This document is classified as **Clear** in accordance with the Panel Information Policy. Recipients can distribute this information to the world, there is no limit on disclosure. Information may be shared without restriction subject to copyright.

# Communications Transition Group Terms of Reference v2.0

## 1. Establishment

The SEC Panel has established the Communications Transition Group (CTG) as a Sub-Committee of the SEC Panel in accordance with SEC Section C2.4(d).

The duties and powers of the CTG are set by the SEC Panel and are provided below.

## 2. Introduction and Terminology

In this paper *Transition* is used to generally indicate the activities to provide and deploy 4G devices and new 4G WAN services, and to retire legacy WAN services, so as to maintain continuity of smart services for the consumer and encompassing the period from now until the closure of the existing contracted communication services. The CTG intends to identify relevant issues to support the delivery and help avoid unintended consequences.

Transition will therefore comprise a number of *Migrations* meaning the activities and processes needed to execute a particular part of the Transition (for example, 2G/3G to 4G migration in CSP C&S regions). Specific migrations identified at present are summarized in Figure 1.

| SM Capability | Geography | Migrations | | |
|---|---|---|---|---|
| | | Network Technology | CH Migration | HAN Device Migration |
| SMETS2 | CSP C&S | 3G to 2G | None (automatic, remote but manually initiated, or on-site action) | None |
| | | 2G to 4G | CH Replacement – 4G CH | None (May be dependent on baseline GBCS version for 4G CH. May need to take account of firmware versions (and relevant technical specifications) operating on the HAN) |
| | CSP N | None planned (subject to scaling & optimization conclusions) | None planned (subject to scaling & optimization conclusions) | None planned (subject to scaling & optimization conclusions) |
| SMETS1 | CSP C&S | 2G/2.5G to 4G | Migration to SMETS2 | Moving to SMETS2/4G CHs will require replacement of installed SMETS1 HAN devices by SMETS2 HAN devices |
| | CSP N | 2G/2.5G to Long Range Radio (subject to scaling & optimization conclusions) | Migration to SMETS2 | Moving to SMETS2/Long Range Radio CHs will require replacement of installed SMETS1 HAN devices by SMETS2 HAN devices |

*Figure 1 Migrations within the Transition*

Individual stakeholders have specific responsibilities within this Transition (for example DCC's responsibility to deliver 4G CHs, Users' responsibilities to deploy such CHs). It is not the purpose of the CTG to oversee or enforce these individual responsibilities. Rather, the CTG provides the mechanisms for communication across and between stakeholders, identifying dependencies, tracking the management by industry parties of resulting issues and risks, and developing an overall transition plan building on individual DCC and energy supplier plans.

## 3. The Role and Purpose of the CTG

(The following should be read together with the Scope of the CTG set out in Section 4).

(a) The *Purpose* of the CTG is to facilitate the execution of the transition to next generation SM communications to maintain continuity of smart services to consumers, with minimal impact.

(b) The *Role* of the CTG is to enable and foster communication and cooperation between DCC (responsible for service provision and CH delivery), Users (responsible for deployment of new CHs), and other stakeholders, and thereby facilitate alignment of their transition activities within an overall transition plan in an efficient and cost-effective manner.

## 4. Scope of the CTG

(The following should be read together with the Role and Purpose of the CTG set out in Section 3).

**CTG's Overall scope**

(a) Smart Metering Functionality: SMETS1 and SMETS2, and any necessary transition from SMETS1 to SMETS2 including enabling activities for the transition; and

(b) Geographic: GB, including all CSP regions.

**Work Areas**

This will be driven by the various migrations that make up the overall Transition. These are summarized in Figure 1, and encompass:

(a) CHs: Migration to 4G capable CHs and associated systems and processes.

(b) Devices/HAN: as necessary, implications of any need to replace HAN devices including where SMETS1 to SMETS2 Device replacement is needed.

(c) WAN: The migrations from 3G to 2G; 2G (and as needed 3G) to 4G; the retirement of legacy services.

Each of the above will have a number of enabling activities and dependencies.

**Activities**

(a) To identify the dependencies between and opportunities arising from: the delivery activities and schedule of DCC; the deployment activities and schedules of Users; and any necessary enabling activities (including in relation to financial matters led by DESNZ and/or the DCC) including any potential coordination to support an efficient and cost-effective Transition;

(b) To identify track and communicate questions, issues, risks and opportunities arising from the identified dependencies;

(c) To develop and maintain an Overall Transition Plan (OTP), derived from inputs from DCC, Users, and other relevant stakeholders. This will take account of all the enabling activities and dependencies between them and will also include a representation of the critical path. The OTP will be supplemented by a summarised version in the form of an associated Plan-on-a-Page (POAP) capturing the key top level information relating to the Transition. The OTP (and the associated POAP) will be communicated to all stakeholders for review, comment, and, as necessary, amendment;

(d) To establish communication mechanisms to ensure all stakeholders are fully informed of the work of the CTG, and have the opportunity to raise matters for consideration. This will include the publication of formal CTG documentation, but also events such as plenary briefing and workshop sessions; and

(e) To propose and sponsor the development of necessary support capabilities to facilitate the Transition.

### Decision Making

The extent of the decision-making authority of the CTG is limited to:

(a) Topics within the scope defined in this section; and

(b) The co-ordination and facilitation role defined for the CTG. For example, the CTG would be expected to endorse the Overall Transition Plan, but would not approve components such as DCC delivery schedules.

### Temporal Scope

No end date for the CTG is set at present. The SEC Panel may at its discretion at any time decide to close the CTG.

## 5. Out of Scope

The CTG shall not:

(a) Undertake activities that do not contribute to the achievement of the SEC Objectives;

(b) Undertake any activity outside the scope set out in Section 4 unless otherwise directed by the SEC Panel;

(c) Be responsible for ensuring that individual licence holders meet their licence obligations in regard to providing smart metering, CHs, or services. Hence, the CTG would highlight any divergence from the overall transition plan and would seek ways of mitigating any impacts, but would not seek to “enforce compliance”; and

(d) Be responsible for investigating future strategic options. It is not envisaged that the CTG would play a role in the consideration of new connectivity possibilities. Such proposals would be defined and assessed through normal processes for considering a candidate new capability: the CTG could be asked for input during this investigation phase. Were such a candidate proposal adopted and a Programme initiated, then the implications would be included within the scope of the CTG.

## 6. Responsibilities

The responsibilities of the CTG shall include:

(a) Raising awareness of the overall programme and its timelines, and to inform on the role of the CTG, its work plan and expected future engagement with stakeholders.

(b) Consideration of the short-term implications of the proposed closure of 3G services and consequent migration of installations to 2G. This will include in particular: any requirements for User action; assurance regarding the capability of 2G to support the migrated population of 3G devices.

(c) Consideration of the longer-term implications of the capability of the 2G services.

(d) Communication of final end dates (including planned and executed extension periods) of all existing SMETS1 and SMETS2 WAN contracts.

(e) Establishment and maintenance of an Overall Transition Plan with a defined format, identifying relevant activities and dependencies for inclusion, collecting and analysing the required inputs from Users, DCC, and other stakeholders; and formulating the Plan and reviewing with the CTG and stakeholders more generally. The plan should include the identification of the critical path. The delivery of the Overall Transition Plan will be supported by the establishment and maintenance of an associated Plan On A Page so that the 4G transition timescales are clear in an easily digestible format;

(f) Development and maintenance of Factsheets regarding the programme to be regularly updated as key transition decisions are made;

(g) Establishment and maintenance of a log of issues, risks, assumptions and dependences to support the Transition activities; and

(h) Working alongside DCC, Users, DESNZ and key stakeholders to support an efficient and cost-effective Transition.

## 7. Relationship to Other Governance Bodies

### The SMDG

The CTG shall:

(a) Provide written updates to SMDG on a monthly basis, and verbal updates on a bi-monthly basis (subject to review and agreement by both the CTG and SMDG Chairs); and

(b) Take account of any matters raised by the SMDG.

### The IMF

The CTG shall:

(a) Advise the IMF of the Overall Transition Plan, to enable its principal features to be considered by DESNZ for inclusion in the Joint Industry Plan (JIP) where required; and

(b) Take account of any features of the JIP which are relevant to the Overall Transition Plan to ensure overall alignment.

### The TBDG

The CTG (and relevant SEC Sub-Committees) shall take account of the Trust Centre Swap Out (TCSO) testing, analysis and recommendations being led by the DESNZ SMIP / TBDG and its Sub-groups and support the consideration and resolution of issues arising. The CTG (and relevant SEC Sub-Committees) shall support any transition activities from SMIP to SEC Enduring Governance once agreed with DESNZ.

### The SEC Panel

The CTG shall:

(a) Take direction from the SEC Panel, as the Panel sees fit;

(b) Report to the SEC Panel regularly on decisions, status, activities undertaken, any issues and risks for escalation and any recommended actions;

(c) Report to the SEC Panel any challenges to the decisions, proceedings and processes of the CTG. Any CTG Member may raise such a matter at the SEC Panel, and seek a SEC Panel review; and

(d) Provide to the SEC Panel advice on any matter as requested by the SEC Panel.

### Sub-Committees of the SEC Panel

The CTG shall:

(a) As appropriate, seek the advice of the relevant SEC Panel subcommittee on matters within their remit relating to transition matters;

(b) Recognise the importance of security related matters and as appropriate shall engage with and seek the advice and recommendations of the Security Sub-Committee; and

(c) As requested, advise the SEC Panel Sub-Committees on matters relating to the Transition.

## 8. Review of Terms of Reference

The CTG shall undertake a review of the Terms of Reference of the CTG at least annually for review and approval by the SEC Panel. The SEC Panel reserves the right at any time and at its discretion, to review and amend the Terms of Reference of the CTG.

## 9. CTG Membership

### 9.1 Membership

The SEC Panel shall seek Nominations from individuals to serve on the CTG in accordance with SEC Section C6.7. In accordance with SEC Section C6.7, applicants should have suitable experience and qualifications, as decided by the Panel.

The SEC Panel shall approve the members of the CTG, other than those nominated by the DCC.

In the event that the number of applications for a particular Party category exceeds the seats set out in Section 9.3, the SEC Panel shall direct SECAS to arrange and administer a vote for the relevant category of Membership.

### 9.2 Members' Responsibilities

Members shall act independently, not as a delegate, and without undue regard to the interests, of any Related Person and will act in a manner designed to facilitate the performance by the SEC Panel of its duties under the SEC.

Members may propose another natural person to act as their Alternate by completing the necessary paperwork and notifying SECAS. The Alternate, once approved, may attend the CTG and must act in the capacity as Alternate to discharge the member's duties. The Alternate must complete the declaration as described in SEC Section C6.9 prior to voting.

CTG Members shall be prepared to promptly give their expert view on matters within the scope of the CTG.

### 9.3 Composition

**Voting Members**

The voting CTG Members shall be as follows:

- One person appointed by each of the Voting Groups within the Party Category representing the Large Suppliers Parties;
- Up to three persons appointed by the Party Category representing Small Supplier Parties;
- Up to three persons appointed to represent the Party Categories of Electricity Network Parties and Gas Network Parties;
- Up to three persons appointed by the Party Category representing Other SEC Parties;
- Two persons appointed by the DCC; and
- Up to two Consumer Members nominated by Citizens Advice or Citizens Advice Scotland.

**Additional SEC Panel-Appointed Voting Members**

It is the intention that the CTG includes appropriate representation of all stakeholders with responsibilities in the Transition, including for example Meter Asset Providers, Device Manufacturers and Meter Operators – representation of these stakeholders could be via respective trade associations. To this end, the SEC Panel may, at its discretion, appoint further Voting members.

**Non-Voting Members**

In addition to the Voting Members, the following representatives will also be invited to attend on a standing basis in a non-voting capacity:

- The Chairs of the SEC Panel Sub-Committees (TAG, TABASC, OPSG, SSC);
- the Authority; and
- the Secretary of State.

The Chair may also invite *ad hoc* attendees to meetings to provide expertise and knowledge about particular topics. These attendees will not be Voting Members of the CTG.

### 9.4 Term of Office

The term of office for each member is 24 months.

### 9.5 Member Confirmation

Before a person may serve on the CTG, that person shall provide written confirmation to SECCo that:

- They agree to serve on the CTG in accordance with the SEC;
- They will be available as reasonably required by the Sub-Committee to attend at least 50% of meetings and miss no more than 3 meetings in a row. Members should also be prepared to undertake some work outside of meetings;
- They shall be prepared to promptly give their expert view, contributing to discussions on matters within the scope of these Terms of Reference; and
- They should also seek views from their Party category where appropriate, in accordance with the SEC Panel Information Policy.

### 9.6 Conflict of Interest

Given that members have a duty to act independently, conflicts of interest should not regularly arise. Members shall have a duty to identify whether a decision presents a conflict of interest. In such cases, the member shall absent themselves from the meeting for the purposes of that decision.

## 10. Proceedings of the CTG

### 10.1 Meetings

The CTG shall hold monthly meetings or at a frequency that is required in order to meet its responsibilities outlined above.

### 10.2 Quorum

The quorum for each CTG meeting shall be one half of all Voting Members appointed at the relevant time, at least one of whom must be the CTG Chair or the CTG Chair's nominated alternate.

### 10.3 Meeting Notice

The CTG shall hold meetings with such frequency it may determine, or the Chair may direct, to fulfil its role. A minimum of five Working Days' notice shall be provided (or such shorter notice as directed by the SEC Panel, or the CTG Chair).

### 10.4 CTG Chair

The SEC Panel shall approve the appointment of the CTG Chair.

Selection of the CTG Chair shall be determined by the SEC Panel, providing the selection ensures that:

a) the selection does not preclude the SEC Panel Chair fulfilling this role;

b) the candidate selected is regarded by the SEC Panel as having suitable experience and expertise to discharge their duties as the CTG Chair; and

c) the candidate has declared any relationships or shareholdings with individuals or organisations that might be perceived to create a conflict of interest and, in light of such declarations, the SEC Panel believes that the candidate will be able to act in a sufficiently independent manner in their role as CTG Chair.

The CTG Chair shall not be entitled to vote except where a tie amongst voting CTG Members has occurred. In such circumstance the Chair shall have a casting vote.

The Chair's role will be to chair meetings, facilitate discussions, and encourage consensus. The Chair will have the following duties:

- The Chair shall be responsible for convening meetings of the CTG;

- The Chair shall set the agenda for regular CTG meetings, including regular items, and, as necessary, items raised at short notice;
- The Chair shall act as the link to the SEC Panel, reporting formally on CTG work at SEC Panel meetings, and, as necessary, communicating with the SEC Panel Chair;
- The Chair shall, as necessary, liaise with stakeholders including SEC Parties including DCC, other stakeholders, and DESNZ and Ofgem; and
- The Chair shall arrange for a suitable alternate to deputise on occasions when the Chair may be unable to attend a meeting of the CTG.

### 10.5 Powers and Voting

In accordance with C6.9 of the SEC:

- each CTG Voting Member shall be entitled to attend, and to speak and vote at, every meeting of the CTG. All decisions of the CTG shall be by resolution. In order for a resolution of the CTG to be passed at a meeting, a simple majority of those CTG Members voting at that meeting must vote in favour of that resolution. In the event of a voting deadlock, the CTG Chair shall have the casting vote;
- a resolution in writing signed by or on behalf of all the CTG Members shall be as valid and effective as if it had been passed at a meeting of the CTG duly convened and held. Such a resolution may be signed in any number of counterparts;
- Each CTG Member must first provide written confirmation to agree to serve on the CTG in accordance with the SEC before exercising powers or voting;
- The CTG shall have the authority and powers delegated to it from time to time by the SEC Panel and as required to carry out its duties as set out in these Terms of Reference; and
- The Chair shall be responsible for formulating the position of the CTG on any transitional matter, having taken account of the views of the members. If Members are not unanimous, the Chair may choose to note the various positions.

## 11. Duties

The CTG will be expected to provide advice and recommendations to the SEC Panel regarding the duties listed in these Terms of Reference. The CTG will be expected to conduct business in accordance with good governance.

The Chair shall report monthly to the SEC Panel on the work of the CTG. This report shall also be published to all SEC Parties.

## 12. Secretariat

SECAS will provide the secretariat and code management for the CTG. This includes but is not limited to:

i. Prepare the CTG Member Pack (code of conduct and expenses policy);
ii. Timetable and organize the CTG, including meeting rooms;
iii. Act as quality gatekeeper with the Chair for accepting papers;
iv. Circulate agendas and papers for consideration at CTG meetings, five Working Days in

advance of that meeting date, or at a time specified by the Chair;

v. Circulate minutes of the meeting five Working Days after the meeting for CTG approval;

   a. Minutes of the CTG meetings and proceedings shall be published to SEC Parties.

vi. Administer the circulation list for CTG papers and Minutes;

vii. Manage the decisions and actions logs;

viii. Manage updates to the CTG Factsheets;

ix. Manage the CTG section of the SEC Website;

x. Provide analysis and interpretation as required; and

xi. Support the operation of the CTG and the fulfilment of its duties.

## 13. Confidentiality and Disclosure

In accordance with the Panel Information Policy (PIP), agenda items, papers and discussions will be assigned an information sharing level of either CLEAR, GREEN, AMBER, AMBER-STRICT or RED.

As an CTG Member, each participant will be asked to undertake in writing to abide by the confidentiality and disclosure provisions in relation to each information sharing level as described above, by signing the Confidentiality and Disclosure Agreement at Appendix A to these Terms of Reference.

CTG Members who breach the rules of the confidentiality and disclosure provisions under any information sharing level may have their CTG membership ceased.

## 14. Definitions

| Term | Definition |
|---|---|
| **Party Category** | means, as the context requires, one of the following categories:<br>(a) the Large Supplier Parties collectively;<br>(b) the Small Supplier Parties collectively;<br>(c) the Electricity Network Parties collectively;<br>(d) the Gas Network Parties collectively; and<br>(e) the Other SEC Parties collectively. |
| **Voting Group** | In respect of each Party Category, each Party that falls into that Party Category collectively with that Party's Affiliates (if any) who also fall into that Party Category. |

**APPENDIX A**

**Confidentiality and Disclosure Agreement**

| |
|---|
| I, the undersigned, have read and understood the CTG Terms of Reference.<br><br>I understand that I am required to comply with the confidentiality and disclosure obligations in respect of each of the four information sharing levels (CLEAR, GREEN, AMBER, AMBER-STRICT and RED), as set out in the Terms of Reference.<br><br>I understand that I must declare any conflict of interest that I have in writing to the CTG Chair whether it exists now or during my continued membership of the group, as soon as I become aware that such a conflict exists.<br><br>I understand that should I fail to abide by the information sharing levels confidentiality and disclosure obligations or conflict arrangements (as set out in the CTG Terms of Reference) I may be excluded from the CTG Sub-Committee.<br><br>Having understood and accepted the above statements, I therefore agree to abide by the Terms of Reference in my engagement with this group. |
| Name: |
| SEC Party Category: |
| Primary/Alternative Participant: |
| Signature: |
| Date: |
| Terms of Reference<br>Dated: |