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Action:	For Decision
<u>Acronyms and Defined Terms SEC Glossary</u>	

Consultation Responses – July 2025

1. Purpose

This paper outlines the key messages that will form the response to the following open consultation:

- Ofgem consultation on Data Best Practice as a Code Obligation

Additionally, following consultation with the industry, we have produced the annual assessments of the Ofgem Operational Performance Regime (OPR) and the DESNZ Baseline Margin Project Performance Adjustment (BMPPA) for 4G Communication Hubs and Network programme (CH&N), for the Panel to review. The Panel is requested to delegate approval of the final responses to the Panel Chair.

2. Data Best Practice as a Code Obligation

Ofgem published [this consultation](#) on 30 June 2025, with responses required by 11 August 2025. Ofgem is consulting on expanding the obligation to follow Data Best Practice Guidance to selected code parties. In the case of the SEC, this is proposed to be delivered via a change to the Licence, and subsequent consequential changes to the Code itself.

The key messages we wish to communicate are:

- We support the direction to apply a consistent data policy across Codes. This helps drive transparency, alignment and coherence in the energy system.
- However, we question how that alignment can be maintained when each Code will be required to raise its own consequential changes to interpret and implement the Licences changes. We believe that Ofgem should consider co-ordinating these changes or potentially appointing one Code to lead and work with the other Codes to introduce a common approach.
- Ofgem should ensure this continues to align with existing frameworks and avoids overlap or conflicting expectations, particularly with future Code Manager Licences under Energy Code Reform.

- The Smart Energy Code plays a critical role in governing the data ecosystem for smart metering, however the SEC (and SECAS) does not deal with any personal data; all data transported through the DCC systems is not accessible to SECCO, SECAS or the DCC.
- More generally, we would like clarity on whether the proposed approach is primarily a formalisation of existing practices, or whether it will introduce new requirements that will necessitate significant additional work.
- We are also exploring whether the proposed six-month period to implement the consequential Code changes is achievable and how quickly the required action plan could be delivered by the Panel.

3. Operational Performance Regime and Baseline Margin Project Performance Adjustment

The OPR requires the Panel and the DCC to independently assess and score the level of engagement the DCC has undertaken with its customers for each Regulatory Year. Ofgem reviews the submissions from Panel and the DCC to determine the level of margin the DCC should retain in accordance with the OPR. The OPR forms part of the wider Price Control exercise that Ofgem undertakes each year.

The DESNZ BMPPA scheme is a specific assessment by the Panel of the engagement undertaken for the implementation of the 4G CH&N Programme.

Both assessments cover the Regulatory Year April 2024 to March 2025.

The approach to both the above assessments was presented to the June 2025 SEC Panel Meeting and received no comments.

Following consultation with the Sub-Committee Chairs and SEC Parties, the assessments for the OPR and BMPPA have been drafted and can be found in Appendices A and B, respectively. The feedback from the consultations undertaken support the initial views that the DCC's engagement is generally good, timely and appropriate with notable exceptions, for example 4G Comms Hub coverage, where information gathered indicates that it would have been helpful for the DCC to have provided more notice and information regarding this matter.

4. Recommendations

The Panel is requested to:

- **DISCUSS and COMMENT** on the key messages for the consultations detailed in the paper.

Oli Meggitt

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15 July 2025

Attachments

Appendix A: SEC Panel OPR Assessment 2025

Appendix B: SEC Panel BMPPA Assessment 2025