

Stage 01: Initial Modification Report

SECMP0021:

Increase the representation of the “Other SEC Party” category on the SSC and TABASC

The Proposer would like to increase the “Other SEC Party” representation on the Security Sub-Committee (SSC) to three, and on the Technical Architecture and Business Architecture Sub-Committee (TABASC) to four.



The recommendation is that this Modification should:

- follow Path 3: Self-Governance
- be progressed through the Refinement Process



Impacts:

- Other SEC Parties
- SEC Panel
- SSC and TABASC

What stage is this document in the process?

01	Initial Modification Report
02	Refinement Process
03	Report Phase
04	Final Modification Report

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SECMP0021

Initial Modification Report

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About this document

This document is an Initial Modification Report. It was issued to the SEC Panel to enable the Panel to consider how the Modification Proposal should be progressed through the Modification Process. The Panel considered this report at their meeting on 14th October 2016.

1. Summary

This section provides an overview of SECMP0021. For further details on the Modification Proposal, please refer to subsequent sections. Defined terms and acronyms used in this document are listed in the Glossary (Section 9) of this document.

1.1 What is the problem?

Landis and Gyr (the Proposer) believes that the current number of Other SEC Party members on the Security Sub-Committee (SSC) and the Technical Architecture and Business Architecture Sub-Committee (TABASC) is too low.

1.2 Solution

The Proposer would like to increase the Other SEC Party membership on the SSC to three, and on the TABASC to four. SECMP0021 also seeks to apply the same approach currently applied to SSC membership (i.e. that it is defined in the SEC), to TABASC membership.

SEC Section G7.3 “Membership of the Security Sub-Committee” and SEC Section F1 “Technical Sub-Committee” would both need to be modified to reflect these changes.

The June 2017 Release is the requested implementation date, or earlier, if possible.

1.3 Potential Impacts

SECMP0021 will impact the Panel, the SSC, and the TABASC. Other SEC Parties would also be required to nominate additional members to both Sub-Committees, if the modification is approved.

1.4 Proposed progression

SECAS and the Proposer recommend that SECMP0021 is progressed as a Path 3 Self-Governance modification because it is a SEC-only governance type change with no associated systems impacts. It is also proposed that it undergoes the Refinement Process; and that the draft Modification Report is submitted to the Panel at its January 2017 meeting.

Section 6 of this document contains a detailed timetable, and proposed Working Group constitution and objectives.

2. What is the problem?

2.1 Background

The SSC's membership is specified in SEC Section G7. The Panel determines the membership of the TABASC, as specified by SEC Section F1.3. SECAS presented a paper to the Panel in September 2015 (*SECP_24_1109_04 "Establishment of the Technical Sub-Committee"*) which included recommendations on the membership of TABASC. The SSC and TABASC membership is set out in Table one below.

Party Category	Number of SSC Members	Number of TABASC Members
Large Supplier	6	6
Small Supplier	2	2
Electricity Network	1	1
Gas Network	1	1
Other SEC Party	1	2

Table 1: SSC and TABASC membership composition

2.2 What is the issue?

The Proposer believes that the current number of Other SEC Party members on the SSC and the TABASC is too low. According to the Proposer, this creates several problems:

- as a result of insufficient Other SEC Party member representation, SSC and TABASC may not have the information and knowledge to make an informed decision;
- it may create an impression amongst industry that the Smart Metering Implementation Programme (SMIP) has been designed to favour certain sectors; and
- Other SEC Parties who are not successful in being nominated to a position on either Sub-Committee will not be able to participate in them.

The Proposer acknowledges that when required, consultation processes are utilised to allow input from the full spectrum of industry. However, his view is that this is not sufficient for several reasons:

- consultations can arrive at busy times, which limits the ability for industry to provide input; and
- consultations receive conflicting views and in the Proposer's view these cancel each other out.

The Proposer considers that consultations are not a substitute for direct involvement on Sub-Committees, where members get an early opportunity to discuss issues and influence decisions.

The Proposer does not propose any changes to the membership of the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) or the Change Board, as he believes that the current membership composition of these Sub-Committees are balanced, and require no changes to the membership from the Other SEC Party category.

3. Solution

3.1 What's the solution?

The Proposer's solution is to increase the "Other SEC Party" membership on the SSC to three, and on the TABASC to four.

To implement this for SSC, SEC Section G7.3 would need to be modified.

To implement this for TABASC, a new section would need to be added to SEC Section F1 "Technical Sub-Committee", to capture the TABASC membership composition within it, rather than the existing arrangement whereby the Panel determines the TABASC membership composition. The Proposer has suggested that this new section mirrors Section G7.3 "Membership of the Security Sub-Committee", but with an additional Other SEC Party seat as outlined above.

3.2 Requested Implementation

The Proposer has requested that this modification be implemented in June 2017, or earlier if possible, as an ad-hoc amendment.

3.3 Proposer's Views against SEC Objectives

The table below highlights the Proposer's views on how this modification would better achieve the SEC Objectives.

Proposers views against the SEC Objectives	
General SEC Objective	Proposer's views
d) To facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy.	The Proposer notes: "This modification supports this objective because it will include representation from the wider sector of the industry that work with, and alongside, energy Suppliers. A better and stronger representation from this sector would be beneficial to both the industry and energy suppliers."
g) To facilitate the efficient and transparent administration and implementation of this Code.	The Proposer notes: "This modification supports this objective because having a greater level of Other SEC Party membership on the TABASC and SSC will bring extra knowledge and expertise to address the views of that sector of the market. This will strengthen the above statement and help achieve it. It will also avoid any potential disagreements."

4. Potential Impacts

The following section sets out SECAS' initial assessment of the likely impacts arising from SECMP0021. Additional impacts may be identified by the Working Group in the Refinement Phase.

Potential Impacts of SECMP0021	
Smart Energy Code Parties	
Suppliers	No Impact.
Networks	
DCC	
Other	Other SEC Parties would be required to nominate additional members to the SSC and the TABASC.
Systems	
DCC Systems	No impact.
User Systems	
Smart Metering Systems	
Other	
SEC and subsidiary documents	
SEC Sections	Section F1 “Technical Sub-Committee” Section G7.3 “Membership of the Security Sub-Committee”
Subsidiary Documents	No impact.
Other Industry Codes and Documents	
No impact.	
Greenhouse gas emissions	
No impact.	

5. Proposed Progression

5.1 Modification Path

SECAS recommends that this modification is progressed as a Path 3 Self-Governance modification because it is a SEC-only change with no systems impacts.

5.2 Progression Timetable

The Proposer has requested that this Modification Proposal be implemented in the June 2017 Release, or earlier, in an ad-hoc release.

This Modification Proposal must go through the Refinement Process pursuant to SEC Section D3.9(c). SECAS recommends that SECMP0021 undergo a short Refinement Process, involving two – three Working Groups to discuss the solution and associated legal drafting required to deliver it, if approved. Taking this approach would allow the modification to be comprehensively developed by a Working Group before undertaking the Working Group Consultation.

This plan may need to be adapted as the change progresses through the Refinement Process, since its scope and complexity depends on discussions yet to take place at the Working Groups. We will keep the SEC Panel and SEC Parties up-to-date on its progress via the monthly Modification Status Report.

5.3 Working Group

In addition to the Proposer and Working Group support (Chair, secretary and Modification Analyst), SECAS recommends that the Working Group membership includes individuals from:

- Large Suppliers
- Small Suppliers
- Electricity Networks
- Gas Networks
- Other SEC Parties

This will ensure that the Working Group is able to properly consider the benefits of changing the membership of both Sub-Committees.

SECAS also recommends that the Working Group seeks input from the affected Sub-Committees, SSC and TABASC, to help clarify the positives and negatives associated with increasing the Other SEC Party membership.

SEC Working Group 5 was established to refine non-technical governance modifications. In order to create efficiencies and facilitate Industry attendance, SECAS propose that SECMP0021 is refined by Working Group 5.

5.4 Workgroup Terms of Reference

To assess this modification fully, SECAS recommends that the Working Group consider the following question in addition to the Working Group's standard Terms of Reference (ToR).

Working Group Topics	
Status Quo	Why is the current make-up of these SSC and TABASC insufficient?

A complete ToR for this Working Group can be found in Attachment B of this paper.

5.5 Indicative Progression Plan

The following is a high level indicative progression plan. The detail in this plan is subject to change, but the overall timetable is subject to Panel control.

Modification Timetable	
Activity	Date
Modification Proposal raised	3 rd October 2016
IMR considered by Panel	14 th October 2016
Working Group meetings Indicative activities: - Initial considerations - Legal drafting - Sub-Committee feedback - Alternative(s) identified - Impact Assessments - Detailed evaluation	October - November 2016
Working Group Consultation	November – December 2016
Final Working Group meeting Indicative Activities: - Consultation response summary - Working Group deliverables met - Assessment for Modification Report	December 2016
Panel reviews Modification Report	January 2017
Modification Report phase consultation	January – February 2017
Change Board vote	February 2017
Implementation	June 2017 (or before)

6. SEC Panel Decisions

The Panel **AGREED**:

- To accept the Modification Proposal;
- That it is a Path 3 (Self-Governance) Modification Proposal (taking into account the view expressed by the Proposer);
- That the Modification Proposal progresses to the Refinement Process under Working Group 5;
- The supplementary questions (section 5.4) and the Working Group Terms of Reference (Attachment B); and
- The modification progression timetable set out in Section D5.3.

The Panel also requested that:

- the Sub-Committees and Sub-Committees Chair's view are captured during the Refinement Process; and
- that the initial Business, Energy and Industrial Strategy (BEIS) SEC consultations on Panel and Sub-Committee membership are considered by the Working Group.

7. Further Information

More Information is available in:

- Attachment **A**: Modification Proposal
- Attachment **B**: Working Group Terms of Reference

For further information, please see the [Modification Register](#) page of the SEC website.

Or contact the SECAS at secas@gemserv.com.

Appendix 1 – Glossary and References

Glossary		
Acronym	Term	Plain English Summary
	General SEC Objectives	The SEC Objectives are those objectives that the SEC has been designed to achieve.
	Other Systems	Other systems identified in the section Statement of Impact on Central Systems.
	Party Category	Means 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; or (e) the Other Sec Parties collectively.
	Path Type	Means the Modification Path to be followed in respect of a Modification Proposal. The type of Path will depend upon the nature of the variation proposed in the Modification Proposal. The four Modification Paths under the SEC are: Path 1 Modifications: Authority-led Path 2 Modifications: Authority Determination Path 3 Modifications: Self-Governance Path 4 Modifications: Fast-Track Modifications
	Smart Metering Systems	Means a system installed at premises for the purposes of the Supply of Energy to the premises. This includes: Gas Smart Metering Equipment; Electricity Smart Metering Equipment; In Home Display; Prepayment Interface Device; and HAN Connected Auxiliary Load Control Switch.
SSC	Security Sub Committee	The Sub-Committee established to oversee, review and advise on SEC security arrangements. The SSC duties include overseeing the Security Controls Framework and assurance, and maintaining the Security Architecture and annual Risk Assessment.
SMKI PMA	Smart Meter Key Infrastructure Policy Management Authority	The SMKI PMA is a Sub-Committee of the SEC Panel, and has been established to govern the SMKI Document Set, to gain assurance of the DCC's operation and implementation of SMKI Services, and to review the DCC's Document Set.
TABASC	Technical Architecture and Business Architecture Sub-Committee	Sub-Committee that provides advice and guidance to the Panel in relation to the technical aspects of the Code and to review the effectiveness of the Business Architecture.
	Urgent Proposal	Means a Modification Proposal deemed an Urgent Proposal where the Authority directs the Panel to treat the Modification Proposal as an urgent Proposal (whether following a referral by the Panel pursuant to Section D4.5, or at the Authority's own initiation).

Glossary		
Acronym	Term	Plain English Summary
	User Systems	Means, in respect of each User (DCC User), the Systems of that User (including, where relevant, those of its Supplier Nominated Agent) used in relation to the Services and/or Smart Metering Systems.

References

The following table contains any useful links relevant to this change or referenced in this document

Links and References	
Description	Link
BS7858 – Security screening of individuals employed in a security environment. Code of Practice	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/417085/BS7858.pdf