

Smart Metering Implementation Programme – Product Delivery
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Smart Metering Implementation Programme - A Consultation on New Smart Energy Code Content and Related Supply Licence Amendments

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

We welcome the opportunity to comment on the proposals, legal text for the Smart Energy Code (SEC) and the licence amendments contained within the consultation. The SEC is a fundamental part of the regulatory framework for the roll-out of smart meters and is developing into an extensive regulatory document containing obligations and protections to industry participants and consumers.

EDF Energy agrees with the principle that all SMETS 2 meters should be enrolled into the DCC. The DCC provides a centralised, common platform for suppliers to communicate with smart meters. It ensures smart services are maintained on change of supply events, and supports delivery of the Network Operator benefits in the Impact Assessment. We do not, however, agree that new and separate licence conditions are required to achieve this outcome. We believe that minor amendments to the existing licence conditions would achieve the same outcome in a simpler way.

We are pleased to see the publication of further SEC subsidiary documents. These documents, and especially the Service Request Processing Document and the Inventory Enrolment and Withdrawal Procedures, are critical to EDF Energy's system and process design. As such, the content of these documents needs to be finalised at the earliest possible opportunity.

A firm design baseline for DCC services needs to be established as soon as possible, and well in advance of DCC go live. Continued change to the SEC and the subsidiary documents will increase implementation costs and could place at risk the ability of parties to be ready for DCC go live. There are also a number of changes (such as those to address IRPs) that are currently planned to be implemented post go live. Implementing changes in a live operational environment introduces an increased level of complexity and risk. This could disrupt suppliers' ability to continue to deploy smart meters after DCC go live. As far as possible such changes should be included in the baseline for the DCC's initial release.

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EDF Energy has some concerns with the proposals for the DCC to carry out site visits to customer premises. We recognise the DCC's right to audit our compliance with obligations relating to the installation of Communications Hubs. However, we need to ensure that any such site visit is a good experience for our customers, complies with our licence obligations and meets our internal policies and procedures. We believe further work with the DCC is required to ensure that these objectives can be met.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact:

I confirm that this letter and its attachment may be published on DECC's website.

Yours sincerely,

Attachment

Smart Metering Implementation Programme - A Consultation on New Smart Energy Code Content and Related Supply

EDF Energy's response to your questions

DCC Enrolment Mandate – Chapter 3

Q1. Do you agree with the legal drafting of the proposed amendment to the electricity and gas supply licence conditions? Please provide a rationale for your views.

EDF Energy agrees with the principle that the DCC should be the sole provider of remote communications services for SMETS 2-compliant metering systems. As detailed in our response to the consultation on the DCC opt-out for non-domestic smart metering, we believe that this should be the case for all SMETS 2-compliant metering systems, whether installed at domestic or non-domestic premises.

The DCC has a critical role to play in the domestic and non-domestic smart metering roll-out as it provides a centralised, common platform for suppliers to communicate with smart meters. It also ensures smart services are maintained on change of supply events, and supports delivery of the Network Operator benefits in the Impact Assessment.

While we agree with the principle behind this licence obligation, we do not believe that a new and separate licence condition is required to ensure that SMETS 2-compliant meters are enrolled in the DCC. The Prohibition Order already means that a licence is required in order to offer remote meter communications services. This suggests that no other communications route to SMETS 2-compliant meters will be available to suppliers unless DECC and Ofgem decide that this should be the case. Not only do existing licence obligations require suppliers to take all reasonable steps to install smart meters by the end of 2020, but the recent decisions made in response to the consultation on roll-out strategy will also ensure that suppliers will be required to install only SMETS 2-compliant meters from 12 months after DCC live.

The proposed content of the new licence condition is also similar to that in the existing Operational Requirements licence conditions (Condition 49 in the electricity supply licence and Condition 44 in the gas supply licence). We believe it would be more appropriate to amend these existing licence conditions to achieve the intent detailed in the consultation.

The existing licence conditions relating to Operational Requirements oblige suppliers to take all reasonable steps to ensure that 'there is established (whether directly, or indirectly through the DCC's Communications System), a Communications Link between the Smart Metering System and the licensee's Communications System'. Commissioning, as defined in the SEC, is the process of establishing a Communications Link to a smart metering system via the DCC. A small change to the existing licence condition to ensure that meters with Communications Hubs must have their Communications Link established via the DCC's Communications System would seem to achieve the same intent as the proposed new obligation.

We note that Communications Hub is included in the legal drafting as a defined term; however, this term is not then defined within the licence. It is not clear that a Communications Hub is one that is provided by the DCC for communication with their systems. This term is, however, defined in the SEC; an additional definition should be included in the legal drafting of the licence that references the existing definition in the SEC.

Q2. Do you agree that this legal duty should take effect when DCC's enrolment services are first available? Please provide rationale for your views.

As noted in our response to question 1, EDF Energy strongly supports the enrolment of smart metering systems in the DCC. Such enrolment delivers benefits to suppliers, to Network Operators and most importantly to consumers. On this basis, we agree that the obligation to enrol SMETS 2-compliant metering systems in the DCC should come into effect as soon as their enrolment services become available.

It should be acknowledged that there is likely to be a period after these services become available where they may not be fully stable or able to cope with increasing volumes of installations. The reliance of suppliers on the DCC to provide a stable and robust enrolment service needs to be recognised when making any assessment as to whether the obligation to take 'all reasonable steps' to commission a meter have been met.

DCC Enrolment and Communication Services – Chapter 4

Q3. Do you have any comments on the proposed drafting in these new subsidiary documents?

EDF Energy welcomes the publication of the proposed drafting of the Service Request Processing Document and the Inventory Enrolment and Withdrawal Procedures. The obligations detailed within these documents are critical to our system and process design. We therefore need to ensure that there is certainty and clarity in regards to these obligations at the earliest possible opportunity. Continued change to these subsidiary documents will mean charges to system and process design; this will increase implementation costs and place at risk the ability of parties to be ready for DCC go live.

We broadly agree with the content of the subsidiary documents, subject to the detailed comments provide below. We believe that the obligations placed on Users and other parties within these documents are largely clear and reasonable. What is not always clear, however, is how these obligations can be met; for example which Service Requests should be sent and at what time to achieve the specified outcomes. While this content is not appropriate for the SEC itself, we believe that guidance documentation should be published that helps parties to understand and comply with their obligations.

We note that SECAS have recently published SEC Process Guidance information relating to the Processing of Service Requests, Responses and Alerts, and the Smart CoS process. DECC have also published a number of Design Notes, developed under the Technical and Business Design Group (TBDG). These include subjects such as Installation and Commissioning and Communication Hub exchange, although we note the Installation and

Commissioning design note is still in draft form. We understand that these Design Notes will eventually be managed by SECAS. We welcome the publication of this guidance, and the development of further similar material that will support parties, especially smaller suppliers, in understanding and complying with their SEC obligations.

We have the following detailed comments on the context of the new subsidiary documents.

Service Request Processing Document:

In section 6.1(c) it would be clearer if the list of values was presented as a series of bullets, as per the format used for the list of values in section 6.1(f).

The wording of section 6.2(a) would appear to imply that any Import Supplier or Gas Supplier can send a 'Join Service' Service Request to join an IHD to an Electricity Smart Meter or a Gas Proxy Function. We assume that this is required to enable the Supplier to join an IHD to the other meter/GPF to enable the customer to see dual fuel information on their IHD. It is not clear why the DCC would not check registration data to determine whether that Supplier is one that is Responsible for another MPxN associated with that Communications Hub, as per the checks in parts (b) and (c) of section 6.2.

In section 6.4(a) 'Commends' should be replaced with 'Commands'.

In section 11.2 'Where DCC' should be replaced with 'Where the DCC'. The same comment applies to section 13.1.

In section 13.2(a) the phrase 'and/or' should be replaced with 'and where requested' to show that sending the Command to the User will only occur when they have requested it for local delivery.

We would welcome further detail from the DCC on how they intend to achieve the obligation in section 14.2. The timing and success of a CoS event is critical to Supplier business processes so it must be ensured that such updates are successfully processed at the specified time.

In section 16.1 it is not clear why the DCC would not send an Acknowledgement in respect of a Non-Device Service Request acknowledging receipt of the User's communication.

Section 18.1 does not seem to fit with the rest of the content of this document, we believe that this obligation would better sit in the main body of the SEC as a general obligation to support placing the appropriate security credentials on a device.

Inventory Enrolment and Withdrawal Procedures:

The obligation set out in section 2.11 does not seem to align with the content of this section, or the document as a whole. The Service Request Processing Document contains section 15 that relates to DCC Obligations relating to Service Responses and Alerts; it may be more appropriate for a new section to be added to that document for User Obligation relating to Service Responses and Alerts.

Section 4.3(b) states that the DCC will record the MPxN against a meter and notify the Electricity Distributor/Gas Transporter as soon as the 'Update HAN Device Log' Service Request has been processed. We are concerned that this notification may be being sent too early in the process; it may be more appropriate for this notification to be sent when

the meter actually connects to the Communications Hub and the status is updated to 'Installed not Commissioned'.

In section 4.4 it is not clear what the expected timescales being referred would be, this could cause the status of devices to be updated incorrectly. It is also not clear why the status of the device would not stay at 'whitelisted' where the status is not updated to 'Installed not Commissioned' – this would reflect the fact that the HAN Device Log had been updated but the device had not joined the HAN. 'Pending' implies that the device has not been added to the HAN Device Log, for example where a Supplier inherits a meter with the status on CoS.

In regards to the section on Commissioning of Devices other than Communications Hub Functions it would seem to be more appropriate to separate out the sections relating commissioning meters, which are the core devices that need to be commissioned. If not separate the content in sections 4.12 to 4.15 should come at the start of this section and not the end.

Section 8.3 requires the Gas Supplier to carry out the relevant post-commissioning obligations where a new GPF is commissioned as a result of a Communications Hub exchange, but it is not clear how the Gas Supplier will be notified of such an exchange and therefore that these obligations need to be met.

We have general concerns about the detail contained within this document and how it aligns with the content in the main body of the SEC. As an example, Sections H6.10 and H6.11 refer to suspension of devices that are removed from the Certified Products List. However, the process for reactivating those devices when they are added back onto the Certified Products List is within this subsidiary document. Grouping together similar and related obligations within the same document wherever possible would aid the understanding of and compliance with SEC obligations.

Q4. Do you have any specific comments on the proposed revised approach to dealing with Post-Commissioning Obligations including the proposal to delete Sections M2.7 and M2.8?

EDF Energy welcomes the proposed revised approach to dealing with Post-Commissioning Obligations. The concerns that we have expressed in relation to previous legal drafting for these obligations have now been addressed. The revised legal drafting means that unnecessary site visits will not be required to exchange devices where certain obligations have not been met. The proposed changes also provide visibility of such devices to gaining Suppliers. This enables them to identify devices they inherit that require action in order to complete the post-commissioning processes.

We have significant concerns with the removal of sections M2.7 and M2.8. There are still obligations (for example in sections 5.12 and 5.14 of the Inventory Enrolment and Withdrawal Procedures) to replace devices in certain circumstances – for example where the DCC Recovery Certificate on a device is found to be incorrect.

In the case of this being the Communications Hub Function or the Gas Proxy Function such an exchange will be a CH Pre-Installation DCC Responsibility and therefore a CH Type Fault. The SEC already includes relevant sections regarding Compensation for CH

Type Faults that enable suppliers to recover some of the costs associated with those site visits.

The removal of sections M2.7 and M2.8 would appear to mean that a Responsible Supplier, who is required to exchange a Smart Meter as a result of the failure of the Supplier that installed the Smart Meter, is not able to recover the costs of doing so. It may be the case that section M2.6 (a) of the SEC would cover this scenario and enable such recovery of costs. This is not as clear as in the previous drafting of section M2.7 and M2.8. We would welcome clarity, preferably within the legal drafting of the SEC itself, that such costs would be able to be recovered via this mechanism.

Consent for joining and un-joining Consumer Access Devices – Chapter 4

Q5. Do you have any comments on the proposed approach?

EDF Energy agrees with the proposed approach in regards to consent for joining and un-joining Consumer Access Devices. It is more appropriate for lower level obligations regarding interaction with smart meters to be included in the SEC rather than in the licences. As noted in the consultation suppliers are obliged under licence to comply with the SEC so the level of protection afforded to consumers is the same, whichever approach is taken.

Consequential Changes to Sections F2, G, M2 and A – Chapter 4

Q6. Do you have any comments on the proposed drafting changes to Sections F2, G, M2 and A?

As previously noted in our response to question 4, EDF Energy has concerns about the proposed changes to the legal drafting in section M. This specifically relates to the ability of a new Supplier to recover the costs of a device replacement caused by the failure of the installing Supplier to place a correct DCC Recovery Certificate on a device.

EDF Energy broadly agrees with the other proposed drafting change. We do not have any comments on the proposed changes to section G. In section F2 and in the CPL Requirements Document it is not specified which parties are able to add Device Models to the CPL. In the absence of this information we assume that parties other than the DCC and Suppliers are able to add Device Models to this list. If this is the case, it would be sensible that any notification sent in regards to the pending expiry of CPA certificates as detailed in section F2.7 should also be sent to the party that requested that the Device Model be added to the CPL. A change to the CPL contents may then be required to include information about this party.

We have the following detailed comments on the proposed drafting changes to section A:

We believe that part (a) of the definition of Check Cryptographic Protection should be revised to refer to 'the Public Key contained in the certificate issued by the relevant Certificate Authority associated with the Private Key of the person or device that the communication identifies, or implies has generated the Digital Signature'.

The definition of Check Cryptographic Protection does not cover checking that the certificate is not expired, revoked or that the certification chain is valid; this detail should

be included. Part (c) of the definition of Digital Signature should be updated to state that this uses 'the signature algorithm defined in the certificate profile in the certificate policy under which the certificate associated with that Private Key was issued or (where such certificate policy does not exist) the signature algorithm relevant to that certificate'.

Q7. Do you agree with the proposal to move some of the technical details in F2 into a subsidiary document in line with the approach taken in relation to Sections H4,5 &6?

EDF Energy agrees with the proposal to move the technical details in F2 into a subsidiary document. Such documents are a more logical place to define the detailed technical arrangements that underpin the core SEC obligations within the main body of the code. This approach will also provide flexibility in regards to the designation of the subsidiary documents which may be required in the early stages of DCC operation.

Where core obligations are in the main body of the SEC and more detailed technical arrangements are in subsidiary documents, it needs to be ensured that there is consistency in the level of detail in each document. Especially where a subsidiary document details process steps, all of the steps related to that process must be included, even if this involves replicating core obligations from the main body of the SEC. As noted in our response to question 3 we have identified some instances where related or similar obligations have been split between the SEC and subsidiary documents. Greater consistency in the content will support SEC Parties in understanding and complying with their SEC obligations, especially where such obligations are at a detailed process or technical level.

SEC amendments to support Smart Metering Testing – Chapter 5

Q8. Do you support the proposed changes to Section T to ensure that the testing objectives reflect a more up to date version of the SEC?

EDF Energy supports the proposed changes to Section T to ensure that the testing objectives reflect a more up to date version of the SEC. As this will include decision or consultation documents concerning the intended future content, and not just the designated SEC content, it will need to be made explicitly clear exactly which versions of the SEC requirements testing is based on. We welcome the proposal to publish these requirements and provide this clarity.

We also support the changes to make it clear that it may be simulations of the SM WAN and the DCC Systems that will be used for testing purposes. Where this is the case, it must be ensured that the simulation provides exactly the same functionality as the live system that it is simulating. While it is assumed that this will be the case, we believe that additional text should be included in the legal drafting to make this requirement clear.

Q9. Do you agree with the proposal that the DCC should offer a testing service for prospective Non-Gateway Suppliers?

EDF Energy agrees with the proposal that the DCC should offer a testing service for prospective Non-Gateway Suppliers. This change will enable such Suppliers to gain

assurance that they will be able to comply with their SEC obligations. Section O of the SEC obliges Non-Gateway Suppliers to place their Security Credentials on to any Device they gain as part of a Change of Supplier event. In order to ensure that they are able meet these obligations Suppliers will need to carry out an appropriate level of testing.

We note that there is no intent to mandate that Suppliers carry out any testing. However, the SEC already references a Non-Gateway Supplier Entry process whereby a Non-Gateway Supplier becomes an Eligible Non-Gateway Supplier. It should be considered whether Non-Gateway Interface Tests should form part of this Non-Gateway Supplier Entry process, if this provides greater assurance to the DCC that Non-Gateway Suppliers will not pose a risk to their systems. At the very least the Non-Gateway Supplier Entry Guide should make reference to the availability of the testing service, even if it is not a mandated part of the Non-Gateway Supplier Entry process.

In previous consultations on the Non-Gateway Interface EDF Energy has noted that it is not clear how the transition from being a Non-Gateway Supplier to being a DCC User will be managed. It should be considered whether the Non-Gateway Interface Tests should enable Suppliers to test this process and ensure that this transition can be undertaken effectively.

Q10. Do you intend to test only Devices (and not User Systems) against the DCC Systems? If so, how and when do you intend to do this? Is it your intention to: become a SEC Party and establish a DCC Gateway Connection; rely on other parties to interact with the DCC for the purposes of testing Devices; or another means (e.g. direct connection without being a SEC Party)?

We appreciate that this question is mainly aimed at device manufacturers and other similar parties. EDF Energy does; however, has an interest in this area as a result of our engagement with the Smart Meter Design Assurance (SMDA) test regime. The SMDA test regime will provide assurance to industry parties that smart metering devices are interoperable and interchangeable. As such, it is a critical element of the assurance regime for smart metering devices.

We understand that the SMDA Scheme Operator is already in discussions with DECC and the DCC in regards to the appropriate approach to establishing a DCC connection to enable device testing. It must be ensured that the outcome of any policy determination will enable the SMDA Scheme Operator to carry out their device testing in an effective manner.

Public Key Infrastructure – Chapter 6

Q11. Do you agree with the proposals, and associated legal drafting in relation to the SMKI Recovery Procedure Guidance document? Please provide a rationale for your view.

Our response to the DCC consultation on the proposed procedures supported the approach to the technical aspects of the recovery procedure. However, we also highlighted the need for the PMA to consider and mitigate potential impacts upon the

customer. We strongly rejected the view expressed by DCC that DCC systems could Go-Live before the SMKI Recovery Procedures had been tested, and continue to do so.

EDF Energy is content with the proposed SMKI Recovery Procedure Guidance document that DCC to be prepared by the SMKI PMA. It is necessary that the criteria for decision making by the SMKI PMA in case of compromise or suspected compromise are made clear in this guidance document. We suggest that those criteria are defined in a generic manner and that they are illustrated through a set of possible compromise scenarios. Also, recognising the fact that there will always be an aspect of decision making that can not be codified through criteria, we recommend that the SMKI PMA and its members are trained in executing their part of the SMKI procedure (including decision making) through rehearsal and scenario based exercises.

Q12. Do you agree with the proposed drafting on how changes to the SMKI Recovery Key Guidance are managed, or do you think it should be a SEC Subsidiary Document and open to the SEC modification process? Please provide a rationale for your response.

We believe that setting up a separate mechanism to enable the SMKI PMA to manage its own change procedure is likely to add cost, complexity and confusion to the governance model. We can see no reason why the SMKI Recovery Procedure should not be subject to the standard SEC modification process.

Q13. Do you agree with the proposals, and associated legal drafting in relation to the SMKI Recovery Procedure Liabilities? Please provide a rationale for your view.

EDF Energy agrees with the proposed SMKI Recovery Procedure Liabilities. This approach aligns the liabilities with those related to other breaches of the SEC, and enables Parties to recover the costs associated with replacing devices as a result of a compromise or suspected compromise. We do however have a number of comments on the legal drafting.

Section L10.16 sets out that a Recovery Event can be deemed to have occurred where a compromise or suspected compromise has occurred, and the SMKI PMA has decided not to require the use of the Recovery Private Key or Contingency Private Key. The legal drafting does not provide any indication as to the considerations that the SMKI PMA will take into account when making such a determination. It also does not indicate whether such a determination is subject to appeal, for example to the Panel.

The decision not to use Recovery Private Key or Contingency Private Key will most likely mean that site visits will need to be undertaken to replace devices. This decision will incur not only direct costs, but also customer inconvenience. The consultation document notes that there is a relatively low probability of the SMKI Recovery Procedure not being run unless only a few devices are affected by a compromise. However, the volume of devices may not be an accurate indicator of the overall cost. In making its determination the SMKI PMA should obtain an accurate assessment of the cost of any consequential replacement activity. Where the SMKI PMA determines that replacement is the required

outcome then Parties affected by such a decision should be able to appeal this to the Panel.

Section L10.17 sets out the criteria for assessment of the Recovery Costs that a Party may incur as the result of a Recovery Event. The categories of costs considered in the drafting cover the costs of running recovery and the costs of replacement of devices. These may not be the only costs incurred by a Party in relation to a Recovery Event. There may be other categories of costs that could be incurred by a SEC Party following a compromise or suspected compromise. Examples are the costs of having to invoke fallback procedures, or the delay of activities that can not be securely undertaken during the period of suspected compromise before recovery has taken place. Additionally costs may be incurred because of security incidents caused by the key compromise. We believe that the legal drafting needs to be changed to reflect these additional types of cost and enable Parties to recover the full cost associated with any Recovery Event.

We are concerned with the drafting of section L10.24. This enables Recovery Costs in excess of a sum that is yet to be determined to be paid to a Party in instalments, or where multiple parties are being paid Recovery Costs, for those payments to be made at different times. Parties that have been subject to Recovery Costs would want to have those paid at the earliest possible opportunity. There is no indication as to what the sum to be determined by the Panel might be, or why payments in excess of that sum would need to be deferred. Without further explanation or justification we believe that this section should be removed and that Parties should be paid in full, as per section L10.22.

Q14. Do you agree with the proposals, and associated legal drafting to use IKI for communications over the NGI and in relation to TAD? Please provide a rationale for your view.

EDF Energy supports the DCC's suggestion that IKI credentials should be used for the purpose of signing files sent to the DCC in respect of the Non-Gateway Interface (NGI) and Threshold Anomaly Detection (TAD).

Q15. Do you agree that it is necessary for the PMA to be able to require Parties to nominate Key Custodians? Please provide a rationale for your response.

EDF Energy recognises that, in order to re-commission certain root certificates, it will be necessary to gather "Key Custodians" each holding part of a recovery key. We recognise the need for the key fragments to be geographically dispersed and agree that the SMKI PMA should be empowered to nominate Key Custodians to secure the retention of the key fragments. We would, however, appreciate DECC's guidance on how this responsibility would be governed and exercised.

Q16. Do you agree with the proposals, and associated legal drafting to make clarificatory changes to the SMKI Certificate Policies? Please provide a rationale for your view.

The proposed changes to the SMKI Certificate Policies are acceptable to EDF Energy.

Q17. Do you agree with the proposals, and associated legal drafting to allow the DCC to become an Eligible Subscriber for certain SMKI Organisation Certificates for the purpose of signing Registration Data? Please provide a rationale for your view.

We support the decision of the SMKI PMA, that Registration Data provided to the DCC by Registration Data Providers (RDP) should be signed using an SMKI key. We also recognise that the DCC also has to sign Registration Data sent to RDPs using Private Keys associated with SMKI Organisation Certificates. If the most pragmatic way to achieve this objective is for the DCC to become an Eligible Subscriber for Organisation Certificates with Role Codes that are not reserved for GB Companion Specification (GBCS) use, then EDF Energy supports that approach.

Q18. Do you agree with the legal drafting to oblige Network Operators to establish their Organisation Certificates prior to DCC Live? Please provide a rationale for your view.

Suppliers must be able to place or replace relevant SMKI certificates on devices following installation and commissioning. In order to add the Network Operator's Organisational certificate, it must exist. We, therefore, support the principle of obliging Network Operators to establish their Organisation Certificates prior to the commencement of Enrolment Services by the DCC (DCC Live), so that they are available to suppliers to place on devices.

Q19. Do you agree with the proposal and legal drafting in relation to the miscellaneous changes to the PKI content? Please provide a rationale for your view.

We have reviewed the proposal and legal drafting in relation to the miscellaneous changes to the PKI content. The changes are acceptable to EDF Energy; they do not raise any concerns.

Security Independence Requirements – Chapter 7

Q20. Do you have any comments on the proposed drafting regarding the CIO independence requirements?

EDF Energy broadly agrees with the proposed drafting regarding the CIO independence requirements. Our only concern is in regards to the changes to Section X that enable the Panel to designate another person to perform the role of CIO. The appointment of another CIO could have significant lead times; these would need to be taken into account when making the decision to appoint another person as CIO.

Re-use of previously installed Communications Hubs – Chapter 8

Q21. Do you agree with the proposals, and associated legal drafting (including the proposed changes to the CHISM at Annex D), which would permit Suppliers to re-use Communications Hubs that they have removed from consumer premises in certain circumstances?

EDF Energy fully supports the proposal and associated legal drafting which would permit Suppliers to re-use Communication Hubs that they have removed from consumer premises. This will avoid unnecessary costs associated with returning them to the DCC.

We accept the conditions that a Communications Hub should only be re-used in premises connected to the same Gas Network Party's transportation network. We also agree with the condition that energy consumption data which has been recorded on its Gas Proxy Function must be deleted prior to it being installed in another premises. We would welcome further guidance on how this second condition might be achieved. We understand that removing the GSME Device ID from the Communications Hub Function Device Log has the effect of clearing the consumption data logs on the Gas Proxy Function. We would welcome confirmation that this is the case.

We are also supportive of the amendment to the SEC to require the Communications Hub's device status to be set to 'pending' following its removal if the Supplier does not intend to return it to the DCC. EDF Energy also accepts the legal text changes to Sections F and K of the SEC.

Obligation for Energy Suppliers to engage with DCC queries on compliance with the Communications Hub Support Materials – Chapter 8

Q22 Do you agree with the proposal, and associated legal drafting, for an obligation for Supplier Parties to respond to any to any reasonable request from the DCC for information pertaining to compliance with the CH Support Materials and for a reciprocal obligation to be placed on the DCC?

EDF Energy agrees with the proposal and associated legal drafting for an obligation to be put on Supplier Parties to respond to any reasonable request from the DCC for information pertaining to compliance with the CH Support Materials, and for a reciprocal obligation to be placed on the DCC. This should provide DCC with the ability to meet its Communications Hub Support Materials (CHSMs) commitments in line with their SEC requirements. It will also allow the DCC to review the performance of its Communications Services Providers (CSPs) in regards to connectivity of Communications Hubs with the SM WAN, and accuracy of the SM WAN coverage database.

Our agreement is given on the clear understanding that any site visit audit is purely to determine whether installations were carried out in compliance with the CHSMs where the DCC has good cause to believe that there has been non-compliance, or to determine connectivity of Communications Hubs with the SM WAN and to check accuracy of the SM WAN coverage database.

We believe that the DCC should consider a blend of audit approaches, with site visits being only one means of verifying compliance with the CHISM. Some parties may capture

photographic evidence of the equipment installation as part of their standard process. It should be considered whether evidence of compliance can be verified through a desktop evaluation of such photographic evidence of installation, or other similar means. This would enable the DCC to gain the required assurance without placing the burden of an additional site visit on the customer.

Where a site visit is required, the supplier should be fully reimbursed for the cost of attending customer site visits with the DCC where it is found they have fully complied with the CHISM, and the issue is with the CSP connectivity or the CSP tracker is incorrect.

EDF Energy also accepts the legal text changes to Sections F of the SEC.

Q23. Do you agree with the proposals, and associated legal drafting (including the proposed changes to the CHISM at Annex D), relating to visits by the DCC to consumer premises?

EDF Energy has a number of concerns regarding the proposals relating to visits by the DCC to consumer premises. We believe that further work is required to ensure that this process is a good experience for customers, and enables Suppliers to meet their obligations regarding appointments. As EDF Energy is arranging the appointment and has the relationship with the customer, any consequence of a negative experience is likely to fall upon us. We would therefore like to ensure that these appointments adhere to certain standards.

Section F7.17 states that, where the DCC attends any premises, they do as the contractor of the Supplier Party. This means that, where the DCC is visiting our customers they must comply with EDF Energy's policies and procedures regarding customer site visits. This includes matters relating to communicating with customers, including vulnerable customers, as well as health and safety.

Suppliers are also subject to Standards of Performance regulations for appointments that they make to visit customer premises. We believe that the visits made by the DCC are covered by these Standards of Performance regulations. If this is the case, then the provisions for such appointments within the CHSM are not sufficient.

The legal drafting states that the Supplier should specify the date and time at which the DCC should attend the relevant premises. It is not clear whether this would be a specific date and time or whether this would be a window within which the customer can expect the DCC's operative to call. This needs to be clear so that Suppliers can set the appropriate expectation with the customer as to when the visit will actually occur.

The legal drafting also specifies that the appointment time for the visit should be between 09:00 and 17:00. This does not align with the Standards of Performance regulations which define the working day as being between 08:00 and 20:00. While the proposed timeframe enables Suppliers to comply with the Standards of Performance regulations, we believe it is restrictive for customers and makes it harder for the Supplier to make appointments. We would highly recommend that the DCC extends its appointment times to 08:00 and 20:00 to meet the needs of customers. The DCC should also consider the provision of appointments on Saturdays.

It is assumed that the DCC will be able to attend any appointment made by a Supplier that meets their minimum criteria for acceptance as set out in section 7.2(b) of Annex D, as there is no mention of the ability of the DCC to reject a request. This will mean that the DCC will need to ensure it has appropriate resources available to meet any appointments that are made by Suppliers. It is not an acceptable customer experience to need to re-arrange an appointment once it has been made.

It is not clear what, if any, communication the DCC will provide to the customer in advance of the visit. The legal drafting in Annex D refers to the Supplier providing contact details that the DCC should use to confirm attendance prior to the agreed date and time; it is not clear whether these are the contact details of the Supplier or the customer. Confirmation of an appointment, as well as a reminder should be before the appointment occurs and should be sent to the customer in advance of any appointment. It needs to be clear whether the DCC will be carrying out any direct communication with the customer, or whether it is expected that the Supplier will do this.

Suppliers also need to understand how the customer will be able to check the credentials for any DCC operative that undertakes a site visit. It needs to be clear what identification the operative will carry, and which company name will be on this identification. This should be communicated to the customer in advance so that they know what to expect. There also needs to be a mechanism by which a customer will be able to check this identification if required. This is a requirement of the Supply Licence that DCC operatives will need to discharge. Suppliers are also required to ensure that any person attending a customer premise on their behalf are "fit and proper". If the DCC is attending site as a Supplier agent we would require further clarity as to how they will ensure their operatives are fit and proper and what vetting has been undertaken.

As noted above Suppliers are subject to Standards of Performance regulations for appointments that they make to visit customer premises. They are also liable for penalty payments where they fail to meet those standards. Where a Supplier becomes liable for such a payment as a result of a failure on the part of the DCC, then they should be able to recover such penalty, plus recompense for their reasonable costs, from the DCC. Such an arrangement would normally exist between a Supplier and any contractor undertaking site visits on their behalf. These failures are reported to Ofgem so we would not want to be put in a situation where we were investigated for 'failures' that could be out of our control.

The timing of any site visit undertaken by the DCC also needs to be considered. SMICoP states that 'The Code describes specific activities in the period running up to an Installation Visit, the installation itself, and the period from the Installation Visit to the Customer receiving the first bill using smart meter data for meters in credit mode, or the first vend for meters in prepayment mode.' If the proposed site visits are intended to be undertaken shortly after the SMS was installed it is likely that it would fall within the time period set out in SMICoP. A review of SMICoP may be required to determine whether there are any implications that might need further consideration.

While we recognise the DCC wishes to have the right to audit suppliers for their compliance with the CHSM, we do, however, have concerns about the extent of the audit and would like to have further details of the scope and remit of an auditor. The process for the audit visit, and specifically the interaction between the auditor and the consumer, needs to be more clearly defined. The auditor should not be providing any information

direct to the consumer as to whether their installation was compliant or not. Questions of that nature should be a matter for further discussion between DCC and the supplier concerned, not the customer.

Failure of Parties to accept delivery of Communications Hubs – Chapter 8

Q24. Do you agree with the proposal, and associated legal drafting, for Parties to be liable for all reasonable costs and expenses incurred by the DCC as a result of a delivery of Communications Hubs being prevented from taking place in accordance with the SEC, due to a breach of the SEC by that Party?

EDF Energy accepts the proposal that a Party should be liable for all reasonable costs and expenses incurred by the DCC as a result of a delivery of Communications Hubs being prevented from taking place in accordance with the SEC, in respect of a valid order, due to a breach of the SEC by that Party. We also believe that the DCC should be liable for costs if they fail to deliver comms hubs as per the SEC requirements.

EDF Energy also agrees with the legal text changes to Sections F and M of the SEC.

Consequential changes to the SEC for alignment with the Communications Hub Support Materials – Chapter 8

Q25. Do you agree with the proposals and associated legal drafting for the consequential changes to the SEC arising from the Communications Hub Support Materials?

EDF Energy supports the proposal and associated legal drafting for the consequential changes to the SEC arising from the Communications Hub Support Materials.

We agree SM WAN coverage is more appropriate for inclusion in the main body of the SEC, rather than in the CHIMSM. The performance standards for establishing connectivity to Communications Hubs are a core obligation on the DCC and a critical issue for Suppliers. Such core obligations should be in the main body of the SEC and not in subsidiary documents.

EDF Energy believes the trigger to implement the performance measure for the 90 day SM WAN connection performance level should also commence where the Supplier has determined no WAN signal and aborted the job, rather than just being triggered if the Communication Hub is installed. Where a Supplier chooses not to 'install and leave' for any reason, they should not be subject to a lower standard of performance, especially as the actions to be taken by the DCC to resolve connectivity should be the same.

EDF Energy supports the proposal that four accounts per Region are provided free of charge to users of the CHOS, and that Parties should pay for any additional accounts. It needs to be clear that these four accounts are irrespective of the individual users allocated to those accounts. Where a member of staff allocated to an account leaves, they should be able to be replaced free of charge.

EDF Energy accepts the legal text changes to Sections A, F and H of the SEC.

Miscellaneous Communications Hub issues – Chapter 8

Q26. Do you agree with the proposals as described under the heading of “Miscellaneous Communications Hub issues” above and the associated legal drafting?

EDF Energy fully supports the proposals as described under the heading of “Miscellaneous Communications Hub issues”. We agree that information regarding WAN Variant Communications Hubs will not need to be made available more than eight months in advance from the date from which the SM WAN is expected to be available in that location. However if this information is available to the DCC and is accurate more than eight months ahead, it should still be provided to support Suppliers’ rollout plans. The other proposed changes seem sensible and will enable the parties to access information about SM WAN coverage and provide feedback on Communications Hubs installations directly, rather than via a third party.

Incident Management – Chapter 9

Q27. Do you agree with the proposed changes to Incident Management? Please provide a rationale for your views.

EDF Energy agrees with the proposed changes to Incident Management. It has become clear that it a separate Incident Management Policy for Registration Incidents is not required. The policy and approach for managing such incidents is materially the same as for other incidents. It therefore makes sense to combine these into a single incident management policy. This will also make the policy easier to manage on an ongoing basis.

We also agree that it will be necessary for non-DCC Users to be able to raise and update Incidents. As they are not able to do this via the Self Service Interface, enabling these parties to do so via the Service Desk seems like the most sensible approach. In adopting this approach it must be ensured that the same access controls that are applied to raising incidents and accessing data via the Self Service Interface are applied to interactions with the Service Desk.

Governance of Error Handling Strategy – Chapter 9

Q28. Do you agree with the proposed approach to provide a more flexible governance for the Error Handling Strategy, set out above?

EDF Energy agrees with the proposed approach to the Error Handling Strategy. We have consistently questioned the role of this document in response to DCC consultations on the content of this document. The Error Handling Strategy does not confer obligations on the DCC or Users, and so it is not aligned with the content of other SEC subsidiary documents. Making the Error Handling Strategy part of the DCC’s self help material, and enabling this to be reviewed and updated as required, is a better approach.

Further Activation of the SEC Modification Process – Chapter 10

Q29. Do you agree with the proposals in relation to the timing of the further activation of the SEC Modification Process? Please provide a rationale for your response.

EDF Energy agrees with the proposal to activate some parts of the enduring Party-led modification paths in Section D of the SEC. We believe that allowing SEC Parties to contribute to design decisions that they cannot currently influence is a positive step. We agree that the Change Board, Technical Sub Committee and Security Sub Committees will need to be convened to support this activity. It is sensible that the enduring governance of the code is triggered prior to DCC Live, such that the change process can be fully supported as soon as possible. This enduring model will also provide better visibility of change during the initial stages of DCC operation and the establishment of enduring SMETS 2 arrangements.

We also recognise that there may be the need for urgent changes to support issues identified during testing or early roll-out. We agree that DECC should progress any major issues under the same arrangements as with changes to the SEC. Party led changes should be targeted at the period post DCC Go live.

Q30. Do you agree with the proposals and legal text in relation to the manner in which the SEC Modification Process is further activated, including the temporary performance of certain enduring Authority functions by the Secretary of State? Please provide a rationale for your response.

EDF Energy agrees that the proposed wording of section X2.3 of the SEC reflects DECC's intent to allow a Path 2 or Path 3 Modification to be raised that is not an Urgent Proposal. It also allows the Secretary of State to continue to temporarily perform the role of the Authority relating to non-urgent Modification Proposal decisions. We believe that it is sensible that DECC maintain control over the design and changes to the governance arrangements until the DCC is live and stable, at which point it would then be appropriate for Ofgem to take on their full responsibilities.

Scope of the Threshold Anomaly Detection Procedures document – Chapter 11

Q31. Do you have any comments on the proposed drafting regarding the scope of the Threshold Anomaly Detection Procedures?

EDF Energy supports the proposed changes to enable the Threshold Anomaly Detection Procedures to include the issuance of guidance for setting Anomaly Detection Thresholds. Such guidance will be valuable to Users and enable them to set Anomaly Detection Thresholds at an appropriate level.

It is not clear why the additional provisions detailed in section G6.1 (c) and (d) are prefaced with 'may' rather than 'shall'. As it has been generally agreed that this content is valuable and should be included in the Threshold Anomaly Detection Procedures, this content should be shown in the legal drafting as mandatory rather than optional.

Appeals of Panel Decisions relating to SMETS non-compliance – Chapter 11

Q32. Do you agree with the proposed additional text to F3 to provide affected Supplier Parties or the DCC with the ability to appeal (to Ofgem) SEC Panel decisions relating to device non-compliance with the Technical Specifications and any associated remedial plan?

It is essential that all devices are appropriately tested to ensure that they are compliant with the relevant technical specifications. The SEC Panel are not sufficiently skilled to make these decisions and must therefore delegate their responsibilities to the appropriate sub-committees. As the Technical and Security Sub-committees are not yet in place, it is critical that they are convened soon.

If the delegated sub-committee then follows a specified testing regime, there should be no reason why any party would need to escalate a decision to Ofgem. We therefore do not deem it necessary to include the new clause F3.6 but believe that F3.5 should be amended to ensure that the Panel must delegate any technical decision making to the relevant Technical and Security Sub-Committees.

Section A Definitions – Chapter 11

Q33. Do you agree with the proposal, and associated legal drafting in relation to amending the definitions in preparation for the future introduction of technical specifications into the SEC? Please provide a rationale for your view.

EDF Energy agrees that the legal drafting and changes to the associated definitions, necessary to allow the PPMID, HCALCS and IHD Technical specifications into the SEC document, appear to be appropriate.

**EDF Energy
September 2015**