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Stage 02: Working Group Consultation Responses

SECMP0059 'Amendments to SEC Security Assessments for Non-Domestic Suppliers and Other Users'

What stage is this document in the process?

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

About this document

This document contains the collated responses to the SECMP0059 Working Group Consultation (WGC). The Working Group will review these responses and consider them as part of the solution development for this modification.

If you would like any further information, or to discuss any questions you may have, please do not hesitate to contact Joe Hehir on 020 7770 6874 or email SEC.Change@gemserv.com.

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Question 1

Q1: Do you agree that the proposed solution better facilitates the SEC Objectives and should therefore be approved?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	Yes	<p>It is not quite clear within the Draft Modification Proposal which objectives the Proposer believes this Modification facilitates, though we have assumed a and f, with the Working Group showing support for the facilitation of objective g.</p> <p>If our assumption is correct then we agree with both the proposer and the Working Group. This Modification will better ensure the protection and security of Systems in the operation of the Code and of Smart Metering Systems through ensuring that any Security issues are identified and resolved within such a timeframe as befits the risk to Systems and Smart Meters, thus we believe this Modification better facilitates SEC objectives a and f. We further believe that the clarification made to the legal text will enable more efficient administration of this Code, therein facilitating SEC objective g.</p>
Haven Power Limited	Small Supplier Party	Yes	<p>We consider SECMP0059 better facilitates SEC Objectives (f) To ensure the protection of Data and the security of Data and Systems in the operation of the Code, and (a) To facilitate the efficient provision, installation and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises.</p>
ICoSS	Non-SEC Party	Yes	<p>ICoSS is of the view that implementation of the SECMP0059 proposed solution better facilitates SEC objectives d) and g) by providing clearly-defined and cost-effective</p>

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			<p>arrangements for the second and subsequent User Security Assessments for Suppliers</p> <p>who supply gas and/or electricity to Non-Domestic Premises. The same SEC</p> <p>objectives are also better facilitated by the proposed solution in relation to User Security</p> <p>Assessments for Other Users.</p>
EDF Energy	Large Supplier Party	Yes	<p>We agree that the SECMP0059 proposed solution better facilitates the SEC objectives as follows:</p> <p>(f) as the change will ensure that the SEC obligations relating to Security Assurance Assessments cater appropriately for the risk posed by Suppliers with non-domestic meters in their portfolio. This change will also ensure that the SEC obligations relating to Security Assurance Assessments for Other Users are proportionate to the potential risk they pose, based on the advice of the Security Sub-Committee</p> <p>(g) as the change will clarify the SEC obligations relating to Security Assurance Assessments for all Users.</p>
SSE	Large Supplier Party	Yes	
Utiligroup	Small Supplier Party	Yes	<p>Yes, this addresses SEC Objectives E and F, as it will help reduce the risk to the continued operation of the network and ensure the appropriate level of security is maintained for the inherently higher risk Users, who supply the Non-domestic market.</p>

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Question 2

Q2: Will your organisation be impacted due the implementation of this modification?			
Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	No	We will not incur any direct impact as a result of this Modification being implemented, though we will derive assurance of the total Smart Metering Infrastructure from it.
Haven Power Limited	Small Supplier Party	Yes	As a non-domestic electricity supplier, Haven Power will be impacted by the implementation of this modification.
ICoSS	Non-SEC Party	No	We do not believe that any impact to ICoSS members will result from the implementation of this modification, other than the positive effect of the clarity that such implementation will provide.
EDF Energy	Large Supplier Party	No	As a Large Supplier of domestic premises we do not believe that the implementation of this Modification will have an impact on us, and specifically on the Security Assurance Assessments we are obliged to undertake.
SSE	Large Supplier Party	Yes	
Utiligroup	Small Supplier Party	Yes	Yes, the modification may bring forward the date that, as a shared resource provider, we pass the threshold that would result in a Full User Security Assessment each year.

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Question 3

Q3: Will your organisation incur any costs due to the implementation of this modification?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	Yes	Though only our portion of the implementation costs.
Haven Power Limited	Small Supplier Party	No	We do not anticipate incurring any costs as a direct result of the implementation of this modification.
ICoSS	Non-SEC Party	No	We do not believe that ICoSS members will incur any additional costs beyond those already required in relation to User Security Assessments as a result of the implementation of this modification.
EDF Energy	Large Supplier Party	No	Aside from our share of the implementation costs noted in the Draft Modification Report, we do not believe that we will incur any costs due to the implementation of this modification.
SSE	Large Supplier Party	Neutral	By using a third party provider for Smart Services, our requirements include the undertaking of a security assessment each year. This will be priced into the contract so we do not expect any additional charges to be incurred.
Utiligroup	Small Supplier Party	Yes	Potentially yes, the modification may result in an additional Full User Security Assessment, which incur a higher cost than a Verification User Security Assessment or Self-Assessment

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Question 4

Q4: Having considered the potential impacts and costs to your organisation, as well as the cost to deliver the modification, do you agreed that SECMP0059 should be approved?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	Yes	As given above, we believe that the relevant SEC objectives would be better facilitated by the implementation of this Modification than they are today
Haven Power Limited	Small Supplier Party	Yes	While we agree with the intent of this change, we do not agree with the threshold for determining the types of User Security Assessments a Supplier is subject to being specific to the number of non-domestic premises. We appreciate the desire to align the wording already in the SEC, but business premises are not always clearly defined and asking suppliers to determine a threshold by number of premises could be open to interpretation leading to inconsistent, unreliable calculations that do not reflect the number of Smart Metering Systems served by a supplier. Non-domestic premises are very different to domestic premises as a number of separate businesses may operate from one premises, each with their own energy supply. In our view, a threshold based on the number of meters or metering points would be a more accurate measure.
ICoSS	Non-SEC Party	Yes	Yes, please see our answer to Question 1 above.
EDF Energy	Large Supplier Party	Yes	We are not aware of any reason that this Modification should not be approved, subject to ensuring the legal text accurately reflects the intent of the Modification.

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SSE	Large Supplier Party	Yes	
Utiligroup	Small Supplier Party	Yes	Yes, the impact to us is minimal and shouldn't prevent this modification from being approved

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Question 5

Q5: Do you believe that the draft legal text changes deliver the intention of the modification?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	No	<p>Not entirely: G8.43C requires that the number of Non-Domestic Premises supplied through a Smart Metering System (SMS) be included within the number of Domestic Premises where any Shared Resources form part of the User Systems of the User subject to clauses G8.44 and G8.45, and the User Systems of another User. However, G8.43 stipulates these requirements are applicable to both Responsible Suppliers and clauses G8.44 and G8.45; G8.44 and G8.45 are applicable to Network Parties rather than to Responsible Suppliers. We would therefore request some clarification as to the intention of this clause, and any subsequent impact to G8.63.</p> <p>We have the following additional comments on the legal text:</p> <p>We note that the current drafting of G8.40 may lead to some interpretation difficulties when aligning this text with the requirements of G8.43B. The latter (G8.43B) notes that the User Security Assessment required subject to G8.40 is the Verification User Security Assessment. However, G8.40 as written currently, separates the requirement to have User Security Assessment from the stipulation of this being required within 12 months of the User's initial Full User Security Assessment via two distinct literary clauses (i.e. the full stop in place of a conjunctive).</p>

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			<p>In order to avoid such ambiguity, we would request that the Working Group consider re-wording G8.40 such that it is clear that the User Security Assessment as required by G8.43B is to be scheduled within 12 months of the User's Full Security Assessment. We would suggest something to the effect of "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), 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. The initial Full User Security Assessment being referred to herein being for the purposes of the..." This would additionally permit the same clarity to apply to G8.41; G8.42; G8.44; G8.45, and G8.47.</p> <p>G8.43C contains an instance of Other User in the last paragraph in which 'other' is written in lower case, we believe this ought to be capitalised to reflect the defined term.</p> <p>G8.44C contains a double space between 'User' and 'Security' which we believe ought to be removed.</p>
Haven Power Limited	Small Supplier Party	Yes	The draft legal text delivers the intention of the modification.
ICoSS	Non-SEC Party	Yes	Yes, we believe that the legal text as drafted should result in the intent of the modification being delivered.
EDF Energy	Large Supplier Party	No	The content of new Section G8.43C does not appear to be correct – this refers to Sections G8.44 and G8.45 which does not seem to be appropriate as these are part of the obligations

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			<p>on Network Parties. Is this correct (and if so what is the intent) or should this refer to G8.43A and G8.43B?</p> <p>We would also question whether creating separate obligations for non-domestic premises is wholly appropriate. It would seem to make more sense for the obligations to remain the same but to apply where 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 or 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. Setting these out as separate obligations could lead to confusion regarding the need for separate User Security Assessments for the different types of customer.</p>
SSE	Large Supplier Party	Yes	
Utiligroup	Small Supplier Party	No	<p>No, we do not believe the legal text addresses the scenario of a User operating a portfolio that includes both domestic and non-domestic premises. Under the current text a User or Shared Resource provider that has a portfolio of 249,000 domestic and 49,000 non-domestic premises would be in scope for the lighter assessment schedule, however they would carry the same or greater risk than a User in excess of 250,000 domestic or 50,000 non-domestic premises. This may be an edge case for a Supplier, but given the nature of a Shared Resource is a virtual certainty.</p>

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Question 6

Q6: Do you agree with the recommended implementation date?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	Neutral	It is not appropriate for Parties to be asked whether they agree with flouting the Release Management Policy; it is for the Panel to determine changes to a Release. For clarity, we would not object to the proposed implementation date if Panel were to approve it.
Haven Power Limited	Small Supplier Party	Yes	
ICoSS	Non-SEC Party	Yes	Yes, the recommended implementation date seems reasonable.
EDF Energy	Large Supplier Party	Yes	We believe the recommended implementation date should be achievable; however this depends on the lead times required by those Parties that are materially impacted by this Modification.
SSE	Large Supplier Party	Neutral	Due to current workloads between now and February, we would appreciate a later implementation date if possible to be certain that we can facilitate the necessary changes in time.
Utiligroup	Small Supplier Party	Yes	

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Question 7

Q7: As a Supplier Party, does your Organisation monitor the number of Non-Domestic premises they supply electricity and/or gas to? If 'yes', please could you advise how your Organisation monitors this?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	Yes	We monitor this via existing reporting requirements.
Haven Power Limited	Small Supplier Party	No	<p>We routinely monitor the number of relevant meter points (MPANs) and the number of meters.</p> <p>We have previously received requests for the number of non-domestic premises supplied through a Smart metering system, and it has proved challenging to provide accurate data. Non-domestic premises often serve a number of different businesses, so one premises could potentially serve multiple businesses, some with more than one meter. Removing duplicate addresses can be a very time consuming, manual exercise. Industry address data is often unreliable and it is not always clear that meters occupy the same non-domestic premises.</p>
ICoSS	Non-SEC Party	Neutral	ICoSS is not a Supplier Party. However, we are confident that all Non-Domestic suppliers have a strong incentive to monitor the number of Non-Domestic premises that they supply energy to for the purposes of hedging and balancing.
EDF Energy	Large Supplier Party	Yes	We are able to identify the number of Non-Domestic premises we supply electricity and/or gas to within our systems, although we are not generally required to for external reporting purposes. As a Large Domestic Supplier we would not need to

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			<p>monitor Non-Domestic premises specifically in order to comply with this new SEC Obligation.</p> <p>It is our understanding that the volumes of premises that need to be counted for the purposes of Security Assurance Assessments are those where there are Enrolled Smart Metering Systems. It would usually (although not exclusively) be the case that there would be one Communications Hub (or Communications Hub function) per premises. It should be possible for a User to identify the number of Communications Hubs with which they are associated from the DCC's Smart Metering Inventory; we believe that this would be a reasonable proxy for the number of premises for the purposes of these obligations.</p>
SSE	Large Supplier Party	Yes	As part of our Smart metering obligations, SSE produce reports of its non-domestic customers every month. Through business separation our non-domestic supply business has different gas and electric supplier ID to our domestic supply business.
Utiligroup	Small Supplier Party	Uknown	Uknown

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Question 8

Q8: Do you have any further comments on SECMP0059?

Party Name	Party Category	Yes/No	Comments
E.ON Energy Solutions	Large Supplier Party	N/A	We would be interested to understand the views of Network Operators with regard to utilising a premises threshold rather than a consumption threshold.
Haven Power Limited	Small Supplier Party	N/A	We have no further comments.
ICoSS	Non-SEC Party	N/A	ICoSS has no further comment to make in relation to SECMP0059.
EDF Energy	Large Supplier Party	N/A	<p>The current solution takes quite a simplistic approach to risk – a User will need to undertake a Full User Security Assessment if they supply either 250,000 domestic premises, or 50,000 non-domestic premises, or both. This means that a User, who supplies just fewer than 250,000 domestic premises, and just fewer than 50,000 non-domestic premises, would not be subject to a Full User Security Assessment even though the level of risk associated with their portfolio may justify it. It is not clear whether such scenarios have been considered by the Security Sub-Committee when proposing the new requirement on Users.</p> <p>It may be appropriate to consider a different approach that takes into account the risk associated with these types of mixed portfolios. One possible approach would be to consider</p>

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			<p>the size of a Supplier portfolio relative to the thresholds in the SEC, for example:</p> $\frac{\text{Number of domestic premises}}{250,000} + \frac{\text{Number of non-domestic}}{50,000}$ <p>Where the result of this equation is greater than 1, then a Supplier User would qualify for a Full User Security Assessment.</p>
SSE	Large Supplier Party	N/A	
Utiligroup	Small Supplier Party	N/A	