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Action:	For Decision

SEC Modification Timetables

1. Purpose

This paper provides an overview of all 33 open SEC Modification Proposals and sets out progression timetables for each change. The timetables, which are provided in Appendix A to this paper, have been drafted based upon all available information to date, which is summarised in this paper. The Panel are requested to approve the updated progression timetables as shown in Appendix A.

2. Timetable review

We have undertaken a full review of the progression timetables for all open SEC Modification Proposals to produce realistic timetables that consider individual modification developments and wider developments impacting the progression of change. By reviewing all the timetables together, we are able to provide a holistic view on progression as well as stagger work to minimise consultations issued or Working Group meetings convened in a short period of time. This will alleviate demands on industry time and resource in participating in the process.

The timetables we have produced following our review can be found in Appendix A. 15 modifications are either on hold or will reach a point where they will be on hold in the next couple of months; the reasons for these and the anticipated ways forward are discussed in more detail in the sections below. For the remaining modifications, we believe the timetables provided can be met, subject to industry availability for Working Group meetings and no unforeseen circumstances arising. If we are able to bring any modifications back to the Panel sooner than anticipated, we will do so.

3. Modifications affected by DCC costs

3.1 Background

To date, Impact Assessments received from the DCC for SEC modifications have only included implementation costs up to the end of Pre-Integration Testing (PIT). They have not included any further costs for other release activities such as Systems Integration Testing (SIT) and User Integration Testing (UIT).

The SEC Panel and Ofgem have been clear in the past that without full implementation costs, Modification Reports cannot be considered complete; as without certainty or proper oversight of implementation costs, the risk of escalating spend is too great. In effect, this has placed all DCC System impacting modifications on hold once they reach the Impact Assessment stage, until the DCC are able to provide a full cost breakdown for each modification.

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In September 2018, the DCC initiated a cost benchmarking study designed to provide an independent assessment of the process and costs associated with the delivery of changes to the DCC Systems, with a view to providing insight in to the cost drivers for DCC changes and methods for improving the pace of change. One of the key outputs from this exercise is expected to be the construction of clear release costs. It is anticipated that the benchmarking exercise will be completed in early March 2019. Further work, in collaboration with the Panel, will be required after the completion of the review to calculate a full set of release costs. We have estimated that the approach for these costs will be available by June 2019.

In the interim, the DCC have stated that any modifications delivered as part of the November 2019 SEC Release (due to go live on 7 November 2019) would incur no additional release costs beyond the costs provided to the end of PIT. This means that Modification Reports which only contain costs up to PIT would be considered complete if the change was to be included as part of the November 2019 Release, since they would contain the full costs to implement that change (i.e. no additional costs than those stated in the report).

3.2 The November 2019 SEC Release

Based upon DCC assurances that there will be no additional release costs, we believe there are currently five modifications which impact DCC Systems that could be included in the November 2019 SEC Release. These are set out below:

Mod	Title	Status
SECMP0023	Correct Units of Measure for Uncontrolled Gas Flow Rate	Currently approved for implementation in the June 2020 SEC Release.
SECMP0039	Communication Hub returns notification for Other SEC Parties	The Modification Report is being presented to Panel in January 2019, with a Change Board vote expected in February 2019.
SECMP0042	Amend SMKI Services to provide DCC Users and/or SMKI Participants with ARO Statistics and Information	The Preliminary Assessment costs will be reviewed by the SMKI PMA in January 2019, where they will decide whether to proceed with the change. If the modification proceeds, it is due to be issued for consultation shortly afterwards.
SECMP0058	Changes to the governance of the Self-Service Interface	The Working Group are further developing the solution following consultation comments. This change is anticipated to be issued for Change Board vote in April 2019.
SECMP0060	Amend Requirements to remove 'Pending' devices from SMI	The DCC have indicated an impact on their systems if this change is required, we anticipate the Change Board vote to take place in June 2019.

Further DCC System impacting modifications that could be included in this release may be identified in the next month or two as we receive the Preliminary Assessment responses.

The inclusion of these modifications into the November 2019 Release will be subject to the DCC confirming that:

- there are no additional costs to those stated in the Impact Assessments;

- the costs quoted in the Impact Assessments do not include any release overheads; and
- they can deliver the changes within the available lead time.

Subject to confirmation from the DCC on the above points and Panel agreement, we will write to Ofgem requesting the implementation date for SECMP0023 be moved from the June 2020 Release to the November 2019 Release.

The remaining modifications identified as candidates for November 2019 will progress through the process with the intent being to have them all approved by June 2019.

3.3 Other DCC System impacting modifications without full costs

There are a further 12 modifications currently in the Refinement Process which would impact on DCC Systems that we do not expect to reach decision in time for inclusion in the November 2019 SEC Release.

As noted above, we anticipate it will be June 2019 before the DCC are in a position to provide us with full release costs for modifications that will be implemented in 2020 and beyond, following its determination of a suitable enduring approach to costs in light of the conclusions from its study and agreement for that approach with the Panel. Since completed Impact Assessments cannot be returned until after this date, we do not believe it efficient to incur the cost of requesting these from the DCC until then. Therefore, SECAS will progress modifications through the Refinement Process, including completion of Preliminary Assessments and industry consultations as appropriate and as per the agreed timescales. Once a modification is at a point where an Impact Assessment is required, we will place the change on hold until we have confirmation that the agreed cost information can be provided via an Impact Assessment.

SECMP0025 'Electricity Network Party Access to Load Switching Information' is currently on hold until the DCC can provide full implementation costs. We estimate that by March 2019, a further seven modifications will also reach this point and be on hold awaiting an Impact Assessment.

We highlight that this approach could mean the Modification Reports for all these modifications are presented to the Panel at or around the September 2019 Panel meeting. Likewise, due to the delay, a large number of potential Working Group meetings could be scheduled for August 2019, should the respective Working Groups need to meet to discuss the Impact Assessment responses. Once we have more certainty on the timescales for receiving the full implementation costs, we will review whether any of these can be deferred to a later meeting without impacting on their implementation approach, in order to stagger the workload of the DCC, the industry and the Change Board. Equally, if any reports can be presented to the Panel sooner, we will do so.

4. Modifications on hold for other reasons

There are a further six Modification Proposals on hold due to wider issues, which we have summarised below. We have not provided timetables for these modifications at this time, as we do not have enough certainty on the next steps for these modifications. We will provide the Panel with an update on these modifications once we are able to take them forward. In the meantime, we ask the Panel to agree to set no definitive due date for the Modification Reports for these modifications.

Mod	Title	Status
SECMP0012	Channel selection to support Shared HAN solutions	The Proposer does not wish to progress the modification but will not withdraw the change until another Proposer can be found to take it

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Mod	Title	Status
		forward. Further progress on this modification is also dependent on developments in the Alt HAN space; as such, no timetable can be developed at this time.
SECMP0013	Smart meter device diagnostics and triage	The Proposer is discussing security concerns raised against this modification with BEIS and the SSC. The outcome of these discussions will inform whether, and how, this modification progresses further; as such, no timetable can be developed at this time.
SECMP0024	Enduring Approach to Communication Hub Firmware Management	The DCC has recently undertaken a consultation regarding the management of firmware, which sets out an alternative solution to SECMP0024. This modification is on hold pending the responses to this consultation, after which the Proposer and the Working Group will determine how to proceed.
SECMP0028	Prioritising Service Requests	The Proposer has put this modification on hold pending the outcome of SECMP0062 'Northbound Application Traffic Management – Alert Storm Protection' and SECMP0067 'Service Request Traffic Management'.
SECMP0032	Prioritising Prepayment Customers in No WAN Situations	The Proposer is considering the case for change in light of the costs provided in the Preliminary Assessment. A timetable will be produced once the way forward has been agreed.
SECMP0037	Pairing Local PPMIDs	The Proposer, the Working Group and the SSC are considering the results of the Risk Assessment carried out on the proposed solution. Following a joint meeting, the Proposer will determine how they want to proceed, after which a timetable can be prepared.

5. Summary of open modifications

The status of the open Modification Proposals is summarised in the table below. Details of the progression timetables for each modification can be found in Appendix A.

Status	Number
Awaiting implementation	4
With Authority for decision	3
Report Phase	3
Modification Report presented to Panel	1
On hold pending Impact Assessment	1

Status	Number
Working Group Consultation	3
Preliminary Assessment	5
Solution development	7
On hold for other reasons	6

6. Recommendations

The Panel is requested to:

- **AGREE** the progression timetables as outlined in Appendix A; and
- **AGREE** to request the Authority amends the implementation date for SECMP0023 for implementation in the November 2019 SEC Release.

David Kemp

SECAS Team

4 January 2019

Attachments

- **Appendix A:** Modification Progression Timetables