

Peter Davies, Panel Chair
Smart Energy Code Company Limited
8 Fenchurch Place
London, EC3M 4AJ

Fiona Tranter
Regulation Manager
Data Communications Company
2nd Floor, Ibex House
42-47 Minories
London, EC3N 1DY

15th August 2017

Dear Fiona,

Re: SEC Panel response to the DCC consultations on the Release 2.0 Plan and the Release 2.0 Testing Approach Document

Thank you for the opportunity to respond to the consultation on DCC's Release 2.0 Plan and the Release 2.0 Testing Approach Document. The Panel responses are set out in Attachment A and B to this letter.

The Panel is providing a response in relation to the SEC, its duties and matters of governance and process. The Panel expects SEC Parties and other interested parties to respond and raise any organisation specific matters they wish to raise.

The Panel discussed both consultations at its August 2017 meeting, and have provided responses to those questions which the Panel believes they should comment upon. Where a specific response is not provided, it will generally be due to it not having an impact on the Panel's duties and are more relevant to SEC Parties or DCC Users.

When forming its response, the Panel has considered any inputs from the Technical Architecture and Business Architecture Sub-Committee (TABASC) who discussed the consultations via teleconference on 1st August 2017, and the Testing Advisory Group (TAG) who discussed the Testing Approach Document Consultation via teleconference on 9th August 2017. Where applicable the feedback has been incorporated into Attachment B, with specific observations, from the TAG indicated. These comments were endorsed by the Panel at its August meeting.

In addition to the comments made in response to the consultation questions, the Panel would also like to make the following observations:

- **Release 2.0 Plan consultation**

The Release 2.0 Plan overall seems to have been set at a very high level and as a consequence lacks details. The Panel would recommend that further details are provided to ensure the plan remains credible and gives confidence to all interested parties that it can be delivered.

The Release 2.0 Plan consultation section 6, includes 'indicative costs estimates'. While the Panel notes that the DCC provided this for information only, the Panel is concerned that a single cost figure of approximately £290 Million has been indicated for this release. While this figure includes the costs for putting in place an additional User Integration Testing (UIT) environment and an additional System Integration Testing environment for the Central and South regions, to support testing of the contents of Release 2.0 and the subsequent Smart Metering Equipment Technical Specifications 1 (SMETS1) Enrolment and Adoption (E&A) activities, it is disappointing that no breakdown had been included showing the costs for the testing environments and the cost to implement Release 2.0. The Panel would suggest that at a minimum a breakdown of the costs associated with, Design, Build and each Test phase should be given. This is in line with the agreed minimum breakdown of costs that are being included in Modification Reports. It is recognised that the Authority (Ofgem) oversees costs incurred by the DCC through its price control activities. However, more transparency is encouraged to aid the justification behind these costs. This is particularly important during a time when the Smart Metering rollout is gaining an ever-growing media profile.

In addition, the Panel notes that the charging methodology is still to be considered and developed fully, while recognising that some of the cost will be recovered over subsequent regulatory years as set out in the consultation document. However, this high-level breakdown does not seem to cover the full cost of the release. Transparency is encouraged in how the costs are recovered, to aid SEC Parties in forecasting and then planning for incurring these costs.

The Release 2.0 'Plan on a Page' and proposed milestones include a Release 2.0 'live' date of 31st July 2018. Following input from the DCC, two Modifications (SECMP0006¹ and SECMP0008) have been progressed both with a proposed implementation dates of 28th June 2018 (in line with the release timings of the Panel Release Management Policy). As these dates were based on input from the DCC, the Panel would like to understand whether the DCC can meet the proposed June 2018 date, or will the functionality (specifically in relation to SECMP0008) if approved not actually be available for use until 31st July 2018, alongside the wider Release 2.0 content.

The consultation sets out a planned Release 2.0 plan review date in September 2017, in order to confirm milestones for undertaking the Release 2.0 implementation plan. The Panel would encourage the DCC to minimise changes to milestones wherever possible to provide certainty as soon as possible on when Release 2.0 will go live. This will help to ensure that SEC Parties can continue to ensure that they comply with both SEC requirements and relevant licence conditions.

In relation to outages, the Panel notes the commitment by the DCC to keep outage periods to a minimum. The Panel consider that the parameters laid out in the SEC should be considered as backstop, or worse case, timescales rather than a planning standard. Therefore, it is important that the DCC do seek to minimise the length of outages for Release 2.0, as by June/July 2018 there is likely to be a higher number of installed smart metering systems. Any outages could have an impact on end consumers, and User activities with installed smart metering systems and therefore must be kept to an absolute minimum.

- **Release 2.0 Testing Approach Document consultation**

Throughout Release 1.2 and 1.3 testing, the SEC Panel had a risk that became an issue around using emulators rather than devices during testing, with ongoing monitoring from the DCC being

¹ SECMP0006 does not impact DCC Systems or process. The proposed implementation date has been aligned with Release 2.0 purely from a technical specification referencing purpose where by the DCC refers to specific Technical Specifications versions within its systems.

required to ensure that the systems would and will work once devices were used. Therefore, the Panel encourages the DCC, whenever and wherever possible, to test with actual meters to ensure the new functionality operates in the manner expected. The proposed use of Device Integration Testing is welcomed and should be utilised as much as possible. This will then ensure that any testing issues are identified in advance of functionality going into the production environment.

It is noted that there is a proposed role for the TAG to discuss the System Integration Testing and Device Integration Testing Test Phase Approach Documents. The Panel welcomes the recognition of the useful input the TAG has provided in the past, in relation to release testing, and will undertake the necessary steps to amend the Terms of Reference to reflect this role. Clarity would be welcomed though on what type of feedback, and the extent of the review of the Test Phase approach documents is required. This is to ensure that the input provided is to the necessary level. In addition, clarity on the timings of these activities is required to aid the timely scheduling of TAG meetings.

On a minor point of clarification, references to DCC User Interface Specification (DUIS) v1.0 in the Testing Approach Document, should be updated to refer to DUIS v1.1. DUIS v1.1 was designated on 21st July 2017 as part of the go live date decision activities for Release 1.3. As the changes to DUIS were retrospective, all DUIS references should be to version 1.1.

- **General observations in relation to Release 2.0 activities**

The timescales for both the Release 2.0 Plan and Release 2.0 Test Approach Document Consultations were very tight at only 15 Working Days. While the Panel have compiled this response (with input from TABASC and TAG members) within the timescales, a longer period would have been useful to enable all interested parties to more easily review and respond, particularly during a period that is popular for holidays and annual leave.

While it is noted in the Release 2.0 plan consultation that time has been factored for the SEC Panel to undertake to complete decision making activities, it is currently unclear what the SEC Panel (with relevant support from the TAG) will be required or expected to provide into the Release 2.0 'sign-off' process and governance activities. Clarity in this space would be welcomed. If there is an active role for the Panel, and consequently the TAG, the Panel will undertake the necessary activities to review and amend the TAG Terms of Reference (ToR) in support of the planned testing approach.

If the Panel (with support from the TAG) is required to review, comment, input and/or approve outputs as part of the Release 2.0 activities, the Panel would like to see timescales adhered to. On a number of occasions during the Release 1.2 and 1.3 activities, decisions timescales were squeezed reducing the amount of time Panel members and its Sub-Committees had to review and inform views on any decisions it was required to make. Therefore, the Panel would like to encourage that when the DCC produces documentation that it is prepared in time to allow the Panel (and its Sub-Committees) the minimum 5 Working Days to consider the content in advance of the respective meeting, per the requirements in SEC Section C5.5 and C5.6. Adhering to such timescales will ensure that any decisions are based on informed and rigorous review.

Following the completion of the two consultations the Panel would welcome an update from the DCC on the feedback received from the consultations and if, how and in what way comments have been addressed.

If you would like to discuss this further, please do not hesitate to contact myself or the SECAS team on 020 7090 7755 or SECAS@gemserv.com.

Yours faithfully,



Peter Davies

SEC Panel Chair

Copied to: SEC Panel Members, BEIS, Ofgem, TABASC Members and TAG Members

Attachment A – Panel response to Release 2.0 Plan Consultation Questions

Question Number	Question	Response
1	Do you agree on our proposal to provide a dual-band only solution Communications Hub for the Fylingdales area? Please provide a rationale for your views.	The Panel does not have a view on this matter and look to the relevant affected parties to comment.
2	Do you have any views on the consultation timings and baselining for the changes to the SEC Subsidiary Documents? Please provide a rationale for your views.	The approach for developing the necessary SEC changes, is either completed (in the case of the documents already baselined) or in process. Therefore, the Panel does not have any major comments. However, it is important for regulatory certainty on the changes that where document development is outstanding that is complete in a timely manner, and any subsequent changes or revisions are kept to a minimum.
3	Do you agree that the updated Parse and Correlate software will be available in time to enable users to carry out their own internal integration and test activities in UIT? Please provide a rationale for your views.	This is an area for SEC Parties and users to comment on. However, the earlier the updated Parse and Correlate Software is available for use the better it will be for Parties preparations in advance of the Release 2.0 go live.
4	Please provide views on the proposed milestone dates for GFI availability and Interoperability Testing and when you believe meters will be made available in time for Device Integration Testing.	This is an area for SEC Parties and users to comment on. However, the earlier this is provided the better it will be for parties and User preparations in advance of the Release 2.0 go live.
5	Do you agree with the proposed timing for the availability of dual-band Instrumented Test Communications Hubs? Please provide a rationale for your views.	This is an area for SEC Parties and users to comment on. However, the earlier this is provided the better it will be for parties and User preparations in advance of the Release 2.0 go live.
6	Please provide views on the DCC proposed approach to make available an initial 'volume constrained' batch followed by full volume production Communications Hubs at a later date and how this supports suppliers roll out plans. Please provide a rationale for your views.	This is as matter for Suppliers and SEC parties to comment on, as it affects rollout plans. However, the provision of such services and the approach should take on board the feedback from those parties.

Question Number	Question	Response
7	Do you agree that there should be one R2.0 drop into the live environment? If you would prefer an early drop which would provide early availability of functionality around SBCH for R2.0, please provide a rationale for your views.	On the basis of the consultation indicating that separate drops would involve greater cost, a single drop seems to be the most prudent approach, to minimise costs where possible. However, if issues arise, for example in the delivery of services for Dual Band Communication Hubs (DBCHs), the approach should be revisited, to ensure that services are not unduly disrupted and consequentially that Smart Metering rollout plans are not affected.
8	Do you agree with DCC's proposals with regard to the inclusion and management of contingency in the plan? Please provide a rationale for your views.	The inclusion of contingency in the Release 2.0 plan is consistent with approaches undertaken as part of Release 1.2 and Release 1.3. In the case of the DCC controlling the use of contingency alone, consideration should be given to whether some form of sign-off is needed before it is utilised. At the DCC run Release 2.0 Consultation session on 2nd August 2017, it was indicated that the transitional Smart Metering Delivery Group (SMDG) would be involved in the agreement of any contingency use. If this is the case this should be reflected in the Release 2.0 Plan. Having appropriate governance in place for agreeing the use of contingency will mitigate against concerns that the contingency will be used regardless, with the actual Release 2.0 implementation date being 31st October 2018 rather than July 2018.
9	Do you agree with DCC's assessment of the risk, assumptions and dependencies in relation to the R2.0 plan? Please provide a rationale for your views.	The DCC risk assessment covers a number of key risks, however there does not seem to be an assessment of the likelihood the risks will become issues. Such an assessment would help tracking to ensure any deployed mitigations or 'Management Strategy' is appropriate.

Attachment B – Panel response to Release 2.0 Testing Approach Document Consultation Questions

Question Number	Question	Response
1	Do you agree with DCC's approach to testing for Release 2.0? Please provide a rationale for your views.	Panel response The Panel recognises that the testing approach for Release 2.0 seems to apply approaches from Releases 1.2 and 1.3 and indicates the addition of enhancements in light of lessons learnt. One area is unclear is who signs off on the Release, which will be assumed to be the Secretary of State. In addition, while the Panel will receive reports on progress at various stages, it is not clear if it is proposed that Panel will have a formal role in reviewing the outputs of testing etc. and whether there is an expectation that the Panel (with support from the TAG) will provide recommendations to the Secretary of State (SoS) on test phase completion. Clarification on this may require BEIS input. TAG supplementary observations: With the exception of the additional testing phases (DIT and TTO) the Testing Approach Document format and approach (to the document) content and structure is unchanged from previous releases It is not clear where the 'lessons learnt' from Release 1.2 and 1.3 have been applied. It would be helpful and appropriate for the DCC to publish the mapping of lessons learnt to actions taken to provide assurances that the appropriate action has been taken.
2	The testing approach does not place obligations on users, do you agree that this is appropriate? Please provide a rationale for your views.	Panel response Section 5.3 paragraph 6 makes reference to exiting parties being required to prove capability against the updated requirements in the roles they seek to operate in. It not clear if this is a requirement, through the consequential changes required to the Common Test Scenarios Document (CTSD), rather than through the Release 2.0 Testing Approach Document? Clarity in this area would be beneficial to aid Party/User understanding of what they must do, to be able to utilise Release 2.0 functionality. TAG supplementary observations: While the TAG had no specific comments on this question, it was noted that DCC Users need to ensure their systems can interoperate with Release 2.0 and thereby continue to be Code compliant. Parties ability to be compliance will need to be assessed within the Go Live decision making process.

Question Number	Question	Response
3	Do you believe that the proposed approach to testing and regression testing in the Device Integration Test phase will be sufficient to give users confidence that the changes introduced by the Release will not adversely affect enrolled devices? If not, please provide your rationale particularly around whether you would you recommend any additional activities, for instance in User Integration Testing, that could increase confidence.	Panel response It is important to test using actual Devices (meters) rather than purely relying on Emulators and Test Stubs. This will help ensure that the new system functionality and device functionality works as intended and any issues are resolved wherever possible prior to changes going live and into the production environment. TAG supplementary observations: In addition to the Panel observations, - Device Integration Testing looks to be useful and necessary, however the TAG would observe and encourage the use of Devices in other test phases after PIT, rather than relying purely on emulators, This should be considered when and wherever possible In relation to the DIT, there are references to a selection method. The DCC should clarify and provide details on this device selection method for DIT, and seek input from interested and affected parties prior to confirming it. - When discussion Regression Testing, it has been indicated by the DCC that a Risk based approach would be applied. Therefore, it would be useful to understand the(is) risk assessment conclusions, with opportunity for relevant parties (SEC Parties, TAG, Panel, BEIS) to comment and provide formal feedback, in an open and transparent manner.
4	Do you believe that the changes to the testing approach set out in the Testing Approach Document will result in increased confidence in the assurance and coverage of testing? Please provide a rationale for your views.	Additional testing activities are welcomed, providing they meet the aims set out and can be completed on time. Where activities do overlap, or occur in tandem it important to ensure that the confidence, the activities are expected to provide are not diminished or unduly affected by another testing activity. The Release 2.0 TAD refers to Lessons Learnt from Release 1.2 and 1.3 being applied, however the independent assurance being applied to Release 2.0, seems to be unchanged in approach from previous releases. This is an area of concern, and the activity should be enhanced, with greater independent input and/or involvement, to endure it is a valid and constructive inclusion to the process. TAG supplementary observations In addition to the Panel observations and comments: Audit and Independent Assurance The approach to Audit and Independent Assurance needs to be more vigorous (as some issues were

Question Number	Question	Response
		picked up by TAG previously, that were not identified by the DCC Assurance/Auditor functions) Consideration should be given to the appointment and setting of the Independent Audit scope having little or no DCC involvement, with it being set by BEIS or the Panel. This would minimise the chances of the body being audited setting its own 'pass' or 'completion' criteria. Defect Masks TAG considers the present defect masks are not suitable for future releases into a full production environment The defects masks for each service provider are unchanged from previous development releases. (Still present), while recognised the matter may be contractual, there should be a review and ideally a move from having defect masks in the next couple of transitional releases to having smaller defect masks in releases (an area for strong consideration for all enduring releases (post) R1.4, R2.0 and SMETS1 E&A.) DCC Test Assurance Board (TAB) It is recognised that generally the TAB involvement is considered to be good and useful. However, it does not include input from all parties, Therefore, there is a concern about TAB's unilateral ability to sign-off the completion off the (next) test phase (commencing if) when Exit Criteria (targets are) have not met ((due to associated work-off plan.). This is due to there being a risk that parties that are not involved in the TAB, may be operating a different approach or workaround from those on the TAB, which is then not considered as part of any such decision-making process. To help mitigate this, it is suggested that the DCC Include additional checks, such as a supporting independent QA to avoid premature test phase exit and issues being missed.
5	What would you include in the testing approach, providing rationale to support your response?	Panel response: Clarification of any testing 'sign-off' governance. This should include the roles and responsibilities, where applicable for the Panel, TAG and, Secretary of State. Notwithstanding that any requirements on the SoS would be subject to separate Section 88 and transitional powers under SEC Section X. This will help provide clarity and an expectation on when decision activities would take place, in line with the milestones set out within the Release 2.0 plan consultation.

Question Number	Question	Response
		As the Release 2.0 TAD will become a SEC Subsidiary Document it would be beneficial to make it non-Release specific, so to minimise the need for amendments following designation, and therefore more fit for purpose as a SEC Subsidiary Document, and to remove the need for more Release specific documents to become a part of the SEC. Specific release details could then be achieved, via the TAD referenced supporting documents (e.g. the test phase approach documents). TAG supplementary observations: In addition to the Panel observations and comments, the TAG has highlighted a number of items that would benefit from clarification or extra detail. These are set out in the subsequent table below.

TAG requested clarifications

Clarification area	Comments and observations
Areas of ambiguity in the Release 2.0 TAD:	The TAG would recommend the following areas are clarified or concerns with the content of the Release 2.0 TAD are resolved: - Clarify whether the Joint Test Strategy will be updated. The TAD indicates that it will not be, however DCC attendees at the TAG meeting, indicated that it would, with the TAG suggesting it should be updated. - In addition to clarifying the involvement of the Panel (and TAG) in the test phases (such as reviewing documentation, agreeing entry and/or exit criteria) there should be clarity on the timing of these activities as soon as possible. As part of providing this detail, it would be useful to have details on the timing of when respective environments will be updated with new system functionality, would be very useful to interested parties and testing participants. - Clarify whether the 868MHz Radio Frequency (RF) Coverage Performance will be tested in SIT (in addition to CSP PIT), as currently the TAD only indicates that it will not be tested in SIT. - Based on information in subsequent tables (the Testing Objectives table 5 (Ref. I) should recognise that SIT will involve Security testing - Clarify meaning of test phase requirements, specifically: - PIT requirements - PIT.2 (clarify meaning), PIT.3 (Clarify who signs this off), PIT4 (clarify that the Parse & Correlate version used in PIT will be the same used in SIT), PIT5 (clarify Security Testing scope), PIT8 (only using emulators) and PIT13 (HAN testing) - SIT requirements – SIT 8 (use of emulators over devices)

Clarification area	Comments and observations
	- Whether DIT is on the critical path, and whether it need to complete and exit successfully (alongside SIT) before the next test phase can commence. - Concern that any Issues identified during Operational Confidence Testing (OCT) are siloed from other testing phases (as OCT does not inform SIT completion). Clarity would be beneficial on the function of this testing phase and how it slots in and informs overall testing. This is particularly important in light of the recent Major Incident, in relation to Release 1.3 functionality in the Northern region. Therefore, consideration should be given to OCT informing SIT exit, or the DCC should elaborate or how existing gaps in testing phases will be covered to mitigate against the risk of another Major Incident. In addition, in the event of another Major Incident occurring, as a consequence of an issue being missed from testing (or other matters), the SEC has rightly onerous notifications and resolutions times that must be adhered to.
Additional Test Phase – Transition to Operations Testing (TTO)	The TAG requests that clarity be given on which testing environments will be used and when, for the different elements of TTO

Additional observations from the Testing Advisory Group:

The following observations and requests supplement response to the Release 2.0 Test Approach Document consultation questions:

- The TAD should clearly set out (via a table, annex) all the supplementary documents that will be amended or created (e.g. test phase approach docs, DIT device selection approach, System Code management) to aid the tracking of what documents need to be produced (and when).
- The Release 2.0 plan refers to the additional testing environments also being needed for Release 1.4 testing. It would be beneficial to clarify the timings of when the additional environments will be in place and available for use.
- It would be beneficial for details to be provided to parties and testing participants on the CH coverage for each geographical region
- While maybe not something for the Release 2.0 TAD, greater clarity is requested on the concept of testing environment toggling within the new User Integration Testing (UIT)-b environment and details of the additional risks this functionality may pose
- Clarification should be given on what functionality will be available in which environments (i.e. UIT(a) for Release 1.x (Release 1.3) production testing and UIT(b) for Release 2.0 testing). This will aid testing participant understanding of what can be tested in each environment.