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SEC Panel Meeting 120

9:30 – 14:15, 26 September 2023

SECP_120_2609 – Meeting Headlines

Decision, Discussion and Information Items

1. Minutes and Actions Outstanding (For Information)

The Panel reviewed the minutes from the SEC Panel 119 meeting and **APPROVED** them as final.

The Panel **NOTED** the Actions update and **AGREED** to close all actions marked as Propose to Close except for SECP119/06 which was closed during the SECCo Board meeting.

2. Service Centre Reprourement (For Decision) (GREEN)

The DCC provided the Panel with the recent re-procurement activity underway for the provision of the DCC service centre. The DCC brought this item to the Panel to gain its endorsement to the Customer Needs which it presented in the update. The DCC **CONFIRMED** that Smart Metering and Switching were managed by two separate desks and that it could be operational with a new Service Provider in January 2024. The Panel **REQUESTED** that amendments be made to the Customer Needs to reflect the discussions at OPSG.

3. DCC Update (For Information) (GREEN)

The DCC presented verbal updates covering recent developments in the following Programmes: SMETS 1 Dual Control Organisation (DCO), Public Key Infrastructure – Encryption Licence Condition 13B (PKI-E LC13B) Consultation Response Summary, Scaling and Optimisation Outline Business Case, Private Key Transfer (PKT) and an update on the notification that [Virgin Media O2 intend to cease operating 3G in the UK](#). The Panel **NOTED** the update.

4. Cross Functional Design Authority (CFDA) (For Information) (CLEAR)

To fulfil a request by the Panel the DCC presented the Panel with an introduction to the CFDA, articulating its remit and the different stages involved. The Panel suggested that the presentation should be brought to the TABASC for in-depth discussion. The Panel **NOTED** the update.

5. Future CPA Scheme (For Decision) (GREEN)

The SSC Chair presented the Panel with an update on the proposed changes to the governance, ownership and operation of the CPA Scheme following proposed withdrawal of NCSC from the position of Scheme Owner. The Scheme will continue to be sponsored by DESNZ and the proposal is for SECCo to become the Scheme Owner. The SSC Chair informed the Panel that further detailed work will continue with SSC, DESNZ and NCSC to refine the timetable and activities needed to ensure a smooth transition to a Future CPS Scheme. The Panel **APPROVED** the initiation of a transition to a Future CPA Scheme to ensure the continued security assurance of smart metering Devices and to secure improvements to the operation of the Scheme; **CONSIDERED** the SSC application for budgetary expenditure in 2024/25 to support the procurement and start-up of a new Scheme Operator; and will

CONTINUE to work with the Department, via the SSC as necessary in implementing and transitioning to the Future CPA Scheme.

6. Privacy Assessments (For Decision) (RED)

SECAS presented the Panel with the outcome of one Privacy Self-Assessment and one Privacy Change Notification completed since the last meeting. The Panel **AGREED** with SECAS' recommendations.

7. DCC CIO Assessment – SSC update (For Information) (RED)

SECAS provided the Panel with an update on the DCC CIO assessment, which the Panel **NOTED**.

8. SSC 10th Security Risk Assessment procurement and ITT – Project Brief (For Decision) (RED)

SECAS informed the Panel that the SSC is required to undertake a Security Risk Assessment as part of its Annual Security Obligations and presented the proposed timeline for the Risk Assessment. The Panel **NOTED** the update and **APPROVED** that SECAS may proceed with the procurement and timetable noting that a recommendation will be made to Panel and Board for approval and release of funds on 22 November 2023.

9. Consultation responses to 4G Programme and CH&N (For Decision) (AMBER-STRICT)

The CTG Chair provided the Panel with the draft consultation responses to the Consultation on DCC Licence/SEC Main Body Changes and 4G transition. The CTG have held dedicated sessions to review the responses and consider amendments. The Panel **PROVIDED** feedback and requested that the response note that there is ongoing work being undertaken by the DCC in the North to ensure that Customers do not lose smart meter benefits. The Panel **AGREED** that the Chair could approve the updated Consultations offline.

10. Ofgem Decision Document on the DCC Licence review (For Information) (GREEN)

Ofgem provided the Panel with an update on the Ofgem Decision Document on the DCC Licence review, which is to transform the service into a 'not for profit'. Ofgem will also be switching from Ex-Post to an Ex-Ante Price Control. Ofgem noted that a maximum 3-year extension to the DCC Licence has been approved, to mitigate risks from these changes. The Panel **NOTED** the update.

11. Other User Project Outcome (For Decision) (CLEAR)

SECAS presented the Panel with the results from the Other User Project and its recommendations. The Panel **PROVIDED** their feedback on the report, noting that it was a good first step in identifying and addressing the issues and **AGREED** to review and agree next steps for the project offline and by correspondence.

12. Quarterly Risk Update (For Decision) (RED)

SECAS presented the Panel with a quarterly risk update on risks relating to the Panel and Board. The Panel **PROVIDED** their feedback and **APPROVED** new risks and their mitigations. The Panel will undertake a deep dive in workshop in the near future.

13. Smart DCC Business Handover Plan (For Discussion) (GREEN)

The DCC provided the Panel with its Strategy for the upcoming Business Handover, formal submission of this Plan has been requested by Ofgem. The DCC confirmed that the consultation will be provided to all SEC Parties and external Service Providers. The Panel **NOTED** the update.

14. DESNZ Update (For Information) (CLEAR)

DESNZ provided an update on its recent publications, forthcoming consultations, and key milestones. This included upcoming publications which may be of interest to the Panel. The Panel **NOTED** the consultations relevant to the Panel.

15. Current Events of Default (For Decision) (RED)

SECAS updated the Panel on Events of Default, insolvent suppliers, and SEC Parties being expelled from or withdrawing from the SEC. The Panel **NOTED** the new Events of Default and the status of insolvent parties and SoLRs and **AGREED** to expel the five Failed Suppliers and the request to Withdraw.

16. SEC Change Update Report (For Information) (CLEAR)

SECAS presented the panel with the SEC Change update report, including discussions on DP218 'Review of SEC Charging Methodology', MP165 'ESME Voltage Accuracy', MP234 'Addition of GDPR Principles into the SEC'. The Panel **NOTED** the update and **PROVIDED** feedback on the Modifications.

17. Modifications Improvements – Project Brief (For Decision) (GREEN)

SECAS provided the Panel with an update on the Modifications Improvements Project Brief which, following feedback from SECP119, now includes a review of the end-to-end process. The Panel **APPROVED** the Scope of the project.

18. Panel Budget Timetable (For Information) (CLEAR)

SECAS presented the timetable for the preparation of the 2024 – 2027 SEC Panel Budget, which the Panel **APPROVED**. Members of the Panel also volunteered to join the Panel Finance and Contracts Sub-Group (PFCG), who will be engaged by SECAS in the initial drafting of the budget, and **AGREED** that SECAS may hold discussions with the PFCG on initial drafting.

19. Meeting Dates 2024 (For Decision) (CLEAR)

SECAS presented the proposed meeting dates for 2024, which are in line with the re-scheduled meeting dates agreed in the May 2022 Panel meeting. The Panel **AGREED** that the December Panel meeting date be brought forward by one week and **RECOMMENDED** that the SECCo Board align with the SEC Panel meeting dates.

20. SEC Panel Sub Committee Report (For Information) (GREEN)

The SEC Panel Sub Committee report was provided For Information only. The Panel were presented with highlights from the CTG meetings. The Panel **NOTED** the update.

21. Operations Report (For Information) (CLEAR)

The Operations Report was provided For Information only. The Panel **NOTED** the report.

22. Any Other Business (AOB) (GREEN)

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

Next Meeting Date: 24 October 2023