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SEC Panel Meeting Headlines 14 December 2018

10:00 – 13:00

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

SECP_63_1412 – Meeting Headlines

SEC Panel Headlines

1. Minutes and Actions Outstanding (For Information)

The Panel noted that the minutes from the November 2018 Panel meeting had been approved ex-committee. It was noted that all actions were marked as completed or on target for completion in the near future.

The Panel **NOTED** the update.

Decision, Discussion and Information Items

2. DCC Initiated Changes (For Discussion)

The Panel **NOTED** the Chair update on the letter issued on behalf of the Panel to the DCC regarding DCC initiated charges. The Panel **AGREED** that the Panel had executed its responsibilities and any response received from the DCC to the letter should be shared with SEC Parties.

3. SMETS1 Services Governance Update (For Decision)

A representative from BEIS presented the Panel with an update on Panel Governance relating to DCC provision of SMETS1 Services. The Panel **AGREED** to support the governance required prior to go-live of the related operating capability in the DCC Total System.

4. SEC Panel Draft Budget 2019 – 2022 consultation (For Decision)

The Panel were presented with the latest version of the SEC Panel Draft Budget for the next three Regulatory Years (April 2019 to March 2022). The Panel **APPROVED** the Draft Budget to be issued to SEC Parties for consultation, and for the total figure of the Draft Budget to be provided to the DCC for publication in the January 2019 Charging Statement and Indicative Budget.

The Panel **NOTED** that the provision of a project brief and subsequent Panel approval would be required to release project funds. The Panel **AGREED** that these controls should be further highlighted in the consultation.

5. Release 2.0 Incentives: Assessment Criteria for Milestones 3A & 3B (For Decision)

The DCC presented the Panel with a proposed set of assessment criteria for Milestones 3A & 3B within the Release 2.0 Incentives Scheme.

The Panel **ENDORSED** the proposed criteria for Milestones 3A and 3B conditional upon confirmation from the Operations Group that their feedback had been addressed.

6. SEC Panel Risk and Issue Register Update (For Decision)

SECAS provided an update on the SEC Panel Risk Register and Issues Register, which included an amendment to the mitigating actions for an existing risk.

The Panel **AGREED** the amendments to the SEC Panel Risk Register.

7. Supplier of Last Resort Process (For Discussion)

The DCC provided the Panel with an update on the two most recent Supplier of Last Resort (SoLR) events relating to Spark Energy and Extra Energy, in addition to the lessons learned.

The Panel **NOTED** the update.

8. Events of Default update (For Decision) (**RED**)

The Panel were provided with a confidential update on three current Events of Default, and four new Events of Default. The discussion was classified as **RED** and therefore recorded in the Confidential Minutes.

The Panel **AGREED** to expel Extra Energy Supply Limited from the SEC. The Panel also **AGREED** to impose a remedial plan on one of the Parties, and to monitor the five remaining Parties in Default.

Change Items

9. Modification and Release Status Report – December 2018 (For Information)

The Panel were provided with an update on the status and progress of Modification Proposals.

The Panel were also provided with an update from the DCC on the current progression of SEC Modification Proposals as they undergo Preliminary Assessments and Impact Assessments.

The Panel **NOTED** the report.

10. SECMP0018 'Standard Electricity Distributor Configuration Settings' Modification Report (For Decision)

SECAS presented the Panel with the Modification Report for [SECMP0018 'Standard Electricity Distributor Configuration Settings'](#).

The Panel:

- **AGREED** that SECMP0018 should be progressed to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that SECMP0018 should be progressed as a Self-Governance Modification.

11. SECMP0043 'Modification to Services Force Majeure Provisions' Modification Report (For Decision)

SECAS presented the Panel with the Modification Report for [SECMP0043 'Modification to Services Force Majeure Provisions'](#).

The Panel:

- **AGREED** that SECMP0043 should be progressed to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that SECMP0043 should be progressed as an Authority Determined Modification.

12. SECMP0059 'Amendments to SEC Security Assessments for Non-Domestic Suppliers and Other Users' Modification Report (For Decision)

SECAS presented the Panel with the Modification Report for [SECMP0059 'Amendments to SEC Security Assessments for Non-Domestic Suppliers and Other Users'](#).

The Panel:

- **AGREED** that SECMP0059 should be progressed to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that SECMP0059 should be progressed as a Self-Governance Modification.

13. New Modification Proposal SECMP0067 'Service Request Traffic Management' (For Decision)

SECAS presented the Panel with a new Modification Proposal for [SECMP0067 'Service Request Traffic Management'](#).

The Panel:

- **AGREED** that SECMP0067 should be progressed to the Refinement Process;
- **AGREED** the progression timetable;
- **AGREED** the terms of reference and the additional questions for the Working Group; and
- **AGREED** that SECMP0067 should be initially progressed as an Authority Determined Modification.

14. New Modification Proposal SECMP0068 'Alt HAN Company third party rights to enable external financing arrangements' (For Decision)

SECAS presented the Panel with a new Modification proposal for [SECMP0068 'Alt HAN Company third party rights to enable external financing arrangements'](#).

The Panel agreed to an expedited timetable where Urgency for the Modification would not be required, and the Proposer subsequently withdrew their request for urgency.

The Panel:

- **AGREED** to an expedited progression timetable where Urgency would not be required;
- **RECOMMENDED** to the Authority that SECMP0068 should not be progressed as an Urgent Modification;
- **AGREED** that SECMP0068 should be progressed directly to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that SECMP0068 should be progressed as an Authority Determined Modification.

15. SECMP0038 'Sending Commands via PPMIDs' Risk Assessment Responses (For Decision) (RED)

The Panel considered comparisons of the costs and timeframes provided to SECAS to carry out the risk assessment of the proposed solution for [SECMP0038 'Sending Commands via PPMIDs' Risk Assessment Responses](#). The discussion was classified as **RED** and therefore recorded in the confidential minutes.

The Panel **AGREED** the preferred bidder to perform the risk assessment.

16. Cost of DCC assessing & implementing Modifications (For Decision)

The Panel were presented with an overview of the activities being undertaken to reduce the DCC cost of assessing and implementing SEC Modification Proposals, and requested the Panel considered how Release Overheads are to be accounted for.

The DCC highlighted a fixed capacity model to allow implementation of the November 2019 Release for no incremental cost to Parties beyond Pre-Integration Testing (PIT). An approach to costs for subsequent releases will be determined following completion of the cost benchmarking study.

The Panel **AGREED** that the DCC should provide clarity on the release timeframes and confirmation of the full costs for the modifications targeted for the November 2019 Release.

17. SEC Change process improvements: release framework and wider SEC change service improvements (For Information)

SECAS presented the Panel with an overview of the activities being undertaken to reduce the cost of the DCC assessing and implementing SEC Modification Proposals, in addition to the work being undertaken on wider service improvements to the SEC change process.

The Panel **NOTED** the update.

Standing Agenda Items

18. BEIS Update (For Information)

BEIS provided the Panel with an update on the forthcoming consultations and key milestones.

The Panel **NOTED** the update.

19. DCC Update (For Information)

The DCC presented the Panel with an update on the activities undertaken since the last Panel meeting.

The Panel **NOTED** the update.

20. SEC Panel Sub-Committee Report (For Information)

SECAS provided the Panel with an update on recent activities from all the SEC Panel Sub-Committees.

The Chair highlighted two issues raised by the Operations Group relating to the DCC Performance Measurement report and Data Quality non-compliances respectively.

The Operations Group raised concern that the DCC Performance Measurement Report does not reflect the user experience and raised non-compliant instances of Suppliers installing cellular Communications Hubs instead of the required mesh Communications Hub.

The Panel:

- **NOTED** the update;
- **AGREED** that the Operations Group should highlight exactly what the issues are with DCC Performance reporting; and
- **AGREED** that the Operations Group should review each apparent non-compliance and provide proposed mitigations for escalation to the Panel.

21. DCC Reporting (For Information)

The Panel were provided with the Certificate Signing Requests (CSR) Forecast Variance Report and the Post Commissioning Information Report from the DCC as required by the SEC.

The Panel **NOTED** the reports.

22. Operations Report – November 2018 (For Information)

The Panel were presented with the Operations Report for October 2018. The report provided an outline of the activities undertaken by the SECAS team in support of the SEC.

The Panel **NOTED** the report.

23. Smarter Markets Project Update (For Information)

The Panel were provided with an update on the activities currently being undertaken to support the project.

The Panel **NOTED** the update.

24. Transitional Governance Update (For Information)

SECAS presented the Panel with an update from the transitional governance forums and other smart metering related meetings and workshops attended by SECAS in the last month.

The Panel **NOTED** the update.

25. Any Other Business (AOB)

There were two items of any other business raised:

The Panel were informed of an issue regarding the sharing of the RDP monthly incident report to Large Supplier parties which SECAS agreed to review.

The Panel discussed the Testing Advisory Group (TAG) taking on a broader role of assessing the commercial viability of production proving testing regimes. The Panel **AGREED** that testing oversight should sit with the TAG, however, commercial assessment should be the responsibility of the SEC Panel.

There was no further business and the Chair closed the meeting.