



Department for
Business, Energy
& Industrial Strategy

Department for Business,
Energy & Industrial Strategy
1 Victoria Street,
London SW1H 0ET

www.gov.uk/beis

16 December 2021

The Authority (Ofgem), the SEC Panel, SEC Parties
and other interested parties

Dear Colleague,

SMART METERING IMPLEMENTATION PROGRAMME: DIRECTION TO RE-DESIGNATE WITHIN THE SEC THE SMETS1 SUPPORTING REQUIREMENTS, DESIGNATE THE SMETS1 CRYPTOGRAPHIC KEY MANAGEMENT POLICY AND MAKE CONSEQUENTIAL SEC CHANGES

1. The letter constitutes the Government response to consultations undertaken by the Data Communications Company (DCC) on BEIS' behalf and a direction to re-designate the SMETS1 Supporting Requirements (S1SR) and designate the SMETS1 Cryptographic Key Management Policy (S1CKMP). This letter also directs changes to Section A of the SEC that are consequential to the designation of the S1CKMP.
2. On 22 October 2021, the DCC consulted on a draft of the S1CKMP as required by the provisions of Section L14.8 of the SEC as well as on corresponding changes to the S1SR (to reflect the proposed position on key rotation in the S1CKMP)¹. The S1CKMP was approved by the Smart Meter Key Infrastructure Policy Management Authority (SMKI PMA) prior to the consultation. The consultation invited comments on the document and on a proposed date of 10 December 2021 (or as soon as reasonably practicable within one month thereafter) as the date for the incorporation of the S1CKMP and re-designation of the S1SR into the SEC. The DCC received one response to the consultation which closed on 19 November 2021. The respondent did not object to the proposed document or the proposed designation date. Following the close of the consultation DCC also received a further three responses, with each respondent confirming that they had no comments on the document or were content.
3. From 5 November to 3 December 2021, DCC consulted on further changes to the S1SR to make provision for device specific behaviours in relation to the IOC, MOC and FOC cohorts that have arisen out of testing². DCC also held a consultation event in this period. DCC sought views on making changes relating to Clause 17 and 18 and received six responses

¹ <https://www.smartdcc.co.uk/consultations/dcc-consultation-on-the-smets1-cryptographic-key-management-policy/>

² <https://www.smartdcc.co.uk/consultations/smets1-consultation-on-changes-to-the-smets1-supporting-requirements/>

to the question. One respondent proposed some drafting changes that DCC has addressed in its conclusions. Another sought clarity on the description of a device behaviour which DCC explained in its consultation response.

4. DCC also sought views on proposals to amend the Device Models Variations to Equivalent Steps Matrix³ (DMVES) and received five responses. Two respondents identified separate drafting errors that DCC acknowledged and reflected in the draft on which it concluded and recommended BEIS designate.
5. DCC proposed a re-designation date of 17 December 2021 (or, if necessary, as soon as reasonably practicable within one month thereafter) for the updates to the S1SR. DCC received supportive responses from all six respondents.
6. On 29 November 2021 DCC sent a draft of the proposed S1CKMP to BEIS recommending the document for incorporation into the SEC. Considering the DCC's recommendation, the results of the consultation and the fact that the SMKI PMA has approved the document, BEIS is now directing that the document should be incorporated into the SEC. We also conclude that it is appropriate for consequential changes to SEC Section A to be made.
7. On 10 December 2021 DCC sent a draft of the proposed S1SR to BEIS recommending the document be re-designated into the SEC. This document incorporates changes from both the October consultation on the S1CKMP and the November consultation on the S1SR. Considering the DCC's recommendation and the results of the consultation, BEIS is now directing that the S1SR should be re-designated into the SEC.
8. Version 1.0 of the S1CKMP that is being designated is included at Annex A. Version 12.0 of the S1SR that is being re-designated is included at Annex B. A marked-up version of the S1SR showing changes relative to the version previously in legal effect is at Annex C. And the consequential changes being made to Section A of the SEC is at Annex D.

Direction

This direction is made for the purposes of the smart meter communication licences granted to Smart DCC Ltd under the Electricity Act 1989 and the Gas Act 1986 (such licences being the "DCC Licence") and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the "SEC").

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that with effect from 17 December 2021:

- i) the SMETS1 Cryptographic Key Management Policy is hereby designated and incorporated in the form set out in Annex A of this direction as SEC Appendix AT

³ An annex to the SMETS1 Supporting Requirements Document

- ii) the Smart Energy Code contents shall be updated to additionally include the following words at the end of the list of Appendices:

“Appendix AT: SMETS1 Cryptographic Key Management Policy”

- iii) in the definition of “SMETS1 Cryptographic Key Management Policy” in Section A of the SEC the words “[TBC]” shall be replaced with the words “AT”.

Pursuant to Condition 22 of the DCC Licence and Section X5 (Incorporation of Certain Documents into this Code) of the SEC, the Secretary of State directs that, with effect from 17 December 2021, the SMETS1 Supporting Requirements (S1SR) previously designated and incorporated into the SEC as Appendix AM of the SEC is hereby re-designated and incorporated in the form set out in Annex B of this direction.

For the avoidance of doubt, any re-designation of the SMETS1 Supporting Requirements shall be without prejudice to anything done under the DCC Licence or the SEC on or after the SMETS1 Supporting Requirements being previously designated or re-designated, or to the continuing effectiveness of anything done under the SMETS1 Supporting Requirements prior to its re-designation (which shall have effect as if done under the re-designated document).

This direction is being notified to the SEC Administrator and an updated version of the SEC to reflect these changes will be available on the SEC website in due course

Yours faithfully,



Duncan Stone

Deputy Director & Head of Delivery,
Smart Metering Implementation Programme

(An official of the Department for Business, Energy & Industrial Strategy authorised to act on behalf of the Secretary of State)

Annexes (separate documents)

Annex A: SEC Appendix AT – SMETS1 Cryptographic Key Management Policy v1.0

Annex B: SEC Appendix AM – SMETS1 Supporting Requirements Document (S1SR) v12.0

Annex C: SEC Appendix AM - SMETS1 Supporting Requirements Document (S1SR) v12.0
– marked up against v11.0

Annex D: Section A – Definitions and Interpretation v24.0