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Smart Energy Code Panel

Terms of Reference (ToR) Version 1.0

1. Establishment of Panel

The Smart Energy Code (SEC) Panel shall be established pursuant to SEC Section C2.1

2. The role of the Panel

The overall scope of the Panel comprises the following:

- Managing the SEC in an efficient, fair and non-discriminatory manner in accordance with the SEC Objectives.
- Conducting its affairs openly and transparently, acting independently without bias.

3. Powers and Functions of Panel within the SEC

The prescribed duties and powers of the Panel are set out in Sections A, B, C, D, E, F, G, H, I, L, M, N, P and X of the SEC. The Panel duties and powers include, but are not limited to, the following:

3.1 Policies

The Panel shall establish and maintain policies, including:

- A Programme Assurance Policy to govern DCC initiated projects and programmes that have the potential to impact Users, but which do not require a Modification. Key obligations of this policy are that the Panel will:
    - Where requested, provide advice to the Secretary of State on any proposed developments to the DCC Programmes
    - Ensure that the DCC programmes that deliver services under the SEC are suitably executed in line with good practice
    - Ensure that the interests of SEC Parties and Users are reflected in key DCC programme decisions and stages, in particular, endorsing the business cases for programmes at defined stages, the views provided by its Sub-Committees have been suitably captured, and recommending readiness to go-live with changes
    - Ensure that the planning of the Portfolio of DCC Programmes takes into account the risks and impacts on SEC Parties and seeks to mitigate these risks
    - Ensure that, following closure, the benefits of any DCC Programme are appropriately monitored to see if the identified purpose has been achieved

- An Information Classification Policy to determine the classifying, labelling, handling and storing of Party Data received when exercising SEC functions.
- An Expenses Policy, establishing guidelines regarding what constitutes a reasonable travel expense for Panel and Sub-Committee members.

3.2 Budget and Reporting

- In January each year the Panel shall, with support from SECAS, produce and consult on a Draft Budget for the next 3 Regulatory Years to become the Approved Budget on commencement of the next Regulatory Year.
- The Panel shall, as soon as is reasonably practicable following the end of each Regulatory Year, produce and circulate to Parties a report on the costs and expenses incurred (or committed to) during that Regulatory Year and the activities and projects to which those costs and expenses relate.
- By no later than 30 Working Days following the end of each Regulatory Year, the Panel shall prepare and publish a report on the Panel activities during the Regulatory Year.

3.3 Market Entry and Exit

- The Panel shall oversee the process by which Applicants apply to become a SEC Party, and manage and co-ordinate the suspension, expulsion, or withdrawal of Parties or Party rights.

3.4 Events of Default

- The Panel shall be notified that an Event of Default (EoD) has occurred in respect of a Party, and the Panel may investigate the circumstances relating to this.
- The Panel may act against the Defaulting Party where an EoD has occurred, as set out in Sections M8.4 – M8.11 of the SEC, which includes notifying the Authority of the event, suspension of rights, and expulsion where the Party does not hold an Energy Licence as required by the Code.

3.5 Sub-Committee Establishment

- The Panel may establish committees (Sub-Committees) for the purposes of assisting the Panel to undertake its SEC Objectives. The Panel may establish committees on a standing basis, for a fixed period or finite purpose, and dissolve any committee that is not expressly established in the SEC. The Panel may delegate duties, powers and functions of the Panel to be carried out by committees. The Panel shall record such delegations in a Panel delegation register maintained by the Secretariat.

3.6 Modifications

The Panel may:

- submit draft proposals in the modification process where appropriate.
- override the Code Administrator's refusal of invalid draft modification proposals.
- establish a Change Sub-Committee and Change Board to undertake modification functions assigned by the Panel.

3.7 Operational Performance

- The Panel shall delegate monitoring the performance of the DCC Total System in accordance with the SEC and DCC Licence, to the Operations Group (OPSG).

- The Panel may receive updates from the OPSG where the DCC Total System performance is below Minimum Service Level, and on occasions where the OPSG believes matters require escalation and further consideration by the Panel.
- On receipt of an operational escalation from the OPSG, the Panel may seek further assurance of the performance of the DCC Total System, including solutions and mitigations, from the DCC.
- The Panel may further communicate concerns about DCC Total System operational performance to the Authority.

3.8 Self-Service Interface

- The Panel shall review and approve any changes to the Self-Service Interface Governance process as prepared by the DCC.

3.9 Planned Maintenance

- The Panel shall delegate the review of Planned Maintenance and additional Planned Maintenance requests to the OPSG.
    - The Panel may, on advice from the OPSG, and subject to any contrary positions in SEC Subsidiary documents, request the DCC to reschedule any Planned Maintenance and additional Planned Maintenance, the DCC shall take all reasonable steps to accommodate the Panel's request.

3.10 Temporary Communication Hub (CH) Ordering and Delivery Rules

- The Panel's approval shall be obtained to enact any Temporary CH Ordering and Delivery Rules.

3.11 Permitted Communication Service

- On application by a User, the Panel may approve additional Permitted Communication Services in respect of the User and a Smart Metering System. The Panel should consider the potential impacts that a new Permitted Communication Service could have on DCC's Services and seek assurance from the DCC that these would not deteriorate.

3.12 Intellectual Property Rights

- The Panel may consider, approve and authorise the licensing, sub-licensing, or any other manner of dealing with the Intellectual Property Rights in the SEC Materials, for any use which does not hinder, delay or frustrate the SEC Objectives.

3.13 Disputes

- The Panel shall manage and co-ordinate arrangements for the resolution of certain Disputes under or in relation to the SEC, including Disputes related but not limited to, code admission, provision of data, DCC gateway connections, major incident notification and reports, and test scripts.
- The Panel shall manage and co-ordinate arrangements for the resolution of certain disputes under other Energy Codes.

3.14 Information Commissioner

- The Panel shall establish joint working arrangements with the Information Commissioner pursuant to which the Panel shall notify the Information Commissioner of matters in which the Panel believes the Information Commissioner may have an interest.

3.15 Data Provisions and Website obligations

- The Panel shall publish lists on the SEC Website, including but not limited to, the combination of SMETS1 Device Models, the Deployed Products List, User Interface Service Requests.

4. Additional Powers and Functions of the Panel

The Panel shall do anything necessary for, or reasonably incidental to, the discharge of its duties under the SEC, including but not limited to the following duties not set out in the SEC:

4.1 SEC Strategy

- The Panel shall delegate the creation of a SEC Strategic Plan to the Strategic Working Group. The Panel will approve the SEC Strategic Plan prior to publication.
- The Panel may convene periodic SEC Strategy Days to agree its approach on strategic matters. The Panel may be supplemented by support from the SECCo Executive Code and Regulatory Strategy function and Code Administrator and Secretariat.

4.2 Risk Management

- The Panel shall establish a Risk Management framework for capturing, assessing the impact and probability ratings for, scoring and reporting on Risks and Issues under the Smart Energy Code.
- The Panel Risks and Issues Register will be reviewed on a quarterly basis or as a need is determined. This review will incorporate a report of its Sub-Committee's risks that have been given a Severity Rating of 15 or higher. For the SSC and SMKI PMA, risks with an SMBIL level of High or Very High will be reported.
- The Secretariat will arrange periodic deep-dive sessions for the Panel Risk and Issues Register at a frequency to be determined by the Panel Chair.

4.3 SEC Projects

- In accordance with the Panel Budget, the Panel and SECCo Board may approve SEC Projects to be undertaken, subject to production of a Project Brief and if applicable, recommendation by a Panel Sub-Committee.

4.4 Enduring Governance

- The Panel shall oversee and undertake transitional arrangements, as directed by the Secretary of State, to establish and maintain enduring governance arrangements of the SEC.

4.5 Authority Determined Programmes

- The Panel shall take all reasonable steps, including but not limited to establishing joint working arrangements to support Authority Determined Programmes, such as Code Reform.

4.6 Elective Communications Service

- The Panel shall make decisions on specific aspects of a proposed Elective Communication Service such as decisions on Restricted Communication Services. The Panel is not expected to make any other decisions on Elective Communications Services.

5. Proceedings of the Panel

5.1 Meetings

- The Panel shall hold meetings with such frequency as it may determine or the Panel Chair may direct, but in any event shall meet when necessary to meet its responsibilities under Section D (Modification Process) and at least once every two months. In practice, the Panel meets monthly and ad-hoc as required for further decisions.

5.2 Quorum

- No business shall be transacted at any meeting of the Panel unless a quorum is present at that meeting. The quorum for each Panel meeting shall be one half of all Panel Members appointed at the relevant time, at least one of whom must be the Panel Chair or the Panel Chair's nominated alternate.

5.3 Meeting Notice and Papers

Each meeting that the Panel determines, or the Panel Chair directs, shall be convened by the Secretariat. A minimum of five Working Days' notice shall be provided to relevant parties (or such shorter notice as approved by the Panel).

The notice of each meeting shall be accompanied by:

- time, date and location of the meeting;
- arrangements for those wishing to attend the meeting by means other than in person; and
- agenda and supporting papers.

5.4 Panel Chair

The Panel Chair shall be appointed in accordance with such process as the Panel may determine, as modified from time to time by the Panel; provided that such process as modified must be designed to ensure that:

- the candidate selected is sufficiently independent of any particular Party or class of Parties;
- the appointment is conditional on the Authority approving the candidate;
- the Panel Chair is appointed for a three-year term (following which he or she can apply to be reappointed);
- the Panel Chair is remunerated at a reasonable rate;
- the Panel Chair's appointment is subject to Section C3.8 and terms equivalent to those set out in Section C4.6 (Removal of Elected Members); and
- provision is made for the Panel Chair to continue in office for a reasonable period following the end of his or her term of office in the event of any delay in appointing his or her successor.

The Panel Chair shall preside at every meeting of the Panel. If the Panel Chair is unable to attend a Panel meeting, the Panel Chair shall ensure that his or her Alternate attends the meeting as Panel Chair.

5.5 Powers and Voting

In accordance with C5.9 of the SEC:

- each Panel Member shall be entitled to attend, and to speak and vote at, every meeting of the Panel;

- all decisions of the Panel shall be by resolution. In order for a resolution of the Panel to be passed at a meeting, a simple majority of those Panel Members voting at that meeting must vote in favour of that resolution;
- the Panel Chair shall not be entitled to vote unless there is a deadlock, in which case the Panel Chair shall have the casting vote; and
- a resolution in writing signed by or on behalf of all the Panel Members shall be as valid and effective as if it had been passed at a meeting of the Panel duly convened and held. Such a resolution may be signed in any number of counterparts.

Each Panel Member must first provide written confirmation to agree to serve on the Panel in accordance with the SEC before exercising powers or voting.

5.6 Membership

The Elected Members shall be elected in accordance with the process set out in Section C4.2. Each Elected Member shall serve as a Panel Member until his or her retirement in accordance with Section C4.4 of the SEC, or until he or she is removed from office in accordance with Section C3.9, C4.5 or C4.6. The process set out in Section C4.2 of the SEC applies in respect to filling Elected Member vacancies.

Members may propose another natural person to act as their Alternate by completing the necessary paperwork and notifying the Secretariat. The Alternate, once approved, may attend the Panel and must act in the capacity as Alternate to discharge the member’s duties. The Alternate must complete the declaration as described in SEC C3.8 (a) and (c) prior to voting.

A person appointed as Panel Member, when acting in that capacity, shall:

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

5.7 Composition

The voting Panel Members shall be as follows:

- 2 Members from the Large Supplier Party Category;
- 2 Members from the Small Supplier Party Category;
- 2 Network Operator Parties;
- 2 Members from the Other SEC Party Category;
- 1 Members from the DCC;
- 1 Member from Citizens Advice;
- The Panel Chair, appointed per Section C3.5; and
- Any additional person appointed by the Panel Chair per Section C3.6.

In addition to the Party Category Members, representatives the Authority and the Secretary of State will also be invited to attend on a standing basis in a non-voting capacity.

5.8 Other Interested Parties

- In accordance with SEC Section C5.13 – C5.15, any Party shall be entitled to send a representative to attend a Panel meeting provided 3WD notice is provided to the Secretariat. The Panel Chair may approve a shorter notice period for attendees as required.
- The Panel, and the Panel Chair may also invite any other person that they deem appropriate or has expressed an interest in attending, this includes the SECCo Executive. SECAS will invite additional persons as directed.
- Interested Parties invited to Panel meetings shall attend the Panel as observers only and may only speak at the Panel meeting, where invited to do so at the request of the Panel Chair.

5.9 Member Confirmation

Before a person may serve on the Panel as a Member or Member's Alternate, that person shall provide written confirmation to SECAS:

- agreeing to act as a Panel Member in accordance with the SEC;
- agreeing to accept appointment as a director of SECCo, and to act in such capacity in accordance with the SEC; and
- agreeing to be available as reasonably required throughout his or her term of office, both to attend Panel meetings and to undertake work outside those meetings as may reasonably be required.

Panel Members must further complete any and all forms required to be completed by law, in order for that person to become a director of SECCo.

5.10 Conflict of Interest and Probity

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.

The Panel shall act in accordance with the SEC Probity Policy, which stipulates:

- the conduct of ethical behaviour when performing SEC functions and duties; and
- the expectation that members will act in accordance with the principles of integrity, honesty, transparency and accountability.

5.11 Member Conduct

Members are expected to act appropriately during and outside of meetings, treat participants and organisations with respect and operate in a collaborative manner.

6. Secretariat

The Panel shall appoint and remove the Code Administrator and the Secretariat (SECAS) in accordance with Section C7 of the SEC.

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

- Prepare the Panel Members Pack (code of conduct and expenses policy);
- Timetable and organise the Panel, including meeting rooms;

- Act as quality gatekeeper with the Chair for accepting papers;
- Circulate agendas and papers for consideration at Panel meetings, five Working Days in advance of that meeting date, or at a time specified by the Chair;
- Circulate minutes of the meeting five Working Days after the meeting for Panel approval;
- Minutes of the Panel meetings and proceedings shall be published to SEC Parties;
- Administer the circulation list for Panel papers and Minutes; and
- Manage the decisions, Actions Log and Risks and Issues Register.
- Meetings of the Panel will be recorded and transcribed for the sole purpose of the production of meeting minutes.

7. SECCo

SECCo shall act as a corporate vehicle in relation to the business of the Panel, including:

- entering into any contractual arrangements in order to give effect to any resolution of the Panel which it is necessary or desirable to implement by means of a binding contract;
- approving release of funds for services agreed by the Panel; and
- becoming a Subscriber for IKI Certificates as directed by the Panel for the purpose of exercising any function of the Panel under this Code.

8. Confidentiality and Disclosure

Given the potential sensitive nature of work of the Panel, agenda items, papers and discussions will be assigned an information sharing level of either CLEAR, GREEN, AMBER, AMBER-STRICT or RED, as per the The Panel Information Policy. As a Panel 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.

Individuals who the Panel Chair has invited to attend a meeting of the Panel will also be asked to sign the Confidentiality and Disclosure Agreement but will only be permitted to attend the Panel during discussions on agenda items relevant to their organisation.

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

9. Review

The Terms of Reference, membership and operation of the Panel may be reviewed by the Chair at any time to ensure that they remain appropriate to reflect the duties and requirements of the SEC. Amendments to these Terms of Reference will be approved by the Panel.

10. Definitions

For the purpose of adding clarity to the Terms of Reference, the terms in the left- hand column shall have the meaning given to them in the right- hand column, as defined in the SEC:

Term	Definition
Applicant	has the meaning given to that expression in Section B1.1 (Eligibility for Admission).
Authority	means the Gas and Electricity Markets Authority as established under Section 1 of the Utilities Act 2000.
Business Architecture	means the business architecture which is designed to enable Parties to use the Services and/or to enable Parties, Energy Consumers and those acting on behalf of Energy Consumers to access the functionality described in the Technical Specifications.
Change Board	Means the Sub-Committee established by the Panel to: (a) decide whether a Modification Proposal is ready for a DCC Impact Assessment to be requested; (b) consider each Modification report and the responses received in response to the Modification report consultation; (c) decide whether to approve or reject the Modification Proposal in the form set out in the modification report; and (d) decide whether to approve or reject a proposed Authority led variation.
Change Sub-Committee	means the Sub-Committee established by the Panel to facilitate the development, refinement and discussion of Draft Proposals prior to their progression as Modification Proposals.
Code Administrator	Has the meaning given to that expression in Section C7.1 (Code Administrator).
DCC Total System	means the Systems used by the DCC and/or the DCC Service Providers in relation to the Services and/or this Code, including the DCC User Interface, the SMETS1 SM WAN, the SMETS2+ SM WAN and Communications Hubs except for those Communications Hubs which are: (a) SMETS1 CHs; (b) neither installed nor in the possession of the DCC; and/or (c) installed, but are not Commissioned.
Device	means one of the following individual devices: (a) an Electricity Smart Meter; (b) a Gas Smart Meter; (c) a Communications Hub Function; (d) a Gas Proxy Function; (e) a Pre-Payment Meter Interface Device; (f) a HAN Connected Auxiliary Load Control Switch; (g) any Type 2 Device.
Draft Budget	has the meaning given to that expression in Section C8.11 (Preparation of Draft Budgets).
Draft Proposal	means a proposal made in accordance with SEC section D Modification Process
Electricity Network Party	means a Party that holds an Electricity Distribution Licence.
Event of Default	has the meaning given to that expression in Section M8.1 (Events of Default).
Gas Network Party	means a Party that holds a Gas Transporter Licence.
Large Supplier Party	means a Supplier Party that is not a Small Supplier Party.

Term	Definition
Modification Proposal	is the term applied to a Draft Proposal once the Panel has agreed it should be progressed further in accordance with Section D3.11 (Initial Consideration by the Panel).
Other SEC Party	means a Party that is not the DCC, is not a Network Party, and is not a Supplier Party.
Panel	means the body established in accordance with Section C2.1.
Panel Chair	has the meaning given to that expression in Section C3.1 (Composition of the Panel).
Panel Member	has the meaning given to that expression in Section C3.1 (Composition of the Panel).
Panel Objectives	has the meaning given to that expression in Section C2.2 (Panel Objectives).
Party Category	Means, as the context requires, one of the following categories; (a) the Large Supplier Parties collectively; (b) the Small Supplier Parties collectively; (c) the Electricity Network Parties collectively; (d) the Gas Network Parties collectively; and (e) the Other SEC Parties collectively.
Planned Maintenance	means, in respect of a month, Maintenance of the DCC Systems planned prior to the start of that month which will disrupt or poses a Material Risk of disruption to the provision of the services described in a) and b) below (and, where it will disrupt, or poses a Material Risk of disruption to, the provision of these services in relation to Devices associated with Communications Hubs, at least 100,000 Communications Hubs are affected). Planned Maintenance shall be categorised as: (a) High Impact Planned Maintenance where one or more of the following is disrupted: i. end-to-end communications between Users and Communications Hubs in either direction; ii. install & commission activities; or iii. previously scheduled SMETS1 migrations. (b) Low Impact Planned Maintenance which will disrupt or poses a Material Risk of disruption to the provision of services, excluding those services set out in High Impact Planned Maintenance, and will not require changes to be made by Users except in cases where Service Improvements are being made to the SSI
Related Person	means, in relation to an individual, that individuals' spouse, civil partner, parent, grandparent, sibling, child, grandchild or other immediate family member; any partner with whom that individual is in partnership; that individual's employer; any Affiliate of such employer; any person by whom that individual was employed in the previous 12 months; and any company (or Affiliate of a company) in respect of

Term	Definition
	which that individual (individually or collectively with any members of his immediate family) controls more than 20% of the voting rights.
SECCo	has the meaning given to that expression in Schedule 4.
SEC Objectives	means, in respect of Charging Methodology only, the Charging Objectives and, in all other cases, the General SEC Objectives.
Secretary of State	has the meaning given to that expression in the Interpretation Act 1978.
Security Sub-Committee	means the Sub-Committee established pursuant to Section G7 (Security Sub-Committee).
Self-Service Interface (SSI)	has the meaning given to that expression in Section H8.15 (Self-Service Interface).
SSI Change Governance Process	means a document established under Section H8.15A (Self-Service Interface) and contains the governance arrangements for making changes to the Self-Service Interface
Small Supplier Parties	means a Supplier Party which, at the time at which it is necessary to assess the status of the Party, supplied electricity and/or gas to fewer than 250,000 (two hundred and fifty thousand) Domestic Premises.
Smart Meter Device Assurance Sub-Committee	means the Sub-Committee established under Section F12 (Smart Meter Device Assurance Sub-Committee)
Smart Metering Key Infrastructure (SMKI)	means the public key infrastructure established by the DCC for the purpose, among other things, of providing secure communications between Devices and Users.
SMKI PMA	means the Sub-Committee of that name established pursuant to Section L1 (SMKI Policy Management Authority)
Technical Architecture and Business Architecture Sub-Committee	means the Sub-Committee established pursuant to Section F1 (Technical Architecture and Business Architecture Sub-Committee).

All other defined terms have the same meaning as that which is attributed to them in the SEC.

Annex A

Confidentiality and Non-Disclosure Agreement (NDA)

I, the undersigned, have read and understood SEC Section C5. 'Proceedings of the Panel' and the Panel Information Policy. 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 Panel's Information Policy. I understand that I must declare any conflict of interest that I have in writing to the Panel Chair whether it exists now or during my continued membership of the group, as soon as I become aware that such a conflict exists. I understand that should I fail to abide by the information sharing levels confidentiality and disclosure obligations or conflict arrangements I may be excluded from the Panel. Having understood and accepted the above statements, I therefore agree to abide by these terms in my engagement with the Panel.
Name:
SEC Party Category (If Appropriate):
Primary/Alternative Participant (delete as appropriate)
Signature:
Date: