

Peter Davies, Panel Chair Smart Energy Code Company Limited 8 Fenchurch Place London, EC3M 4AJ

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15 January 2019

Dear Michael,

Request to change the implementation date for SECMP0023

The SEC Panel is requesting that the implementation date for SEC Modification Proposal <u>SECMP0023 'Correct Units of Measure for Uncontrolled Gas Flow Rate'</u> be brought forward from its current date of 25 June 2020. At its meeting on 11 January 2019, the Panel agreed that the revised implementation date should be 7 November 2019, as part of the November 2019 SEC Release. This letter sets out the rationale for the Panel's request and seeks the Authority's approval for this revised implementation date.

SECMP0023 was approved by the Change Board under Self-Governance on 23 May 2018 for implementation on 27 June 2019 as part of the June 2019 SEC Release. As part of its determination, the Change Board noted DCC implementation costs of circa £415,000 up to the end of the Pre-Integration Testing (PIT) stage. However, the costs of the System Integration Testing (SIT), User Integration Testing (UIT) and Implement to Live stages were not available at the time the Change Board made its decision. The DCC had noted that the costs of these activities would be assessed in aggregate across all Modification Proposals once the scope of the corresponding SEC Release had been confirmed, as the costs for a SEC Release cannot be estimated without the scope, delivery date and testing approach agreed.

At the August 2018 Panel meeting¹ the DCC presented its intended testing approach for the June 2019 SEC Release. The Panel noted that the DCC's final full cost estimate for the release (including a set of BEIS-led Resolution Proposals) was high and, in considering the overall scope of the release, did not believe progressing would be cost-effective. It determined that the release should become a SEC Documentation Release and that SECMP0023 should be deferred to a later release where it could be implemented alongside other changes to the DCC Systems to achieve cost-savings.

At the September 2018 Panel meeting² the Panel considered the scope of the November 2019 SEC Release. It determined that the scope of this release on the DCC Systems at that time would have been unchanged from that originally proposed for the June 2019 SEC Release, and noted that the

¹ Please see Panel paper SECP_59_1008_15 for full details.

² Please see Panel paper SECP_60_1409_19 for full details.



total implementation costs would not be materially lower. It therefore believed that implementing the changes in the November 2019 SEC Release would still not be cost-effective.

The Panel noted that the scope of the next planned SEC Systems Release in June 2020 was expected to include several more Modification Proposals; implementing SECMP0023 alongside these other changes would likely achieve the cost-savings it sought. It therefore determined that the June 2020 SEC Release would be an appropriate date on which to schedule the implementation of SECMP0023. The Panel wrote to the Authority to request the change of implementation date, which was approved.

Since then, the DCC has 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 up to the end of PIT. The DCC would instead absorb the costs of the subsequent testing and release activities as part of the SMETS1 Enrolment and Adoption cohort due to be implemented at around the same time.³ This means that the costs provided in the SECMP0023 Modification Report can be considered complete if the change was to be included as part of the November 2019 SEC Release, since these would be the full costs to implement that change (i.e. no additional costs than those stated in the report).

At the January 2019 Panel meeting⁴ the Panel reviewed the scope of the November 2019 SEC Release in light of the DCC's view of additional modifications it believed it could include within this release. Noting this and the DCC's proposed approach to costs for this release, the Panel believed it would now be cost-effective to include SECMP0023 in the November 2019 SEC Release.

In accordance with SEC Section D10.5 'Subsequent Amendment to Implementation Timetable', the Panel therefore requests the Authority directs that the implementation date for SECMP0023 be revised to 7 November 2019 as part of the November 2019 SEC Release.

If you would like to discuss this further, please do not hesitate to contact myself or the SECAS team on 020 7090 7755 or <u>SECAS@gemserv.com</u>.

Yours sincerely,

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Peter Davies SEC Panel Chair

Copied to: SEC Panel Members, SEC Parties and Ofgem.

³ Please see the minutes for Panel paper SECP_63_1412_16 for further details.

⁴ Please see Panel paper SECP_64_1101_09 for further details.