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Stage 04: Final Modification Report

SECMP0022:

Expanding SMKI PMA membership and removing Alternate restrictions

This Modification Proposal seeks to alter the current Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) membership in order to take account of its operational responsibilities, and to mitigate against the risk that a meeting is not quorate. This Modification Proposal also seeks to remove the restriction which prohibits each SMKI PMA Member from nominating an Alternate from the same organisation that employs them.



The Change Board voted to approve this modification on 23rd November 2016.

SECMP0022 will be implemented on 14th December 2016, five Working Days after the end of the 10 Working Day referral period.



Impacts on:
SEC Panel, SMKI PMA and SMKI PMA membership

What stage is this document in the process?

01	Initial Modification Report
02	Refinement Process
03	Report Phase
04	Final Modification Report

Any questions?

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SECMP0022 Final
Modification Report

24th November 2016

Version 1.0

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About this document

This document is the Final Modification Report for SECMP0022. The Change Board considered this report as part of their deliberations on whether to approve, reject, or defer the Modification Proposal. It has been updated following the Change Board vote on 23rd November 2016.

Attachment B contains the responses to the Modification Report Consultation.

Attachment C provides the full details of the Change Board vote outcome.

1. Summary

This section provides an overview of SECMP0022. For further details on the Modification Proposal, please refer to the subsequent sections.

Defined terms and acronyms used in this document are listed in the Glossary (Appendix 1) of this document.

1.1 Why Change?

Since the SMKI PMA was established, on occasion the SMKI PMA has struggled to reach quorum. This matter has been further amplified as the SMKI PMA has seen its responsibilities expand since its creation to have an operational role.

1.2 Solution

SECMP0022 proposes updating the SMKI PMA's membership structure to add 1 additional Large Supplier seat, 1 additional Network seat (so as to have both an Electricity and Gas Network Members) and for the SMKI Specialist to become a voting SMKI PMA Member.

Finally, the appointment of SMKI PMA Alternates would be brought in line with that of the other SEC Panel Sub-Committees and allow for SMKI PMA Alternates to be employees of the same organisation as the SMKI PMA Member who appointed them.

1.3 Impacts and Costs

The impacts of this Modification Proposal are minimal. SECMP0022 will impact SEC Panel, SMKI PMA and SMKI PMA membership. The costs to implement this change will be limited to the Code Administrator's time and effort to making the necessary amendments to the SEC and release a new version to SEC Parties and the publication of it on the SEC Website.

1.4 Implementation

As this Modification Proposal only involves minor changes to SEC Section L it is proposed to implement this Modification Proposal 5 Working Days (WD) following the end of the 10 WD referral period following the Change Board Vote (subject to the modification being progressed as a Path 3 'Self Governance' Modification Proposal).

1.5 Path 3: Self-Governance

This Modification Proposal addresses a SMKI PMA identified issue with the current membership in relation to quorum. The changes are non-material and require minimal changes to the SEC. Therefore, SECMP0022 is being progressed as a Path 3 Modification (Self-Governance).

1.6 Modification Report Consultation Responses

11 SEC Voting Groups (representing a total of 18 SEC Parties) responded to the Modification Report Consultation, consisting of 4 Large Suppliers, 5 Network Parties, and 12 Other SEC Parties. Other than two expressions of "no interest" all of the respondents supported the approval of SEMP0022.

2. Why Change?

2.1 Background

The SMKI PMA was established in July 2014 to set the strategic direction and the over-arching policy for management and control of the SMKI and other Public Key Infrastructure (PKI) Certificates, as laid out in SEC Section L: 'Smart Metering Key Infrastructure and DCC Key Infrastructure'.

The initial role of the SMKI PMA was that of a policy management authority with no operational role. The SMKI PMA was not expected to manage day-to-day operational activities in relation to SMKI, Infrastructure Key Infrastructure (IKI), and DCC Key Infrastructure (DCCKI). As such, the Department for Business, Energy and Industrial Strategy (BEIS (previously DECC)) aimed to keep the number of SMKI PMA Members to a minimum so as not to be burdensome to Industry.

2.2 What is the issue?

The development of the SMKI Recovery Key Guidance (as set out in SEC Section L10) has led to the SMKI PMA having operational involvement in the recovery decision making processes during a Recovery Event. As a result, the decisions it makes are more significant and it may be required at short notice to convene and make decisions.

The existing SMKI PMA membership structure can make it challenging to reach a quorum at short notice. Therefore, this Modification Proposal proposes the expansion of the number of voting members in the SMKI PMA to ensure a quorum being reached at short notice.

The consideration of this modification by the SMKI PMA, prior to its submission, was prompted in light of a recent scenario where SMKI PMA struggled to reach a quorum which could have affected the ability for the SMKI PMA to fulfil their operational roles.

3. Solution

3.1 Proposed solution

SECMP0022 was raised by the SMKI PMA on 3rd October 2016. It seeks to update the SMKI PMA's current membership structure. It intends to increase the number of Large Supplier Member seats by one and the number of Network Member seats to two. One of the Network Member seats would be voted on to the SMKI PMA by Electricity Network Parties and one by Gas Network Parties. The resulting changes would mean that the new SMKI PMA structure would be:

- 1 independent chair;
- 1 SMKI Specialist
- 3 Large Supplier seats;
- 1 Small Supplier seats;
- 1 Electricity Networks seat;
- 1 Gas Network seat;
- 1 SSC representative; and
- 1 TABASC representative.

SECMP0022 also seeks to change the role of the SMKI Specialist from a non-voting Member to a Voting Member. This is to further mitigate against any risks on reaching a quorum.

Finally, in order to help mitigate against further quorum issues it is recognised that, in light of the proposed change to the SMKI PMA membership, SEC Section L1.12 (c) should be removed from the Code. This clause states that SMKI PMA Members can only nominate alternate representatives from outside their organisation. The removal of this clause will enable SMKI PMA Members to nominate an Alternate from the organisation that employs them, increasing the availability and options around SMKI PMA alternatives nominations, and also bring the SMKI PMA's Alternate structure in line with that of other SEC Panel Sub-Committees.

3.2 Proposers views against SEC Objectives

The Proposer believes SECMP0022 will better facilitate General SEC objective (g) *"to facilitate the efficient and transparent administration and implementation of this Code"*.

As the role of the SMKI PMA has expanded to include an operational aspect, the structure of its membership requires expansion to mitigate against any risk that quorum cannot be met, impacting its ability to discharge and deliver its responsibilities.

The removal of SEC Section L1.12(c) further reduces the risk that quorum cannot be met by enabling SMKI PMA Members to nominate an Alternate from the same organisation that employs them.

3.3 Sub-Committee Views on SECMP0022

As the modification does not impact the Technical, Business Architecture or Security matters, neither the Technical Architecture and Business Architect Sub-Committee (TABASC) or Security Sub-Committee (SSC) remits are impacted by this changes. The SMKI PMA unanimously support SECMP0022.

4. Impacts and Costs

4.1 Impacts

SECMP0022 will have **no impacts** on SEC Parties, the DCC or any systems (including DCC Systems, User Systems and/or Smart Metering Systems). There are also no identified impacts on other energy Codes, Greenhouse Gas Emissions or Consumers.

There are also no identified impacts on other Energy Codes, Greenhouse Gas Emissions or Consumers.

Potential Impacts of SECMP0022	
Smart Energy Code Parties	
Suppliers	No Impact
Networks	
DCC	
Other	
Systems	
DCC Systems	No Impact
User Systems	
Smart Metering Systems	
Other	
Impact on Consumers	
No Impact	
SEC and subsidiary documents	
SEC Sections	SEC Section L (Smart Metering Key Infrastructure) will require amendment, primarily Section L1. These changes detailed in Attachment A.
Subsidiary Documents	None
Other Industry Codes and Documents	
No Impact	
Greenhouse gas emissions	
No Impact	

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4.2 Costs

The costs to implement this change will be limited to the Code Administrator time and effort to making the necessary amendments to the SEC and release a new version to SEC Parties and the publication of it on the SEC Website.

The table below sets out the estimated working day effort to implement this change:

Implementation activities, cost and effort		
Implementation activities	Effort	Cost
<ul style="list-style-type: none"> Application of approved changes to the SEC Publication of new version of the SEC on the SEC Website and issuance to SEC Parties Review and update any impacted SEC guidance materials 	2 Man Days maximum	£1200 ¹
<ul style="list-style-type: none"> Ongoing costs 	N/A	N/A

¹ Based on a blended rate of £600 per day

5. Implementation

5.1 Recommended Implementation approach

As this Modification Proposal only involves a documentation only change to SEC Section L, and should have no impact on SEC Parties or the DCC, the following implementation approach is proposed:

- **5 Working Days** following the end of the 10 Working Day referral period that applies after the Change Board vote.

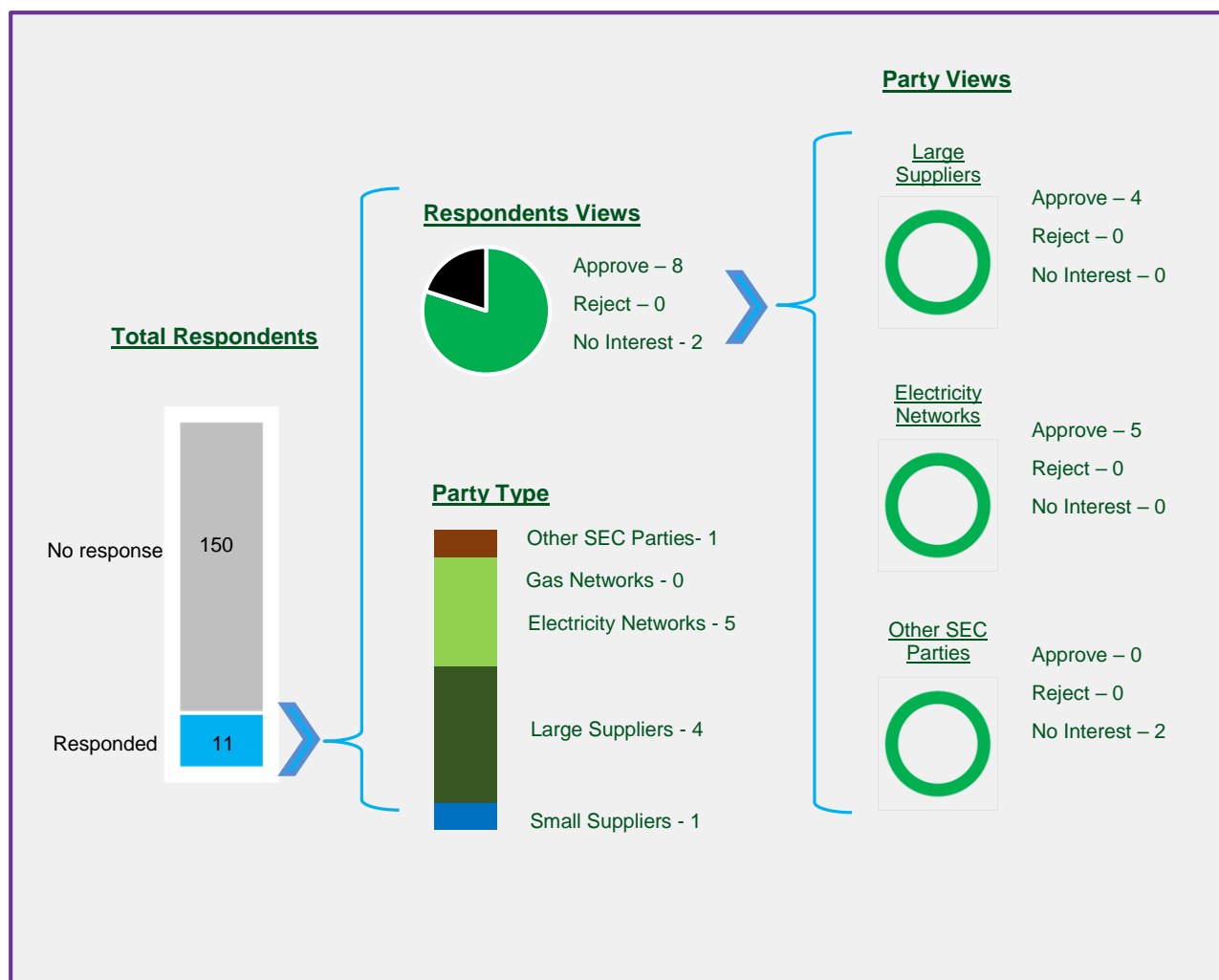
On this basis subject to now referrals, SECMP0022 will be implemented on 14th December 2016.

Note this is subject to SECMP0022 being treated and voted on by the Change Board as a Path 3 Self-Governance Modification Proposal.

6. Modification Report Consultation Responses

This section summarises the responses received to the Modification Report Consultation. 11 respondents, representing a total of 18 SEC Parties², replied to the Modification Report Consultation. The full list of represented SEC Parties and the responses are provided in Attachment B.

6.1 Summary of Responses



² Out of a total of 201 SEC Parties.

6.2 Summary of views against the SEC Objectives

Summary of Large Suppliers' views for and against SECMP0022		
SEC Objectives	Benefit(s)	Drawback(s)
Objective g)	<ul style="list-style-type: none"> Large Suppliers all agreed that SECMP0022 supports and better facilitates objective (g); efficient and transparent administration of the code. All Large Suppliers also agreed that in light of the added operational aspect of the SMKI PMA, the structure of its membership requires expansion to mitigate against any risk that quorum cannot be met, thus impacting its ability to discharge and delivery its responsibilities. 	None
Summary of Networks' views for and against SECMP0022		
SEC Objectives	Benefit(s)	Drawback(s)
Objective g)	<ul style="list-style-type: none"> All Network Parties agreed that General SEC objective (g) is better facilitated by SECMP0022 because by increasing the number of SMKI PMA members it will be easier to form a quorum and therefore be more efficient. Network Parties noted that from an Electricity Network Party perspective, their representation is improved and consequently will allow them to better discharge the delivery of their responsibilities. 	None

7. Change Board Decisions

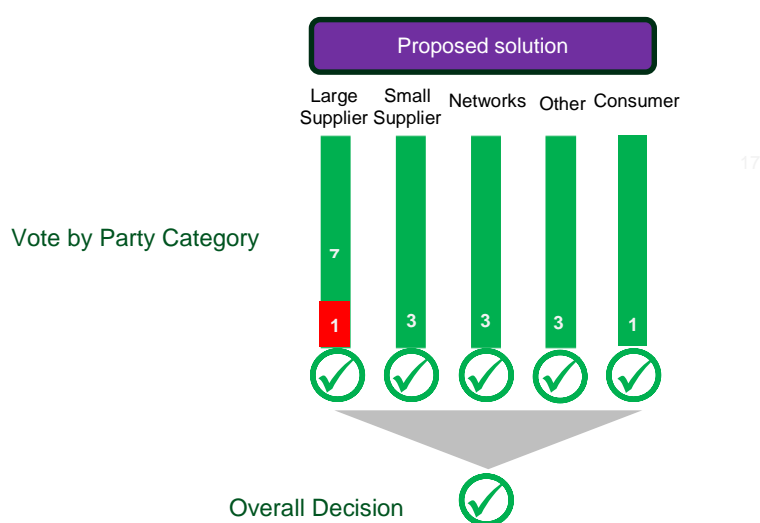
7.1 Deferral?

The Change Board unanimously agreed that SECMP0022 should not be sent back to the SEC Panel for further clarification or analysis.

7.2 Approve SECMP0022

The Change Board voted to approve SECMP0022. They believed the modification better facilitated SEC Objective (g)³, facilitating the efficient and transparent administration and implementation of this Code.

Details of voting and views by Party Category is provided in Attachment C. A summary of the Change Board's views against the applicable SEC objectives can be found below.



Summary of Change Board views on SECMP0022		
SEC Objective	Benefit	Drawback
Objective (g)	<ul style="list-style-type: none"> Reduces risks of the SMKI PMA not reaching quorum and therefore not being able to deliver its responsibilities. Provides a structure that is consistent with other SEC Sub-Committees. Enables both Electricity and Gas Networks to have representation. 	<ul style="list-style-type: none"> SECMP0020 does not entirely mitigate the risk of the SMKI PMA not being able to deliver its responsibilities.

³ The seventh General SEC Objective is to facilitate the efficient and transparent administration and implementation of this Code.

7.3 Change Board considerations

A Change Board Member queried whether the SMKI PMA had considered lowering the quorum requirement of the Sub-Committee rather than expanding its membership. SECAS advised that the SMKI PMA Chair and group believed that a reduced quorum requirement could compromise SMKI PMA's ability to make informed decisions. They agreed that the proposed solution would provide the necessary representation in order to deliver their responsibilities, most notably SMKI Recovery responsibilities.

The Change Board discussed concerns that, whilst the modification reduces the risk of the SMKI PMA not being quorate, it does not necessarily mitigate the risks of members not being able to deliver the important responsibilities of the Sub-Committee. The SMKI PMA's role in SMKI Recovery was highlighted to be a significant responsibility that, if it cannot be discharged, could have substantial impacts on the smart metering infrastructure.

It was highlighted that increasing the membership does not prevent members from sending apologies if meetings were to be convened at short notice. The Change Board also noted a concern regarding member expertise not being fit for purpose, as a result of expanded membership and the removal of the restriction on Alternate members.

The Change Board noted that it was the member's responsibility to make all reasonable efforts to attend meetings and to ensure that their alternates are fully briefed in their absence.

The Change Board agreed that these concerns should be communicated to the SEC Panel and fed back to the SMKI PMA.

Appendix 1 – Glossary and References

Glossary		
Acronym	Term	Plain English Summary
DCKI	Data Communications Company Key Infrastructure	The public key infrastructure established by DCC to provide, amongst other things, transport layer security across DCC Gateway Connections.
IKI	Infrastructure Key Infrastructure	A Public Key Infrastructure used to secure interfaces to the SMKI.
	Recovery Event	Incident in which the DCC has notified the SMKI PMA that a Relevant Private Key has been (or is suspected of having been) Compromised; and in consequence, the SMKI PMA has decided to require the use of the Recovery Private Key or Contingency Private Key in accordance with the SMKI Recovery Procedure.
SSC	Security Sub Committee	The Sub-Committee established pursuant to Section G7 (Security Sub-Committee).
SMKI	Smart Meter Key Infrastructure	The public key infrastructure established by DCC for the purpose, among other things, of providing secure communications between Devices and Users.
SMKI PMA	Smart Meter Key Infrastructure Policy Management Authority	The Sub-Committee of that name established pursuant to Section L1 (SMKI Policy Management Authority).
TABASC	Technical Architecture and Business Architecture Sub-Committee	Means the Sub-Committee established pursuant to Section F1 (Technical Architecture and Business Architecture Sub-Committee).

References

The following table contains any useful links relevant to this change or referenced in this document.

Links and References	
Description	Link
SECTION L – Smart Metering Key Infrastructure and DCC Key Infrastructure	https://www.smartenergycodecompany.co.uk/docs/default-source/sec-documents/smart-energy-code-4.15/sec-4-15-section-l---smart-metering-key-infrastructure.pdf?sfvrsn=3