



Department  
of Energy &  
Climate Change

**ORDER FORM**

FROM

Customer	<b>The Secretary of State of Energy and Climate Change</b>
Address	3 Whitehall Place, London SW1A 2AW
Invoice Address	SSD Accounts Payable – Agencies Finance Operations Lion House Willowburn Trading Estate Alnwick Northumberland NE66 2PF
Contact Ref:	Ref: [REDACTED] Phone: [REDACTED] email: [REDACTED]
Order Number	<b>TRN 1059/08/2015</b>
Order Date	28 August 2015
Framework Agreement	Ofgem Pan Regulators' Framework agreement for economic, financial and related consultancy services

TO

Service Provider	DNV KEMA Ltd
Service Provider's Address	Palace House, 3 Cathedral St, London, SE1 9DE, UK
Account Manager	Name: [REDACTED] Phone: [REDACTED] E-mail: [REDACTED]



## PART 1. CUSTOMER'S SERVICES REQUIREMENTS

### (1.1) Services and Deliverables Required:

#### **Security risk assessment for the Smart Metering Programme**

The supplier is to undertake a security risk assessment of the Smart Metering Programme using the IS1 methodology and working with the SMIP Security Team and under the governance of the Transitional Security Expert Group (TSEG) and DECC's SMIP Security Governance Board.

The specific activities and deliverables are to:

- identify and calibrate any new risks or changes to existing known risks (product = an updated Risk Assessment Document<sup>1</sup>);
- develop appropriate and effective mitigations and security controls (product = an updated Security Requirements Document);
- a Traceability Matrix to link the risks to the controls and where they are implemented e.g. via amendments to the SEC (product = an updated Traceability Matrix);
- identify and assess the residual risks that remain after treatment (product = an updated Risk Treatment Plan).

The specific tasks include the following:

- undertake preparatory work including reviewing documentation that includes: the fifth risk assessment, the current version of the security requirements, the latest version of the security architecture and trust models, the security assurance document, associated security specifications e.g. the Commercial Product Assurance (CPA) Scheme Security Characteristics (SCs), the technical architecture and the Smart Energy Code and Licence Conditions relating to smart metering security;
- work with the SMIP Security Team to confirm the scope and detailed plans for the risk assessment and subsequent activities and deliverables;
- organise workshops with industry and government security specialists to identify the new and changed risks;
- carry out a risk assessment using the IS1 methodology to assess the impact and probability of the risks identified and the parties likely to be affected;
- produce an updated Risk Assessment Report that fully documents the risks and proposed high level mitigations;
- produce an updated Security Requirements Document that, for each risk identified, proposes a specific detailed mitigation and how that mitigation will be implemented e.g. by inclusion as an obligation in the SEC or by an amendment to specifications or technical design;
- maintain an overview of traceability during the risk assessment from risk through to the means of mitigation to demonstrate how the risk has been managed;
- produce an updated Traceability Matrix document at the end of the assignment that shows a comprehensive traceability audit trail between risk and mitigation achieved;
- assess the residual risk and work with the SMIP Security Team to develop an updated Risk Treatment Plan that assesses the residual risk after mitigations have been



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implemented.

All Key Personnel will be cleared to Baseline Personnel Security Standard (BPSS) or equivalent.

(1.2) Commencement Date and Duration:

The commencement date for the contract will be **31 August 2015**.

The contract will conclude the earlier of either the date that the work is completed or 31 August 2016.

(1.3) Charges Payable by Customer (including any applicable discount and method of payment e.g. Government Procurement Card (GPC) or BACS), are estimated as follows:

	Estimated days	Firm rate (£/day)	Total (£)
██████████	██	████	██████
██████████	██	████	██████
██████████			██████
████████████████████			██████
██████████████████			██████
Estimated Cost inc. Expenses			<b>186,864</b>

This is a target price. Should scope change materially then the fee rates above will be used to amend the target price. Invoices will be paid monthly in arrears based on the actual days used and the firm rates adjusted for expenses and volume discounts.

Method of payment will be by BACS.

(1.4) Acceptance prior to Payment:

A correctly presented invoice is submitted to the address on the front cover of this order form, showing the number of man-days being invoiced and any approved expenses incurred, for the period involved, per individual resource.

Prior to issue of the invoice, it is the service provider's responsibility to submit an authorised timesheet, to the central programme's finance team, reflecting details presented in associated the invoice.



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(1.5) Milestones (including dates for Completion):

- Detailed plan and milestones to be agreed with the Customer.

**PART 2 – FURTHER COMPETITION ORDER: STATEMENT OF WORK**

**N/A**

**[PART 3. FURTHER-COMPETITION ORDER - ADDITIONAL REQUIREMENTS**

(3.1) Supplemental Requirements in addition to Call-Off Terms and Conditions – Conflict of Interest Policy (without prejudice to clause 7 in the Call-Off Terms and Conditions of the framework agreement)

The Service Provider will inform the Customer prior to providing support to, or becoming affiliated with, any of the following organisations:

- a) Data Communications Company (DCC) licensee
- b) Smart Energy Code Administrator and Secretariat (SECAS)
- c) Any of the DCC users, which includes the energy suppliers, network operators or Authorised Third Parties (ATPs)
- d) DCC service providers
- e) Meter manufacturers

Any support or affiliation with the above organisations may be consider by the Customer as a conflict of interest (direct or otherwise) and in such circumstances the proposed nature of the work will be discussed with the Service Provider to assess the level of conflict, where the Customer reserves the right to take any of the following actions:

- a) Agree arrangements that will put in place to ensure separation of personnel and information for the duration of the conflict, which could result in the termination of selected Key Personnel
- b) No actions taken
- c) Terminate the agreement

(3.2) Variations to Standard Terms and Conditions – Break (Section 8, Paragraph 51)

Either party shall have the right to terminate the Agreement in whole or in part, by giving at least **one (1) months'** written notice and neither Party shall be liable for any commitments, liabilities or expenditure from the other, as a result of this termination and without prejudice to the remainder of the terms in Sections 7 and 8 of the Standard Terms and Conditions of the Agreement.



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<b>PART 4. PERFORMANCE OF THE SERVICES AND PROVISION OF DELIVERABLES</b>
<p>(4.1) Key Personnel of the Service Provider to be involved in the provision of the Services and Deliverables:</p> <p>The personnel named in section 1.3 cannot be withdrawn from the assignment by the service provider without prior agreement.</p>
<p>(4.2) Sub-Contractors to be involved in the Services and Deliverables:</p> <p>None</p>
<p>(4.3) Address where Services are to be performed:</p> <p>Department of Energy and Climate Change, 1 Victoria Street, London SW1H 0ET and 3 Whitehall Place London SW1A 2AW</p>
<p>(4.4) Quality Standards and Quality Measures that will apply to performance of the Services:</p> <p>To be agreed at commencement of contract. Quality assurance of the assignment and deliverables will be undertaken by [REDACTED] without additional charges.</p>

<b>PART 5. CONFIDENTIAL INFORMATION</b>
<p>(5.1) The following information shall be deemed Commercially Sensitive Information or Confidential Information:-</p> <ul style="list-style-type: none"> <li>a) Any documentation unless it is already in the public domain</li> <li>b) The Service Provider's fee rates</li> </ul>

<b>PART 6. ALTERNATIVE AND/OR ADDITIONAL CLAUSES</b>
<p>The full text of the Alternative and Additional Clauses can be found at Appendix 2 of the Call Off Terms and Conditions.</p> <p>[Please indicate your selection by placing an "X" against those that do apply and <b>deleting</b> anythat are not appropriate].</p> <p><b>ALTERNATIVE CLAUSES</b></p>



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**Not Applicable**

**BY SIGNING AND RETURNING THIS ORDER FORM THE SERVICE PROVIDER AGREES** to enter into a legally binding contract with the Customer to provide to the Customer the Services specified in the Service Order Requirements set out in this Order Form [(together with where completed and applicable, the further-competition order (additional requirements)] incorporating the rights and obligations in the Standard Terms and Conditions set out in the Framework Agreement entered into by the Service Provider and the Gas and Electricity Markets Authority on 22 August 2011.

For and on behalf of the Service Provider:

Name and Title	██████████ Head of Section, Operational Excellence
Signature	██████████
Date	28 <sup>th</sup> August 2015

For and on behalf of the Customer:

Name and Title	██████████ Deputy Programme Director
Signature	██████████
Date	28 August 2015