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## Stage 04: Modification Report Consultation Responses

# SECMP0049 'Section D Review: Amendments to the Modification Process'

What stage is this document in the process?

01	Initial Assessment
02	Refinement Process
03	Modification Report
► 04	Decision

## About this document

This document contains the collated responses to the SECMP0049 Modification Report Consultation (MRC). The Change Board will consider these responses when making its determination on this modification.

If you would like any further information, or to discuss any questions you may have, please do not hesitate to contact Nikki Olomo on 020 7081 3095 or email [SEC.Change@gemserv.com](mailto:SEC.Change@gemserv.com).

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Working Group  
Consultation  
Response Form

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## About this Document

This document contains the collated responses to the Modification Report Consultation (MRC) for SECMP0049.

The Change Board will consider these responses at its meeting on 21<sup>st</sup> November 2018, where it will determine whether SECMP0049 should be approved by the Authority.

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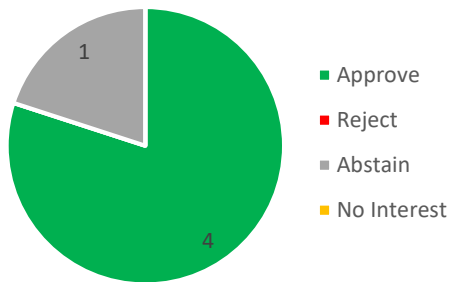
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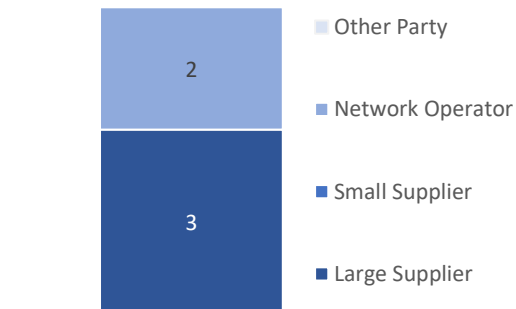
## Summary of Responses

This section summarises the responses received to the SECMP0049 MRC.

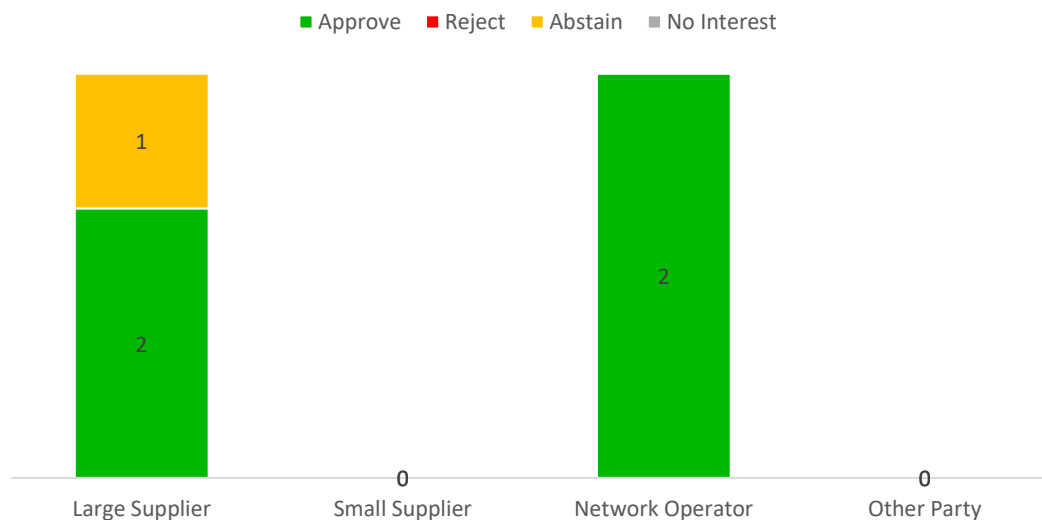
### Respondents Views



### Number of Respondents (by Party Type)



### Views by Party Type



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## Question 1

**Q1: Do you agree that the proposed solution better facilitates the SEC Objectives and should therefore be approved?**

Party Name	Party Category	Yes/No/ Neutral	Comments
EDF	Large Supplier	Yes	<p>We agree with the proposer and the working group that the Proposed Solutions for SECMP0049 will better facilitate SEC Objective (g) and 'facilitate the efficient and transparent administration and implementation of this Code'.</p> <p>The current Modifications process is clearly not leading to the right outcomes at the moment, if implemented correctly the proposed solution should improve the process but we note that a change of behaviour by SEC Parties as well as changes to the SEC itself will be required to deliver such an improvement.</p>
E.ON	Large Supplier	Neutral	<p>We note that the current solution risks elongating the change process which contravenes rather than supports SEC objective g. That said, should Parties be able to engage with this process, an independent issues group would likely increase the efficiency of the change process (as is demonstrated by such groups under other Codes) and the solution would therein better facilitate SEC objective g.</p>
SSEN	Network Party	Yes	<p>SSEN believes the modification facilitates SEC objective (g), to facilitate the efficient and transparent administration and implementation of the Code.</p>
Western Power Distribution	Network Party	Yes	<p>We believe that the proposed solution better facilitates the SEC Objective (g). The benefits of introducing a pre-modification process with expert input will reduce the need for Refinement and Work Groups, which can be difficult to resource.</p>
N Power	Large Supplier	Neutral	<p>Whilst we understand the intent of the proposed solution and feel that this is a step forward improving the modification process, we believe the alternative solution would better facilitate the SEC Objectives</p>

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## Question 2

### Q2: Do you believe that the Alternative Solution better facilitates the SEC Objectives?

Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Yes	We also agree with the proposer and the working group that the Alternative Solution for SECMP0049 will better facilitate SEC Objective (g) and 'facilitate the efficient and transparent administration and implementation of this Code' for the same reasons as the Proposed Solution. We do not believe that the outcomes delivered by the two Solutions are likely to be materially different.
E.ON	Large Supplier	Neutral	As above
SSEN	Network Party	Yes	SSEN believes the modification facilitates SEC objective (g), to facilitate the efficient and transparent administration and implementation of the Code.
Western Power Distribution	Network Party	Yes	We believe that the alternative solution will also better facilitate the SEC Objective (g) as per our response in Q1. The Alternative Solution is more efficient than the Proposed Solution as allowing the Change Board to send the Final Modification Report directly back to the Working Group rather than the Panel removes, what we believe is, an unnecessary step.
N Power	Large Supplier	Yes	<p>We are in support of the Alternate solution for this modification. This is a sensible approach to streamline the timescales and avoid delays. We believe a development group for change is a sound one and should make the change process more efficient.</p> <p>We feel there needs to be a forum where changes and issues can be debated and developed. It better facilitates SEC objective (g), to facilitate the efficient and transparent administration and implementation of the Code.</p>

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### Question 3

#### Q3: Which of the two solutions do you believe better facilitates the SEC Objectives?

Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Neutral	We don't believe that the differences between the two Solutions are material enough to make it clear that one would better facilitate the SEC Objectives than the other.  If required to choose one of the solutions we would select the Proposed Solution.
E.ON	Large Supplier	Neutral	We prefer the alternative solution on the premise that this solution reduces inefficiency within the change process when send-backs are necessary. However, our views concerning the facilitation of the SEC objectives are as above.
SSEN	Network Party	Yes	SSEN believes the alternative modification proposal marginally better facilitates SEC objective (g), to facilitate the efficient and transparent administration and implementation of the Code.
Western Power Distribution	Network Party	Alternative	The Alternative Solution is more efficient than the Proposed Solution as allowing the Change Board to send the Final Modification Report directly back to the Working Group rather than the Panel removes, what we believe is, an unnecessary step and therefore better facilitates SEC Objective (g).
N Power	Large Supplier	Alternative	

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## Question 4

**Q4: Having considered the potential impacts and costs to your organisation, as well as the cost to deliver the modification, do you agree that SECMP0049 should be approved?**

Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Yes	
E.ON	Large Supplier	Neutral	<p>We note that the Working Group have discussed the potential for a post-implementation review because so many members would prefer the Change Sub-Committee to be independent of any other Sub-Committee, but we fear that this undermines the integrity of the change process under this Code.</p> <p>We do not believe it is appropriate for a change process to continually implement 'below-par' solutions as has been the common affliction in this change process over the last few months.</p> <p>We still contend that there are better alternative solutions as is evident in other Codes, although we concede that this Modification has the potential to better facilitate the efficiency of the change process when compared with the existing arrangements.</p>
SSEN	Network Party	Yes	
Western Power Distribution	Network Party	Yes	<p>We will incur minimal costs. Potential benefits will be realised as a result of a more efficient change process that allows for expert input and industry views to be obtained earlier in the process, therefore reducing the likelihood of modifications having unnecessarily prolonged refinement periods which tie up resources.</p>

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N Power	Large Supplier	Yes	Having a forum where modifications can be developed and knocked into shape will make the process more efficient in the long run. There are similar forums in other codes. As this is a positive step forward the benefits will outweigh any costs incurred
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## Question 5

**Q5) Do you agree that draft legal text changes deliver the intention of the modification?**

Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Yes	We have not identified any issues with the revised draft legal text changes.
E.ON	Large Supplier	No	<p><b>Section D – Solution Agnostic</b></p> <p>D1.7 – the current legal drafting is less clear than the original text and in our view, generates ambiguity that can lead to inefficiency therein adversely impacting SEC objective g. We therefore believe that the original text ought to remain Code in place of this proposed variation.</p> <p>D1.7 – clause I has been removed from the current legal drafting which creates divergence from the requirement in clause C2.3.</p> <p>D1.9 (e) – the current legal drafting does not require the Modification Register to indicate whether a Modification Proposal is an Authority-Led or Authority Determined Modification, we do not agree with this change and we do not believe it is part of the solution for this Modification. As with D1.7 we believe that the original text ought to remain in Code, a Party should not have to guess at whether a Modification is progressing as an Authority-Led or Authority Determined Modification where it is not progressing as a Self-Governance Modification.</p> <p>D1.9 (g) and (h) – as with our previous responses we do not agree with the removal of these requirements, nor do we believe that this was the intent of the original Modification.</p> <p>D1.12 – we do not understand why 'Draft Proposal' has been inserted ahead of 'Modification Proposal' in the main body of the clause, but the</p>

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			<p>section relevant to a 'Draft Proposal' has been inserted following those relevant to 'Modification Proposals'. For consistency we believe that (d) ought to replace (b), and the rest ought to be renumbered accordingly.</p> <p>D2.2 – the current legal drafting does not permit the Panel to determine that a Modification Proposal shall be Authority Determined. If a Modification is not an Authority-Led Variation and is not determined to be a Self-Governance Modification then it is of course an Authority-Determined Modification, however this decision should not be in the negative where the SEC contains requirements for consideration of materiality in this decision-making process (i.e. D2.6). We therefore believe that this clause ought to remain as it is currently written, noting again that this change is not within the intent or purpose of the Modification.</p> <p>D2A.2 – the proposed legal text still permits that existing Sub-Committees are utilised as the Change Sub-Committee. We do not support this solution. As aforementioned, the following concerns apply to this approach: existing Sub-Committees may not be the appropriate group for DP consideration due to representation and 'expertise' of that group; the Change Board would be unduly burdened by this additional work and would in effect be 'marking its own homework' where later voting on a relevant Modification. Additionally, this presents conflicts with the terms or reference, roles and responsibilities of, and voting arrangements of the separate Sub-Committees that cannot be resolved. It has been noted be several Parties on numerous occasions that the arrangements of existing 'Issues Group' within the Industry demonstrate the most effective and efficient way of achieving the intent of this Modification. Furthermore, we would highlight this as another example of where the SEC Change Process is currently falling foul of poor governance. The Working Group members gave a clear, majority preference to have this proposed Change Sub-Committee as a new Sub-Committee that was independent of Change Board, and we do not believe it is appropriate that Panel's desire to avoid an additional group (which is likely to be challenged with the advent of the Release Management group anyway) should mean that an appropriate alternative solution is not raised by the Code Administrator on behalf of the WG.</p>
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			<p>D3.6 – the current legal drafting only permits the Code Administrator one Working Day (WD) to undertake their obligations in D3.4 where Panel requires their meeting papers 5 WDs in advance of their next meeting. We would ask that the Code Administrator review the viability of this.</p> <p>D3.7 (c) – we believe that there ought to be text added here to clarify that the views sought from DCC cannot constitute a DCC Assessment i.e. “input of the DCC (but not to the extent that this constitutes a DCC Assessment) and...”.</p> <p>D3.12 – see comments beside D2.2.</p> <p>D6.10E –The current legal drafting does not accommodate an eventuality wherein a Draft Proposal requires a DCC Assessment but is not progressed via the Refinement Process.</p> <p>D6.10E – we would request some clarification here concerning the implementation of SECMP0034 and any consequential impact thereof to this Modification. To our knowledge there will be no SEC Release on 1<sup>st</sup> November</p> <p>D8.14A – see comments beside D6.10E</p> <p>D8.14(b) – The current legal drafting removes the requirement for the Change Board to vote on the ‘variation’ being made to the SEC, replacing this with a requirement to vote on the ‘Proposed Solution’ or any ‘Alternative Solution’. We believe this to be an unintended consequence of the legal text drafting rather than an intention of the Modification and we do not support this change. To our mind it is imperative that the Change Board vote is explicitly tied to the SEC variation (i.e. legal text) to avoid confusion between the defined terms ‘Proposed Solution’ and ‘Alternative Solution’, and the solution written into the Modification Report. All legal obligations on Parties are contained within the Code thus the legal text is the only legally-binding result of a Modification. Where this legal drafting is not amended ahead of submission to the Authority we would urge the Authority to review previous Modifications and consultation responses denoting the differences between the legal text (i.e. Proposed Solution)</p>
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			<p>and the Modification report solutions, to understand the gravity of the impact this change is likely to have. We note that both Proposed Solution and Alternative Solution are defined as variations (i.e. legal text) however, we believe that removing 'variation' from this clause may cause misunderstanding where Change Board Members do not review these definitions when exercising their voting rights. We believe this to be an unnecessary risk to introduce here and as noted above, we do not be</p> <p>D8.21 – see comments beside D6.10E</p> <p>We note that throughout the legal drafting, the use of brackets to denote plurals is not consistent and would ask that this be rectified. For clarity, we are referring to instances in which 'Proposal(s)' is written as 'Proposals'.</p>
SSEN	Network Party	Yes	
Western Power Distribution	Network Party	No	<p>Whilst we agree that the original draft legal text changes deliver the intent of the modification, we do not agree with the amendments since the Authority sent it back. We accept what the Authority has commented, however the main legal text still references only the new terms, and we believe that clarity should be added within Section A.</p> <p>For completeness, should Section A 'Authority Determined Modification' have a definition of 'has the meaning given to that expression in Section D2.6 (Authority Determined Modifications (also known as Path 2 Modification))?</p>
N Power	Large Supplier	Yes	-

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## Question 6

### Q6) Do you agree with recommended implementation date?

Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Yes	
E.ON	Large Supplier	Neutral	We agree with Panel's recommendation where the legal text meets the intent of the Modification.
SSEN	Network Party	Yes	
Western Power Distribution	Network Party	Yes	The benefits of this modification will greatly assist in efficiency and resourcing, therefore the earlier this modification, if approved, is implemented, the quicker these benefits will be realised.
N Power	Large Supplier	Yes	-

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## Question 7

Q7) Do you have any other comments?			
Party Name	Party Category	Yes/No	Comments
EDF	Large Supplier	Yes	<p>As noted previously, while the changes to the SEC itself are appropriate and should be made, the consequential impacts of this will need to be monitored and a post-implementation review will be required.</p> <p>It must be ensured that new process meets the intent of reducing the overall burden that the change process places on SEC Parties, and reduces the timescales for progressing changes through the process. It must also be ensured that the additional responsibilities that are proposed for the Change Board do not become overly onerous for that group, and also that the group itself has (or has access to) the right expertise to be able to carry out the role proposed for it.</p> <p>What we are concerned about is that we might see the same problems materialising, but just at different stages in the process instead, with the Change Board becoming the bottleneck instead of the Working Groups.</p>
E.ON	Large Supplier	Neutral	<p>We note that the Authority send-back required that this Modification be issued back to the Working Group. To our knowledge no such subsequent Working Group was held, instead the legal text was amended and re-issued for consultation. This is in our view, a missed opportunity to address some of the residual issues with this Modification as contained with Parties' previous consultation responses.</p>
SSEN	Network Party	No	

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Western Power Distribution	Network Party	Yes	<p>We acknowledge that the changes proposed by this Modification will also require a change in culture. SECAS need to promote and explain fully to ensure SEC parties are engaged and encouraged to follow the process described and we would support the requirement of a post implementation review.</p> <p>The form for the Draft Modification Proposal for the Change Board, does not need to be as detailed as the Draft Modification Proposal which is going straight to the Panel. Where a Draft Modification Proposal is going straight to the Panel the intentions of the Draft Modification Proposal must be clear.</p>
N Power	Large Supplier	No	-

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