



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

23 October 2024

Dear Colleague,

Smart Metering Implementation Programme: direction to designate the initial version of SEC Appendix AV - CPA Transition Approach Document (CPA TAD) in support of transitioning the Commercial Product Assurance (CPA) Scheme to enduring governance under the Smart Energy Code (SEC).

1. Certain Smart Metering devices are required to undergo independent assurance that they meet the required security standard before they can operate on the smart metering network in Great Britain (GB). This is part of a set of comprehensive cyber security controls that were developed over time to protect the ongoing security of the smart metering system. This assurance is being provided through the Commercial Product Assurance (CPA) Scheme, for which the National Cyber Security Centre (NCSC) is the current owner-operator.
2. NCSC has decided to close the CPA Scheme for smart metering from Spring 2025 so to support the CPA Scheme's continuity, the Government consulted¹ on a range of technical amendments to the SEC in Spring 2024 that were broadly supported by industry stakeholders. The changes allow for the transfer of overall responsibility to deliver, maintain, and operate the CPA Scheme from NCSC to the Security Sub-Committee of the SEC Panel (SSC). The changes also require Device Manufacturers to notify SSC of any material security vulnerabilities whilst requiring those Device Manufacturers, which subscribe and use certain types of cryptographic keys, to become SEC Parties, so that users of such keys are covered by appropriate security obligations. To align with this, the changes also enable Device Manufacturers to have representation at SSC and to take part in decision making related to smart metering security.
3. The amendments to the SEC were laid in Parliament, pursuant to Section 89 Energy Act 2008, on 24 May 2024. Subject to Parliamentary consideration for 40 sitting days, the modifications will be brought into force on 21 October 2024.
4. To enable a smooth transition of the CPA Scheme from NCSC to SSC, the instrument also provides for a new SEC Appendix AV - CPA Transition Approach Document (CPA TAD) to be developed by the Secretary of State and incorporated into the SEC pursuant to Condition 22 of the DCC Licence and SEC Section X5. This transition approach document temporarily disapplies some of the stated SEC changes in the instrument until the transition to the new arrangements is ready to begin. DESNZ consulted on the initial version of the CPA TAD² when issuing the Government's response to the consultation on the stated SEC changes. No

¹ <https://smartenergycodecompany.co.uk/department-for-energy-security-net-zero-consultation-on-changes-to-the-sec-relating-to-the-commercial-product-assurance-cpa-scheme/>

² <https://smartenergycodecompany.co.uk/documents/sec/department-for-energy-security-net-zero-changes-to-the-sec-relating-to-the-commercial-product-assurance-cpa-scheme/>

responses to the consultation were received, which is consistent with our view that the document and its contents are uncontroversial. In October 2024, we consulted³ on including in the initial version of the CPA TAD changes to the proposed new SEC Section G13.5 that deals with the independence arrangements for the Scheme Operator. This will enable SSC to introduce additional flexibility as to how such requirements could be met, and where appropriate, to require associated mitigation actions. The consultation received one response that fully supported the proposed changes.

5. Combined, the amendments to the SEC and CPA TAD will support the smooth transfer of smart metering device assurance responsibilities from NCSC to SSC.
6. The Government is therefore designating the CPA TAD on the same day that the amendments to the SEC, which provide for the development and designation of a CPA TAD, come into force. The direction to give effect to this can be found in Annex 1 below. This direction is being notified to the SEC Administrator and an updated version of the SEC will be issued to reflect these changes and will be available on the SEC website in due course.

Yours faithfully,



James Cosgrove

Deputy Director & Head of Delivery
Smart Metering Implementation Programme

(An official of the Department for Energy Security & Net Zero authorised to act on behalf of the Secretary of State)

³ <https://smartenergycodecompany.co.uk/department-for-energy-security-net-zero-consultation-on-the-revised-initial-version-of-the-draft-cpa-transition-approach-document/>

Annex 1 – Direction to Designate the CPA TAD

This direction is made for the purposes of the smart meter communications licences granted 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 Part G of 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 21 October 2024, the CPA Transition Approach Document (CPA TAD), is hereby designated and incorporated into the SEC as Appendix AV in the form set out in Appendix A to this direction.

Appendix (attached separately)

Appendix A: SEC Appendix AV – CPA Transition Approach Document v1.0