

**A Consultation on New Smart Energy Code Content and
Related Supply Licence Amendments – July 2015**

Response from Siemens

Questions and Answers

DCC Enrolment Mandate

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

Siemens agrees with the legal drafting of the proposed amendment in relation to the commissioning of Smart Metering Systems. Licensees are already paying for the DCC and have installation milestones to meet, so there is already a strong incentive for commissioning Smart Metering Systems through that infrastructure. A licence condition that commits DCC Users to commissioning Smart Metering Systems through the DCC infrastructure would serve to reinforce this.

Specifically on the aspect of ensuring no other arrangements for remote communications with electricity and gas meters, Siemens believes that this is too restrictive and that allowances should be made for secondary communications with these devices. In particular, suppliers are likely to want to offer linked GADs that source communications from other channels. Similarly Hand Held Terminals will need to be able to communicate with these devices via the communications hub in no WAN situations.

Q2. Do you agree that this legal duty should take effect when DCC's enrolment services are first available?

Siemens agrees on this position, subject to the fact that as a DCC User, a Licensee will have proven that it is capable of utilising the DCC's services, that the DCC's services are stable and that there is appropriate availability of SMETS 2 compliant devices. Siemens notes that the proposed licence condition does not preclude the continued installation of SMETS1 devices, which we would expect to carry on until the 12 months after DCC Live, or some other time agreed by the industry.

DCC Enrolment and Communication Services

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

Siemens seeks more clarity on Local Command Services and the enrolment of smart metering systems in the event of no SMWAN situations, particularly in light of:

- DECC's proposal to enable install and leave in the event of an unplanned no SMWAN situation, as outlined in the recent response to the Smart Metering Rollout Strategy
- The TBDG Risk Report highlighting that a HHT solution is unlikely to be available from communications hubs manufacturers by DCC Live

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?

Siemens acknowledges the benefit of ensuring that smart metering devices are appropriately configured in a timely fashion after installation for security purposes. As the single party responsible for managing communications with Smart Metering Systems, it makes sense that the DCC is responsible for monitoring that this requirement is adhered to and reporting on exceptions. Similarly, we agree to limiting the liability in the event of a breach to £1 million.

Q6. Do you have any comments on the proposed approach?

Siemens believes that this is a sensible amendment. It is expected that any Type 2 Device other than an IHD would form part of an Energy Supplier's smart metering proposition that had been clearly communicated to a customer. However, without a requirement that suppliers secure explicit consent on this, there is a risk that the reputation of the programme could be negatively affected.

Consequential changes to Sections F2, G, M2 and A

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

The content of F2 has been substantially reduced. Without reviewing the new CPL Requirements Document it is not possible to see if the important removed content removed from F2 been included here.

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 Section H4, 5 and 6?

In principle this would seem acceptable but without reviewing the new CPL Requirements Document it is not possible to see if the important removed content removed from F2 been included here.

SEC amendments to support Smart Metering Testing

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

Siemens supports the proposed changes.

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

Siemens agrees with this proposal.

Q10. Do you intent 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)?

No comment.

Public Key Infrastructure

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.

Siemens agrees with the proposal, where one central party is responsible for developing a guidance document that outlines a clear process for how events will be managed in the event of a security compromise and the decision making process behind initiating a recovery process.

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

Siemens has no strong views on this particular manner. It would seem sensible to ensure that changes are made by a party with subject matter expertise in this area, suggesting that the SMKI PMA assumes responsibility.

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

No comment.

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

No comment.

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

No comment

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

No comment.

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

No comment.

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

Siemens has no particular comment on this, other than that it envisages practical difficulties for Gas Distribution Network businesses who are currently not mandated to become DCC Users and upon whom there is only an expectation that they will become Users before the end of 2020.

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

No comment.

Security Independence Requirements

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

No comment.

Communications Hubs

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

Siemens supports the proposal to reuse communications hubs, but has concerns over the practicalities of deploying the proposal, given the conditions that have been set out, in particular the restriction that a communications hub must be reinstated at a location within a Local Distribution Zone managed by the same Gas Distribution Network Operator.

Checking a device's certificates to assess the Network Operator that has been set up on it and ensuring that this device is then reinstated in the same Network Operator's area will require notable changes to the logistical processes of Meter Operators and Meter Asset Managers. Such costs would seem inappropriate, particularly if GDNs are unable to use DCC Services.

To avoid this process and the requirement for all Network Operators to be able to establish Organisational Certificates, we would question whether the initial security credentials for the Gas Transporter are set to a default DCC Certificate.

The ability to re-use a comms hub, placing it in a 'pending' status while off the wall is a useful option. By avoiding the return of comms hubs that are not faulty it will give more

flexibility in available stock and well as avoiding costs associated with the return of it to the CSP.

It is not clear how the gas proxy function data will be deleted. Siemens seeks clarity on whether this can be done as part of the re-installation procedure or whether it has to be done in advance of this.

Siemens would suggest that the charging should not start until the gas proxy data has been deleted as the communications hub is not in a state suitable for re-deployment until this has happened. There should be limits on this period of non-charging but this can be considered to be compensated for by the saving in loss of rental for 'long' time of return process, transport costs and handling /processing at the CSP etc. The 'pending' status could be used for this. The hub being in this status until gas proxy data has been deleted.

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

Q22. Do you agree with the proposal and associated legal drafting for an obligation for 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?

Siemens agrees with the proposal and associated legal drafting in relation to CHSM compliance. We would expect that such activity would be rarely called upon, given the proposals to incorporate and accredit DCC Training Material into existing installation training programmes and existing audit activities carried out by Energy Suppliers.

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.

Siemens is broadly in agreement with the proposals, which appear essentially the same as those prescribed where no SMWAN has been established at installation and an Energy Supplier Service Request subsequently generates an Incident at the DCC. Our only comment here would be that we would expect that such auditors would be on a low level of utilisation to reduce the likelihood of having to re-arrange a second visit to carry out the audit, thus minimising consumer contact and negative sentiment about smart metering.

The text in CHISM Appendix D does not seem to state that the Supplier will be free to arrange for its own representatives to also be in attendance at any visit by the DCC to a premise. This is mentioned in the consultation document.

Siemens considers it essential that the Meter Operator, as the installer of the equipment at the site, attends as a representative of the supplier. As such we would suggest adding the following text below to clause 7.4 in Appendix D or add new clause 7.5 (as shown) to Appendix D:

7.5 The Supplier will be free to arrange for its own representatives to also be in attendance at any visit by the DCC to a premise.

Or

7.4 The DCC shall attend the relevant premises at the specified date and time and shall immediately notify the Party, using the contact details provided, where a delay to arrival is

likely. The Supplier will be free to arrange for its own representatives to also be in attendance at any visit by the DCC to a premise.

Failure of parties to accept delivery of Communications Hubs

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?

Siemens agrees with the proposal, on the basis that the delivery attempt was made in line with an agreed schedule.

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

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?

Siemens is happy with the proposed changes.

Miscellaneous Communications Hub issues

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

We agree with the proposals.

Incident Management

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

Siemens agrees with these changes, which all seem sensible given the way the DCC has evolved, the different parties that could make use of services in the future and the need to rationalise the number of deliverables. If Registration Data Management Incidents are brought together with overall Incident Management, it would seem only sensible to separate out those only relevant to Registration Data.

Governance of Error Handling Strategy

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

Siemens believes that the proposed changes appear sensible. It would seem reasonable to expect that best practice error resolution to evolve over time based on DCC experience and the User Community. Siemens would expect that the latter group could be leveraged to share knowledge and re-enforce any material made available through self help guides.

Further Activation of the SEC Modification Process

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

No comment.

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

No comment.

Miscellaneous

Scope of the Threshold Anomaly Detection Procedures document

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

No comment.

Appeals of Panel Decisions relating to SMETS non-compliance

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?

No comment.

Section A. Definitions

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.

No comment.

For any questions or further information on Siemens response to this consultation please contact:

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Siemens plc has offices and factories throughout the UK, with its headquarters in Frimley, Surrey.

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