

Smart Metering Implementation Programme Regulation
Department of Energy & Climate Change
Orchard 3, Lower Ground Floor
1 Victoria Street
London, SW1H 0ET

14 February 2014

Dear Sirs

Consultation on New Smart Energy Code Content (Stage 3)

Thank you for the invitation to respond to the above consultation. As you are aware, Good Energy is a unique small electricity and gas supplier, as we only supply customers with 100% renewable electricity predominantly purchased from decentralised generators, and gas which supports renewable heat. It is our mission to provide a blueprint for the UK to transform itself to a low carbon, 100% renewable economy through the work that we do and the actions of our customers and renewable generators.

Executive Summary

Before we answer the specific questions raised in the consultation, Good Energy would like to make some high level observations about the subject matter of the consultation.

While we do not have security expertise, it is clear that the changes introduced to the security architecture improve on the previous situation. However, it will introduce a degree of complexity that impacts suppliers, big and small.

The costs of implementing this complexity are disproportionately large for small suppliers like Good Energy, and we urge government to offer maximum flexibility to smaller suppliers in their implementation options.

In our responses to questions to Q17 – Q20 we refer to the constraints currently referenced within the consultation that would further exacerbate the disproportionate costs upon Good Energy. Based on the investigations we've undertaken to date and a specific product available from CGI, we expect the up-front cost of managing some of the complexity to be at least £900K; if Good Energy were allowed to take this as a service, offered to multiple small suppliers, the up-front costs would be significantly reduced and while we don't have formal quotes, our estimate is that the reduction would be around £700K- £800K.

We have been a little concerned that several of the questions require the knowledge of a security architect specialist and we currently feel technically unqualified to answer with authority. This is further demonstration of the impact of Smart Metering on Good Energy and potentially other smaller suppliers in general as it suggest that all suppliers will have an enduring requirement for such a specialist. This could be seen as a significant barrier to new entrants into the market.

Our responses to the questions raised in the consultation are set out below.

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

The approach and agreed text seem reasonable. It is also important to ensure that the interests of smaller suppliers are effectively represented. Representation comes at a cost that smaller suppliers find more difficult to meet.

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

The proposals and timings are reasonable, but see response to Q1 regarding small supplier representation.

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

The proposed approach seems reasonable but without a detailed understanding of PKI, its operation and options, it is very difficult to comment with authority.

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

Generally, however, it is not clear why access is required to premises and staff and the circumstances under which this would be required; furthermore, assurance of the SMKI prior to GO Live (per 105) seems a little late / risky - why not prior to testing - or, at least, entry testing.

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

Unfortunately, at this point in time, Good Energy has insufficient expertise to comment either positively or negatively.

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

Unfortunately, at this point in time, Good Energy has insufficient expertise to comment either positively or negatively.

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

Any policy that maximises the life of metering assets and minimises customer impact seems sensible but must be backed up by suitable processes to enable the meters to be opted in and out over time and multiple Changes of Supplier.

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

Good Energy will respond to the upcoming consultation.

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

Unfortunately, at this point in time, Good Energy has insufficient expertise to comment either positively or negatively.

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

The concept of a recovery process seems sensible, however, at this point in time, Good Energy has insufficient expertise to contribute in further detail.

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

Agree in principle; not all small suppliers will be ready to test at this point but small suppliers that are should not be precluded, if they so wish.

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?

Good Energy is not in a position to answer this question definitively.

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

Clearly a number of parties will be required to participate in SMKI and Repository testing to enable the DCC / SMKI service to go live; those parties with large numbers of meters need to start roll-out earlier than those with smaller numbers. Good Energy has no view as to whether all large suppliers should be obliged to participate in SMKI and Repository testing.

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; there may be a deficiency in a single supplier's system that may be inappropriately replicated in the SMKI service. Good Energy would propose at least three large suppliers.

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.

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

Yes.

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

Yes with a caveat regarding our position with regard to paragraph 198, as outlined in responses to Q18 and Q20.

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

Good Energy is firmly of the opinion that agents and service providers, including MOPs / MAMs, should be allowed the flexibility to develop offerings that enable suppliers (especially smaller ones) to implement cost effective Smart Metering solutions. Small suppliers in particular may need the economies of scale provided

by a service offering to enable them to keep their Smart Metering implementation costs in-check. This is likely to require various types of agents / service providers to have access to DCC Services on behalf of multiple suppliers.

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

In the context of our response to Q18, Good Energy would support option 3.

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

Good Energy would strongly urge Government to allow supplier agents / service providers much more flexibility that is proposed within the consultation. We see the constraint detailed in paragraph 198 ("and Suppliers are not permitted to share their SMKI private credentials with any other entity, including their nominated agents.") as one that limits Good Energy's ability to implement the most cost effective solution and cite the CGI "DCC Adapter" product as the basis of a service that could be offered to multiple suppliers; however, our understanding is that this would require position detailed in paragraph 198 to be significantly revised.

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?

Assuming the Common Test Scenarios aren't overly onerous, Good Energy agrees with the approach.

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?

Good Energy assumes that documentation referring to 'Enduring Testing' would explain what this encompasses; in this context, Good Energy has no strong opinion.

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

Good Energy agrees that they should be included within the SEC.

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

An issue resolution process is essential. The process must ensure that issues are resolved in an equitable manner and take account of cost implications on DCC service users. Principles underpinning the issue resolution process must be made clear and outcomes for all issues raised must be made available to all DCC Service Users.

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

The proposals outlined seem reasonable.

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

Good Energy has some concerns regarding responsibility for CPA testing and, in particular, re-testing. While some large suppliers have control over the assets that they deploy, smaller suppliers may have much less influence and could be pushed into a specific asset type by their asset providers. While there is a degree of choice in this matter for all suppliers, commercial reality is that this is much reduced for small suppliers. There also seems a significant potential for the responsibility falling between multiple suppliers where an asset type is not exclusively used by a single supplier and for Change of Supplier situations where assets are inherited.

I hope you find this response useful. If you have any questions, please do not hesitate to contact me.

Kind regards,