Haven Power Limited
The Havens
Ransomes Europark
Ipswich
IP3 9SJ

24 March 2016

FAO Smart Metering Implementation Programme – Product Delivery

New Smart Energy Code Content and Related License Amendments –
Proof of UK consumption of overseas electricity.

Thank you for the opportunity to comment on the above document, released in February 2016.

Haven Power is a Drax Group company and is a non-domestic electricity supplier that has been supplying Small Medium Enterprises (SME), including microbusinesses since 2007. In 2009, we entered the Industrial & Commercial (I&C) sector and have been steadily growing our customer base in both areas and currently supply ~25,000 and ~9,600 MPANS in the SME and I&C sectors respectively.

All answers are given in this context. None of our answers need to be marked as confidential.

We are broadly supportive of the changes outlined in the document. The majority of the changes proposed are sensible straightforward updates which improve the drafting of the SEC.

The proposals we are concerned about relate to obligations being moved from the DCC to suppliers. This will lead to duplication of effort across the supplier community and will increase overall costs to the sector. The first area where this is apparent is the move from firmware and supplier release notes being held centrally on the Certified Product List (CPL), to each DCC user being required to hold firmware and manufacturer release notes in their own databases.

Given that a supplier may inherit any device on the CPL installed by any other users at short notice, the reality is that each supplier will have to keep a database of every

device on the CPL and all release notes which apply to every firmware version which could be on that device. This is a large burden, especially for smaller suppliers. It would be much more efficient to continue to require the DCC to hold a single central database for the CPL which suppliers could access.

The second area of concern relates to critical alerts for user to non-user churn. Again this change will require every user to build a system to cope with alerts which relate to assets not on their estate. It would be more efficient to continue to require the DCC to support this function, rather than passing increasing responsibility onto suppliers.

The final change we are concerned about is the lowering of the requirements on the DCC to restore data lost by a supplier as a result of loss of DCC connectivity. The effect of this change means that many smaller users may be required by their risk mitigation strategy to procure backup DCC connections which may never be used, increasing costs unnecessarily.

Taken together these changes increase the costs and workload on market participants and they increase the risk of inaccurate data being applied by DCC users. I strongly believe you should reconsider these in favour of maintaining the more efficient current centralized support for these functions at the DCC.

If you would like any further information about anything in my response please get in contact.

REDACTED REDACTED
Smart Metering Specialist
Email REDACTED REDACTED
Direct Dial REDACTED REDACTED

ANNEX A

Q1 Do you agree that the proposed legal drafting implements the policy to introduce an Early Rollout Obligation on large suppliers by 17 February 2017?

The draft legal text clearly sets out the Early Rollout Obligations. Obviously the rollout obligations will need to be closely monitored to ensure that any further DCC delays will not put this aspect of the programme at risk.

Q2 Do you agree that the proposed legal drafting implements the policy to introduce an obligation for domestic energy suppliers to become DCC users by 17 August 2017 and for new entrants to become a DCC User before supplying gas or electricity?

Haven Power is not a domestic energy supplier and as such has no opinion.

Q3 Do you agree that the proposed legal drafting implements the policy to introduce an obligation for DNOs to become DCC users by 28 April 2017?

Given the importance of DNOs being DCC users, there may be a case for this license to be on a best endeavors, rather than reasonable endeavors, basis.

Q4 Do you agree with the proposal and associated legal drafting to reflect matters related to the installation and maintenance of Special Installation Mesh Communications Hubs in the SEC?

The draft changes to section F are necessary and achieve the policy goal. The current drafting avoids adding to the problems caused to small suppliers by the rest of the drafting of section F, especially around minimum order sizes and order variation rules.

Q5 Do you agree with the proposal and associated legal drafting to reflect matters related to Network Enhancement Plans in the SEC?

The drafting achieves the stated goal and gives much welcomed clarity on the obligations on CSPs with regards to Network Enhancement Plans.

Q6 Do you agree with our approach that no changes are required to the Supply Licence Conditions as a result of churn of SMETS2 SMSs from DCC Users to non-DCC Users?

The User to non-User churn model is problematic. The issue could most easily and effectively be solved by the DCC, rather than placing further obligations on suppliers. Failing this, suppliers need to see the outcome of the Energy UK working group as soon possible to allow them to build systems to cope with the issue. Please also see my comments in the main body of this letter.

Q7 Do you agree with the 'minded to' position to align the start of the feasibility and design of the ECoS process with the Blueprint phase of CRS with the aim of linking the design and build of the ECoS system with CRS development?

There appears to be an assumption that DCC will be the provider of the CRS. This is still under discussion by the Faster Switching workgroups. Until the Faster Switching work stream is more developed it is premature to look to align ECoS. Furthermore, CRS will cover all SVA sites, rather than the proportion which are currently covered by the SEC/DCC/SMIP. We need to make sure that ECoS does not cause problems for the larger SME and large Industrial and Commercial sites changing supply.

Q8 Do you agree with the 'minded to' proposal for suppliers to take reasonable steps' to start to use ECoS from the point at which it becomes available?

Yes, we agree with the requirement to take reasonable steps to use ECoS .

Q9 Do you agree with the principle of suppliers completing the move to ECoS within 6 months of the end of roll out i.e. 2020 or earlier?

Implementation of ECoS for DCC enrolled meters should be "Big Bang" for all DCC users, rather than aligning with each supplier's roll-out plans. Until we have more details about both CRS and ECoS it is difficult to give a firmer view.

Q10 Do you agree with the proposal for DECC to establish an industry working group under the transitional arrangements that will

subsequently transfer to industry at a point to be agreed as part of the wider transitional arrangements?

A DECC lead industry working group is essential to the success of ECoS as it should give the work stream the focus and drive to be pushed through to implementation in a timely manner.

Q11 Do you agree with the proposal to extend the scope of H14.33 to allow the DCC to also provide Testing Participants with assistance with issues related to User Systems and Devices and allowing this assistance to be provided during or after testing?

The New text of H1.33 is well drafted to allow the DCC to support innovation in the sector.

Q12 Do you have any views on how Additional Support services should be charged for?

Additional Support Services should be charged to the parties involved on a cost basis, rather than costs being spread to all Supplier parties on a per MPXN basis. This will allow suppliers to keep better control of their costs.

Q13 Do you agree with the proposal and associated legal drafting to set a mandatory requirement on the DCC to provide a Pre-UEPT service and a GFI service?

The DCC must make Pre-UEPT and GFI testing available as soon as possible and to as wide an audience as possible, to allow all industry participants to carry our all their necessary testing in as convenient manner as possible. The legal drafting supports this goal.

Q14 Please provide your views on the draft direction for the insertion of a new X9 and the proposal to: bring the new X9 into effect on18 April 2016 (or as soon as possible thereafter), require the provision of the Pre-UEPT service from the date that X9 is effective, require the provision of the GFI service as soon as reasonably practicable, but in any event no later than the start of End-to-End testing, provide that the Pre-UEPT and GFI service will end when Section X ends, noting that the Secretary of State has the ability to direct an earlier end date?

Section X9 of the SEC provides the necessary framework for the DCC to provide the testing services which suppliers will need to become DCC users. We therefore welcome this change. We agree that these services should be available as soon as is reasonably practicable. We need to ensure that the provision of Pre-UEPT and GFI test services do not end whilst they are still of use to industry.

Q15 What are the benefits of providing Pre-UEPT services beyond the go live date for Release 1.3 functionality?

Different Suppliers will be at different levels of readiness for go-live. A number of smaller suppliers are looking at a R1.3 go-live only. Keeping pre-UEPT services available beyond R1.3 go live will allow those smaller and independent suppliers to develop the assurance they need to minimize their time in UEPT proper.

Q16 Do you agree with our proposed amendments for additional SIT, Interface Testing and SRT Testing?

If additional SIT/Interface testing and SRT is necessary to ensure that integrity of the DCC system or components of it, then of course the Secretary of State must have powers to direct this. Government and Industry must be mindful that adding additional testing requirements for large suppliers or RDPS may impact rollout for all suppliers, and account must be taken of this.

Q17 Do you agree with our proposed amendments for the length of the End to End Testing Period?

Providing a full 12 (or 18) months of fully functional end-to end testing is a sensible change which will make it easier for suppliers, especially smaller suppliers, to take full advantage of the system.

Q18 Do you agree with our proposed amendments for additional phases of Service Request testing?

The concept of the Additional Service Request Testing and the approach details is a sensible solution, which may remove some disincentives for smaller suppliers to go through UEPT for release 1.2 as opposed to release

1.3. This will also remove many of the costs of moving to release 1.4 and beyond.

Q19 Do you agree with our proposed amendments to the relevant versions of the SEC for testing purposes?

It is vital that testing is carried out against the most relevant version of the SEC, therefore these changes are needed.

Q20 Do you agree with the proposal and associated legal drafting?

Input from the energy sector via the SEC panel on deciding if DCC live criteria have been met is a sensible change which we support.

Q21 Do you agree with the proposed approach and legal drafting that seeks to ensure that only disputes associated directly with the issue of compliance with Section G are determined by Ofgem, with other disputes following the "normal" path for resolution?

It is essential that the scope of the dispute resolution processes outlined in section G is limited to section G matters. We do not want to disrupt existing dispute resolution procedures with a system which was not designed to deal with them. We therefore support this change.

Q22 In relation to the need for DCC to test and monitor the security of Cryptographic Credential Tokens, do you agree with the proposed approach and legal drafting?

We think it is essential that the DCC satisfies itself about the security of Cryptographic Credential tokens via interaction with manufacturers. We therefore support this change.

Q23 In relation to the removal of Manufacturer Release Notes from the CPL and the associated requirements for secure storage, do you agree with the proposed approach and legal drafting?

Haven strongly disagrees with the removal of release notes from the CPL. Given that any DCC user can acquire any meter on the DCC system, with minimal notice, as the result of a COS gain- the effect of this change will be that every DCC user will need to maintain up-to-date release notes for

every meter on the DCC ecosystem. This would be very burdensome on all suppliers, but especially smaller suppliers. It would be much better, more economic and more secure for the CPL to be a central repository of release notes. Please also see my comments in the main body of this letter.

Q24 In relation to the inclusion of systems used to generate a UTRN within the scope of the User System, do you agree with the proposed approach and legal drafting?

Generation of the UTRN is a key part of the User System for PPM functionality over the DCC. This approach and legal drafting is essential.

Q25 Do you agree with the proposal to include a definition of Explicit Consent and do you have any comments on the proposed drafting?

Clear guidance on Explicit Consent is welcomed, as it removes much regulatory uncertainty form this area.

Q26 Do you agree with the proposal and associated legal drafting to consult with Parties and Registration Data Providers prior to changes to DCC Internal Systems or the Release Management Strategy?

It is important that all SEC parties (and others), rather than just current DCC Users, are consulted on changes to the RMS. This will enable as wide a range of views as possible.

Q27 Do you agree with the proposed change to remove the requirement on RDPs to raise an Incident where the issue can be resolved by the transmission of an unsolicited registration data refresh file?

This change may reduce the number of incidents on the system and is therefore to be welcomed, however as an industry we do need to monitor the number of issues which are related to registration data, and the need for unsolicited refresh files.

Q28 Do you agree with the proposals and associated legal drafting to the recovery and data loss obligations in regard to a Disaster?

This change shifts significant risk from the DCC to DCC users, and may in effect require all users to procure backup DCC gateway connections. In order to analyse the need for a backup connection for a smaller supplier or user, clear guidance will need to be given on what will be considered reasonable steps, or more importantly what would be unreasonable to expect in the event of data loss due to DCC connectivity failure. It is likely that many suppliers' risk mitigation strategies will now require backup DCC connections where otherwise they would not: This increases costs on the small supplier community. Please also see my comments in the main body of this letter.

Q29 Do you agree with the proposal to clarify that Users are permitted to send the relevant Service Requests?

This is a necessary clarification.

Q30 Do you agree with the proposal and associated legal drafting to permit SECCo to become a Subscriber for IKI File Signing Certificates for the purposes of Digitally Signing the CPL as set out above?

This is a necessary change to allow the CPL to be signed. We therefore support it.

Q31 Do you agree with the proposals to remove the requirement for DCC to modify the SMI Status of a Device in circumstances where the status of a Device with which it is associated changes, and to clarify by when suppliers must ensure that the appropriate Device Security Credentials are placed on a Device?

We need to fully understand the implications for dual fuel installations where there are different suppliers for both the gas and electricity. The DCC must have process in place to notify (for example) the Gas Supplier of any change in the SMI status of a comms hub to which they connect, but which is installed by the Relevant Electricity Supplier.

Q32 Do you agree with the proposal to change the reporting obligations on DCC in relation to Devices Commissioned between DCC Live and Release 1.3?

Given the lack of DCC functionality in this area, this change is necessary.

Q33 Do you agree with the proposals to modify the subscriber obligations in relation to Certificate Signing Requests generated by DCC-provided software and to place an additional obligation on DCC in relation to these in Section G?

Given the implementation of IKI signing certificates, this is a necessary and proportionate change.

Q34 Do you agree with the proposal not to make transitional changes to the SEC to deal with these matters and instead to rely upon RDPs and the Panel to work with DCC within the confines of its Systems Capability on a transitional basis?

Haven power has no opinion on this.

Q35 Do you agree with the proposal legal drafting amendment to C3.13?

This is a necessary change to properly protect panel members.

Q36 Do you agree with the proposed legal drafting amendments to Section E2?

This is necessary given the above changes.

Q37 Do you agree with the proposal to remove these documents from the SEC and to re-introduce them (including any enduring changes made using Section X) by designation under Condition 22/Section X5 of the SEC?

This is a welcome change, which will remove some of the administrative burdens of changing those parts of the SEC which we know will evolve on a regular basis.

Q38 Do you agree with our proposal and legal drafting in relation to Test Communications Hubs?

This is a minor yet sensible change to definition.

Q39 Do you agree with the proposal and associated legal drafting to align the wording of obligations throughout the SEC?

This is largely a matter of style and does not, in our opinion, change the substance of the SEC.

Q40 Do you agree with the proposed changes to the Incident Management Policy?

This is a necessary and sensible change to the Indecent Management policy which makes the drafting more robust, given the previous dependencies.