the SEC and participate as a User in its own User Category.

We do not support Option 3 for the following reasons:

- We are not supportive of the proposal that MOPs/MAMs should have direct access to DCC Services for a variety of reasons (see our response to Q18). We therefore do not support Option 3 which would require MOPs/MAMs to accede to the SEC and participate as a User in its own User Category.
- Under Option 3 whilst SNAs would be allowed direct access to DCC Services, responsibility for compliance would still ultimately rest with Suppliers. We do not believe that such an approach is reasonable.

Q20 Are there other options which should be considered for MOPs/MAMs to access DCC Services?

Not that we are aware of

Please see our responses to Q18 and Q19

TESTING PHASES (Q21 – Q23)

Q21 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?

No, we think that the legal drafting needs development

Paragraph 208 (Section 5.1 – Testing Phases) of the consultation document states that "Testing will be undertaken prior to the DCC's Initial Live Operations, to demonstrate that it and Registration Data Providers can provide the arrangements set out in the SEC". It is our firm belief that Testing undertaken prior to the DCC's Initial Live Operations should have a broader scope, in order to provide all SEC Parties with confidence that the required End to End process has been delivered. It is important that the SEC Drafting clearly details both the testing that must be undertaken in order to enable the DCC to "Go Live" and the testing that must be undertaken in order to enable the market to operate effectively. We do not believe that the current legal drafting provides sufficient clarity with regards to the end to end testing requirements (Transition end Enduring), and we therefore request that the Legal Drafting is reviewed.

In particular, we believe that the current Legal Drafting lacks clarity with regards to both the order that Tests need to be undertaken, and dependencies between different phases (eg x must have been successfully completed before y can commence). We believe that this lack of clarity could be due, in part, to the fact that text relating to Testing is spread across multiple different sections of the SEC eg:

- SMKI and Repository Service Entry Process Testing is incorporated within Section L
- User Entry Process and Testing Services is incorporated within Section H
- Testing During Transition is incorporated within Section T

We believe that consideration should be given to restructuring the Legal Drafting in order to make it clear to Industry Parties what testing they are required to undertake, and in what order and with what dependencies, in both the Enduring World and during Transition. One example of an area of confusion can be found within the drafting of Clauses T3.16 – T3.21. Whilst these clauses are preceded by the sub-heading of "Interface Testing" 3 of the clauses relate to User Entry Process Tests and their inclusion within this section creates confusion regarding the role/timing of User Entry Process Testing during Transition.

We note that the "Installed Not Commissioned" status has been included within the SEC2/3 Legal Drafting, (please see our SEC2 response for our thoughts on this matter). Our position is that if there is "No WAN" then we will not be carrying out an installation, however we recognise that other Suppliers may take a different stance, and it is therefore important that testing relating to "No WAN" scenarios is undertaken. We note that there is no explicit reference to this within any documentation seen to date. In addition, it is important that the testing of Alarms and Alerts forms part of DCC testing, and we would like to see this explicitly mentioned within the Testing documentation.

We note that the SEC3 consultation makes a number of references to the development of the Common Test Scenarios (CTS), and indeed Section T5 specifically relates to the development of these documents. We would like to take this opportunity to express our concern that the series of DCC Common Test Scenario Forums that had been scheduled to take place during Q1/2 of 2014 have been cancelled by the DCC, and we question under what vires this decision was made. It should be borne in mind that the set of CTS and the template for a CTS were all developed and agreed via the TWG (which was lead by DECC) during 2013. This work had significant industry input, and was widely agreed would give confidence that the E2E solution would be robust and deliver the required benefits for customers. In order to ensure that the challenging SMIP timescales are met, it is important that the development of these Common Test Scenarios, that will enable testing of the End to End process to be undertaken and the industry to gain assurance that the End to End process works effectively, is progressed as a matter of urgency.

We question whether the creation of a separate section (T) for "Testing during Transition" is appropriate, or whether a better approach would be to incorporate all Transitional Testing Requirements within Section X (Transition)

Specific comments:

- We question why DCCIDs (H1.7) has been deleted?
- We question why H3.11 ("Any dispute regarding....") has been deleted?
- H14.2 – It should be noted that in the modern "outsourced" market it is likely that on occasions testing may be undertaken off-shore in different time zones. Have the implications of this been considered?
- H14.2 - We are assuming that Users will be able to request out of hours availability for testing (eg to enable test upgrades to take place over weekends) and that the hours stated within this clause are just a minimum service that must be provided. Clarification of this assumption would be beneficial.
- H14.6 – It is not just the cost of the asset that needs to be taken into consideration within this clause, consequential loss may also be incurred and it is feasible that such consequential loss could be more material than the costs of the assets. For example if the DCC lost Supplier X's batch of equipment and Supplier X was not able to obtain a replacement batch for another [3] months, then Supplier X could suffer materially through delays to their activity caused by the DCC's error.
- H14.8 – This clause needs to be more tightly drafted in order to ensure that all Testing Participants are aware of the minimum timescales that they need to adhere to with regards to notification.
- H14.9b – It is important that the "reasonable number" of Devices is sufficient to ensure that all Testing Participants are able to test concurrently, as per clause H14.4. We note that the DCC has quoted a number of "150" within some industry meetings, and we question whether this is sufficient.
- H14.10 – This clause should be augmented to specify that the storage facilities provided are suitably secure and within a controlled environment. In addition, access to these storage facilities should be restricted to those Testing Participants who have provided the Devices.

- H14.9 – H14.11 – This section needs to be augmented to capture other equipment that the DCC has to provide such as:
  - connectivity
  - test bench
  - test load (which should be variable)

  As currently drafted only the provision of storage facilities has been captured, which is insufficient.
- H14.2c – for clarity, suggest that this reads "Test SMKI Repository" not "Test Repository"?
- H14.13 – has the word "may" been used here in order to provide the SEC Panel with some flexibility eg with regards to Organisations who have multiple Supplier Ids who use the same systems?
- H14.18 and H14.27 – We question whether the DCC have suitable knowledge/experience to approve our test scripts as detailed within this clause, although note that at the SMIP Regulatory Group Meeting on 27th January, DECC advised that "behind the scenes activity at supplier end will not need to form part of these test scripts". This statement has lead us to question when "behind the scenes activity at supplier end" will be tested if it is not to form part of the User Entry Process Tests? Is there a possibility that duplication of work may be required if the Testing Participants use a different test tool to the DCC? Should meeting the entry requirements not be sufficient?
- H14.34 –The Minimum Support that must be provided by the DCC free of charge should be defined. Any "applicable charges" as referenced within this Clause should be reasonable and the drafting should be augmented to capture this requirement. We note that at the SMIP Regulatory Meeting on 27th January, DECC advised that applicable charges referenced within this Clause will be defined within Section K.
- H14.37 – How will the DCC select its testing partners in this scenario?
- T1.2 – we are pleased that this clause has been included, as it supports our preference for testing to be undertaken using actual Devices, rather than Test Stubs.
- T1.3 – we are pleased to see that a de-selection procedure which incorporates an appeals process is being proposed.
- T1.4a – this drafting implies that SIT testing will be undertaken on SMETS1 compliant devices. Is this the intention, particularly bearing in mind the significant differences (especially with regard to security) between SMETS1 and SMETS2 meters?
- T1.4b – Whilst we support the proposal that "at least two of the Gas Meter Device Models and at least two of the Electricity Device Models are Device Models of a Manufacturer which is not the Manufacturer (or an Affiliate of the Manufacturer) of the Communications Hubs" we believe that this clause requires further augmentation to clarify that in addition to the stated requirement, the Device Models that are used must be from a minimum of two different manufacturers. As currently drafted 4 devices from one manufacturer (who was not the Manufacturer or an affiliate of the Manufacturer of the Comms Hubs) could be selected, which would not be sufficient. Bearing the above comments in mind, where only devices from affiliates were available our preference would be for these to be used rather than relying purely on test stubs.

- T2.1 and T3.1 – Paragraph 54 of The Testing Consultation Decision Document clearly states that metering equipment should be used within testing, however this requirement is not made clear within Clause T2.1 or subsequent clauses. We note that the DCC questioned the extent of SIT at the SMIP Regulatory Forum on the 27th January, and that DECC clarified that the DCC must test everything that the DCC will be required to do under SEC, including provisions that are currently switched off. Our preference would be for the Legal Drafting to be updated to reflect both of the above positions.
- T2.7 – we note that consultation responses submitted by the RDPs are to be presented to the Panel and published on the website. We are supportive of this transparent approach, and request that consideration is given to following this same approach with regard to other equivalent consultations referenced within the SEC.
- T2.9 – This clause references 14 days. Does this mean 14 calendar days or 14 working days? It would be helpful if standard terminology with regards to Days/Working Days was adopted throughout the document.
- T2.16 – we believe that the word "expedient" should be removed from this clause as usage of this term implies that the required due process may not always be undertaken.
- T2.18 – should read "(in respect of each Region and RDP System)" not "(in respect of each Region or RDP System)".
- T2.19 – We note that at the SMIP Regulatory Forum on the 27th January, DECC agreed to review the wording of this clause in order to clarify that SIT shall only be completed when the required exit criteria has been met in respect of ALL Regions and ALL RDPs. We would support the provision of such further clarity/drafting.
- T3.2 – As stated within our response to the SEC2 consultation, and our response to Q16 of this SEC3 consultation, we believe that the definition of User Systems requires further consideration. Please see our response to Q16 for more detail.
- T3.7i – should this clause also make reference to the Network Parties as per Clause T3.6h?

Q22 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?

No

Whilst we are not opposed to the usage of the term "Enduring Testing" (to encompass both the End to End and Enduring Test stages) per se, we do not believe that the current Legal Drafting with regards to testing aids either comprehension or simplicity.

As stated within our response to Q21, our preference would be for the Legal Drafting relating to Testing, which at present is split across a number of different sections, to be reviewed and potentially updated/augmented, to ensure that it is clear to all Industry Parties:

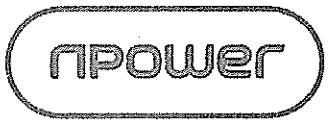
a) what testing must be undertaken (and by whom and within what order) during Transition in order to enable DCC Go-Live
b) what testing must be undertaken (and by whom and within what order) in order to be able to participate in the market and to provide assurance that the E2E processes work effectively

We do not believe that the drafting as it currently stands makes the above processes sufficiently clear, and would request that this is further reviewed. Consideration of the best terminology for usage going forwards should form part of this wider review.

Q23 Do you agree with the proposed approach to include the Projected Operational Service Levels within the SEC?

Yes

We are supportive of the proposal that the Operational Service Lines, as detailed within the Service Provider Contracts, should be included within the SEC. Such an approach would assist with transparency and would ensure that these documents fall under a formal change control process.



ISSUE RESOLUTION DURING TESTING (Q24 – Q25)

Q24 Do you agree with the need for an issue resolution process in testing? Does the proposed process meet that need?

and

Q25 Do you agree with our proposed text for the SEC with respect to Issue Resolution?

Yes, subject to comments:

We are supportive of the need for an issue resolution process in testing, and for the inclusion of such a process within SEC (Section H14.38 – H14.45). The additional inclusion of a "Testing Issues Procedure" document within the SEC would be helpful however.

We are supportive of the proposal that Testing Participants should raise Testing Issues as soon as reasonably practicable, having first carried out a reasonable level of due diligence to ensure that the issue is not due to something within their control, and we believe that the proposed legal drafting regarding this (Clause H14.38) is appropriate.

We are supportive of the proposal that the DCC must ensure that its Service Providers provide "1st Line Support" to Testing Participants, during which they must determine the severity level and priority status for the issue and provide a decision on the resolution of the issue in a timescale that is consistent with its severity level and priority status. We have the following comment regarding the proposed legal drafting in this area (Clause H14.39) however:

- the current legal drafting suggests that Testing Participants will liaise directly with DCC Service Providers regarding Testing Issues. We believe that it would be more appropriate for all such communication to be progressed via the DCC, and propose that the DCC nominates a point of contact (eg Testing Manager) for all such communications within a Testing Issues Procedure document. Such an approach would ensure that the DCC has visibility of all Testing Issues, and would enable the nominated point of contact to effectively manage/co-ordinate the resolution of testing issues.

We are supportive of the proposal that the DCC must publish information on testing issues on its website.

We are supportive of the proposal that Testing Participants may choose to appeal the DCC's decision with regards to a Testing Issue, however we believe that Testing Participants should be allowed to escalate all 3 Categories of issue through to the SEC Panel, rather than only having this right for Category 3 appeals as has been proposed (Clause H14.42). If Testing Participants are unable to escalate Category 1 appeals (H14.40a) to the SEC Panel we believe that this could lead to issues whereby Testing Participants are unable to get testing issues that are important/material to them addressed within a suitable timeframe. If Testing

Participants are unable to escalate Category 2 appeals (H14.40b) to the SEC Panel we believe that there is a risk that a necessary level of transparency with regards to performance reporting may not be obtained.

We are supportive of the proposal that where an appeal is raised the DCC must consult with relevant stakeholders in order to determine the manner in which the issue should be resolved. We believe that the proposed Legal Drafting in this regard (clause H14.41a) should be strengthened to clearly state with whom the DCC should consult on such occasions, with this being at a minimum the Testing Participant and SEC Parties. If the DCC is only tasked with consulting with those whom it considers "appropriate" there is a risk that the DCC will not consult with industry parties who may be affected by the Testing Issue under consideration.

We are supportive of the proposal that the Testing Issues Resolution Process and Appeal mechanisms apply during:

- SIT;
- Interface Testing;
- SMKI Testing;
- use of any of the Test Facilities contained in H14 (including User Entry Process Testing); and
- testing required to support implementation of a SEC mod.

We are supportive of the proposal that, where a Testing Participant is involved in testing DCC internal system changes, the issue resolution process will be used, and we are comfortable with the related Legal Drafting (Clause H14.37). We are also supportive of the proposal that where the Panel (or if the issue is appealed Ofgem) considers that implementation of the tested DCC system would result in the DCC system not working in accordance with the SEC, then the Panel/Ofgem may require that the DCC does not implement the internal change until the discrepancy has been addressed.

We are comfortable with the proposal that the SEC Panel should publish its appeal decisions on the Website, although we believe that consideration should be given to commercial confidentiality issues prior to publishing such information. We believe that the Legal Drafting of Clause H14.44 should be updated to make reference to such publications maintaining commercial confidentiality.

We note that at the SMIP Regulatory Workshop on the 27th January, DECC confirmed that a Testing Issue will be closed once the Panel have made a determination. We believe that the Legal Drafting should be amended to reflect this position (the current legal drafting is silent on this matter).

SMART METERING SYSTEM REQUIREMENTS (Q26)

Q26 Do you agree with our proposed text for the SEC with respect to Equipment Testing, and configuration of enrolled Smart Metering Systems?

Yes. We have some comments on the drafting

We are in agreement with DECC that it is in the interests of all parties that equipment from multiple manufacturers interoperates within consumers' premises and with the DCC's systems, and that such interoperability is required in order to ensure that equipment does not have to be replaced as such replacement activity would lead to a poor customer experience and increased costs. We believe that testing using a robust set of Common Test Scenarios will be an important means of ensuring that the required interoperability, and thereby a good customer experience, is achieved.

With regards to the Legal Drafting that is being proposed with respect to Equipment Testing and configuration of enrolled Smart Metering Systems, we would like to make the following comments:

- F2.2e – Each Device may have multiple assurance certificates, and the text of F2.2e should be updated to reflect this, as should the CPL itself.
- F2.5 – Paragraph 291 of the Consultation document states that "Suppliers will be required to recertify all equipment (not simply equipment enrolled in the DCC) under the CPA scheme every six years. Equipment will be removed form the CPS on expiry of its certification". This statement appears to be misaligned with the statement made by DECC at the SMIP Regulatory Meeting on 27th January, at which DECC stated that CPA Certification will not be required for Opted Out/Customer Owned Meters. Further clarity both with regard to the intent as detailed within the consultation document, and the legal drafting is required as it is at present not clear to us how this process would work for DCC Opted-Out meters and Customer Owned meters.
- F2.9b – our assumption is that parties should retain the evidence for the lifetime of the CPA Certficate. It would be useful if this clarification were to be provided.
- F2.13 – it would be helpful if a report could be produced detailing Devices for which the CPA Certificate is to expire within [3/6] months.
- F2.15 – it would be useful if the Deployed Products List could also contain a count of each of the combinations.
- F3.2 – This clause states that "The Devices to which this Section F3 applies need not form part of Enrolled Smart Metering Systems", which implies that the Panel Dispute Resolution Process can apply to opted out meters. We are not clear how the Panel Dispute Resolution Process could be used for opted out meters, and request further clarity with regards to DECC's thinking in this area.
- Clause F3.5 allows for the development of a remedial plan by Suppliers and the DCC in order to remedy/mitigate non-compliances, however we note that under Clause F3.6 failure by a Supplier Party to give effect to any remedial

plan can constitute an Event of Default, however no equivalent "penalty" exists for the DCC.

- F4.1 – the "minimum functions of the Smart Metering Systems" that are referenced within this Clause should be defined within the SEC for clarity.
- F4.2 – This clause states that the DCC has certain obligations to ensure that Communications Hubs are interoperable with the DCC systems. It would be helpful if we could have visibility of these obligations, and that an explicit reference to them (e.g. cross reference to pertinent clause in DCC Licence if applicable) were to be provided within the Legal Drafting.
- F4.5 – Whilst we are comfortable with granting the DCC remote access to Smart Metering Systems "as is reasonably necessary to allow the DCC to provide the Services" as captured within the DCC Licence that was awarded in 2013, we are less comfortable with granting the DCC remote access to the more open ended legal drafting that is proposed within F4.5. Our preference would be for the drafting of this clause to be amended to make reference to a specific point in time. The question of remote access to meters is a fundamental one and should not be the subject of open ended drafting, as requirements on the DCC could be placed, in regard to data access, that is out of keeping with the smart design, and should only be done with full consultation
- We note that the legal drafting in relation to Firmware Updates is still to be developed, and would request that this is made available in the very near future.

Comments on Definitions:

Code Performance Measures – should not the words "as applicable" be inserted at the end of this definition

Compromised – Private key aspect of the definition does not detail what constitutes compromise (unlike the new secret key aspect) – needs to be augmented to capture this info.

DLMS User Association - suggest wording is augmented to make it future proof in case this association ever changes its name etc

Independent Assurance Scheme – definition should be more specific to capture that this relates to SMKI Assurance only

Recovery Procedure – Should this not specify that it is the SMKI Recovery Procedure for clarity, and also Cross Reference to the applicable appendix?

Relying Party needs to be defined, in addition to Relying Party Agreement. (We are assuming that this Section will be published in SEC4)

Inventory Definition needs to be reviewed in light of the changes to Definitions of Type 1/Type 2 Devices. The Inventory needs to capture Firmware Information . Inventory definition is not consistent with the Devices definition (which has now been updated to capture firmware information). Some devices could be associated with multiple smart meters – the inventory definition does not appear to capture this scenario.

Supply Sensitive Check – this definition should clarify that the check should be carried out by a User in respect of requests that it is planning to send.

Suspended definition – should "Deemed Suspended" not also be defined?

SMKI – suggest this term is included within the Definitions for clarity

Target Response Time – should state "as applicable" at the end of the definition.

Test Repository – this should be augmented to specify that it is SMKI Test Repository.

Testing Objective – should this not also capture Testing Objectives such as SMKI Testing Objectives; Enduring Testing Objectives; User Entry Objectives? . Also it should be "one or more of the SIT Objective(s) and the Interface Testing Objective(s).....

User – not sure why the word "only" is included within this definition. Could you not just say "means a Party that has completed the User Entry Process for each of the specific User Roles that are applicable" (or words to that effect).

Further comments

Please find below comments that we believe should be constructive, whilst not mapping directly to the questions posed

Section H3.11 – We question why has this dispute clause been removed?

H5.28 – in what scenario(s) would a Supplier want to change the SMI Status of a device from withdrawn or suspended to pending? This implies that all SMI Status changes have to go through the pending status – why is this the case?

Suspension – **H6.10 – H6.12** – how would a "suspended" or "deemed suspended" device become "unsuspended"? What commands can be sent (if any) to a "Suspended" or "Deemed Suspended" device? Clause H6.12 implies that if a Smart Electricity Meter is suspended then all devices associated to that smart meter are deemed to be suspended, which means that the Comms Hub becomes suspended. Was this the intent? This would have consumer implications eg customers may not be able to put credit onto the meter; IHD would cease to work etc What does suspension actually mean in practical terms? Can we continue to talk to and send commands to a suspended device (or deemed suspended device)? What actions lead to suspension? Are there any other scenarios that could lead to suspension over and above removal from Certified List? Further clarification regarding Suspension is required.

H6.13/H6.14 – will a message be sent to the Users in this scenario or will a notification be posted upon the portal that we will have to proactively go and find?

User Gateway Services Schedule - We note that an updated version of the User Gateway Services Schedule is due to be published with the SEC3 decision document, and would request some confirmation within that response (or preferably earlier) regarding why Service Reference 6.22 Event Configuration has been dropped from the Schedule.