



Smart Energy Code Panel Chair
Gemserv Limited
10 Fenchurch Street
London, EC3M 3BE

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

22nd August 2014

Dear Sir,

Re: SEC Panel's response to DECC's consultation on New Smart Energy Code Content (Stage 4) URN 14D/227

We welcome the opportunity to respond to DECC's consultation on stage four of the Smart Energy Code (SEC) and its accompanying draft legal text. The Panel, as the enduring governance entity of the SEC, note the proposed additional content and the justification for any changes and look forward to reviewing the final drafting once published. Included in the response below are some key areas that the Panel wish DECC to consider.

The Panel notes the obligation to centrally procure a Competent Independent Organisation (CIO) to undertake security and privacy assessments and has already agreed a procurement strategy and timetable. We would however request further clarification around the charging arrangements for these assessments. As the SEC Panel will have contractual responsibility for the organisation(s) undertaking these assessments and therefore will be responsible for approving the assessment outputs, there needs to be an effective and efficient process to notify the DCC of these charges.

Currently the SEC drafting includes an obligation on Users to pay Explicit Charges to the DCC. An additional option would be to make provisions to allow the Panel, through SECCo, to invoice Users directly, as is the case for the payment of the Application Fee at accession. Sections G8.48 and I2.39 outline that the expenditure associated with these assessments shall be treated as Recoverable Costs by the Panel and as a result needs to be included in the Approved Budget process. We are therefore seeking further detail on the rationale behind the charging arrangements from both a Panel and commercial perspective for our discussions with the CIO.

Additionally, in relation to security, the Panel has already outlined plans and timescales for the establishment of the Security Sub-Committee and notes the proposed requirements within section G7 of the SEC. The Smart Energy Code Administrator and Secretariat (SECAS) continues to liaise with members of the DECC Security team on this and other security matters to help inform the Panel of the latest developments and obligations.



The Panel also notes its proposed obligations, which will be undertaken via SECAS, to allocate Extended Unique Identifiers 64 bit compliant IDs (EUI-64) and Party IDs to Users. Whilst we understand the connection of the EUI-64 compliant IDs to the enduring security arrangements, we would request further clarification on the association of the Party IDs to the end-to-end arrangements.

The Panel established the Policy Management Authority (PMA) in July 2014 in preparation for SEC Stage 3 designation. The PMA and the Panel note the new obligations and requirements associated with the Smart Metering Key Infrastructure arrangements including those in relation to certificate policies, eligible subscribers and other minor changes.

Stage 4 of the SEC was always signalled, by DECC, to be the largest drop of code to date and the Panel acknowledges the significant progress in the development of the SEC and the engagement with industry. The coverage of this latest stage involves multiple elements across many complex areas and it is pleasing to see the agreed policy decisions on these albeit subject to consultation responses.

We welcome the opportunity to continue our engagement with DECC on the content of the SEC and its further development and to support the transition of governance from DECC to the SEC Panel. If you would like to discuss this response, please contact [redacted] the first instance or [redacted]

Yours faithfully,