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

Consultations Update – March 2026

1. Purpose

This paper outlines the key messages that will be used for the response to the following open consultations:

- Elexon report phase consultation on P494 'Establishing and Smart Data Repository (SDR)';
- RECCo design consultation on the Consumer Consent Solution;
- Ofgem consultation on implementation of energy code reform – template code text;
- NESO consultation on Reformed National Pricing;
- DCC consultation on proposed amendments to the April 2026 - March 2027 BCDR Test Schedule;
- DCC consultation on proposed amendments to the Performance Measures methodology;
- DCC consultation on proposed changes to the Communications Hub Supporting Information (CHSI) 2026; and
- Ofgem call for input on Ofgem performance and energy sector health.

The Panel is requested to discuss the messages outlined for each consultation and delegate approval of the final responses to the Panel Chair.

2. P494 report phase consultation

We have continued to engage with Elexon and industry around BSC Modification [P494 'Establishing a Smart Data Repository'](#). Following the SEC Panel response to the Assessment Procedure Consultation in February and discussion of the topic at the February Panel Meeting, we have continued to engage with SEC Panel and Sub-Committee members, along with representatives from SEC Parties and the DCC. We also met with DESNZ colleagues to gain a greater understanding of their interactions with Elexon through this process.

We further engaged with Elexon's SDR team, outlining directly the comments made and seeking further clarification – specifically around the legal basis for the collection of data, and the potential overlaps with other industry programmes (including the DESNZ-led Smart Meter Energy Data Repository i.e., SMEDR). We spoke to a number of BSC Panel Members – again outlining these key comments.

At its March meeting, the BSC Panel approved progressing the Modification to the Report Phase; we expect this consultation to be published on or around 20 March 2026 and run for one calendar month. We will provide an update at the SEC Panel meeting once the consultation has been published.

3. Consumer Consent Solution

RECCo published [this consultation](#) on 11 February, with responses invited by 25 March. This consultation seeks views on the proposed design of the Consumer Consent Solution (CCS) and the Minimum Marketable Product (MMP).

The key messages we propose the SEC Panel response focuses on are:

- **Recognition of and alignment with existing frameworks** – The current consent and data-sharing arrangements (including the SEC Other User access route, the Privacy Sub-Committee's Privacy Controls Framework, and the long-standing SEC consent strategy) already provide a regulated, tested, and GDPR-compliant foundation for the CCS. The SEC Panel would welcome greater clarity on how the CCS will align with these frameworks, what specific gaps it aims to address, and how it will complement – rather than duplicate – existing arrangements. The substantial work and learning of consent processes from SEC Parties, Other Users, and the PSC should be reflected in the design.
- **Clarity on the decision to move away from the recommended model** – A clearer explanation of how the decision to depart from the recommended, more-decentralised hybrid model responds to the customer concerns evidenced in consultation feedback.
- **Accreditation alignment** – The proposed CCS accreditation model covers information security, data protection, and technical readiness, all of which are already addressed under SEC requirements for Other Users. The Panel encourages RECCo to consider aligning CCS accreditation with existing SEC standards so that organisations already compliant with SEC obligations are not required to evidence the same controls twice. Applying a 'comply once' principle where standards are equivalent would reduce burden without reducing rigour.
- **Clarity on SDR dependency and contingency position** – The consultation states that the MMP will rely on Elexon's SDR as a data access route, but only "subject to approval." The SDR is still progressing through BSC Modification P494, with its legal basis and GDPR compliance still under consideration. The SEC Panel would welcome clarity from RECCo given the SDR's current status, how its approval timeline aligns with the March 2027 MMP go-live date, and the contingency position should the SDR not be available – recognising that, in this scenario, the SEC Other User route would remain the primary data access mechanism.
- **Consumer usability and take-up of the identify verification (IDV) process** – The SEC Panel recognises the importance of robust identity verification in protecting consumers and understands its role in the proposed design. However, the Panel would welcome further evidence that the IDV journey has been tested with a broad range of consumers – particularly those who are digitally excluded or less confident online – and that requirements are calibrated to avoid creating unnecessary friction that could deter use. Ensuring genuine accessibility and usability will be essential to achieving meaningful take-up.

- **Publication of the Impact Assessment and funding clarity** – The consultation notes that initial costs will be recovered through the REC cost-recovery model, with the longer-term funding approach to be reviewed as adoption increases. Ofgem previously committed to publishing an Impact Assessment for this work, but this has not yet been released. The SEC Panel would welcome sight of the Impact Assessment before further design decisions are finalised, along with greater clarity on how the funding model will evolve – including the anticipated shift towards an approach where costs are more closely aligned with those who benefit from the service.
- **Proportionality of FAPI 2.0 at MMP stage** – The SEC Panel supports RECCo's commitment to open standards and interoperability and recognises the security rationale for proposing FAPI 2.0. However, the Panel would welcome further consideration of whether full FAPI 2.0 compliance is proportionate at the MMP stage, given the potential implementation burden for smaller organisations and new entrants. A phased approach, with FAPI 2.0 as a future-state standard, may better balance security ambition with accessibility for a wider range of participants.

4. Implementation of energy code reform

Ofgem published [this consultation](#) on 06 March, inviting responses by 17 April. This consultation seeks views on proposed changes to template code text for the new code modification process, set up of the Stakeholder Advisory Forum (SAF), and expressions of interest for phase 2 code consolidation workshops.

The key messages we propose the SEC Panel response focuses on are:

- **Proposed code text** – The SEC Panel has reviewed the proposed code text and agrees with the overall intent. We have separately provided comments seeking clarification on specific points where necessary.
- **Proposed SAF text** – The SEC Panel has reviewed the proposed SAF text and has no comments.
- **Introduction of conflict of interest provisions under current panel arrangements** - We have recently developed our own conflict of interest policy and see limited value in Ofgem pursuing the creation of a separate or duplicative approach. If conflict of interest provisions are not yet defined, we would be happy to share our policy and support coordinated cross-code work to align existing practices.

5. Reformed National Pricing

NESO published this [call for input](#) on 11 February, with responses invited by 14 April. This call for input seeks views on proposed Balancing, Settlement and Dispatch reforms which sit within the wider Reformed National Pricing (RNP) package of reforms.

The key messages we propose the SEC Panel response focuses on are:

- **Prematurity of further reform** – The SEC Panel disagrees with any move to 5- or 15-minute Settlement Periods (SPs) until MHHS is fully implemented, stable, and its benefits clearly evidenced.

- **High cost and complexity** – Shorter Settlement Periods would require extensive upgrades across central systems, supplier systems, metering devices, firmware, and operational processes, with substantial costs ultimately borne by consumers.
- **Cost benefit analysis** – A comprehensive CBA is an essential prerequisite for further Settlement reform. This would be a significant, resource-heavy exercise and should only be undertaken once MHHS outcomes provide a reliable baseline. SECCo and the SEC Panel would be keen to provide any support needed in developing a CBA.
- **Roadmap sequencing** – If pursued in future, shorter SPs should sit later in the industry roadmap due to their scale, dependencies, and interaction with other major programmes.

6. Amendments to the April 2026 – March 2027 BCDR Test Schedule

The DCC published [this consultation](#) on 02 March, with responses invited by 24 March. The DCC previously consulted on BCDR Test dates for 2026/27 but has since identified that a planned non-service-impacting system change now requires a live BCDR Test. This consultation therefore explains the change and proposes a revised test date.

The key messages we propose the SEC Panel response focuses on are:

- **Early schedule amendment** – The SEC Panel is concerned that the BCDR Test Schedule requires revision so soon after publication, creating avoidable uncertainty and additional planning burden for SEC Parties.
- **Communication of additional outage** – While the timing of the proposed additional outage appears to minimise service impact, the SEC Panel expects the DCC to communicate the rationale and timing clearly and promptly to all affected Parties.

7. Proposed amendments to the Performance Measures Methodology (PMM)

The DCC published [this consultation](#) on 26 February, with responses invited by 27 March. This consultation seeks views on the DCC's proposed amendments to reporting, which are intended to ensure that all Service Providers are appropriately captured within its performance reporting.

The key messages we propose the SEC Panel response focuses on are:

- **Proposed updates** – The SEC Panel broadly supports the inclusion of 4G Communication Service Provider, Data Service Provider, and Enduring Change of Supplier performance measures in the PMM and Reported List of Service Provider Performance Measures (RLoSPPM) as sensible interim updates.
- **Awareness of related work** - The Panel also notes that SECCo's ongoing review of the Guaranteed Standards of Performance (GSoP) and Post-2025 policy framework, undertaken with the DCC, may highlight gaps in current contractual measures. Any resulting recommendations that progress into contractual changes would need to be reflected in future updates to the performance measures reporting regime, potentially via SEC Modifications.

8. Proposed changes to the Communications Hub Supporting Information (CHSI) 2026

The DCC published [this consultation](#) on 09 March, inviting responses by 07 April. This consultation seeks views on proposed changes to the Communications Hub Supporting Information (CHSI) document to provide guidance on 4G CH LED behaviour to CH installers.

The key messages we propose the SEC Panel response focuses on are:

- **Support for proposed changes to the CHSI 2026** – The SEC Panel recognise that SEC Parties have raised legitimate concerns regarding the behaviour of LED indicators on early batches of 4G Communications Hubs, specifically the extended flashing of LEDs once the device is unseated from a powered ESME. This behaviour has the potential to cause operational confusion for installers and may affect installation workflows. The DCC's proposal to clarify LED behaviour and provide additional guidance within the CHSI is therefore a positive and necessary step.
- **Engagement with Sub-Committees** – The SEC Panel notes that these changes have been developed in response to direct engagement with SEC Committees and Parties, reflecting a collaborative and evidence-based approach. This alignment with SEC governance processes strengthens the case for implementation and contributes to the effective ongoing management of Communications Hub functionality.

9. Ofgem performance and energy sector health

Ofgem published [this consultation](#) on 23 February, with responses invited by 07 April. This consultation seeks views on proposed indicators of Ofgem's performance and the health of the energy sector, to provide transparency against its Multiyear Strategy priorities.

The key messages we propose the SEC Panel response focuses on are:

- **Support for transparent performance indicators** – The SEC Panel supports the principle of Ofgem introducing a clear and transparent set of indicators to measure both regulatory performance and the overall health of the energy sector. A concise and publicly reported framework can help improve accountability and provide greater visibility of progress across the sector.
- **Regulatory effectiveness as part of sector health** – The Panel considers that the health of the energy sector is influenced not only by market and consumer outcomes, but also by the effectiveness of regulatory oversight. Transparent indicators of regulatory performance would help demonstrate how effectively the regulatory framework is enabling sector progress.
- **Performance indicators for regulatory decision-making** – The Panel encourages Ofgem to include indicators relating to the timeliness, predictability, and quality of regulatory decision-making. Clear and timely regulatory decisions are critical to enabling industry to plan, invest and deliver change efficiently.
- **Quality and capability of regulatory engagement** – The Panel highlights the importance of effective engagement between the regulator and industry. Indicators reflecting the quality, consistency and seniority of regulatory engagement would help demonstrate how effectively regulatory expertise and industry insight are being brought together to support decision-making.

- **Delivery discipline on major reform programmes** – The Panel suggests that Ofgem’s framework reflects delivery discipline for major regulatory reform programmes. Many sector initiatives depend on clear regulatory direction and timely decisions, and delays or uncertainty in these areas can have a material impact on the pace of industry progress.
- **Ensuring indicators remain meaningful and robust** – The Panel highlights that indicators should remain meaningful, supported by robust data, and recognise the complexity of delivering sector change. The framework would therefore benefit from maintaining a stable core set of indicators while allowing flexibility to evolve or supplement metrics as the energy system continues to develop.

10. Recommendations

The Panel is requested to:

- **DISCUSS and COMMENT** on the key messages for the consultations detailed in the paper; and
- **AGREE** to delegate approval of the final responses to the SEC Panel Chair.

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