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SEC Panel Meeting 125

9:30 – 14:40, 27 February 2024

SECP_125_2702 – Meeting Headlines

Decision, Discussion and Information Items

1. Minutes and Actions Outstanding (For Information)

The Panel reviewed and approved the changes to minutes from the SEC Panel 124 meeting and **APPROVED** them as final. The Panel **NOTED** the Actions update and **AGREED** to close all actions marked as Propose to Close.

2. SECP_125_2702_02: Dual Control Organisation (DCO) update (For Discussion) (GREEN)

The DCC withdrew this item and advised that they will present the update at the March 126 SEC Panel meeting.

3. SECP_125_2702_03: Future Service Management Outline Business Case (For Decision) (GREEN)

The DCC presented the Panel with an update on the Engagement Activities the DCC have delivered to support the Future Service Management (FSM) Outline Business Case (OBC) following engagement with the SEC Sub-Committees to identify the mandatory and desirable business needs. The Panel had been asked to agree that the DCC's set of requirements discussed with the SEC Sub-Committees met the User needs. The Panel advised that it did not have enough detail to be able to agree with DCC, but in principle **AGREED** that User needs had been captured. The Panel Chair **AGREED** to look into how Sub-Committee work is presented to the Panel in future and if there should be a process of delegated authority and would return to the Panel for discussion following Sub-Committee engagement. The Panel **NOTED** the update.

4. SECP_125_2702_04: Rationale for Changes to Operating Model (ex-ante) (For Information) (GREEN)

The DCC presented the Panel with an update on the four areas where external support will be required for the change to an ex-ante regime, including Project and Programme delivery frameworks and training, Transformation Services, Regulation and Policy, and Tooling. The Panel **NOTED** that the estimated cost of the changes was high, little detail of what the DCC intend to spend the funding on and specific detail of the funding components. The Panel **RECOMMENDED** that the DCC present a more detailed view of the costs and benefits, although it **AGREED** that the timeframes for ex-ante were challenging. The Panel **NOTED** the update.

5. SECP_125_2702_05: Future Connectivity Strategy (For Discussion) (GREEN)

The DCC presented the Panel with an update on the customer engagement to progress the DCC's Future Connectivity Strategy activity. The Panel **NOTED** that there are different views on the level of confidence with the current service providers and **REQUESTED** that the DCC include customer views

in the costs/benefits assessment for the different future connectivity options. The Panel **NOTED** the activity and customer engagement and its intention to engage with the Technical Architecture and Business Architecture Sub Committee (TABASC) and the SEC Panel in March on the Business Case.

6. **SECP_125_2702_06: Consultation on Implementation of Energy Code Reform (For Discussion) (GREEN)**

Ofgem presented the Panel with an overview of the key proposals in its consultation on the implementation of Energy Code Reform and the next steps including the upcoming DESNZ and Ofgem consultation on Code Manager Selection and licensing. The Panel **NOTED** the update and **AGREED** to respond to the Consultation with any concerns and recommendations.

7. **SECP_125_2702_07: DSP SI (For Decision) (GREEN)**

The DCC presented the Panel with an update on the OBC for the Data Service Provider Systems Integrator (DSP SI) and noted its engagement with the SEC Sub-Committees. The DCC informed the Panel that it preferred to assign the systems integration to an independent DSP SI provider and the Panel confirmed that it was comfortable with the DCC's approach to managing risk associated with this model. The Panel **NOTED** the update and **AGREED** that the DCC had sufficiently informed the Sub-Committees on the progress of the DSP SI programme.

8. **SECP_125_2702_08: Business Continuity and Disaster Recovery (BCDR) Outages (For Discussion) (GREEN)**

SECAS provided the Panel with an update following recent discussions at OPSG meetings relating to BCDR testing approach following an increase in outage time over the past two regulatory years. There has been a dispute between the DCC and OPSG on the SEC interpretation, and SECAS advised that the legal opinion confirmed that it is not necessary to test every aspect of the Services; and that the DCC needs to carry out a reasonable level of testing, taking into account the potential for disruption. The Panel **REQUESTED** that DCC provide details of the assessment of risk that it had undertaken in relation to their BCDR outage proposals, demonstrating how it had considered the compromise of testing systems and BCDR processes against the impacts to consumers from system downtime. The Panel also **REQUESTED** that the Security Sub Committee, as well as the technical Sub-Committees, be asked to review the DCC's BCDR testing process, and **NOTED** the update.

9. **SECP_125_2702_09: Ofgem Consultation – Revised OPR Guidance (For Decision) (CLEAR)**

SECAS presented the draft response to the Ofgem consultation on the revised Operational Performance Regime (OPR) guidance for the Panel to review. The Panel **NOTED** the contents of the Paper and **AGREED** that the draft Panel response be submitted to Ofgem subject to any Panel comments and final agreement with the Panel Chair.

10. **SECP_125_2702_10: Other User Project (For Decision) (CLEAR)**

SECAS provided the Panel with its recommendations to close the Other User Project concluding that SECAS has delivered on the project's initial objectives, and that other workstreams being carried out by the DCC and SECAS were taking forward the key areas. SECAS made SEC Panel aware that a consultant had offered to carry out a "fresh eye" review if required. The Panel **DID NOT AGREE** that a consultant should be contracted but **AGREED** that SECAS should set up a new project with the scope clearly identified and that they should work with DCC, before presenting findings to the Panel in March.

11. **SECP_125_2702_11: DESNZ update (For Information) (GREEN)**

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.

12. SECP_125_2702_12: Ofgem Update (For Information) (GREEN)

Ofgem 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.

13. SECP_125_2702_13 – SEC Strategic Plan Update (For Decision) (AMBER)

SECAS presented the Panel with the updated SEC Strategic Plan v3.3, which had been updated following the 6-monthly review, including recommendations from the Strategic Working Group meeting. The Panel **APPROVED** the SEC Strategic Plan, which will now be published on the SEC website and promoted in the SEC Newsletter and on LinkedIn. The Panel **NOTED** the horizon scanning activity that will feed into the next 6-monthly review and the Panel **REQUESTED** an update on this project in three months.

14. SECP_125_2702_14 – Draft budget 2024- 2027 Consultation feedback and approval (For Decision) (AMBER)

SECAS provided the Panel with an update on the outcome of the SEC Panel 2024 – 27 Draft Budget being issued for comment and noted that there were three responses received. SECAS also noted that a webinar to explain the Business Plan and Budget was held on 1 February and that a number of SEC Parties attended. SECAS went on to present recommended responses for the queries and challenges raised by SEC Parties. The Panel **DISCUSSED** the feedback received, **AGREED** how it wished to reflect the feedback in the final Approved Budget and **NOTED** the update. Taking account of consideration of the comments received the Panel **AGREED** the Budget for 2024 – 27.

15. SECP_125_2702_15 – SMDA Review and Double Band Device Testing Consultation (For Decision) (GREEN)

SECAS provided the Panel with a request for its approval to issue the SMDA Review and Double Band testing consultation to industry, following a review by the SMDASC, and presented the proposed questions to the Panel for its approval. The Panel **APPROVED** the decision to publish the SMDA Review and Double Band Device testing consultation and **NOTED** the update.

16. SECP_125_2702_16 – Quarterly Risk and Issue Register Update (For Decision) (RED)

SECAS provided the Panel with its quarterly update on the SEC Panel Risks and Issues and other risks that have been escalated to it by the Sub-Committees following a SECAS review. The Panel **APPROVED** the inclusion of new risks and issues to the Register and **NOTED** the updates to the previously escalated Sub Committee Risks.

17. SECP_125_2702_17: 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 **AGREED** to expel the Parties proposed.

18. SECP_125_2702_18 – SEC Change update report (For Information) (CLEAR)

SECAS provided the Panel with an update on the current open Modifications and the timeliness of the DCC Assessments. The Panel discussed [DP218: 'Review of the SEC Charging Methodology'](#) and **RECOMMENDED** that SECAS provide more communications to SEC Parties, on how the Modification is likely to affect them. The Panel discussed whether the modification should be progressed as a programme led by Government and the Authority, rather than as a SEC Modification, noting that a Modification will be necessary for any change to the SEC. SECAS **AGREED** to review how the Modification should be categorised. The Panel **NOTED** the update.

19. SECP_125_2702_19: PA Consulting 'Smart Meter Removals Report' (For Information) (GREEN)

SECAS provided a summary paper and the report to inform the SEC Panel about the content of a PA Consulting report on Smart Meter removals. The Panel **NOTED** the update and requested that SECAS respond to any queries.

20. SECP_125_2702_20: Transitional Governance Report (For Information) (CLEAR)

The SEC Panel Transitional Governance Report on recent events and developments across the Transitional Governance Committees was provided for information only. The Panel **NOTED** the update.

21. SECP_125_2702_21 SEC Panel Sub-Committee Report (For Information) (GREEN)

The SEC Panel Sub-Committee report was provided for information. The Panel **NOTED** the report and the update.

22. SECP_125_2702_22 - Operations Report (For Information) (CLEAR)

The Operations Report was provided for information only. The Panel **NOTED** the report.

23. SECP_125_2702_23 - Any Other Business (AOB) (GREEN)

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

Next Meeting Date: 26 March 2024