

Duncan Stone
Smart Metering Implementation Programme,
Department for Business, Energy & Industrial Strategy,
1 Victoria Street,
London, SW1H 0ET

9 March 2020

Dear Duncan,

Live Services Criteria for the Active and Dormant MOC MDS entries onto the Eligible Products Combination List (EPCL) for SMETS1

The Panel considered, on 6 March 2020, the evidence submitted by the DCC regarding the readiness to migrate and operate active and dormant Middle Operating Capability (MOC) Device Model Combinations (DMCs) currently operated using services provided by Morrisons Data Services (MDS).

The DCC did not request approval of its readiness to migrate mixed MOC MDS DMCs at that time due to an outstanding defect which was carried over from Initial Operating Capability (IOC). The impact of this defect is that it is not possible to identify the energy supplier responsible for dormant Devices within a mixed installation. Mixed installations will be unable to progress until this defect is fixed.

The Panel determined that the evidence provided by the DCC satisfactorily demonstrated that testing had completed successfully, and that the DCC is operationally ready to start the migration of active and dormant MOC MDS DMCs.

The SSC identified a security requirement, as yet unmet, that was a condition for approval of the first set of entries onto the EPCL in July 2019 and has identified two further conditions for security approval that are specific to the MOC MDS DMC.

The unmet security condition from SSC approval of the first set of entries onto the EPCL is:

1. Security assurance of messages to HAN connected Devices must be undertaken by an independent third party, with the results provided to the SSC and confirmed as satisfactory by the SSC.

The two security conditions that are specific to the MOC MDS DMC are:

1. The DCC must regularly report the status of the transition to a dedicated private MPLS connection to the SSC, along with any security related issues arising from the interim IPsec connection. The DCC must note any security concerns raised by the SSC and agree to pause migration if the SSC considers the associated risks to have increased to an unacceptable level.
2. The DCC's Competent Independent Organisation (CIO) report on the MOC MDS DCM must be made available to the SSC for review prior to go-live and must be considered to have no security risks that would prevent live operations.

The Panel regards this second condition as a prerequisite to go-live and the Panel's go-live recommendation is conditional upon this report being presented to the SSC prior to go-live and that the SSC following review does not revoke its go-live recommendation.

This letter serves as our report to the Secretary of State regarding the DCC's readiness to provide the relevant Services. Further details of the Panel's considerations are provided in Annex 1 to this letter.

The SEC Panel would note that particular care must be taken with the migration of active metering systems. These are live consumers who may be impacted by any failure of the process; this could have the potential for a profound impact on consumers' perception of the smart metering programme.

Having considered the Live Services Criteria and supporting evidence from the DCC, and views from the TAG, OPSG and SSC:

- I. the Panel agrees with the Sub-Committees' recommendation to accept the DCC statement of readiness.
- II. the Panel agrees that active and dormant MOC MDS DMCs may be added to the EPCL for SMETS1, subject to the conditions set out in relation to LSC10 in Annex 1 to this letter.

If you would like to discuss the above in further detail, please do not hesitate to contact myself or SECAS via 020 7090 7755 or SECAS@gemserv.com.

Yours sincerely,



Peter Davies

SEC Panel Chair

CC: Panel Members
SEC Parties
DCC
Authority

Annex 1 – Overview of the Panel’s considerations

Views Relating to the Entry and Exit Criteria of the Testing Phases

The TAG has reviewed each of the DCC’s completion reports in relation to the relevant testing phases for SMETS1 Services and has confirmed that the entry and exit criteria have been met in relation to active and dormant MOC MDS installations.

Views Relating to the Live Services Criteria

The Panel’s Testing Advisory Group (TAG), Operations Group (OPSG) and Security Sub-Committee (SSC) reviewed the Live Services Criteria submission and assessed the criteria relevant to each of the groups.

The TAG, OPSG and SSC accepted the DCC statement of readiness, with the following noted against Live Services Criteria 6, 8, 9 and 10:

LSC 6 - Pre-existing services remain stable for SMETS2 and SMETS1 prior to operating capabilities: The OPSG expressed concern that January had been the worst month since the DCC Service began. The DCC acknowledged this and stated that the situation had improved in February with 3 service-impacting Incidents, none of which had been caused by SMETS1. The OPSG Chair noted that this could not be considered a stable service.

The OPSG agreed to accept the DCCs statement but assessed this LSC as Amber.

LSC 8 - No detrimental impact to consumers experience expected: There is a risk that Devices with an auxiliary load circuit could be adversely impacted after being migrated if the tariff is changed on a Device. OPSG members expressed concern that consumers with Auxiliary Load circuits could be adversely impacted. However, OPSG accepted this risk subject to the mitigations set out by the DCC, which include a fix being provided as part of the SMETS1 Uplift 1.1 release due to be implemented during May 2020.

The OPSG agreed to accept the DCCs statement but assessed this LSC as Amber.

LSC 9 - Assurance of required Business Continuity/Disaster Recovery: The OPSG accepted the DCCs statement of readiness subject to the publication of a revised BCDR plan including MDS and Telefonica.

The OPSG agreed to accept the DCCs statement but assessed this LSC as Amber.

LSC 10 - Completion of relevant security testing and approval of security architecture:

Sub criteria 4 - Security testing assurance: The Panel's recommendation to add MOC MDS DMCs to the EPCL is subject to security assurance of HAN connected devices being undertaken by an independent third party, with the results provided to the SSC and confirmed as satisfactory by the SSC prior to the start of migration.

Sub criteria 6 - Recent issues to be addressed: The Panel's recommendation to add MOC MDS DMCs to the EPCL is subject to the condition that the DCC must regularly report the status of the transition to a dedicated private MPLS connection to the SSC, and must stop migration at the instruction of the SSC if it considers the associated risks to have increased to an unmanageable level.

Furthermore, the DCC's Competent Independent Organisation (CIO) report on the MOC MDS DCM must be made available to the SSC for review prior to go-live and must be considered to have no security risks that would prevent live operations. The Panel's recommendation is conditional upon this report being presented to the SSC prior to implementation and that the SSC does not revoke its recommendation following its review of the report.

Residual risks:

The OPSG, TAG and SSC noted that the DCC has set out remaining residual risks in its statement to the Panel. The DCC has assessed all the risks as having a low likelihood and provided mitigations for the risks. The OPSG and TAG support these assessments and accept the mitigations. The SSC accepts the DCC's statement of readiness, subject to the conditions set out in relation to LSC10.