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To whom it may concern,

**Energy Networks Association –**  
**Response to consultation on New Smart Energy Code Content (Stage 4)**  
**and consequential/ associated changes to licence conditions**

Energy Networks Association (ENA) is the industry body for UK electricity and gas distribution and transmission companies.

This response to DECC's consultation on the new Smart Energy Code content (Stage 4) and consequential/ associated changes to licence conditions is submitted by ENA and is in addition to and in support of the individual responses of ENA member companies.

**Appendix 1 – ENA response to consultation on New Smart Energy Code Content (Stage 4) and consequential/ associated changes to licence conditions**

<b>Parties Involved in the Provision of Communications Hubs</b>	
Q1	Do you agree with the requirement for the DCC to consult SEC Parties on future tranches of Communications Hubs procurement?
<b>ENA:</b> No comment.	
Q2	Do you agree with the proposed approach to allow SEC Parties (which will include MOPs) to forecast, order, take delivery and return uninstalled Communications Hubs?
<b>ENA:</b> No comment.	
<b>Communications Hub Support Materials</b>	
Q3	Do you agree with the proposed approach and legal drafting in relation to the development of the Communications Hub Support Materials?
<b>ENA:</b> No comment.	
<b>Communications Hubs Forecasting</b>	
Q4	Do you agree with the proposed approach and legal drafting in relation to forecasting of Communications Hubs?
<b>ENA:</b> No comment.	
Q5	Do you agree that forecasts that are submitted from the tenth month before a delivery month should include the numbers of Device Models to be delivered in that month in each region, and these should be subject to the specified tolerance thresholds outlined?
<b>ENA:</b> No comment.	
<b>Communications Hubs Ordering</b>	
Q6	Do you agree with the proposed approach and legal drafting in relation to ordering of Communications Hubs?
<b>ENA:</b> No comment.	
<b>Communications Hubs Delivery and Handover</b>	
Q7	Do you agree with the proposed approach and legal drafting in relation to delivery and handover of Communications Hubs?
<b>ENA:</b> No comment.	

<b>Communications Hubs Installation &amp; Maintenance</b>	
Q8	Do you agree with the proposed approach and legal drafting in relation to installation and maintenance of Communications Hubs?
<b>ENA:</b> No comment.	
<b>Communications Hubs Removal, Replacement and Returns</b>	
Q9	Do you agree with the proposed approach and legal drafting in relation to removal and returns of Communications Hubs?
<b>ENA:</b> No comment.	
Q10	Do you agree that there should be an obligation for the first installing supplier in a dual fuel premises to take all reasonable steps to install a communications Hubs that would work with both the smart meter that it is installing and the smart meter of the other fuel type?
<b>ENA:</b> Whilst our members agree with the legal text associated with this question they have some concerns related to the potential for multiple communications hub installations to be present for one customer. In particular the ongoing responsibilities for maintenance, inspection, etc of any 'extra' communications hub installed and its associated equipment may be unclear. Any degradation in the reliability of the communications hub may lead to erroneous power outage alerts. Our members would like to see a mechanism built into the Government's Smart Metering policies that would, over time, lead to only a single communications hub being present at a single customer's supply point.	
<b>Communications Hubs Returns Categories</b>	
Q11	Do you agree with the Governments proposals in relation to the processes to determine the reasons for early return of Communications Hubs?
<b>ENA:</b> No comment.	
<b>Transitional Requirements Communications Hubs Forecasts and Orders</b>	
Q12	Do you agree with the proposed approach and legal drafting in relation to the transitional requirements for Communications Hubs forecasts and orders?
<b>ENA:</b> No comment.	
<b>Consequential Changes to the DCC Licence</b>	
Q13	Do you agree with our proposed changes to the DCC licence to require the DCC to offer services to non-SEC Parties where required to do so under the SEC?
<b>ENA:</b> No comment.	

<b>Provision of Communications Hubs for Testing</b>	
Q14	Do you agree with the proposed approach and legal drafting in relation to the provision of Communications Hubs for testing?
<b>ENA:</b> Yes.	
<b>Security Governance</b>	
Q15	Do you agree with the legal drafting in relation to Security Governance?
<b>ENA:</b> Yes.	
<b>Security Assurance</b>	
Q15a	Do you agree with the Governments proposals in relation to Security Assurance? In particular on: the proposal for the SEC Panel to procure a central CIO on an initial basis; the proposal for Users to meet the costs of security assessments that are undertaken at their organisation; the proposal for a three year rolling cycle of security assessments to be used to provide assurance on Users; the process for identifying and managing non-compliance; and the assessment arrangements proposed for DCC.
<b>ENA:</b> Yes, we agree with the five bullet points listed in this question.	
<b>Privacy Audits</b>	
Q16	Do you agree with our proposed approach and legal text for SEC in relation to Privacy Assessments?
<b>ENA:</b> Yes, we agree. We would however point out that when the customer associated with a supply point changes (e.g. a change in tenancy at a rented property) the user collecting data may not be aware of this change and therefore will also be unaware that the new customer has not provided permission for this data to be gathered.	
Q17	Do you agree with the specific proposals for undertaking random sample compliance assessments?
<b>ENA:</b> Yes, we agree, although we would welcome additional clarity on the method by which the random sampling would be determined and undertaken.	
Q18	Do you agree with the proposal for Users to meet the costs of the privacy assessments that are undertaken at their organisation?
<b>ENA:</b> Yes.	

Q19	What are your views on potential future changes to the SEC to provide for reporting the results of privacy assurance assessments bodies such as Ofgem, DECC, ICO and Parties generally?
<b>ENA:</b> We agree with the proposal to share reporting results of privacy assurance assessments with bodies such as Ofgem, DECC, ICO and Parties generally but suggest that this is considered in the light of the Government's duties to respond to Freedom of Information Act requests.	
<b>Consumer Consent for Connecting Consumer Devices</b>	
Q20	Do you agree that the proposed legal drafting reflects the position reached in the SMETS2 consultation response, that Users should be required obtain consent and to verify the identity of the energy consumer from whom they have obtained the consent prior to pairing a CAD?
<b>ENA:</b> Yes, agree, although again note our comments under question 16 regarding changes in tenancy.	
<b>Security Requirements</b>	
Q21	Do you agree with the proposed updates to the Security Requirements and the associated legal drafting?
<b>ENA:</b> Yes, we agree. In particular, our gas members welcome the Shared Users proposal to allow Users to use a shared service provider. This will enable the gas networks to use Xoserve as a common service provider which will remove the need for the gas networks to develop individual DCC interfaces.	
Q22	Do you agree that we should also include in the SEC obligations on the DCC and Users which limit the future dating of commands to 30 days?
<b>ENA:</b> Our members consider that a 30 day limit for future dating commands seems reasonable. However, without a clear understanding of possible future usage scenarios it is difficult to be absolutely certain this isn't something we might wish to extend in future.	
<b>Further Restrictions on Parties Eligible to Subscribe for Certain Certificates</b>	
Q23	Do you agree with the proposed approach and legal drafting in relation to which parties are eligible to subscribe for specific Organisation Certificates?
<b>ENA:</b> Yes.	
<b>Requirements on DCC to Establish Certain Certificates to Facilitate Installation</b>	
Q24	Do you agree with the proposed approach and legal drafting in relation to the Organisation Certificates the DCC must subscribe for in order to support installation of Devices?
<b>ENA:</b> Yes.	

Q25	Do you agree with the proposed approach and legal drafting in relation to the date on which the DCC must start providing live certificates, in particular the proposal to turn off the DCC's response time obligations until the Stage 2 Assurance Report (see section 6.6) has been produced?
<b>ENA:</b> Yes.	
<b>Requirements for Certain Certificates to be Placed onto Devices</b>	
Q26	Do you agree with the proposed approach for all Network Parties to have established SMKI Organisation certificates?
<b>ENA:</b> Yes.	
Q27	Do you agree with the proposed approach for Non-User Suppliers to have established SMKI Organisation certificates?
<b>ENA:</b> Yes.	
Q28	Do you agree with the proposed approach and legal drafting in relation to specific SMKI Organisation Certificates placed on specific Devices?
<b>ENA:</b> Yes. In particular we welcome the potential for Supplier SMKI Organisation Certificates to be added to Devices at the time of installation and commissioning. One effect of this would be to enable GDNs to continue to offer a PEMS service to Suppliers - which we believe would ultimately be of benefit to both the industry and customers.	
<b>SMKI Test Certificates</b>	
Q29	Do you agree with our proposal to require DCC to provide Test Certificates to Test Participants (who, in the case of non-SEC parties, will have to be bound by an agreement entered into with the DCC) only for the purposes of Test Services and testing pursuant to Section T of the SEC, and to not require DCC to provide a Test Repository? Please provide a rationale for your view.
<b>ENA:</b> No comment.	
<b>DCC User Gateway Services Schedule</b>	
Q30	Do you agree with the proposed approach and legal drafting in relation to the DCC User Gateway Services Schedule?
<b>ENA:</b> No comment.	

<b>User IDs, DCC IDs and Party IDs</b>	
Q31	Do you agree with the proposed approach to centrally procure a EUI-64 Registry Entry?
<b>ENA:</b> Our members agree with the proposed approach to centrally procure a EUI-64 Registry Entry. We note however, that for Clause B1.17 a more clearly defined timescale (.e.g. a set number of working days) would be more appropriate than "...as soon as reasonably practicable."	
Q32	Do you agree with the intention to create a 'Party ID', enabling access to the Self Service Interface at a Party level?
<b>ENA:</b> Yes.	
<b>Provision and Use of User Gateway Connections</b>	
Q33	Do you agree that the proposed legal drafting accurately reflects the process by which the DCC will provider connection the DCC User Gateway?
<b>ENA:</b> Yes.	
Q34	Do you agree that the drafting meets the needs of both DCC and its Users in establishing, maintaining and terminating connections? Please provide a rationale for your views and include any supporting evidence.
<b>ENA:</b> Yes.	
<b>Processing Service Requests</b>	
Q35	Do you agree with the proposed approach and legal drafting in relation to Processing Service Requests?
<b>ENA:</b> Yes.	
<b>Smart Metering Inventory and Enrolment Services</b>	
Q36	Do you agree with the proposed changes to the approach and legal drafting in relation to Smart Metering Inventory and Enrolment Services?
<b>ENA:</b> Yes.	
<b>Problem Management</b>	
Q37	Do you agree with the proposed approach and legal drafting in relation to Problem Management?
<b>ENA:</b> Yes.	

<b>Service to allow consumers to find out which users have accessed their consumption data</b>	
Q38	Do you agree with the proposed approach and legal drafting in facilitating provision of a service to consumers to allow them to find out which Users have accessed consumption data from their meters?
<b>ENA:</b> Yes, our members agree with the proposed approach and legal drafting to facilitate the provision of a service to consumers to allow them to find out which Users have accessed consumption data from their meters. However, where customer consumption details have been legitimately accessed outside of consent being granted (e.g. for revenue protection purposes) this should be also clearly communicated to the requesting customer at the same time.	
Q39	Do you agree with the proposed approach of not requiring any User to offer a transparency service to consumers at this stage?
<b>ENA:</b> Yes.	
<b>Definition of a Large/ Small Supplier Party for the Purposes of Interface Testing</b>	
Q40	Do you agree with the proposal to provide for a date in the SEC when any assessment of whether a supplier is large/ small for testing purposes is made? If not, please provide evidence for why this approach would not work and what alternatives should be used.
<b>ENA:</b> Yes.	
<b>Registration Data</b>	
Q41	Do you agree with the proposed approach and legal drafting in relation to registration data text alignment?
<p><b>ENA:</b> We do not agree that the proposed legal drafting will deliver the desired outcome. The statement in Clause E2.1 (c) is incorrect as a Metering Point can be traded in an energised or a de-energised state. If 'traded' is required the both 'energised' and 'de-energised' needs to be included otherwise a true picture of traded metering points will not be obtained. The legal text is now actually less clear and more confusing regarding actual requirements than the previous text.</p> <p>In E3.1 of the legal text the term 'as soon as reasonably practicable' is used, our members would prefer to see this should be strengthened with a maximum time limit applied.</p> <p>In E3.2 of the legal text it references Section E3.2, it should actually reference Section 3.1.</p>	



<b>Provision of Data for the Central Delivery Body</b>	
Q42	Do you agree with the proposed approach and legal drafting in relation to provision of market share information to the CDB including Ofgem determining disputes between the CDB and the DCC?
<b>ENA:</b> Yes.	
<b>Connections Between the DCC and RDPs</b>	
Q43	Do you agree with the proposed approach to RDP/DCC connections and the associated legal drafting?
<b>ENA:</b> Yes.	
Q44	Do you agree that Network Parties using the same RDP should be jointly and severally liable for failure of that RDP to comply with provisions relating to the RDP's use of the connection provided to it by the DCC?
<b>ENA:</b> Yes.	
<b>Explicit Charges for Certain Other Enabling Services</b>	
Q45	Do you agree with the proposed approach and legal drafting in relation to provision of Explicit Charges for Certain Other Enabling Services?
<b>ENA:</b> Yes.	
Q46	Do you agree with broadening the scope of DCC Licence Condition 20 to include the Other Enabling Services which attract an explicit charge?
<b>ENA:</b> Yes.	
<b>Confidentiality</b>	
Q47	Do you agree with the proposed amendments to the legal drafting which introduce a new controlled category of DCC data, set out guidelines for types of data which may be marked as confidential or controlled and limit liability for breach of the latter category?
<b>ENA:</b> We agree with the principles behind this proposal but are concerned that DCC interface specifications, required by Users to tender for and procure their individual DCC interface systems, are currently marked 'commercial in confidence'. Under this proposal these specifications may well be marked 'controlled'. Apart from some general assurances from DCC staff that Users can share these documents with prospective vendors (with whom at that stage Users will have no contractual agreement) it is not clear how the new liability arrangements would be covered off in reality.	

Q48	Do you agree that liability for disclosure of controlled information should be limited to £1 million per event (or series of events) for direct losses?
<b>ENA:</b> Please see our response to question 47 above.	
Q49	Do you think that SEC Parties other than the DCC may have a need to mark data 'controlled'? If so, please outline what, if any, parameters ought to apply?
<b>ENA:</b> Yes, there may be occasions when SEC Parties other than DCC may wish to use the 'controlled' marking on their own documents/data.	
Q50	Do you agree that liabilities if these controls are breached should be limited to £1 million (excluding consequential losses)?
<b>ENA:</b> No comment.	
<b>SEC Consequential Changes: Alignment to DCC- and Supply Licences</b>	
Q51	Do you agree with the proposed approach and legal drafting in relation to the consequential changes to align the SEC with the proposed changes to the DCC and Supply Licences?
<b>ENA:</b> Yes.	
<b>Charging Matters</b>	
Q52	Do you agree with the proposed approach and legal drafting in relation to the invoicing threshold?
<b>ENA:</b> Yes.	
Q53	Do you agree with the proposed approach and legal drafting in relation to the credit cover threshold?
<b>ENA:</b> Yes.	
Q54	Do you agree with the proposed approach and legal drafting in relation to scope for an explicit charge related to Services within the DCC User Gateway Services Schedule of zero?
<b>ENA:</b> Yes.	

<b>Facilitating Charging for Meters where there is a live supply of energy only</b>	
Q55	Do you agree with the proposed amendment to the definition of 'Mandated Smart Metering System'? Views would be welcome whether this change has a material impact.
<p><b>ENA:</b> Yes, we agree that DCC charges should be based upon the number of 'live' Metering Points in a Users estate; although in our response to question 41 we advised that the proposed legal drafting will not achieve this. We also note that there are instances where a single supply point will have multiple MPANS associated with it (e.g. to support particular Supplier tariffs). This may lead to DNOs being overcharged unfairly. We request that DECC review this aspect of the charging methodology to ensure that Users are not unfairly penalised for supporting Supplier requests for multiple MPANs to be made available at single supply points.</p>	
<b>Power Outage Alerts</b>	
Q56	Do you agree with the proposed approach and legal drafting regarding power outage alerts?
<p><b>ENA:</b> Our members are strongly supportive of the obligation on the DCC to provide Power Outage Alerts to appropriate DCC Users and we are pleased that this requirement has been defined within the SEC.</p> <p>However, our members have to following concerns:</p> <p>The assumption in the text that DNO systems will identify network issues affecting more than 50 customers. It should be noted that this might be the case but only for incidents affecting a much greater number of customers (e.g. 500).</p> <p>The DCC's inability to differentiate between faults that occur at different geographic locations at similar times, potentially across DNO licence area boundaries.</p> <p>In times of system emergency (storms etc.) the sending of duplicate alerts to suppliers may impact upon the performance of the system and prevent or slow down the flow of power outage alert information to DNO's.</p> <p>The drafting of the legal text does not accurately cater for the technical solutions being proposed by both CSP's; e.g. the technical solution currently being proposed by Telefonica requires the DSP to undertake central processing to ascertain that the three minute time period has been exceeded.</p> <p>Our members suggest that the legal text needs to be redrafted to address the above issues and also to set out specific performance requirements across the entire system, not just a requirement to pass on an alert when it has been received from the communications hub.</p>	
<b>Proving Testing of Shared Systems</b>	
Q57	Do you agree with the proposed approach and legal drafting in relation to the testing of shared systems?
<b>ENA:</b> Yes.	
<b>Remote Testing and Testing Services</b>	

Q58	Do you consider the costs of remote access to the test SMWAN should be socialised across all Users or charged directly to those test participants who use the service? Please provide an explanation for your answer.
<b>ENA:</b> We consider that costs should be passed directly to those test participants who use the service.	
<b>Communications Hub Asset and Maintenance Charging</b>	
Q59	Do you agree with the proposed legal drafting in relation to Communications Hub Asset and Maintenance Charges?
<b>ENA:</b> No comment.	
<b>Communications Hubs Charging following removal and/or return</b>	
Q60	Do you agree with the proposed legal drafting on Communications Hubs Charging following removal and/or return?
<b>ENA:</b> No comment.	
<b>Non-Domestic Supplier Opt Out</b>	
Q61	Do you have any views on the operation of SMETS 2 meters that are opted out of DCC services in light of: the conclusions on SMKI set out above; and any other matters, including GBCS, that may affect two-way communications with an opted-out meter?
<b>ENA:</b> No comment.	
<b>Requirements on Subscribers and Relying Parties</b>	
Q62	Do you agree with the proposed legal text with respect to the DCC's, Subscriber and Relying Party obligations and associated liabilities?
<b>ENA:</b> Yes.	
<b>Enrolment of SMETS1 Meters Installed During Foundation</b>	
Q63	Do you agree with proposed legal text in relation to the Initial Enrolment Project for SMETS1 meters installed during Foundation?
<b>ENA:</b> Yes.	
Q64	Does the contents list for the Initial Enrolment Project Feasibility Report (para 401) cover the required issues for the DCC to address? Are there any additional areas which you consider the DCC should be specifically required to include?
<b>ENA:</b> The costs incurred in DCC supporting non-SMETS2 meters should be weighed against the costs of exchange non-SMETS2 meters.	

<b>Charging for Foundation Meters</b>	
Q65	Do you agree with the proposed legal text in relation to charging arrangements for the ongoing communications costs of Foundation Meters enrolled in the DCC?
<b>ENA:</b> Yes.	
<b>User Supplier to Non-User Supplier Churn</b>	
Q66	Do you agree with the proposed approach and legal drafting in relation to User supplier to Non-User supplier churn?
<b>ENA:</b> Yes.	