

Smart Metering Implementation Programme

A Consultation on New Smart Energy Code Content (Stage 3) Response

14 February 2014

1 Introduction

The DCC is delighted to respond to the Government consultation on the New Smart Energy Code Content (Stage 3).

Please note that our answer to Question 8 is confidential and commercially sensitive. If you have any questions regarding this please contact us on the details below.

The rest of the response is not confidential.

Our response is below. If you have any questions regarding these responses please address them to:

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2 DCC Response

3: Smart Metering Key Infrastructure	
Q1	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
A1	<p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the Policy Management Authority but would like to make the following observations:</p> <ul style="list-style-type: none"> The drafting in L1.7 allows for two Large Supplier Parties and one Small Supplier Party to be appointed to the PMA. Network Parties and Other Parties are required to utilise the SMKI Service. DCC believe that DECC should as a minimum include Network Party representation on the PMA. Within Section A1 of the SEC we note that the definition of SMKI Parties covers Authorised Subscribers and Relying Parties. The former are a defined term with A1, the latter are not. We believe this requires amendment.
Q2	Do you agree with our proposed approach to securing the timely appointment of PMA members? Please provide a rationale for your views.
A2	<p>DCC broadly agrees with the proposed approach to securing the timely appointment of members but would like to make the following observation:</p> <ul style="list-style-type: none"> The consultation document (Paragraph 64) refers to Large and Small Supplier membership terms being staggered to avoid the loss of expertise and experience resulting from the simultaneous retirement of a large proportion of PMA members. DCC agrees with this approach and believes it should be included explicitly within the SEC drafting.
Q3	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.
A3	<p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the provision of the SMKI service but would like to make the following observations:</p> <ul style="list-style-type: none"> Within the consultation document, the table on p22 summarises changes to Section H. This includes an amendment to H4 "to ensure that Service Requests must not be processed where the private key corresponds to a test certificate". DCC cannot locate this change within H4. L4.2 states that "The DCC shall ensure that the SMKI Service Interface is available at all times (subject to Planned Maintenance undertaken in accordance with Section H8.3)." H8.3 requires that planned maintenance only take place between 20:00 and 08:00. This does not correlate with the interface availability time in L8.1 (b) (i) between 07:00 and 19:00. DCC's recommendation is that the SMKI interface availability time does not overlap with the Planned Maintenance window. Within the SEC 2 Consultation Response a change is referenced to H3.38 whereby demand forecasting periods will be extended from 6 months to 8 months. DCC proposes that L8.7 is amended to reflect this change to ensure that at any point DCC has a 6 month forward view. M8.1 (a) currently reads "any or all of the following" relating to a Default Party failing to take up DCC services. DCC proposes that this drafting is changed to

	"any of the following" to make the circumstances of default unambiguous and ensure, that where appropriate, the process for triggering suspension of SMKI Participants occurs as efficiently as possible (L2.14).
Q4	Do you agree with our proposed approach and text for the SEC with respect to SMKI Assurance? Please provide a rationale for your views.
A4	<p>DCC broadly agrees with the proposed approach and text for the SEC with respect to SMKI Assurance but would like to make the following observations:</p> <ul style="list-style-type: none"> • Within L2 (SMKI Participants: Duty to Co-operate in Assessment), L2.4 (b) refers to SMKI Participants providing PMA access to "premises" and "participants". DCC believes this should explicitly mention access to 3rd party supply chains (e.g. manufacturers, logistics firms, data warehouse) used by SMKI Participants in relation to the SMKI Service. • DCC believes that L2.14 (Emergency Suspension of SMKI Services) should include a timescale within which the PMA (presumably through the Code Administrator) should notify DCC to immediately suspend services to a SMKI Participant. This will limit the time-period during which DCC may be unwittingly issuing certificates to a suspended Participant. We believe that a mechanism covering this requirement should be included within the drafting. • Appendix C, Section 3.2 (a) states that the Independent SMKI Assurance Service Provider shall at the determination of the PMA, "carry out an assessment of the compliance of any SMKI Participant with the applicable requirements of the SMKI Document Set". Is DECC's intention that the costs of this assessment will be borne by the relevant SEC Party through an Explicit Charge or folded into the overall costs of the Independent SMKI Assurance Service Provider and included within the overall Fixed Costs? DCC can see the merits in both approaches, but given the likely scale and frequency of the assessments would recommend that it is not set as an Explicit Charge and is instead included within the Fixed Cost category. • Appendix C 4.2 (b) refers to "an assessment report in relation to the SMKI Services being produced by the Independent SMKI Assurance Service Provider at least one month prior to the anticipated start date of Interface Testing." DCC notes that on the basis of current planning assumptions, the initial assessment will be undertaken on the test SMKI Service and Repository. DCC believes that the drafting of the policy should be updated to reflect this.
Q5	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.
A5	<p><i>DCC is in the process of finalising the procurement of a Trusted Service Provider to deliver the SMKI Service. Comments provided in this response are therefore limited and are subject to alignment of the Trusted Service Provider solution with the Device Certificate Policy.</i></p> <p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the Device Certificate Policy, but would like to make the following observations relating to the Device Certificate Policy:</p> <ul style="list-style-type: none"> • 4.2.3 (A) – DCC believes the reference in this clause should be to Section L8 rather than Section L7. • 5.4.2 (A) (i) (a) – The document incorrectly refers to BS 100008:2008; the standard is BS 10008:2008. • 5.8 – DCC believes that drafting should be included relating to Certification Authority and Registration Authority Termination. We believe the Policy needs to take into account termination of supporting components within the DCA service which may occur as a consequence of service improvement and development. • 6.2.2 – "Private Key (n out of m) Multi-Person Control" should read "Private Key

	(m out of n) Multi-Person Control”.
Q6	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.
A6	<p><i>DCC is in the process of finalising the procurement of a Trusted Service Provider to deliver the SMKI Service. Comments provided in this response are therefore limited and are subject to alignment of the Trusted Service Provider solution with the Device Certificate Policy.</i></p> <p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the Organisation Certificate Policy but would like to make the following observations relating to the Organisation Certificate Policy:</p> <ul style="list-style-type: none"> • 4.2.3 (A) – DCC believes the reference in this clause should be to Section L8 rather than Section L7. • 4.9.1 (D) and (E) – DCC agrees with the requirement for the OCA to provide a statement of its reasons for revocation of a Certificate, but believes drafting should be included on how the PMA will respond to this action. • 4.9.7 (B) – DCC would like to further understand the rationale behind the requirement for the ARL validity period being 13 months. For simplicity, DCC would suggest this be set at 12 months. • 5.4.2 (A) (i) (a) – The document incorrectly refers to BS 100008:2008; the standard is BS 10008:2008. • 5.8 – DCC believes that drafting should be included relating to Certification Authority and Registration Authority Termination. We believe the Policy needs to take into account termination of supporting components within the OCA service which may occur as a consequence of service improvement and development. • 6.2.2 – “Private Key (n out of m) Multi-Person Control” should read “Private Key (m out of n) Multi-Person Control”.
Q7	Do you agree with our proposed approach to parties using the SMKI service, including by Opted Out Non-Domestic Suppliers? Please give a rationale for your views.
A7	<p>DCC agrees with the approach to other parties using the SMKI Service, including by Opted Out Non-Domestic Suppliers and support DECC's position that all SMETS 2 equipment should have SMKI Device Certificates.</p> <p>As it stands, the cost of providing SMKI Services are included within the charges as Fixed Cost base and are allocated across SEC Parties in accordance with the Charging Methodology. As Opted Out Non-Domestic Suppliers will not have enrolled meters or mandated smart metering systems, they will incur no charges if they use the SMKI Service. DCC recommends that Explicit Charges for accessing/using the SMKI Service should be implemented considered for any new category of user.</p>
Q8	Do you agree with our proposed approach for the SEC with respect to Liabilities, Warranties and Indemnities? Please provide a rationale for your views.
A8	<u>THIS ANSWER IS CONFIDENTIAL AND COMMERCIALY SENSITIVE. IF YOU HAVE ANY QUESTIONS ON WHY PLEASE CONTACT DCC.</u>

Q9	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.
A9	<p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the SMKI Repository but would like to make the following observations:</p> <ul style="list-style-type: none"> • The Legal Test table in 3.7 references changes to L5.12 and L5.13. These are not included within the SEC drafting. • L5.3 and L5.4 references the fact that only the DCC and SMKI PMA can lodge documents onto the SMKI Repository. L6.1 indicates that this function will be undertaken by the Code Administrator on behalf of the PMA. DCC believes this should be made explicit in the drafting for L5.3 and L5.4.
Q10	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.
A10	<p>DCC broadly agrees with the proposed approach and text for the SEC with respect to the SMKI Recovery Procedure, noting the requirement on it to produce and periodically review the Recovery Procedure.</p> <p>DCC notes that within Paragraph 167 of the Consultation Document some details of Recovery Process will need to be kept confidential to the DCC and PMA to ensure the security of SMKI operations is maintained. Will these details also be redacted in the version requiring approval by the SEC Panel?</p>
Q11	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.
A11	<p>DCC agrees with the proposed approach and text for the SEC with respect to SMKI and Repository Testing.</p> <p>DCC assumes that the reference to the "SIT Approach Document" in T5.4 is to be revised to "SRT Approach Document" in accordance with T4.4.</p>
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 the SMKI Service and SMKI Repository should Go Live. Please provide a rationale for your views.
A12	<p>In responding to this question, DCC must consider its dual role as an Eligible Subscriber on behalf of the CSPs and as the provider of the SMKI Service and Repository.</p> <p>Eligible Subscriber on behalf of CSPs</p> <p>DECC's current position (Paragraph 173) that the go-live for the SMKI Service and Repository should occur upon completion of Interface Testing gives CSPs 16 weeks to order and install organisation certificates into Communications Hubs. We believe that this timescale is achievable and fits with the requirement for suppliers to place Communications Hub orders 9 months in advance of DCC Go-live (Jan 2015).</p> <p>SMKI Service Provider</p> <p>DCC is currently planning on the assumption that SMKI Service and Repository Go-Live will be following the completion of Interface Testing (currently end May 2015). Bringing forward the date from which live Device and Organisation certificates will</p>

	<p>need to be obtained will need to take into consideration:</p> <ul style="list-style-type: none"> • achievability of the timescales by the DCC's SMKI Trusted Service Provider and the DSP • running a separate SMKI Entry Process in advance of the DCC User Entry Process rather than concurrently • shortening the period that the SMKI Test Service and Test Repository is tested in Systems Integration Testing. <p>Whilst DCC recognises the drivers to install certificates on devices at the earliest available opportunity, DCC's considered position is that SMKI Service Go-live should continue to be following the completion of Interface Testing (currently end-May 2015).</p>
Q13	<p>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.</p>
A13	<p>DCC agrees that obligations should be placed on all Large Supplier Parties to be ready to participate in SMKI and Repository Testing. This approach:</p> <ul style="list-style-type: none"> • aligns with Large Supplier Party obligations to be ready to participate in Interface Testing • recognises the critical dependency for Go-Live of Large Supplier Parties being able to install certificates on devices. <p>However, DCC believes that this position would need to be re-visited in light of DECC's final decision concerning the date for SMKI Service Go-live (covered in Question 12).</p>
Q14	<p>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.</p>
A14	<p>DCC believes that at least one Large Supplier Party should have completed SMKI and Repository Testing for the SMKI Service and Repository to have been proved.</p> <p>Whilst this approach does not fully align with the exit criteria for Interface Testing (at least two Large Supplier Parties and one Network Operator), it strikes an appropriate balance to ensure that SMKI Service Go Live is not delayed and maximises the time available for Large Supplier Parties (who have passed SMKI Entry Processes) to install certificates on devices.</p>
Q15	<p>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.</p>
A15	<p>DCC agrees that SMKI Entry Processes should be aligned with the User Entry Process Testing in relation to the DCC User Gateway and Self Service Interface. DCC notes that the benefits of alignment will not be realised if the SMKI Service Go-Live is brought forward (Question 12).</p>

3.10: Other Security Requirements

Q16	<p>Do you agree with our proposed approach and text for the SEC with respect to the</p>
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	Location of System Controls? Please provide a rationale for your views.
A16	Yes we agree with this approach.

Q17	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.
A17	Yes we agree with this approach.

4: Supplier Nominated Agents	
Q18	Do you think that it is important that MOPs / MAMs are able to access DCC services directly? Please provide a rationale for your views.
A18	DCC agree with the proposal that MOPs and MAMs can access DCC Services directly.
Q19	Do you have any views on the possible options identified for MOPs / MAMs to access DCC services? Please provide a rationale for your views.
	DCC believes that Option 3 is the best possible option for MOPs/MAMs to have access to DCC Services, under a specific and discrete User category, held within the 'Other User Party Category'. We believe that this Option will provide the appropriate level of clarity, for all Parties, on which services MOPs/MAMs can access.
Q20	Are there other options which should be considered for MOPs/MAMs to access DCC services?
	<p>We do not propose any other options for MOPs/MAMs to access DCC Services.</p> <p>However, whilst we recognise the need for SNAs to access DCC Services, the following consequential implications should be noted and addressed.</p> <p>Where a User becomes aware of an Incident that has not yet been logged, H9.5 places an obligation on Users to resolve the Incident themselves through the Self Service Interface or by sending a Service Request, and if the Incident remains unresolved to add the Incident to the Incident Management Log. In the case of an SNA, if the SNA is unable to resolve the incident themselves, then the incident may be resolvable by the Supplier for whom the SNA is working. As such, <u>when acting on behalf of a single Supplier</u>, we believe there is merit in SNAs being obliged to seek to resolve the Incident through that Supplier, prior to raising the incident on the Incident Management Log. In these scenarios, we then believe that it should be the Supplier who should raise the Incident on the Incident Management Log. We propose that H9.5 is updated to reflect this.</p> <p>DCC would also appreciate clarity as to whether DECC are proposing that SNAs will be able to order Communications Hubs directly, or whether this must be managed by the Suppliers.</p>

5.1 Testing Phases

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? Please provide a rationale for your views.
A21	DCC agrees with the proposed text for the SEC with respect to the Test Phasing. The purpose of End-to-End and Enduring were broadly, from the DCC perspective, providing the same facility.
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? Please provide a rationale for your views.
A22	<p>Yes, the DCC agrees 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.</p> <p>In addition, the DCC believes there is value in retaining the term 'User Integration Testing' as:</p> <ul style="list-style-type: none"> Using the term 'User' reinforces the fact that Users are a fundamental requirement for this period of testing User Integration Testing is used as a term within Licence Condition 13 and Licence Schedules 3 (within IM12, IM13 and IM14) and 5 (Annex 2 re: CIO and Annex 3 re: SMKI) but is not defined in the Licence. The Licence therefore indirectly relies on the definition provided within the SEC. <p>The DCC would like Interface and Enduring to remain as test stages within the UIT Test Phase and remove reference to E2E.</p>
Q23	Do you agree with the proposed approach to include the Projected Operational Service Levels within the SEC? Please provide a rationale for your views.
A23	We do not fully agree with this approach; instead we propose an alternative approach of a requirement in the SEC for the DCC to test to the Operational Service Levels that are contained in the Service Provider contracts. DCC believes that the Performance Measures and Service Levels that are published in the SEC should be limited to those that remain as identified in Section H13 following government conclusion of the question within SEC Stage 2 on this issue.

5.2 Issue resolution during testing

Q24	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.
A24	<p>Yes, the DCC agrees there is a need for an issue resolution process in testing.</p> <p>However, the proposed process does not meet the needs and in fact poses a significant Security risk to the DCC Service.</p> <p>In particular reference to;</p>

	<ul style="list-style-type: none"> 260: The DCC must ensure that information on testing issues is made available to all users via publication on its website. The level of information provided for each issue should be commensurate with the priority / severity level of the issue, and its potential impacts on other Testing Participants. <p>Whilst we understand DECC's rationale for ensuring that there is transparency regarding testing issues, depending upon the timing of when this sensitive information is published on the DCC website it could provide insight into areas of the Programme that need further development and testing and hence a security risk. As an alternative approach we would suggest that the DCC provides this information via the SEC Panel to SEC Parties, with the information not for the public domain. We would also suggest that DECC introduces a delay in providing the defect details to avoid unnecessary security exposure. We would be very keen to discuss this section in more detail with DECC and Service Users to understand how best to meet this objective.</p>
Q25	Do you agree with our proposed text for the SEC with respect to Issue Resolution? Please provide a rationale for your views.
Q25	<p>The DCC testing and security experts do not believe that it would be appropriate to publish any information on testing issues detected during SIT, Interface or SMK1 testing within this type of Programme as this will pose a significant security risk to the solution and overall Programme. The DCC will strongly advise industry against exposing vulnerabilities to non-essential parties.</p> <p>An alternative solution would be for the DCC to provide a summary report of the number of issues at different severity levels on the website without need to present the nature of the issues themselves.</p> <p>In addition we would question why individual service providers need to be named as part of the defect details considering that elsewhere in the SEC the DCC is defined as a single entity. We would prefer the concept of an internal DCC escalation to appear in the drafting.</p>

6.1: Smart Metering System Requirements

Q26	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.
	DCC are supportive of the approach to the Certified Product List that the SEC proposes. However, it should be noted that the proposed DCC obligations are not currently aligned to the Service Providers' contracts and as a result additional costs may be incurred.

In addition to the points raised above we would like to take this opportunity to make the following comments:

- DCC is keen to clarify in Section J the approach that DCC should take where an invoice is calculated for a de minimus amount whereby the cost of creating an invoice is greater than the value of the invoice itself. We are keen for DECC to introduce clarity in this area and propose that a defined minimum amount is stated.
- The current drafting of K9.2 allows the DCC to amend the charging statement where there has been a Modification that changes the Charging Methodology. Should the Explicit Charges be added by DECC rather than by a Modification, will this need a

change to Section X (i.e. an additional variation of Section K), to allow for the situation where the Charging Methodology is changed by DECC following consultation?

- In K10.6 the definition of Initial Monthly Payment makes reference to Elective Charges but not Explicit Charges before the UITMR period. DCC believes that this should be the other way round to allow for Elective Charges for services (such as the Means of Connection) that will be required prior to the start of the UITMR period.

END.