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SEC Panel Meeting 140

27 May 2025, 09:30 – 14:10

Online

Minutes

Attendees:

Category	SEC Panel Members	Company
SEC Panel Chair	Angela Love (AL)	SECCo
Large Suppliers	Ralph Baxter (RB)	Octopus Energy
Small Suppliers	James Burney (JB)	SSE
Electricity Networks	Alex Travell (AT)	BU UK
Gas Networks	Martin Shannon (MS)	Cadent Gas
Other SEC Parties	Michael Snowden (MSn)	Secure Meters
	Carmen Strickland (CS) (*Alternate*)	Horizon EI
DCC	Ian Drummond (ID)	DCC
Consumer Representative	Caroline Farquhar (CF)	Citizens Advice

Other Participants		
DESNZ		
Jim Crosgrove (JC)		
Ofgem		
Ian Chalfon (IC)	Cristina Ullastre (CU)	
SECCo		
Alina Bakhareva (AB) *(Items 11 - 17)*	Jason Stevens (JS) (*All items*)	Kate Goodman (KG) (Item 15)

Other Participants		
Robin Healey (RH) *(Item 2, Item 11)*	Oli Meggitt (OM) *(Items 9 - 11)*	
DCC		
Damien Burden Williams (DBW)	Dominic Butt (DB) *(Item 3)*	Lloyd De Val (LDV) *(Item 3)*
Lisa Burns-Peake (LBP) (*Item 4*)	Christina Wilcockson (CW) *(Item 4)*	
SECAS		
Cady Chappell (CC) *(Secretariat)*	Abigail Hermon (AH)	Fiona Bond (FB)/James Boraston (JB) *(Items 8)*
Tina Pearce (TP) *(Item 6)*	Ali Beard (ABe) *(Item 5)*	Christopher Thompson (CT) (*Item 11)*
Michelle Awosoga (MA) (*Item 16)*		

Apologies:

Ash Pocock, Other SEC Party representative

Carolyn Burns, Small Suppliers

Emslie Law, Large Suppliers

Welcome and Introductions:

The Chair welcomed the Panel to the online meeting and acknowledged apologies from Ash Pocock, Carolyn Burns, and Emslie Law. The Chair noted that Carmen Strickland was in attendance as the Alternate for Ash Pocock.

No Conflicts of Interest were declared.

The Panel **AGREED** that the meeting may be recorded to assist with the accuracy of meeting minutes, after which the recording would be deleted once the minutes are finalised.

1. SECP_140_2705_01: Minutes and Actions Outstanding (GREEN)

SECAS (AH) informed the Panel that no changes were requested to the minutes. The Panel **APPROVED** the SEC Panel 139 non-confidential and confidential minutes as final.

SECAS (AH) presented the Panel with the actions proposed to close.

On SECP139/08, the Panel Chair (AL) noted SECCo had reviewed the End of Regulatory Year Report, which had been updated to incorporate previous Panel feedback and the format now aligned with the End of Budgetary Year Report.

On SECP139/04, the Panel Chair (AL) queried if the Department could provide the Chair with an embargoed copy of the Consumer Charter prior to its release, and DESNZ (JC) agreed to investigate if a copy could be provided.

The Panel **NOTED** the Actions update and **AGREED** to close all actions marked as Propose to Close.

SECP140/01: DESNZ to confirm if an embargoed copy of the Consumer Charter could be provided to the SEC Chair, prior to the document's formal publication.

2. SECP_140_2705_02: SEC Sub-Committee Highlights (For Information) (GREEN)

SECCo (RH) provided the Panel with an update on the activities undertaken by the SEC Sub-Committees within the previous month.

On Future Connectivity North Go-Live, SECCo (RH) confirmed the TAG and the OPSG had reviewed the readiness criteria, and advised the TAG had identified one pre-existing defect during testing, but agreed it could be lifted into production, and the OPSG raised no concerns and recommended the Panel approve go-live. SECCo (RH) also noted that the DCC intended to launch a coverage checker alongside FCN go-live and the OPSG had approved additional Planned Maintenance to support this.

SECCo (RH) highlighted that the Terms of Reference (ToR) for SMKI PMA, SSC, and TABASC had undergone periodic review and SECAS were proposing house-keeping changes. SECCo (RH) noted the proposed amendments did not include the broader structural reforms SECCo would be proposing, once further work on SEC delegations had been completed.

The Panel discussed Ofgem's proposed Customer Challenge Group (CCG) and the proposed SEC Finance Sub-Committee, and a Panel Member (RB) raised concern that the Finance Sub-Committee and CCG were being conflated, despite having different goals. RB noted that the CCG was intended to operate only four months a year and was separate from the SEC, whereas the Finance Sub-Committee was proposed to be a standing body with a broader remit to assist with addressing long term financial issues.

SECCo (RH) advised discussions with Ofgem on the CCG were ongoing, and proposed the CCG be set up and operate as a function within the Finance Sub-Committee. RH noted that while Ofgem's policy intent was for the CCG to be independent, regulatory constraints meant it would need to be linked to the SEC. SECCo (RH) advised the CCG needed to be established by August in order to review the DCC's Business Plan by December 2025.

The Panel raised concerns with establishing the CCG prior to undertaking further work to ensure the intent of the CCG and Finance Sub-Committee aligned, and the Panel Chair (AL) instead suggested SECCo draft a Terms of Reference for the Finance Sub-Committee to enable the Panel to compare its intent and identify any issues against Ofgem's ToR for the CCG. The Panel agreed to this course of action.

A Panel Member (MS) questioned whether the Panel needed to review the post-commissioning report attachments, and SECCo (RH) advised that this was a Panel responsibility outlined in the SEC, however RH intended to propose the responsibility be delegated to the SSC moving forward.

The Panel **NOTED** the update and **AGREED** to close the associated action SECP139/01 for SECCo to streamline Sub-Committee reporting to the Panel.

SECP140/02: SECCo to draft a Terms of Reference (ToR) for the Finance Sub-Committee and provide the Panel with a comparison between the Finance Sub-Committee and CCG ToRs.

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3. SECP_140_2705_03: Future Connectivity North Go Live (For Information) (RED)

The DCC (DB & LDV) updated the Panel on the Future Connectivity North (FCN) Go Live, following the Panel's previous support for the Outline Business Case in September 2024. The Full Business Case had since been shared post-contract signature, and the Panel were asked to approve FCN Go Live based on Sub-Committee recommendations.

The DCC (DB) advised that while the OPSG and TAG had reviewed and supported the proposal, SSC had not yet done so. SECCo (JS) confirmed the OPSG recommended the Panel approve the FCN go-live.

The Panel **ENDORSED** the DCC's FCN Go Live Plan, commencing on 30 May 2025.

The agenda item was classified as **RED** and therefore further detail is recorded in the Confidential Minutes.

4. SECP_140_2705_04: DCC SoLR – Certificates and Credit Cover (For Discussion) (RED)

The DCC (LBP & CW) provided the Panel with an update on the Supplier of Last Resort process and lessons learned from the most recent instance, relating to certificates and credit cover. The Panel **NOTED** the update and **AGREED** to close the associated actions.

The agenda item was classified as **RED** and therefore further detail is recorded in the Confidential Minutes.

5. SECP_140_2705_05: SEC Change Update (For Information) (CLEAR)

SECAS (ABe) provided the Panel with an update on recent SEC Change activity, including highlights from recent meetings and progress on key Modifications.

SECAS (ABe) noted that MP219 had progressed to Ofgem for decision. A Panel Member (MSn) highlighted an update on MP219 was only included in Appendix B of the SEC Change Report and the Panel requested that visibility of new designation releases be outlined in the Summary section of the SEC Change Report submitted to the Panel each month.

On DP218, SECAS (ABe) advised that the DCC had been expected to publish their conclusions the previous Friday and, as this had not occurred, SECAS would provide an update once the conclusions were available.

The Panel Chair (AL) noted that she had been in discussions with the SECCo Head of Sub-Committee Management about combining the Change Report with the Sub-Committee Highlights report, to streamline reporting to the Panel. The Panel Chair (AL) advised this would be explored further offline.

A Panel Member (MSn) requested an update on MP271 and SECAS (ABe) confirmed MP271 had been delayed by Ofgem and was now expected to be published on 30 May 2025.

SECAS (ABe) also highlighted that a proposed modification had been raised to name the Privacy Sub-Committee (PSC) in the SEC, noting the Security Sub-Committee (SSC) was named in the SEC, and this modification would allow the PSC to raise modifications in the same way the SSC can. SECAS (ABe) noted the Change Board had approved the modification, and it had been submitted to Ofgem for determination.

The Panel **NOTED** the update.

6. SECP_140_2705_06: Quarterly Risks Update (For Decision) (RED)

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SECAS (TP) provided the Panel with the quarterly update on the SEC Panel Risks and Issues, along with any Risks that had been escalated by the Sub-Committees.

The Panel:

- **APPROVED** the amendments to the existing SEC Panel Risks and Issues;
- **DID NOT APPROVE** any risks to be closed; and
- **NOTED** that no updates had been made to SEC Sub-Committee Risks.

The agenda item was classified as **RED** and therefore further detail is recorded in the Confidential Minutes.

7. SECP_140_2705_07: PAB Update and Terms of Reference (For Information) (GREEN)

SECCo (JS) presented the Panel with an update on the Performance Assurance Board (PAB), including proposed changes to its Terms of Reference (ToR) and a recommendation regarding Secretariat arrangements.

SECCo (JS) advised that the PAB had held its first meeting in May, which was well attended, but noted that additional members were still needed to ensure full representation. JS highlighted a proposed change to the ToR that would allow SECCo to temporarily act as the PAB Secretariat whilst the Performance Assurance procurement activity progresses.

A Panel Member (MSn) raised concerns about whether some of the proposed changes to the ToR may exceed the authority granted under the SEC, and MSn indicated that he would follow up with Beth Procter offline to discuss these concerns further. MSn also queried why PAB experts would be granted voting rights, noting that two individuals could end up holding significant influence over decisions and questioned whether this was appropriate.

A Panel Member (MSn) raised concern about specifying SECAS as the Code Administrator, pointing out that this role is not explicitly defined in the SEC, and SECCo (JS) noted that the PAB Chair had obtained legal advice on this change.

The Panel agreed that while SECCo could act as the Secretariat for the time being, the proposed ToR (Version 1.2) would not be approved at this stage.

The Panel:

- **NOTED** the update;
- **DID NOT APPROVE** Version 1.2 of the PAB ToR as the new baselined version; and
- **AGREED** that SECCo would act as the PAB Secretariat on an interim basis.

8. SECP_140_2705_08: SSC/SMKI PMA/TABASC Terms of References (For Decision) (GREEN)

SECAS (FB) and (JB) presented the Panel with the proposed updates to the Terms of Reference (ToR) for the Security Sub-Committee (SSC), the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA), and the Technical Architecture and Business Architecture Sub-Committee (TABASC).

SECAS (FB) noted that the updates were part of the standard annual review process and highlighted the updates included the formal transfer of governance oversight of the Central Product List (CPL) from TABASC to SSC, with TABASC continuing to support SSC on any technical changes to the tool.

SECAS (FB) also presented associated updates to the SEC Delegations Register to reflect the changes in responsibility.

The Panel:

- **NOTED** the update;
- **APPROVED** the SSC v3.3, SMKI PMA v3.0 and TABASC v2.5 ToR's as the new baselined versions; and
- **APPROVED** changes to the delegations register, with v9.1 as the new baselined version.

9. SECP_140_2705_09: DESNZ Update (For Information) (GREEN)

DESNZ (JC) provided the Panel with an update on recent publications, ongoing consultations, and key policy milestones relevant to the SEC community.

A Panel Member (JB) queried the status of the Customer Charter for Smart Metering, which the DESNZ slides indicated as published. DESNZ (JC) confirmed that the Charter had not yet been released and was now likely to be published in June 2025.

The Panel **NOTED** the update.

10. SECP_140_2705_10: Ofgem Update (For Information) (GREEN)

Ofgem (IC) provided the Panel with an update on recent publications, open consultations, and key regulatory developments relevant to the SEC. Ofgem (IC) advised that they had recently published their final guidance on Artificial Intelligence (AI) use in the energy sector and encouraged Panel Members to contact Ofgem's AI policy team with any questions.

A Panel Member (RB) noted that a question was raised on the Large Supplier Call regarding when the SEC AI Paper was due to be released, noting a declassified version of the paper had been created several months ago. RB flagged that, due to the pace of AI change, the paper may now be outdated, and risks being uninformed if published without revision.

The Chair (AL) agreed to investigate the status of the paper.

The Panel **NOTED** the update.

SECP140/03: The SEC Panel Chair to confirm the status of the SEC Panel's AI paper and assess its relevance and accuracy in light of Ofgem's final guidance.

11. SECP_140_2705_11: Consultation Responses (For Decision) (CLEAR)

SECCo (OM) provided the Panel with proposed responses to the following consultations and requested feedback: DESNZ/Ofgem consultation on Code Licence conditions for Code Reform; DCC 2025/26 Business Plan Consultation; DCC consultation on revised FSM delivery plan; DESNZ consultation on changes to implement VWAN arrangements; Ofgem consultation on CCG ToR and Business Plan Guidance for DCC; and Ofgem consultation on Modifications to the Smart Meter Communication Licence.

<u>DESNZ/Ofgem consultation on Code Licence conditions for Code Reform</u>

SECCo (OM) noted that while the implementation of the Code Manager will be a significant change, the Licence is not overly prescriptive and aligns with established regulations and Codes best practice.

SECCo (OM) noted the response supported the inclusion of operational capability requirements and noted alignment with SECCo's ongoing work on the Target Operating Model and also highlighted the importance of ensuring that performance incentives focus on sustained underperformance rather than isolated incidents.

<u>DCC 2025/26 Business Plan Consultation</u>

SECCo (OM) highlighted the inclusion of Panel's feedback from previous consultations. SECCo emphasised the need for continued engagement between DCC, SEC Sub-Committees and SECCo to ensure alignment with SEC priorities.

<u>DCC consultation on revised FSM delivery plan</u>

SECCo (OM) confirmed the TAG were due to discuss the Future Service Management (FSM) delivery milestones, and the consultation response would reflect the TAG's position. SECCo (OM) proposed that the response highlight that any further delays to FSM Go-Live would be disappointing for Industry.

<u>DESNZ consultation on changes to implement VWAN arrangements</u>

SECCo (OM) noted that the SSC had discussed the implementation of VWAN since the Panel paper was circulated and SCC did not have any objections. DESNZ (JC) sought clarification on whether DESNZ had reached out to SECCo to clarify any confusion over the VWAN documentation, and SECCo (OM) confirmed DESNZ had reached out, but a meeting had not yet occurred.

<u>Ofgem consultation on CCG ToR and Business Plan Guidance for DCC</u>

SECCo (OM) acknowledged the tight timelines for establishing the CCG and noted that SECCo was working to ensure appropriate membership and SME support. SECCo (OM) acknowledged the concerns raised by the Panel earlier in the meeting regarding the conflation of the CCG and the proposed Finance Sub-Committee. SECCo (OM) highlighted the short timeframe for submitting a response, noting a response was due the week commencing 2 June 2025.

<u>Ofgem consultation on Modifications to the Smart Meter Communication Licence</u>

SECCo (OM) noted the proposed Licence modifications were consistent with Ofgem's policy conclusions on transitioning to ex-ante cost control. No concerns were raised by the Panel.

The Panel:

- **PROVIDED** feedback on the proposed consultation responses; and
- **AGREED** to delegate final approval of the responses to the Panel Chair.

12. SECP_140_2705_12: SEC Strategic Plan Update (For Decision) (GREEN)

SECAS (AH) presented the Panel with the updated version of the SEC Strategic Plan following the standard six-monthly review process. SECAS (AH) advised the changes had been endorsed by the Strategic Working Group (SWG).

SECAS (AH) highlighted where strategic matters had a change in management approach (i.e. from 'manage' to 'monitor'), were updated with the latest information, or removed where matters no longer needed strategic consideration.

A Panel Member (MS) queried whether the plan would be updated more frequently now that the SWG had been closed. SECAS (AH) noted that while the formal review would remain on a six-monthly cycle, SECCo and SECAS would bring interim updates to the Panel as needed, particularly where strategic risks or dependencies emerged.

The Panel:

- **NOTED** the updates made to the SEC Strategic Plan; and
- **APPROVED** the updated version v5.1 of the Strategic Plan as the new baselined version.

13. SECP_140_2705_11: Contract & Funding Requests (For Decision) (RED)

SECAS (AH) provided the Panel with details of Contract and Funding requests, and the Panel **APPROVED** the requests, with one exception (which it agreed to take ex-Committee, once further detail had been clarified), and **RECOMMENDED** to the Board that the contracts be entered into, and funds released.

The agenda item was classified as **RED** and therefore further detail is recorded in the Confidential Minutes.

14. SECP_140_2705_14: Project Budget Requests (For Decision) (RED)

SECAS (AH) presented the Panel with the budgets associated with two projects: SMDA New Test Addition – Update Price Future Dated Service Request 1.2.1; and the User CIO Procurement – Replan.

SECAS highlighted that the proposal to incorporate the new SMDA test had been endorsed by the SMDA Sub-Committee, given its importance in Price Change events.

The Panel:

- **APPROVED** the proposed spend; and
- **RECOMMENDED** to the Board the release of funds.

15. SECP_140_2705_15: Q1 2025-2026 Work Package (For Decision) (AMBER-STRICT)

SECCo (KG) presented the Panel with an overview of the activities and estimated costs for delivery of activities in Quarter 1 2025-26 (April – June).

The Panel:

- **PROVIDED** feedback on the format and content of the Q1 2025–26 Work Package; and
- **APPROVED** the package of work proposed to be completed during the period Q1 2025-26, and related budget.

The agenda item was classified as **AMBER-STRICT** and therefore further detail is recorded in the Confidential Minutes.

16. SECP_140_2705_16: SEC Engagement Day (For Discussion) (CLEAR)

SECCo (AB) presented the Panel with further details of the SEC Engagement Day proposed agenda and requested input on the format of the SEC Panel Q&A session.

The Panel Chair (AL) confirmed that Chris Lovatt, the new DCC CEO, had agreed to speak at the event. She also noted that Ofgem's Melissa Giordano had also been invited to provide a regulatory perspective.

A Panel Member (MSn) asked whether DESNZ would be providing an update, and the Chair (AL) confirmed that due to the timing of departmental decisions, DESNZ had advised it would not be appropriate to present, however the DESNZ Panel Member would attend and answer questions where possible.

The Panel **NOTED** the update.

17. SECP_140_2705_17: Panel Delegation on Funding and Operational Decisions to SECCo (For Decision) (RED)

At this stage of the meeting, SECAS left the meeting due to a potential conflict of interest.

SECCo (AB) presented an update on proposed Panel delegations on Funding and Operational Decisions of SECCo, including a review of the impacted documentation, proposed processes and suggested amendments to the Panel Terms of Reference. The Panel **AGREED** the proposed delegation, requesting that the role of the Chief of Staff be factored into the processes and procedures.

The agenda item was classified as **RED** and therefore further detail is recorded in the Confidential Minutes.

18. SECP_140_2705_18: Transitional Governance update (For Information) (GREEN)

SECAS presented a report on the Transitional Governance meetings, recent events and developments across the Transitional Governance Committees. This paper was provided for information only. The Panel **NOTED** the update.

19. SECP_140_2705_19: DCC Consultations & Operational Update (For Information) (AMBER)

SECAS presented the Panel with the DCC Consultations and Operational Update which covered the high-level updates from the previous month. The Panel **NOTED** update.

20. SECP_140_2705_20: DCC Customer First (For Information) (GREEN)

SECAS presented the Panel with an update on the Customer First Pilot and the Panel **NOTED** the update.

21. SECP_140_2705_21: Any Other Business (AOB) (GREEN)

The Panel Chair (AL) invited any final items of business before closing the meeting.

- The DCC (ID) raised a concern regarding the increasing installation rates of 2G and 3G Communications Hubs (Comms Hubs) in the North, particularly by a single energy supplier. The DCC (ID) emphasised that while no formal notice had been received from the Service Provider, the concentration of installations by one supplier could accelerate the risk of service withdrawal. ID suggested that the issue be formally recognised as a risk and considered for speedy referral to the Operations Sub-Group (OPSG).

  SECCo (JS) agreed that the matter warranted further discussion and proposed that it be addressed at the next face-to-face OPSG meeting. SECCo (JS) also noted that 4G Comms Hubs had now arrived in the UK and were being distributed to suppliers, which should reduce reliance on legacy 2G/3G hubs.

  A Panel Member (RB) recommended that a senior-level conversation be held between SECCo and the supplier in question to highlight the risk and encourage a change in installation behaviour. The Panel Chair (AL) agreed and confirmed she would raise the matter with the DCC CEO, Chris Lovatt, at their upcoming meeting.

- A Panel Member (JB) asked when the new SECCo email addresses would be rolled out. The Panel Chair responded that the new SECCo Governance Executive would be responsible for progressing this task when she joins in a few weeks' time.

SECP140/04: The SEC Panel Chair to raise concerns regarding the installation rates of 2G & 3G CHs in the North with the DCC CEO.
SECP140/05: The OPSG Chair to provide an update to the SEC Panel on the OPSG's consideration of the issue raised regarding the installation rates of 2G & 3G CHs in the North.

Next Meeting Date: 24 June 2025