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SEC Change Sub-Committee Meeting 68_1510

15 October 2024, 10:00 – 12:00

Teleconference

SECCSC_68_1510 – Draft Minutes

Attendees:

Representing	CSC Members	Organisation
Change Sub-Committee Chair	Ali Beard (AB)	Change Sub-Committee Chair
Large Suppliers	Emma Johnson (EJ)	British Gas
	Emslie Law (EL)	OVO
Small Suppliers	Daniel Davies (DD)	ESG Global
Network Parties	Kelly Kinsman (KK)	National Grid Electricity Distribution
Other SEC Parties	Jeff Studholme (JS)	Smart Meter Assets
	Philip Doyle (PD)	Reverse Ltd
Consumers	Faye Brookes-Lewis (FBL)	Citizens Advice

Other Participants	
Centrica	
Rochelle Harrison (RH) (<i>Part Meeting – DP275 and DP276 Discussion</i>)	
DCC	
Bradley Baker (BB)	David Walsh (DW)
Adrian Pawlowski (AP)	Robbie McMillan (RMCM)
Paul McShane (PMcS) (<i>Part Meeting – DP273 Discussion</i>)	Jack Hammond (JHa) (<i>Part Meeting – Agenda Item 5</i>)
Jonathon Helyer (JHe) (<i>Part Meeting – DP275 and DP276 Discussion</i>)	
DESNZ	
David Aknin (DA) (<i>Part Meeting – DP275 and DP276 Discussion</i>)	
Octopus Energy (DP274 Proposer)	
Joey Manners (JM) (<i>Part Meeting – DP274 Discussion</i>)	

Ofgem		
Ian Chalfon (IC)		Cristina Ullastre (CU)
Smart Energy Code Administrator and Secretariat (SECAS)		
Rachel Black (RB) <i>Meeting Secretary</i>	Khaleda Hussain (KH)	Liz Woods (EW)
Marc Rhodes (MR)	Georgie Severin (GS)	

Apologies:

No apologies were received.

1. Welcome and Introductions & Approval of Previous Meeting Minutes

The Chair welcomed members to the CSC meeting.

SECAS advised that no comments had been raised on the last meeting minutes. The CSC **APPROVED** the minutes as final.

2. Actions Outstanding

Action Reference	Action
62/01	SECAS to propose solution options for governance of Release scope and costs to the CSC at the September meeting.
	The Chair provided the CSC with proposed solution options, suggesting Option 3 as the favourable solution. This option was to continue the current process but for the DCC to include an estimate of expected post-Pre Integration Testing (PIT) testing costs based on previous similar examples of change. The CSC agreed with this. Status: Closed
64/01	The DCC (PMcE) to investigate the downsizing of the Regression Testing scope which should reduce costs for the November 2024 SEC Release and report back to the CSC.
	The DCC are liaising with the Testing Assurance Group (TAG) and will provide an update on this at the November 2024 meeting. Status: Open
66/02	The DCC (PMcE) to advise the CSC of the specific business as usual costs included in SEC Releases.
	The DCC (RMcM) asked for further clarity on what is meant by business-as-usual costs. The Chair advised that this includes costs that the DCC would normally expect to be in a SEC Release that are not visible to the CSC, for example where there are DCC Change Requests included in a Release and any post PIT costs associated with those. The DCC noted this, and advised they will have a further update on this at the November 2024 meeting. Status: Open
67/01	SECAS to investigate why the DCC have suspended User activities in the past.

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Action Reference	Action
	The CSC noted the update provided by SECAS and agreed to close this action. Status: Closed
67/02	SECAS agreed to approach the IGT UNC Code Administrator, and send communications out to IGTs in relation to this. SECAS advised that they discussed this with the IGT UNC Code Administrator, who then communicated this to the IGTs. Status: Closed
67/03	SECAS to give the CSC more information on why the delivery of MP176 has been delayed. The DCC (JHa) provided the CSC with an update on this. The CSC noted this and agreed to close the action. Status: Closed

3. SEC Modification Progression

DP274 'Requirement for DCC Users to set TPS configurations'

SECAS (GS) presented the CSC with a summary of [DP274 'Requirement for DCC Users to set TPS configurations'](#), recommending it progress to the Report Stage.

A member (EJ) queried the section that refers to a requirement to adhere to limits. They asked what would happen if a Party did not adhere to the limits. The Proposer (JM) explained that the DCC is responsible for adhering to the limits, and the Party is not responsible for this. They advised this limit needs to be set on the DCC, because if the limit is not in place, the DCC System will continue to retry sending the message until it is processed by the User System. The DCC (DW) added that there are no DCC System changes involved. The Proposer advised that the majority of Users have agreed this through ad hoc engagement with the DCC, but some have not. They advised that DP274 will ensure that new Users need to set this requirement with the DCC.

The member (EJ) disagreed with Priority Assessment, specifically the 'value' being set as zero, as it prevents an issue that many Users might face. The DCC (DW) added that if the cost is also zero, then the cost benefit should be higher. The Chair advised the prioritisation matrix can be updated to reflect this.

A member (PD) asked if there is an implied vulnerability in the DCC system if Users were forced to accede an agreed limit or business need for them to do so. They queried if there are any compensating capabilities. The Chair advised that Transactions Per Second (TPS) is the maximum volume of messages a User can receive, meaning it is limiting how much the DCC sends to prevent the DCC System being overloaded and creating a backlog. Another member (EL) advised that all Large Suppliers have TPS limits to protect their systems, but a vulnerability is caused by not all Users having this in place. The member (PD) asked if there are impacts to the DCC if messages are being queued up and cannot be received. The DCC (DW) advised that the queueing process exists to support this. They noted there is a slight risk that if lots of consumers needed coverage, they would have to increase their capacity, but the existing system works once everyone stays within the limits.

The CSC:

- **AGREED** the issue and impact as being clearly defined and understood
- **AGREED** that DP274 should be converted to a Modification Proposal
- **AGREED** that MP274 should be progressed to the Report Phase
- **APPROVED** the Modification Report
- **APPROVED** the implementation approach

DP273 'User Demand and Network Traffic Insights'

SECAS (MR) presented the CSC with a summary of [DP273 'User Demand and Network Traffic Insights'](#), recommending it progress to the Refinement Process.

A member (EJ) queried if this would reverse the work done as part of [MP116 'Service Request Forecasting'](#). SECAS (MR) advised this was not the case, and the aim is to gain insight into Users that are not understood and devising mechanisms to do this via the SEC. The member asked if this means Parties will need to regularly forecast, or only notify the DCC if there is a change. SECAS advised that the intention is to only inform the DCC where there are significant changes. They advised the Refinement Process will help refine and ensure the effectiveness of this.

Another member (DD) highlighted that MP116 was raised because forecasting was not accurate enough. They commented that DP273 does not appear to provide further clarity. They queried if it is the responsibility of the Anomaly Detection Threshold (ADTs) to ensure forecasting takes place. The DCC (PMcS) stated that this is less about providing detailed forecasting, and more focused on future changes. They advised this would work in parallel with ADTs. The DCC (DW) advised that ADTs only take affect at the time of sending the Service Request. However, DP273 will ensure that the DCC is made aware that an organisation will be increasing their load in the next three months, and the DCC can prepare for this. The DCC (PMcS) agreed and added that this will ensure the DCC has appropriate capacity to deal with future changes.

The CSC:

- **AGREED** the issue and impact as being clearly defined and understood
- **AGREED** that DP273 should be converted to a Modification Proposal
- **AGREED** that MP273 should be progressed to the Refinement Process
- **AGREED** the proposed timetable for MP273

DP275 'Communications Hubs Fixed Charges'

SECAS (GS) presented the CSC with a summary of [DP275 'Communications Hubs Fixed Charges'](#), recommending it progress to the Refinement Process.

The Proposer (JHe) explained that the current methodology looks at the volumes of each Communications Hub variant, because there are a lower number of Dual Band Communications Hubs, which results in these having a higher charge than Single Band Communications Hubs. The member (JS) noted this but queried if the proposed methodology is actual or conceptual. The Proposer advised it is actual. They advised they will be looking at Communications Hubs installed by technology category. They noted this would not preclude Suppliers installing 2G or 3G Communications Hubs, but the sites would then need to be revisited to remove them. The member

noted this Proposed Solution was not changing cost but changing how costs are recovered. They suggested this is not an issue yet but is a risk. The Proposer advised that this impacts Suppliers who are starting to install Communications Hubs in the early years of 4G Communications Hub deployment. It would also impact costs of Suppliers dividing 4G costs over small installation bases, who then receive disproportionately higher charges, which might disincentivise Suppliers.

The member (EL) queried what Office of Gas and Electricity Markets' (Ofgem's) view is on DP275 being requested as an Urgent Proposal. The Chair advised they have discussed this with Ofgem, and Ofgem are waiting for SECAS to send the request. Ofgem (CU) agreed with this. The member noted that Ofgem have a very strict criterion for this. They also noted that the Charging Statement cannot be changed without consultation with Ofgem. The Chair advised there will be a draft Charging Statement issued alongside the actual Charging Statement, and asked the Proposer if it will include 4G Communications Hubs. The Proposer advised that they held a customer engagement session to show what the charges would be if DP275 is agreed, and they will share these findings at the next Quarterly Finance Forum (QFF) meeting. They advised the DCC has already published the October 2024 Charging Statement so can't amend this now but will share with DCC Users what the new Charging Statement will look like when the 4G Communications Hubs rollout Charges are incorporated, to ensure DCC Users are aware of future changes if the modification is approved.

Another member (JS) questioned if it is necessary for this to go through the Modifications Process, or if there is another route it can take. The Chair and the Proposer agreed this was the only route they are aware of as it changes SEC Section K.

The Chair advised that SECAS plan to hold an ad hoc Working Group for DP275 on Thursday 24 October 2024, and the Refinement Consultation will go out the same day. SECAS (GS) added that it will be open from 24 October to 7 November 2024.

The member (JS) asked if the unintended consequences of DP275 have been considered. They queried if this would increase the risk of stranded 2G Communications Hubs in the supply chain. The Chair acknowledged this and noted the concerns that there might be 2G and 3G Communications Hubs left in warehouses if there is a jump to using 4G Communications Hubs. They noted that it will not help with the issue of cost but [MP252 'Amending the process for Communications Hub returns'](#) aims to make the returns process more efficient.

A member (EL) asked for clarification on if DP275 will go through a consultation period, or will it be fast-tracked. The Chair highlighted the importance of industry consulting on this, and stated there will still be a consultation period, despite the short timeline.

The member (JS) asked if this is a text only change. The Chair agreed. The member questioned why this should be an Urgent Modification. They noted that during Initial Pallet Validation (IPV) Suppliers would pay more for a small number of 4G Communications Hubs at the start of the process may have a positive commercial impact on the overall cost of the smart programme. The Chair acknowledged this and advised that if Ofgem decide this is not urgent, SECAS can still progress DP275 quickly through the Modification Process. They acknowledged there has been a request to have DP275 approved before the January 2025 QFF, so the April 2025 Price Change event can include any 4G changes into their Price Cap. They noted there will be a draft Charging Statement available, which can also be considered. The Proposer advised that they could run a parallel Charging Statement but would like DP275 to be approved as soon as possible.

The CSC:

- **AGREED** the issue and impact as being clearly defined and understood

- **AGREED** that DP275 should be converted to a Modification Proposal
- **AGREED** that MP275 should be progressed to the Refinement Process
- **AGREED** that SECAS should request this be an Urgent Proposal
- **AGREED** the proposed timetable for MP275

DP276 'Communications Hub returned not redeployed'

SECAS (GS) presented the CSC with a summary of [DP276 'Communications Hub returned not redeployed'](#), recommending it progress to the Refinement Process.

The member (JS) advised they understand the concept that exists in terms of meter rentals and the market perspective. However, they stated that a disadvantage to this proposal is the risk of Energy Suppliers defaulting in the early days of 4G rollout which might mean that costs would need to be socialised instead of charging individual Suppliers. Based on the issues these two modifications cover, the member (JS) suggested that DP275 and DP276 be combined as one Modification Proposal to increase their materiality. The Proposer (JHe) explained that they were meant to be one Modification Proposal, but DP276 does not have the same level of urgency as DP275, which is why they were split and raised separately. Centrica (RH) advised it would be sensible to combine them as they impact each other. The Chair agreed but advised that DP276 does not need to be implemented until June 2025, as the 4G roll out will begin in July 2025. However, DP275 needs to be approved sooner to ensure it is included in the January 2025 charging statements. A member (DD) queried if it will slow down the urgency of DP275. The member (JS) noted that DP276 is not needed until July 2025, but this does not mean it needs to wait until June 2025 to be implemented and could be progressed sooner to align with DP275. The Chair acknowledged the points raised, and asked if the members believe there will be any controversy surrounding DP276. They noted that if there is controversy with it, then it will impact the progression of DP275 and it will miss its target. The member (JS) suggested combining the modifications would be more beneficial for Energy Suppliers. Centrica (RH) added that they do not think there would be any controversy with DP276, so it would not slow down DP275. The Chair also noted there are no DCC system changes associated with DP276.

The Proposer confirmed that there are no contractual changes to repayments relating to DP276.

The Chair acknowledged the points raised and proposed that DP275 and DP276 are combined as one Modification Proposal going forward.

The CSC:

- **AGREED** the issue and impact as being clearly defined and understood
- **AGREED** that DP276 should be converted to a Modification Proposal
- **AGREED** that MP276 should be progressed to the Refinement Process
- **AGREED** that the issue in DP276 should be combined with MP275.

4. SEC Modification Timetables

SECAS (AB) provided an update on the timetables for Modification Proposals, providing an updated Prioritisation Matrix and summaries of high and very high priority modifications.

The DCC (DW) advised that they have not started work on [MP265 'Implementing ADT changes in response to a Security Incident'](#) as they have not accepted it yet.

A member (EL) asked for further information on the timeline of [DP218 'Review of the SEC Charging Methodology'](#). The Chair stated that the DCC have advised there will be a consultation issued in November 2024. They are planning to have a Working Group or webinar once this has opened to answer any questions SEC Parties have, with the consultation concluding after the Christmas period. They advised that after this, the DCC will have five weeks to analyse the responses and determine the next steps. If it is decided this should not be progressed through the Modifications Process, DP218 will be withdrawn and the DCC will go down a different governance route. The member (JS) advised that the Department for Energy Security and Net Zero (DESNZ) response to the consultation appeared to rule out significant pieces of the first consultation. They queried what will be included in the second consultation. The Chair noted this, but advised they believe that two solution options are being further developed and refined. The Chair advised that it depends on what changes the DCC proposes, for instance if the DCC want to include additional charging groups it will need a SEC change. However, if the development does not make changes to the SEC, then a modification will no longer be necessary. They explained that it is still in the Draft Proposal stage as the DCC are liaising with SECAS and communication with the industry to gain feedback. The DCC (BB) advised that the DCC is currently drafting the follow up consultation and will be providing a summary and update via a SECAS Modcast next week, which should be live by the end of the month.

Ofgem (IC) advised that the expected decision date for [MP262 'Extending the Installation End Date for CHTS v1.0 and GBCS v1.1'](#) is Friday 13 December 2024.

The CSC:

- **NOTED** the updates on the SEC Modification Timetables

5. Post Decision Delivery and Ofgem expected decision dates

SECAS (KH) presented an update on the Post Decision Delivery and Ofgem expected decision dates.

The member (EJ) advised they were unaware that [MP176 'Customer Analytics Reporting'](#) and [MP242 'Change to Operational Metrics to Measure on Success'](#) were linked, and asked if this caused the delay in implementing MP176. The DCC (JHa) stated that linking the two modifications did not cause the delay. They advised that when the DCC started developing MP242, it was assumed they would be separate. However, they have known since May 2024 that MP242 would not hit the implementation stage. They stated that the deliveries of MP176 and MP242 have converged slightly, meaning they can be delivered together. The member asked if there will be anything manual involved in the development of install and commission reporting. The DCC (JHa) advised they are engaging with consumers and looking at high level data. They advised it will not go live with an interactive dashboard until quarter two of 2025. The member queried if the DCC will be able to back date what has been shown. The DCC advised they will be able to show historic data from August.

The Chair asked if the Operations Group (OPSG) are being kept updated on this. The DCC (JHa) advised that they have been engaging with the OPSG Chair and will be providing a formal update to the OPSG members in November 2024. They advised they have also been engaging with the Proposer of MP242 to update them on the progress. The Chair acknowledged this, and proposed the DCC return to the November CSC meeting to provide an update on this, as it would be useful for the CSC members.

The member (EJ) queried if the DCC is in breach of their SEC obligations regarding MP176. The Chair advised the DCC will be in breach from 31 December 2024. They added that OPSG has a list of all DCC non-compliance issues, and MP176 will be added to this when the time comes. The DCC (JHa) agreed and added that MP242 will be in breach from 12 November 2024. The member (EL), who is also a member of the OPSG, agreed with the points raised, and advised that the OPSG have an action on the DCC to advise how these breaches will be addressed. The DCC (JHa) advised they can discuss this in the November OPSG meeting.

A member (JS) highlighted the length of time it will take Ofgem to make their decision on [MP219 'Accessing Consumption Data on behalf of SEC Parties'](#), [MP224 'SEC Performance Assurance Framework'](#), and [MP262 'Extending the Installation End Date for CHTS v1.0 and GBCS v1.1'](#). Ofgem (CU) advised there is a backlog of up to one hundred decisions that need to be published. They advised that Ofgem are working on these decisions as quickly as possible. Ofgem (IC) agreed.

The CSC:

- **NOTED** the updates on the Post Decision Delivery

6. SEC Releases Update

SECAS (EW) presented an update on progress with the upcoming SEC Releases.

The Chair advised that DP276 will now be in line with DP275.

The Chair asked the DCC for an update on the Data Service Provider (DSP) re-procurement. The DCC (DW) advised that their colleague is introducing a plan for this to DESNZ at a meeting today and will bring it to the November meeting.

The CSC:

- **NOTED** the updates on the SEC Releases provided in the paper

7. November 2024 SEC Release Go/No-Go

SECAS (EW) presented the CSC with the November 2024 SEC Release.

The member (JS) asked if any of the modifications included in the SEC Release are System impacting. The Chair advised that [SECMP0028 'Prioritising System Messages'](#) is the only System impacting modification. The member asked if it is known what the regression testing costs are for this SEC Release, and if the CSC is to sign off on this, or if they are to sign off based on the independent modification cost. The Chair advised members that it was agreed at a previous CSC meeting that the CSC would agree to the necessary costs for this SEC Release. However, the DCC had also agreed to challenge the costs, but any reduction cannot be finalised until the actual time of the release in November. Therefore, it was agreed that the DCC will provide the CSC with an update on how much they managed to reduce the costs by. To ensure they will have this information in a timely manner going forward, the DCC are already investigating the costs involved with the modifications in the June 2025 SEC Release.

A member (EJ) noted that the CSC are only shown SEC Modifications, but advised there are two DCC Change Requests relating to [MP162 'SEC changes required to deliver MHHS'](#) which were meant to be included in the June 2024 SEC Release, but have now been moved to this SEC Release. They noted that the CSC do not need to approve the Change Requests, but suggested this helps to reduce their share of the regression testing costs. The Chair acknowledged this, and suggested SECAS include the Change Requests in their updates going forward to ensure full transparency. The member agreed this would be useful. The Chair agreed that the capacity uplift part was removed from MP162 as per Ofgem's recommendation, and it is now funded through the Market Wide Half-Hourly Settlement (MHHS) programme. They stated the cost of MHHS capacity uplift is approximately £13 million and will be funded from the MHHS budget. They observed there might be some efficiencies in the testing, but advised they are unsure how these will overlap. They highlighted that the DCC are now questioning the level of testing required for each SEC Release and are discussing this with the Testing Advisory Group (TAG) and the Technical Architecture and Business Architecture Sub Committee (TABASC). The Chair stated they will ask the DCC (RMCM) to give the CSC an idea of how much economies of scale were achieved by having the capacity uplift in the same SEC Release as SECMP0028. The DCC (DW) highlighted that capacity uplift is different to standard regression testing and should have no impact on Service Users or the DSP.

The Chair also highlighted that OPSG and TAG have recommended the go live of the November 2024 SEC Release.

The CSC:

- **APPROVED** the implementation of the November 2024 SEC Release

8. Governance of SEC Releases Scope

SECAS (AB) presented the CSC with an update on the Governance of SEC Releases Scope.

The member (JS) agreed that Option 3 appears to be the most pragmatic approach. This involves continuing with the current process but in addition the DCC will provide an estimate of the post-PIT costs, based on historical changes that are similar in nature.

The CSC:

- **NOTED** the update

9. Any other business (AOB)

SECAS advised the members of upcoming webinars. These were the Modifications Improvement Project on 28 October 2024, the Privacy webinar on 8 November 2024, and the Security Assessment webinar. Members were advised to email SECAS@gemserv.com if they were interested in attending any of the above webinars. The member (EJ) expressed interest in the Modifications Improvement Project. Another member (KK) advised they will be on annual leave on the day of that webinar and asked if the meeting will be recorded. The Chair confirmed that it will be recorded and uploaded onto the SEC website.

There was no further business, and the Chair closed the meeting.

Next Meeting: 19 November 2024

DRAFT