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MP298 ‘Enhancements to Appendix AW – Performance Assurance’ Conclusions Report – version 1.0

About this document

This document summarises the responses received to the Modification Report Consultation and the decision of the Change Board regarding approval or rejection of this modification.

Summary of conclusions

Modification Report Consultation

SECAS received three responses to the Modification Report Consultation. Two respondents believed that the modification should be rejected. They considered the modification did not better facilitate any of the SEC Objectives. One respondent believed that the modification should be approved. They considered that the modification better facilitated SEC Objectives (a)¹ and (g)².

Change Board

The Change Board voted to **approve** MP298. It believed the modification better facilitated SEC Objectives (a) and (g).

¹ facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain.

² facilitate the efficient and transparent administration and implementation of this Code.

Modification Report Consultation responses

Summary of responses

The other two respondents believed the modification should be rejected. Whilst both respondents agreed with the principle of the modification, they expressed significant concerns regarding the legal text and constrained timeline of the modification.

Both respondents put forward proposed changes to the legal text, including removal of SEC Appendix AW 'Performance Assurance Framework' section 7.2 'Publication of SEC Risk Data'. This section relates to Performance Assurance Board (PAB) ability to publish SEC Risk Data on its website if unsatisfactory responses are received from SEC Parties. The respondents' rationale for the removal of section 7.2 is the fact that there is precedent of other Code Managers inappropriately publishing Data before subsequently withdrawing.

SECAS explained that the inclusion of publication of SEC Risk Data is a necessary step in the escalation process that is not a penalty or financial charge. SECAS went on to explain the two-step approval process before publication of any SEC Risk Data is undertaken, including approval from the SEC Panel. Additionally, SECAS highlighted the provisions of SEC Section 7.2 on which SEC Risk Data would be published.

The respondents also highlighted the fact that certain areas of the Smart Energy Code (SEC) should be removed from the remit of the PAB, namely SEC Section G 'Security', SEC Section I 'Data Privacy' and SEC Section Z 'Alt HAN Arrangements'. The reasoning for this is that SEC Parties should avoid unnecessary steps being added in escalation processes.

SECAS clarified that the remit of the PAB already excludes SEC Section G 'Security', and SEC Section Z 'Alt HAN Arrangements', in line with SEC Section C9 'Performance Assurance Framework' and as such explicitly stating the PAB excludes certain SEC areas is already accounted for. SECAS went on to explain that while SEC Section I 'Data Privacy' was not originally included in the modification, this will be considered, and a further modification may be required.

Change Board vote

Change Board vote

The Change Board voted to **approve** MP298 under Self-Governance.

The vote breakdown is summarised below:

Change Board vote				
Party Category	Approve	Reject	Abstain	Outcome
Large Suppliers	7	0	0	Approve
Small Suppliers	3	0	0	Approve
Network Parties	3	0	0	Approve
Other SEC Parties	2	0	0	Approve
Consumer Representative	1	0	0	Approve
Overall outcome:				APPROVE

Views relating to the General SEC Objectives

Objective (a)³

The majority of the Change Board believed that MP298 will better facilitate SEC Objective (a), as the operation of the PAB and the Performance Assurance Framework (PAF) would lead to increased operational performance. Additionally, the issues addressed as part of the PAF would facilitate the installation of Smart Metering Systems (SMS) at consumers' premises.

Objective (g)⁴

The Change Board believed that the modification would better facilitate SEC Objective (g) as the inclusion of the changes proposed would provide better clarity for the PAF and its governing operations.

Change Board discussions

A Change Board member questioned the limited number of responses to the consultation, expressing the fact that a modification that targets the PAB would be expected to have more interest and garner more responses. Another Change Board member echoed this surprise, however stated that Parties with an interest in the PAB may join the Board, as there are a number of vacant positions.

The main discussion point was surrounding the inclusion of Appendix AW Section 7 'Publication of SEC Risk Data'. A Change Board member raised concerns over the legal text, as it is not prescriptive enough of the steps the PAB will take before the publication of SEC Risk Data is carried out. The PAB Chair clarified that this requirement will not be enforced as an immediate response to a Party's contribution to a SEC Risk, but it is an option to hold Parties accountable, if all other steps fail. The PAB Chair highlighted a lengthier process, requiring action plans and engagement from the Parties that were identified to be contributing to SEC Risks. The PAB Chair highlighted that the publication of SEC Risk Data would be done after the PAB has exhausted all other avenues.

Another point regarding the publication of SEC Risk Data was raised by a Change Board member and this was around timeline for publication, as SEC Parties are likely to be concerned about the process if there are no timelines in place. The Change Board member caveated that some cases may need to be considered outside of the timeline, but generally it may be preferable to know the expected timeframe for the process before publication. The PAB Chair acknowledged these concerns and explained that timelines may be restrictive, and lead to premature publication of data in cases where more time is required. By assessing each Party and the SEC Risks impacted on a case-by-case basis, this allows for better management of action plans and remedies Parties put in place. The PAB Chair also highlighted that the PAB approach to publication of SEC Risk Data includes two checkpoints – the PAB in the first instance, followed by Panel, which provides a higher level of visibility and engagement before the SEC Risk Data is published.

Appendix AW Section 7.3. relating to publication of SEC Risk Data was also discussed. A respondent to the Modification Report Consultation proposed changes to the legal text, narrowing the scope of the requirement. The PAB Chair highlighted that the legal text should remain unchanged as the

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Performance Assurance Operating Plan may not account for urgent issues identified as having a material impact on SEC Risks. The Operating Plan, though updated regularly, may not provide the flexibility required to act immediately when the need arises.