Smart Energy Code

SEC
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**Draft Legal Text**

# SECMP0059:

# Amendments to SEC Security Assessments for Non-Domestic Suppliers and Other Users


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## Summary


This modification seeks to provide clarity for non-domestic energy Suppliers on the type of User Security Assessment that is required for the second and third years after the initial Full User Security Assessment; and align security assessments for Other Users with the arrangements that currently apply to Small Suppliers to ensure proportionate assurance of the security risks.


## About this document

This document contains the draft SEC legal text that will deliver the intent of SECMP00059.




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# 1. Draft Legal Text

This section sets out the draft Legal Text Changes for SECMP0059. These changes have been drafted against the Smart Energy Code (SEC) version 5.22[1].

## Section G 'Security'

### Security Assurance Assessment: Post-User Entry Process

**Security Assurance Assessments: Post-User Entry Process**

G8.40 A User shall schedule a User Security Assessment with the User Independent Security Assurance Service Provider or a User Security Self-Assessment in accordance with the provisions of Sections G8.41 to G8.47. Within 12 months after completion of the User's initial Full User Security Assessment (or after the Follow-up Security Assessment where there was one), for the purposes of the User Entry Process, pursuant to which the Panel set an assurance status of:

(a) approved; or

(b) approved, subject to the User:

(i) taking such steps as the User proposes to take in its User Security Assessment Response in accordance with Section G8.26(b); or

(ii) both taking the steps referred to in (i) above and being subject to a Follow-up Security Assessment by such date as the Panel may specify.

Supplier Parties

G8.41 Where a User is a Supplier Party and the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Responsible Supplier exceeds 250,000, the User Security Assessment required by Section G8.40 shall be a Full User Security Assessment and the User shall schedule a

[1]Note that if a new version of the SEC is designated before the submission of the Final Modification Report to the Change Board or Authority, the drafting will be checked to make sure there are no consequential impacts. Our current understanding is that the specifications that SECMP0006 is amending are not expected to change as part of any forthcoming designations.


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further Full User Security Assessment within 12 months after each Full User Security Assessment.

G8.42 Where a User is a Supplier Party and the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Responsible Supplier is equal to or less than 250,000, the User Security Assessment required by Section G8.40 shall be a Verification User Security Assessment and the User shall:

(a) within 12 months after each Verification User Security Assessment schedule a User Security Self-Assessment; and

(b) within 12 months after each User Security Self-Assessment, schedule a Full User Security Assessment with the User Independent Security Assurance Service Provider; and

(c) within 12 months after each Full User Security Assessment, schedule a Verification User Security Assessment with the User Independent Security Assurance Service Provider.

G8.43 In assessing for the purposes of Sections G8.41 and G8.42 the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which a User is the Responsible Supplier, that number shall, where any Shared Resources which are not provided by a Shared Resource Provider form part of both its User Systems and the User Systems of another User, be deemed to include any Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which that other User is the Responsible Supplier.

G8.43A Where a User is a Supplier Party and the number of Non-Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Responsible Supplier exceeds 50,000, the User shall schedule a further Full User Security Assessment within 12 months after each Full User Security Assessment.

G8.43B Where a User is a Supplier Party and the number of Non-Domestic Premises supplied



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with electricity and/or gas through one or more Smart Metering Systems for which it is the Responsible Supplier is equal to or less than 50,000, the User Security Assessment required by Section G8.40 shall be a Verification User Security Assessment and the User shall:

(a) within 12 months after each Verification User Security Assessment, schedule a User Security Self-Assessment; and

(b) within 12 months after each User Security Self-Assessment, schedule a Full User Security Assessment with the User Independent Security Assurance Service Provider; and

(c) within 12 months after each Full User Security Assessment, schedule a Verification User Security Assessment with the User Independent Assurance Service Provider.

G8.43C In assessing for the purposes of Sections G8.44 and G8.45 the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which a User is the Responsible Supplier, that number shall, where any Shared Resources form part of both its User Systems and the User Systems of another User, be deemed to include any Non-Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which that other User is the Responsible Supplier.

Network Parties

G8.44 Where a User is a Network Party and the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Electricity Distributor and/or the Gas Transporter exceeds 250,000, the User Security Assessment required by Section G8.40 shall be a Verification User Security Assessment and the User shall:

(a) within 12 months after previous Verification User Security Assessment, schedule a second Verification User Security Assessment with the User


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Independent Security Assurance Provider;

(b) within 12 months after each second successive Verification User Security Assessment, schedule a Full User Security Assessment with the User Independent Security Assurance Service Provider; and

(c) within 12 months after each Full User Security Assessment, schedule a Verification User Security Assessment with the User Independent Security Assurance Service Provider.

G8.45 Where a User is a Network Party and the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Electricity Distributor and/or the Gas Transporter is equal to or less than 250,000, the User Security Assessment required by Section G8.40 shall be a Verification User Security Assessment and the User shall:

(a) within 12 months after each Verification User Security Assessment, schedule a User Security Self-Assessment;

(b) within 12 months after each User Security Self-Assessment, schedule a Full User Security Assessment with the User Independent Security Assurance Service Provider; and

(c) within 12 months after each Full User Security Assessment, schedule a Verification User Security Assessment with the User Independent Security Assurance Service Provider.

G8.46 In assessing for the purposes of Sections G8.44 and G8.45 the number of Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which a User is the Electricity Distributor and/or the Gas Transporter, that number shall, where any Shared Resources form part of both its User Systems and the User Systems of another User, be deemed to include any Domestic Premises supplied with electricity and/or gas through one or more Smart Metering Systems for which that other User is the Electricity Distributor and/or the Gas Transporter.



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Other Users

G8.47 Where a User is neither a Supplier Party nor a Network Party, Section G8.40 requires the User to schedule a User Security Verification ~~Self-~~Assessment and the User shall:

(a) within 12 months after the previous User Security Verification ~~Self-~~Assessment, schedule a ~~second Successive~~ User Security Self-Assessment;

(b) within 12 months after the ~~second Successive~~ User Security Self-Assessment schedule a Full User Security Assessment with the User Independent Security Assurance Service Provider; and

(c) within 12 months after each Full User Security Assessment, schedule a User Security Verification ~~Self-~~Assessment.

Interpretation

G8.48 Section G8.49 applies where:

(a) pursuant to Sections G8.41 to G8.43, it is necessary to determine, in relation to any Supplier Party, the number of Domestic Premises that are supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Responsible Supplier; or

(b) pursuant to Sections G8.44 to G8.46, it is necessary to determine, in relation to any Network Party, the number of Domestic Premises that are supplied with electricity and/or gas through one or more Smart Metering Systems for which it is the Electricity Distributor and/or the Gas Transporter.

G8.49 Where this Section applies:

(a) the determination referred to in Section G8.48 shall be made at the time at which the nature of each annual security assurance assessment for the relevant User falls to be ascertained; and

(b) the DCC shall provide all reasonable assistance that may be requested by that


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User or the Security Sub-Committee for the purposes of making that determination.

**User Security Self-Assessment**

G8.50 Where, in accordance with the requirements of this Section G8, a User is subject to a User Security Self-Assessment in any year, that User shall:

(a) carry out the User Security Self-Assessment during in accordance with the User Security Assessment Methodology that is applicable to User Security Self-Assessments; and

(b) ensure that the outcome of the User Security Self-Assessment is documented and is submitted to the User Independent Security Assurance Service Provider for review by no later than the date which is 12 months after the date of the completion of the previous User Security Assessment or (if more recent) User Security Self-Assessment.

**Users: Obligation to Pay Explicit Charges**

G8.51 Each User shall pay to the DCC all applicable Charges in respect of:

(a) all User Security Assessments and Follow-up Security Assessments carried out in relation to it by the User Independent Security Assurance Service Provider;

(b) the production by the User Independent Security Assurance Service Provider of any User Security Assessment Reports following such assessments; and

(c) all related activities of the User Independent Security Assurance Service Provider in respect of that User in accordance with this Section G8.

G8.52 Expenditure incurred in relation to Users in respect of the matters described in Section G8.51 shall be treated as Recoverable Costs in accordance with Section C8 (Panel Costs and Budgets).

G8.53 For the purposes of Section G8.51 the Panel shall, at such times and in respect of such



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periods as it may (following consultation with the DCC) consider appropriate, notify the DCC of:

(a) the expenditure incurred in respect of the matters described in Section G8.51 that is attributable to individual Users, in order to facilitate Explicit Charges designed to pass-through the expenditure to such Users pursuant to Section K7 (Determining Explicit Charges); and

(b) any expenditure incurred in respect of the matters described in Section G8.51 which cannot reasonably be attributed to an individual User.

**Events of Default**

G8.54 In relation to an Event of Default which consists of a material breach by a User of any of its obligations under Sections G3 to G6, the provisions of Sections M8.2 to M8.4 shall apply subject to the provisions of Sections G8.55 to G8.60.

G8.55 Where in accordance with Section M8.2 the Panel receives notification that a User is in material breach of any requirements of Sections G3 to G6, it shall refer the matter to the Security Sub-Committee.

G8.56 On any such referral the Security Sub-Committee may investigate the matter in accordance with Section M8.3 as if the references in that Section to the "Panel" were to the "Security Sub-Committee".

G8.57 Where the Security Sub-Committee has:

(a) carried out an investigation in accordance with Section M8.3; or

(b) received a report from the User Independent Security Assurance Service Provider, following a User Security Assessment, concluding that a User is in actual or potential non-compliance with any of its obligations under Sections G3 to G6,

the Security Sub-Committee shall consider the information available to it and, where it


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considers that actual non-compliance with any obligations under Sections G3 to G6 has occurred, shall refer the matter to the Panel for it to determine whether that non-compliance constitutes an Event of Default.

G8.58 Where the Panel determines that an Event of Default has occurred, it shall:

(a) notify the relevant User and any other Party it considers may have been affected by the Event of Default; and

(b) determine the appropriate steps to take in accordance with Section M8.4.

G8.59 Where the Panel is considering what steps to take in accordance with Section M8.4, it may request and consider the advice of the Security Sub-Committee.

G8.60 Where the Panel determines that a User is required to give effect to a remedial action plan in accordance with Section M8.4(d) that plan must be approved by the Panel (having regard to any advice of the Security Sub-Committee).

**Shared Resource Providers**

G8.61 Section G8.62 applies where:

(a) Shared Resources are provided to a User by a Shared Resource Provider; and

(b) any User Security Assessment is carried out in respect of that Shared Resource Provider.

G8.62 Where this Section applies:

(a) the outcome of the User Security Assessment (including for these purposes any actions or decisions described at Sections G8.22 to G8.29) shall be treated as applying to the User, in respect of the Shared Resources, in the same manner as it is applicable to the Shared Resource Provider; and

(b) in any User Security Assessment which takes place in respect of the User, the User Independent Security Assessment Service Provider shall, with regard to



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matters relating to the Shared Resources, rely on the outcome of the most recent User Security Assessment in respect of the Shared Resource Provider and shall not be required to repeat that assessment.

G8.63 For the purposes of Section G8.40, where a Shared Resource Provider provides Shared Resources to Users which are:

(a) Supplier Parties, the provisions of Sections G8.41, ~~and~~ G8.42, G8.43A and G8.43B shall apply to the Shared Resource Provider as if it was a Supplier Party and the Smart Metering Systems for which those Supplier Parties are the Responsible Suppliers were Smart Metering Systems for which it is the Responsible Supplier;

(b) Network Parties, the provisions of Sections G8.44 to G8.46 shall apply to the Shared Resource Provider as if it was a Network Party and the Smart Metering Systems for which those Network Parties are the Electricity Distributor and/or Gas Transporter were Smart Metering Systems for which it is the Electricity Distributor and/or Gas Transporter;

(c) Other Users, the provisions of Section G8.47 shall apply to the Shared Resource Provider as if it was an Other User.



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