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DP075 ‘Third party metering service providers’

Problem statement – version 1.0

About this document

This document provides a summary of this Draft Proposal, including the issue or problem identified, the impacts this is having, and the context of this issue within the Smart Energy Code (SEC).

Proposer

This Draft Proposal has been raised by Steve Mulinganie of Gazprom, who has nominated Gareth Evans from Waters Wye Associates Limited as their representative.

What is the issue or problem identified?

Third party meter service providers

Duty to notify

The SEC places an obligation on the Responsible Supplier of a Smart Metering System to notify and to have arrangements to be notified of security vulnerabilities. The Responsible Supplier must notify the meter manufacturer of any security vulnerability they identify, and also report this vulnerability and the steps taken to rectify or mitigate it to the Security Sub-Committee (SSC). The Responsible Supplier must also make appropriate arrangements with the meter manufacturer to be notified of any security vulnerabilities the manufacturer identifies.

[Guidance](#) provided by the SSC outlines the scenario where a Supplier only has a relationship with a Meter Asset Provider (MAP). This provides guidance on contractual arrangements to allow this duty to notify and be notified, to be fulfilled. SECAS have been advised by a member of the SSC that the obligations for Suppliers to notify and be notified has been discussed with the Community of MAPs (CMAP) and they support the practices outlined in the guidance.

Non-domestic Supplier relationships

In many cases, non-domestic Suppliers may not have a formal contractual agreement with the meter manufacturer or a MAP. Instead they may have a contract with a Meter Asset Manager (MAM) (green route in Figure 1), or the end customer may have specified arrangements (blue route in Figure 1). As these parties are not under any obligation to notify, there may be a breakdown in communications of these notifications.

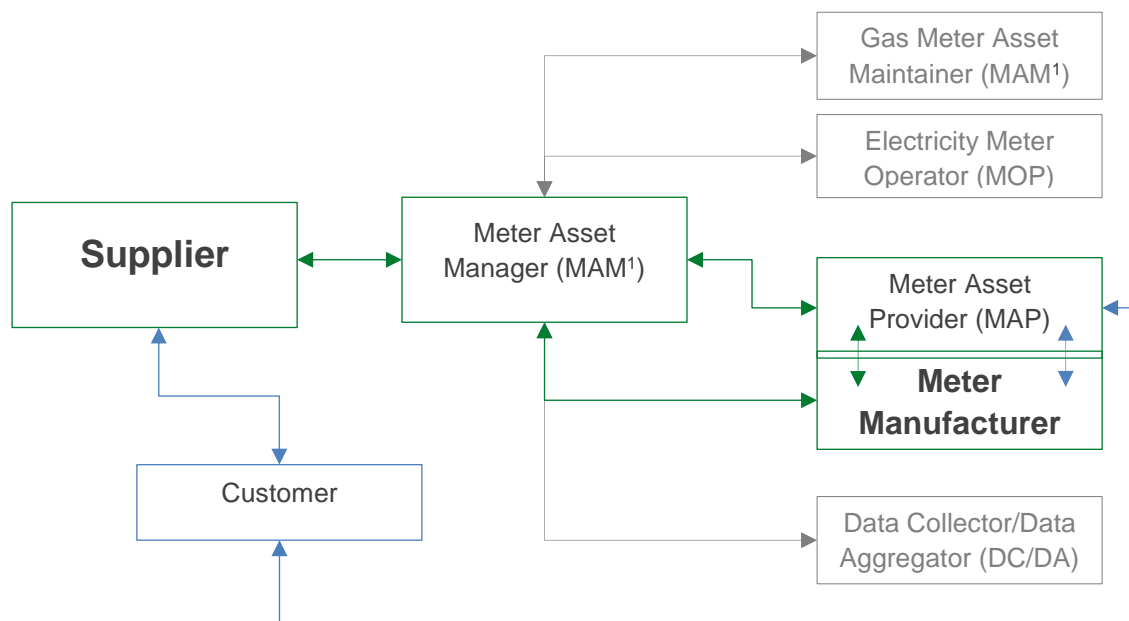


Figure 1: Possible relationships between Suppliers and Meter Manufacturers

¹ Please note: Meter Asset Manager (MAM) is distinctly different from Meter Asset Maintainer (MAM)

How does this issue relate to the SEC?

SEC Section G 'Security' outlines the obligations for the Relevant Supplier's duty to notify of security vulnerabilities of a Smart Metering System they are responsible for:

- Section G3.9 outlines the requirements of the Relevant Supplier for reporting of security vulnerabilities to the Security Sub-Committee;
- Sections G3.17 and G3.18 outline the requirements where the Relevant Supplier must notify the manufacturer of the device, rectify or mitigate the vulnerability, and also outlines the requirements for reporting vulnerabilities and steps taken to the Security Sub-Committee; and
- Section G3.20 outlines the obligation for the Relevant Supplier to make arrangements with the manufacturer to be notified of security vulnerabilities that the manufacturer identifies.

Within these Sections of the SEC there is no recognition of the Supplier's relationships with other third parties.

What is the impact this is having?

What are the impacts of doing nothing?

With obligations placed on Suppliers in the SEC to notify and be notified by a manufacturer they have no formal relationship with, the Proposer believes there is a possibility of a communication breakdown resulting in this requirement not being fulfilled. With the current arrangements between many non-domestic Suppliers, third parties, and manufactures, the third parties are under no obligations in the SEC to notify of security vulnerabilities. Therefore, there is the possibility that the Supplier may be in breach of the SEC through no fault of their own and information that may be of importance to the market regarding security issues may not be adequately captured.

At this stage there is not a unanimous agreeance that this is an issue that needs to be resolved in the SEC. There have been arguments both for and against recognition of this as an issue, with SEC Parties and Panel Sub-Committees on both sides of the arguments. Detailed opinions can be found below.

What are the views of the industry?

Views of the DCC

The DCC had no comments on this Draft Proposal.

Views of SEC Parties

Feedback on this Draft Proposal was received from three Other SEC Parties and one Small Supplier:

- The Other SEC Parties did not see a need for a change to the SEC regarding this Draft Proposal, with views that this should already be covered in the Supply Licence Conditions.
- The Small Supplier believed that SEC Section G does not adequately reflect the practical reality of metering relationships, and therefore supported this Draft Proposal.

The full comments can be found [here](#).

Views of Panel Sub-Committees

Views of the SSC

The SSC did not see a need for any change to the SEC regarding third party metering provides and the Supplier's Duty to Notify. They note there is an obligation for the Supplier to have a relationship with the manufacturer, and other bodies such as MAMs and MAPs are just intermediaries in this process. They felt it is wrong if the Proposer doesn't have this relationship with the manufacturers, and that a modification is not the way to fix this. It was also pointed out that other Suppliers have not raised issue in fulfilling these obligations.

The SSC are strongly against any change to SEC Section G arising from this Draft Proposal.

Views of the TABASC

The Technical Architecture Sub-Committee (TABASC) noted the SSC's comments and were in agreement with them. The TABASC did not believe that this Draft Proposal is needed.

Views of the Change Sub-Committee

The Change Sub-Committee (CSC) agreed that this Draft Proposal outlines an issue that should be considered. It would need to be investigated if the solution is within the SEC; however there was a consensus that with careful wording, the SEC may be able to resolve this issue. It was also noted that the licence conditions are not adequately covered in SEC Section G, and a lack of recognition of contractual agreements between Suppliers and Manufacturers. The CSC recommend to the Panel that this Draft Proposal be converted to a Modification Proposal and progressed through the Refinement Process.

Views of the SEC Panel

On 14 June 2019 the SEC Panel agreed to convert the Draft Proposal to a Modification Proposal and be progressed through a Refinement Process. A Panel member did query if the solution to this issue should be resolved within the SEC, or elsewhere. Another Panel member believes that it can be resolved within the SEC and that the Refinement Process will draw out the most appropriate solution.