



# The process to securing smart meters

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# Overview

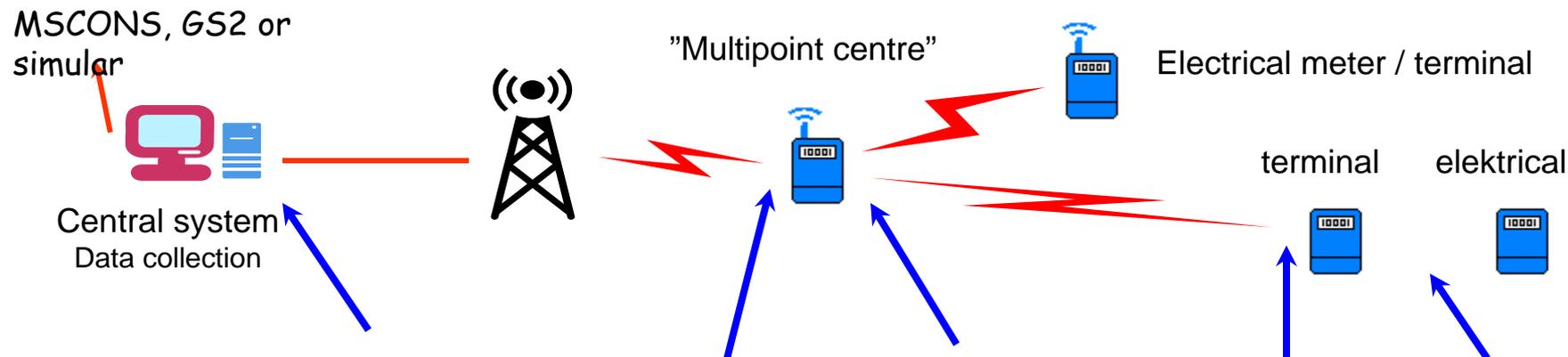
- Historical background
- General recommendations before the projects
- The Security interference
  - Understand the functional design and requirements
  - Risk analysis
  - Setting security demands
  - Experiences from interviewing vendors
- What now?
- The strategical security circle

## Historical background

- In 2003 the Swedish Government decide that exact monthly meter value reading is mandatory as the first country in the world.
- The law was controversial and both positive and negative arguments where discussed in public.
- High Cost presure
- The decision required a change of all meters to smart meters(5 million)
- The cost was estimated to between 5 to 10 billion SEK
- New technology and high number of meter 6 years = Short time frame

## General recommendations to the Industry in 2003

- Over all design
- Specific requirement on customer display
- How often values should be collected
- Standard Communication protocol (TCP/IP)
- Standard component benefiting from over all IT technology development
- Expected life 18 years



Applikation level	Functional demand acc. Sv. Energi							Functional demand acc. Sv. Energi
Protokolls level	TCP/IP		TCP/IP		TCP/IP		TCP/IP	50, 1107, Mbus Or other open standard
Hardware level							PCMCIA USB, Modular	"Standard"

TCP/IP: Is hardly suitable until TCP/IP version 6 is implemented.

Translated from a Svensk Energi presentation with recommendations 2003

## General recommendations to the Industry in 2003

### Open issues to investigate

- Changes in legal requirements such as
  - change of measuring date
  - collection and reporting of values
- Availability
  - Communication security
  - Information protection
  - Failures
- Physical interface
- Simple installation with fast connection of meter

Top focus back in 2003

1. Functional requirement

2. Project time and vendor deliverability

3. Cost

...

XX. Securing that meter value can be collected

**This was the trigger to involve Security staff in the project = Me**

## The Security interference!

- Mission nb 1:  
Understanding the functional design and requirement
  
- How: I went to visit our grid company and they showed me a picture....

my first view at the design in 2004

# Sydkrafts Grundkoncept

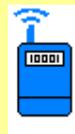
## Tjänst

Färdigt  
Mätvärde™

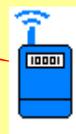
Centralsystem  
Mätdatainsamling



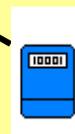
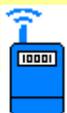
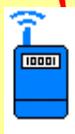
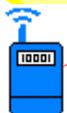
SAP,  
Blondie,  
Eldorado



Mätare / Mätterminal



"Multipunkt"



Mätare / Mätterminal  
(el, värme, gas, vatten)

### Tjänst "Färdigt Mätvärde®"

Omfattar centralsystemsfunktioner,  
Kommunikation samt  
drift/felavhjälpning  
av hela systemkonceptet

## My reaction

- OOOhhh ....
- Then lots of

Have You done a risk analysis ?

**Is this wireless?**

What are the protocols?

**FTP???**



No!

What is the data?...and how is it classified?

Technical requirements?

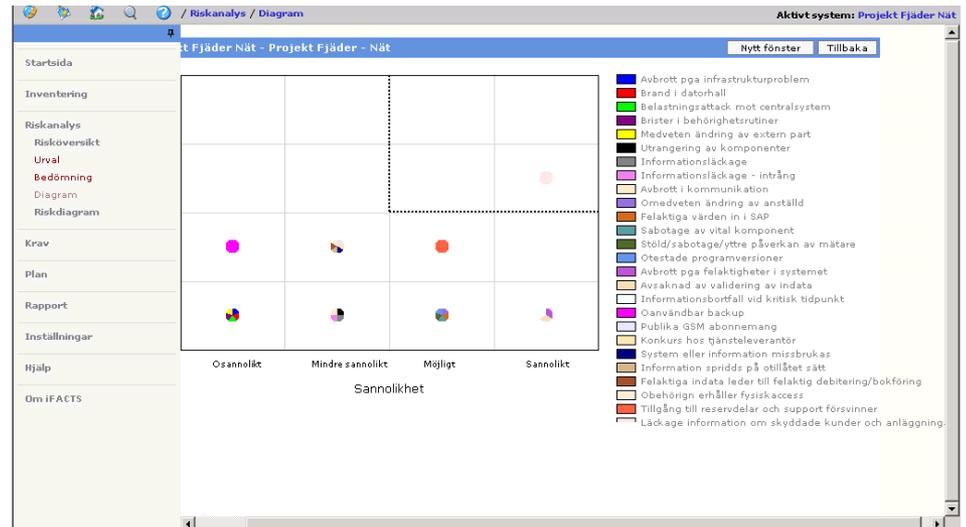
**TCP/IP???**

Modem?

**Access control???**

# Risk analysis

- Scenario based qualitative risk analysis where conducted in December 2004.
- With our corporate information security management tool (LISA).
- Most scenarios wasn't judged as serious, except one, at the time.
- The most serious scenario was data leakage of data regarding customers.
- System unavailability at critical time and lack of spare parts where assumed to be high risk.



## Setting Security requirement

- The first issue was to get a confidentiality agreement before handing out the purchasing material with all potential partners.
  - Why was this important? Well to get a proper business calculation in the offer the partners needed to know how many and where we had customers. Data that we regard as confidential, in some cases really sensitive to the customer or third part, and it had to be a official open procurement according to Swedish law.
- Then we created Amendment 18 Security demands in the project requirement specification based on.
  - The risks found in the risk analysis
  - General corporate security requirements at the time
  - ISO 17799

## Selecting partners and vendors

- The project received approximately 20 different offers
- Most of them had more or less..
  - No technical security mechanism except backup for central system
  - No information security policy and routines
- In the interview I understood that the vendors had very little knowledge of IT security
- Internally – The security considerations were more about physical parameters
- But the 10 interview where I participated had lots of interesting discussions and became a awareness travel for all involved including me

## But with the eyes and knowledge of today

Proberly this would be ranked must higher

- Public GSM.

Consequence **less serious and less probably**.

Somebody with technical knowledge calls the GSM number and crack the FTP login at the meter then establishes a connection from meter to concentrator and insert malware. The malware give control and manipulation possibility of the communication through the concentrator or access point to central system. Possible outfall: mass manipulation of data and data leakage regarding customer.

Requirements:

Secret and closed number group for meters and concentrators,  
no password login to end component and checksum to all transmitted values  
Encryption was disregarded due to cost and technical difficulties.

## Why was the scenarios judged so low?

- Lack of knowledge and understanding
  - The control people didn't see the IT threats and as a IT security specialist with mostly experiences with administrative system I didn't see the full consequence.
  - The condition was the meters can only read the consumption by the customer not disconnect electricity.
- But today in Sweden and in many other countries can the meters
  - not only be used for remote reading of consumption
  - they can also be used for remotely connect and disconnect power.

So is the risk low today?

Security experts have this summer demonstrated worms that can use weaknesses in most meters from several different vendors.

We still don't have TCI/IP v6 but we do use TCP/IP according to recommendation.

Remote control of electricity is regarded both as a business opportunity to lower cost and a customer requirement.

*Consequence: Severe*

*Probability: High*

## Status today

- The Industry cost is not known, but estimated to 15 billion SEK but the reform is regarded as positive and successful.
- In the beginning of June 2009 the role-out project at E.ON closed after changing 1 000 000 meters.
- In the end all security requirements are stil not meet but the awareness has rosen.
- The president from one of the partners called me and said "Thank you! Can you recommend me a information security consultant in the Stockholm are" another partner has started several internal security projects to increase the IT security of their products.
- E.ON is currently pilot testing remote control of meters in 3 different cities