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MP280 'CPA Scheme Transition to SSC'

Modification Report

Version 1.0

22 January 2025

Corporate member of
Plain English Campaign
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communication

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About this document

This document is a Modification Report. It sets out the background, issue, solution, impacts, costs, implementation approach and progression timetable for this modification, along with any relevant discussions, views and conclusions.

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This document also has one annex:

- **Annex A** contains the redlined changes to the Smart Energy Code (SEC) required to deliver the Proposed Solution.

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1. Summary

This proposal has been raised by Gordon Hextall on behalf of the Security Sub-Committee (SSC).

The [SEC Appendix AV 'CPA Transitional Approach Document'](#) was designated by Department for Energy Security and Net Zero (DESNZ) in October 2024 to establish new arrangements for the Device security assurance scheme (known as the Commercial Product Assurance (CPA)). SEC Appendix AV is expected to fall away at the end of March 2025 when the National Cyber Security Centre (NCSC) exits the Scheme.

The Security Sub-Committee has requested that Clause 4 of Appendix AV be included into SEC Section G13.5 to ensure the appropriate Scheme Operator (SOp) can be appointed in future.

This modification has no direct SEC Party impacts and costs are limited to Smart Energy Code Administrator and Secretariat (SECAS) time and effort. It is targeted for implementation in the February 2025 SEC Release and is a Self-Governance Modification.

2. Issue

What are the current arrangements?

The NCSC (current CPA Scheme Owner and Operator) is planned to exit the CPA Scheme in March 2025. Specific independence requirements of the CPA Scheme Operator to be appointed by the SSC are set out in SEC Section G13.5 – G13.8. It became apparent during the recent procurement of the CPA SOp, that the criteria in G13.6(b) was too tightly defined and could prevent the appointment of a suitably qualified SOp. It is likely that any company with the expertise to provide the CPA Scheme Operator service will have been or will be active in the smart metering ecosystem. Therefore, DESNZ amended Appendix AV to include the following clause:

“4 Application of Section G13.5

4.1 Section G13.5 shall apply on the basis that the CPA Scheme Operator will be treated as suitably independent either (1) if it satisfies the requirements of Sections G13.7 and G13.8 or (2) if it partly satisfies the requirements of Sections G13.7 and G13.8 and also satisfies such other requirements and complies with such arrangements as the Security Sub-Committee may require in order to deal with the consequences of Sections G13.7 and G13.8 not applying in full.”

What is the issue?

SEC Appendix AV is due to fall away at the end of March 2025 when the NCSC exits the CPA Scheme. This will include the amendment to allow the *'partly satisfies the requirements of Sections G13.7 and G13.8...'*

The SSC have asked that this wording be included in the SEC to ensure an enduring approach to procuring an appropriately qualified SOp.

What is the impact this is having?

If this change is not made, then it could inhibit the SSC's ability to discharge its duty to procure an appropriately qualified CPA SOP.

Impact on consumers

If the CPA Scheme cannot continue then Smart Metering Devices cannot be assured as 'safe'.

3. Solution

Proposed Solution

Amend SEC Section G13.5 to include the clause that is currently in Appendix AV, which will no longer be relevant from March 2025.

4. Impacts

This section summarises the impacts that would arise from the implementation of this modification.

SEC Parties

SEC Party Categories impacted			
	Large Suppliers		Small Suppliers
	Electricity Network Operators		Gas Network Operators
	Other SEC Parties		DCC

Breakdown of Other SEC Party types impacted			
	Shared Resource Providers		Meter Installers
	Device Manufacturers		Flexibility Providers
	DCC Other Users		MAPs/ MAMs

SEC Parties are not directly affected as the SSC will procure the CPA SOP.

DCC Systems

DCC System changes

Making this change will not impact DCC Systems.

DCC System traffic

Making this change will not impact DCC System traffic.

SEC and subsidiary documents

The following parts of the SEC will be impacted:

- Section G 'Security'

The changes to the SEC required to deliver the proposed solution can be found in Annex A.

Devices

Devices impacted			
	Electricity Smart Metering Equipment		Gas Smart Metering Equipment
	Communications Hubs		Gas Proxy Functions
	In-Home Displays		Prepayment Meter Interface Devices
	Standalone Auxiliary Proportional Controllers		Home Area Network Connected Auxiliary Load Control Switches
	Consumer Access Devices		Alternative Home Area Network Devices

No Devices are directly affected as this change only affects the ability of the SSC to procure a SOp.

Consumers

If the CPA Scheme cannot continue then Smart Metering Devices cannot be assured as 'safe'.

Other industry Codes

Making this change will have no impact on other Codes.

Greenhouse gas emissions

Making this change will have no impact on greenhouse gas emissions.

5. Costs

DCC costs

There are no DCC costs to implement this change as it is already in place.

SECAS costs

The estimated SECAS implementation cost to implement this as a stand-alone modification is half a day of effort, amounting to approximately £300. This cost will be reassessed when combining this modification in a scheduled SEC Release. The activities needed to be undertaken for this are:

- Updating the SEC and releasing the new version to the industry.

SEC Party costs

There are no SEC Party costs to implement this change as it is already in place.

6. Implementation approach

Approved implementation approach

The CSC approved an implementation date of:

- **27 February 2025** (February 2025 SEC Release) if a decision to approve is received on or before 26 February 2025; or
- **Ten Working Days after decision** (Ad-hoc SEC Release) if a decision to approve is received after 26 February 2025.

The clause in SEC Appendix AV will no longer apply after March 2025, therefore this modification should be implemented before the end of March 2025.

7. Assessment of the proposal

Areas for assessment

The original clause was implemented into SEC Appendix AV by DESNZ following a consultation¹. As this clause is already active, SECAS are not proposing any further assessment.

8. Case for change

Business case

Approval of the modification

The clause was implemented by DESNZ following industry consultation. It allows the SSC to ensure that the appropriately qualified SOp is procured. If this were to fall away with SEC Appendix AV, then this could inhibit the ability of the SSC to carry out its duties in this respect and would risk the security of the Smart Metering Implementation Programme (SMIP).

¹ [Department for Energy Security & Net Zero – Consultation on the revised initial version of the draft CPA Transition Approach Document - Smart Energy Code](#)

The only cost to implement this modification are SECAS time and effort.

Views against the General SEC Objectives

Proposer's views

The Proposer believes that this modification better facilitates SEC Objective (g)²

Industry views

No other comments were received.

Views against the consumer areas

Improved safety and reliability

This modification will ensure the security of the smart metering programme.

Lower bills than would otherwise be the case

This modification is neutral against this area.

Reduced environmental damage

This modification is neutral against this area.

Improved quality of service

This modification is neutral against this area.

Benefits for society as a whole

This modification is neutral against this area.

Final conclusions

This modification is to extend powers for the SSC to procure a CPA SOP that are already in place. The modification has no industry costs associated with its implementation.

² To facilitate the efficient and transparent administration and implementation of the SEC.

Appendix 1: Progression timetable

Timetable	
Event/Action	Date
Modification discussed with Issues Group	15 Jan 2025
Draft Proposal raised	15 Jan 2025
CSC converts Draft Proposal to Modification Proposal	21 Jan 2025
Modification Report approved by CSC	21 Jan 2025
Modification Report Consultation	22 Jan – 12 Feb 2025
<i>Change Board Vote</i>	<i>26 Feb 2025</i>

Italics denote planned events that could be subject to change

Appendix 2: Glossary

This table lists all the acronyms used in this document and the full term they are an abbreviation for.

Glossary	
Acronym	Full term
CPA	Commercial Product Assurance
DCC	Data Communications Company
DESNZ	Department of Energy Security and Net Zero
MAP	Meter Asset Provider
MEM	Meter Equipment Manufacturer
NCSC	National Cyber Security Centre
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SOp	System Operator
SSC	Security Sub-Committee