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Paper Reference:	**SECP_66_1503_15**
Action:	**For Decision**

SECMP0060 Modification Report

1. Purpose

SECMP0060 'Amend Requirements to remove 'Pending' devices from SMI' has undergone the Refinement Process and the Working Group has now completed its assessment of the areas requested by the Panel and prepared the Modification Report. We are recommending that this modification be progressed to the Report Phase and that the Panel approves the Modification Report, the implementation approach, and that SECMP0060 is a Self-Governance Modification.

This paper provides a high-level summary of the key points. Full details can be found in the draft Modification Report in Appendix A.

2. Summary of the proposal

What is the issue?

Currently under the SEC, any device in the Smart Metering Inventory (SMI) with a 'Pending' status must be removed by the DCC after 12 months if the status has not changed. Delays to the Smart Metering Equipment Technical Specifications (SMETS) 2 rollout programme have led to multiple Communications Hub devices still being listed as 'Pending' and potentially needing to be removed from the SMI. The requirement in its current form is a potential barrier to the rollout and the affected assets could be obsolete to Users in their current state. This is due to DCC Users being unable to install devices that have been removed from the SMI list and therefore, increases the likelihood of older device models not being used and being charged by the DCC through the Communication Hub Stock Level Charges as specified in SEC Section K 'Charging Methodology'.

What is the Proposed Solution?

SECMP0060 proposes to increase the time period before removal from the SMI, configurable so that it may be changed in future with greater ease, and changing the current value from 12 months to 36 months for all devices.

3. Proposed progression

The Working Group believes that this modification is now ready to progress to the Report Phase.

Determination approach

This modification has been progressed under Self Governance as agreed by the Panel.

Implementation approach

The Working Group recommends an implementation approach of:

- 7 November 2019 (November 2019 SEC Release) if a decision to approve is received by 24 April 2019.

4. Recommendations

The Panel is requested to:

- **AGREE** that SECMP0060 should be progressed to the Report Phase;
- **APPROVE** the Modification Report;
- **APPROVE** the implementation approach; and
- **AGREE** that SECMP0060 should be progressed as a Self-Governance/Modification.

Harry Jones

SECAS Team

8 March 2019

Attachments:

- **Appendix A:** SECMP0060 Modification Report
  - **Annex A:** SECMP0060 Business Requirements
  - **Annex B:** SECMP0060 Legal Text
  - **Annex C:** SECMP0060 Impact Assessment
  - **Annex D:** SECMP0060 Working Group Consultation responses

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SECMP0060

‘Amend Requirements to Remove ‘Pending’ Communications Hubs from the SMI’

Modification Report

Version 0.5

About this document

This document is the Modification Report for SECMP0060 'Amend Requirements to Remove 'Pending' Communications Hubs from the SMI'. It provides detailed information on the background, issue, solution, costs, impacts and implementation approach. It also summarises the discussions that have been held and the conclusions reached with respect to this Modification Proposal.

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This document also has four annexes:

- **Annex A** contains the business requirements for the proposed solution.
- **Annex B** contains the redlined changes to the Smart Energy Code (SEC) required to deliver the proposed solution.
- **Annex C** contains the full Data Communications Company (DCC) Impact Assessment response.
- **Annex D** contains the full responses received to the Working Group Consultation.

1. Summary

Currently under the SEC, any device in the Smart Metering Inventory (SMI) with a 'Pending' status must be removed by the DCC after 12 months if the status has not changed. Delays to the Smart Metering Equipment Technical Specifications (SMETS) 2 rollout programme have led to multiple Communications Hub devices still being listed as 'Pending' and potentially needing to be removed from the SMI. The requirement in its current form is a potential barrier to the rollout and the affected assets could be obsolete to Users in their current state. This is due to DCC Users being unable to install devices that have been removed from the SMI list and therefore increases the likelihood of older device models not being used and being charged by the DCC through the Communication Hub Stock Level Charges as specified in the SEC Section K 'Charging Methodology'.

SECMP0060 proposes to increase the time period before removal from the SMI configurable so that it may be changed in future with greater ease, and changing the current value from 12 months to 36 months.

This modification will impact all Supplier Parties and the DCC. Originally this modification had no anticipated impacts on DCC Central Systems, but as part of the Working Group's assessment and changes to the solution, the DCC Systems will be impacted by the modification. The total central estimated implementation cost of the modification will be approximately £72,000. If approved this modification is targeted for inclusion in the November 2019 SEC Release.

2. Background

What is the SMI?

The SMI is a configurable list that is maintained by the DCC which contains all the devices which DCC Users can install and that can communicate with the DCC. This is an inventory of devices which comprise Smart Metering Systems which are (or are to be) enrolled with DCC. The Smart Metering Inventory also holds information about devices and their inter-relationships.

What are DCC stock level charges?

The DCC levies a Communications Hub Stock Level Charge (SEC Section K 'Charging Methodology' 7.5(l)) to customers. This charge is based upon devices that have been delivered and accepted but have not been commissioned. This charge is calculated using the figures from the SMI concerning the quantity of affected devices to each individual DCC User for reference (as this was considered the most efficient practice to follow). Alongside and separately to this modification, the DCC also wishes to develop a new practice of sourcing data to calculate these charges for devices that have been removed from the SMI.

What is the issue?

Under the SEC, any device in the SMI with a 'Pending' status must be removed by the DCC after 12 months if the status has not changed. Delays to the SMETS2 rollout programme has led to multiple devices still being listed as 'Pending', which will need to be removed from the SMI. A device that is removed from the SMI list cannot be installed by DCC Users.

This requirement will result in thousands of Communications Hubs that would have been functional, being removed from the SMI, and DCC Communications Hub Stock Level Charges being incurred by Parties who have these devices. This in turn may delay the rollout to an even greater extent, as the devices unable to be installed will be rendered obsolete to DCC Users and will devalue devices that may have been previously fit for purpose. SECMP0060 was raised by the DCC on 4 September 2018 to resolve this issue.

3. Solution

Proposed Solution

SECMP0060 proposes to amend the requirement in SEC Appendix AC 'Inventory, Enrolment and Decommissioning Procedures' Section 7.2, which obligates the DCC to remove devices from the SMI where the device status is 'Pending' and has remained in that state for 12 months. This change will increase the time period a device can remain in a 'Pending' state from 12 months to 36 months.

This time period value will be configurable within the DCC Systems, should the need for the value to be changed arise in future. However, the value itself will remain 'hardwired' in the SEC at this time, as it is not anticipated that frequent changes will be required. This will mean that any future changes to this value would require a modification, but those changes would not involve any DCC System impacts.

The business requirements for this solution can be found in Annex A.

Legal text

The changes to the SEC required to deliver the proposed solution can be found in Annex B.

4. Impacts

This section summarises the impacts that would arise from the implementation of this modification.

SEC Parties

SEC Party Categories impacted			
✓	Large Suppliers	✓	Small Suppliers
	Electricity Network Operators		Gas Network Operators
	Other SEC Parties	✓	DCC

Supplier Parties in possession of devices listed as 'Pending' on the SMI after 12 months will benefit from this modification as they will be able to continue to install these devices.

The modification will also affect the method of retaining these 'Pending' devices in the SMI and applying the relevant Stock Level charges from DCC.

DCC System

The DCC Systems are affected by this modification. The DCC have stated in their Impact Assessment that their Data Management and Data Service Provider (DSP) functionality will be affected in order to deliver the proposed solution.

The full impacts on the DCC Systems and the DCC's proposed testing approach can be found in the DCC Impact Assessment response in Annex C.

SEC and subsidiary documents

The following parts of the SEC will be impacted:

- SEC Appendix AC 'Inventory, Enrolment and Withdrawal Procedures'

Other industry Codes

No impacts on other industry codes have been identified as a result of this modification.

Greenhouse gas emissions

There are no Greenhouse Gas Emissions as a result of this modification.

5. Costs

DCC costs

The confirmed DCC implementation costs to implement this modification is £71,217. The breakdown of these costs are as follows:

Breakdown of DCC implementation costs	
Activity	**Cost**
Design	£71,217
Build	
Pre-Integration Testing (PIT)	
System Integration Testing (SIT), User Integration Testing (UIT) and implementation	Not specified

Please note that if SECMP0060 is included in the November 2019 SEC Release then the costs for SIT, UIT and implementation will be absorbed by the DCC due to the SMETS1 Enrolment and Adoption programme cohorts going live around the same time. These costs would therefore not be incurred as part of this modification in this situation.

More information can be found in the DCC Impact Assessment response in Annex C.

SECAS costs

The estimated SECAS implementation cost to implement this modification is two days of effort, amounting to approximately £1,200. The activities needed to be undertaken for this are:

- Updating the SEC and releasing the new version to the industry.

SEC Party costs

No SEC Party costs have been identified to implement this modification.

6. Implementation approach

Recommended implementation approach

The Working Group is recommending an implementation date of:

- **7 November 2019** (November 2019 SEC Release) if a decision to approve is received on or before 24 April 2019.

The Working Group members agreed that the implementation date for the modification should be as soon as possible to minimise the number of devices that are removed from the SMI.

As stated in the Impact Assessment response, the DCC requires a six-month lead time between the modification being approved and implementing the proposed solution, meaning that this modification is a candidate for inclusion in the November 2019 SEC Release, should it be approved in sufficient time.

7. Discussions and development

Changes to the originally proposed solution

After further consultation with the Department for Business, Energy and Industrial Strategy (BEIS), the Proposer brought forward an amendment to the originally proposed solution at the first Working Group meeting. Instead of completely removing the clause in SEC Appendix AC Section 7.2, which would void any obligation around the DCC removing devices from the SMI that were listed as 'Pending', it would instead be amended to increase the time that a device can be listed as 'Pending' from 12 to 36 months. The rationale was so that an obligation for the DCC still existed to remove devices after a period of time, but that by visibly extending the time which devices can be listed as 'Pending' on the SMI, would act as an incentive to increase production and innovation of devices for the SMETS2 rollout. The Working Group acknowledged the Proposer's revised solution and based its assessment on this.

Originally, a reporting process was considered for inclusion as part of the proposed solution, to seek to change the 'First in Last Out' approach that occurs where older models that are developed first and placed on the list at an earlier stage end up leaving the inventory last, as the newer device models are preferred by Supplier Parties. However, due to concerns that including this in the solution could potentially extend the modification's timeline further than it would with just the inclusion of amending the cut-off date, it was recommended that this could be made in a future modification if necessary. The Proposer also noted that it was not the intention of SECMP0060 to monitor how Users manage their stock, and that it should be for Users to manage their inventories; as such, there was little benefit seen in providing any reporting. This was acknowledged by the Working Group.

Are the existing Smart Meter Inventory requirements fit for purpose?

The modification is seeking to amend the requirements for the SMI. As part of the modification, the Working Group considered whether the current requirements and regulations around the handling of 'Pending' devices in the SMI are effective, or if there should be amendments made, given the circumstances surrounding delays to the SMETS2 Rollout. The Working Group were asked to consider the impacts of this modification to the SMI requirements and what impacts would occur if the modification is rejected.

The Working Group discussed some of the current requirements of the SMI and agreed that the existing structure of the SMI is effective but required some amendments. The main amendment desired, due to the unforeseen delays to the SMETS2 rollout, was that the obligation to remove devices from the SMI should have been more flexible in the given circumstances.

What security risks exist if Communication Hubs devices are left on the SMI for over 12 months?

The modification looks to address Communications Hub devices that will either have to be removed from the SMI and incur CH Stock Level charges, or, if they remain on the list, will have been on the list for longer than 12 months. Given that the process was originally designed so that the devices listed as 'Pending' would be removed after 12 months, it therefore raised the question as to what risks may exist if a device stays on the list past this specified time. An area of consideration would be firmware updates that may no longer be sufficient for older models of Communications Hub devices.

When consulted over the questions of potential security risks that would exist if devices were left on the SMI for over the original 12-month period, the Working Group was convinced that there would be no additional risk from making these changes. For instance, the Working Group saw no risk coming from firmware being insufficient for older device types due to the 'update' nature of firmware and agreed that they saw no other security issues arising from increasing the SMI value from 12 to 36 months.

The Working Group raised this with the Security Sub-Committee (SSC) who concluded that this concern would not present a risk. The SSC also confirmed that there was no risk associated with this modification but suggested that the value of 36 months should be reverted back to 12 months as soon as possible once the initial issue raised in this modification ad been dealt with.

Should other devices besides Communications Hubs be included in the solution?

The Panel had raised the question as to whether or not other devices that are on the SMI that have remained as 'Pending' on the list should be included in this modification's solution. The rationale for this was that there are other devices that may be removed from the list in the same way, which will add an administrative burden to the DCC in order to re-notify these devices.

The Working Group unanimously agreed that the modification should be extended to all device types on the SMI, even though originally the modification was proposed to deal with Communication Hubs. This way, Smart Meters and other SMETS2 devices will be given the same extension as to how long they can remain 'Pending' on the SMI before being removed. The Proposer supported this amendment.

What business case exists for the modification?

The Working Group asked as part of the Working Group Consultation the cost that would be incurred to industry. Although a number of Communications Hubs were specified as part of the issue for why a solution was needed, some respondents noted that they wanted further details as to the total cost involved if the modification wasn't implemented. One respondent also enquired into other costs involved with the modification, pertaining to data management and contract schedules.

The DCC confirmed the cost of each device being removed from the SMI would be between £36 and £50 per unit. They also presented the estimated cumulative number of Communications Hubs that could be removed from the SMI by the end of 2019, which would reach approximately 1.2 million. Considering this number didn't include other device types in the SMI, the Working Group felt the costs to the industry in *not* making this change would far exceed the costs to make the change. The DCC also asked Working Group members if they had any individual costs that they would incur if this modification was not implemented. SECAS received no further updates from SEC Parties over this.

Is there an alternative solution?

An alternative solution was questioned when the DCC noted an interim solution of manually resetting values was being used to correct devices until the proposed solution is accepted. A Working Group member asked whether this solution that was already being carried out by the DCC could be implemented and used permanently.

The DCC stated that this wouldn't be viable. This was due to the manual resetting of values for thousands of devices, carrying the risk of errors occurring across such a large quantity of devices.

They also noted that the effort and resources used to manage these changes would be significantly lower under the proposed solution.

The DCC also noted that SECMP0060 is seen as the first stage in a two-stage solution to this issue. The long-term solution it is considering is to exclude Communications Hubs from being deleted from the SMI. This is expected to be managed by way of an exclusion list, and new device types can be added to this exclusion list if needed in the future. This would be progressed via a separate modification, so as not to hold up implementation of this change.

8. Conclusions

Benefits and drawbacks

The Proposer and the Working Group have identified the following benefits and drawbacks in implementing this modification:

Benefits

- This modification would result in less administrative work on the part of the DCC and Suppliers who currently hold the affected devices on the SMI. If this modification were to pass, it would significantly reduce the number of 'Pending' devices that would require re-notification to the SMI. If these devices aren't re-notified, the devices will be unable to communicate through the DCC Systems between System Users and the respective devices. By avoiding this process, it will be beneficial to both the DCC and the Parties who hold the 'Pending' devices.
- There is a financial benefit to this modification. Due to the number of Communications Hubs that the DCC have estimated would have to remove from the SMI by the end of the calendar year, which would then incur charges to industry participants, the modification's solution costs would be far less than with the costs of no intervention. The Working Group reviewed this and agreed with the business case set out with the information provided by the DCC.
- Another benefit which was observed by the Working Group was that if the proposed solution was adopted, the industry would likely be encouraged to increase production and innovation of devices for the SMETS2 rollout. The rationale for this was because if the amount of time a device can be listed as 'Pending' on the SMI is increased, there is less concern on the part of the Party holding the device about the issue of the device being removed from the SMI and being unable to communicate with the DCC systems.

Drawbacks

- The main drawback which was noted is that this could result in an increase in unused device stock. With an increased time that devices could potentially be listed as 'Pending', this increases the chances that newer stock could be created during that time which would be more attractive for Supplier Parties to use rather than older stock. This could result in larger volumes of stock being listed and unused for longer.

Proposer's rationale against the General SEC Objectives

Objective (a)[1]

The Proposer believes that SECMP0060 will better facilitate SEC Objective (a) due to allowing a faster and more effective provision of smart meters than currently.

[1] (a) Facilitate the efficient provision, installation, operation and interoperability of Smart Metering systems at energy consumers' premises within Great Britain

Objective (b)[2]

The Proposer believes that SECMP0060 will better facilitate SEC Objective (b) through allowing the DCC to comply with its obligations with minimal devices being removed from the SMI with charges being incurred.

Objective (f)[3]

The Proposer believes that SECMP0060 will better facilitate SEC Objective (f) through the proposed changes to the SMI requirements creating a more accurate and effective way of retaining data in the SMI relating to Communications Hubs.

Working Group members' views

The Working Group unanimously agrees that general SEC Objectives (a) and (b) would be better facilitated if this modification were implemented, for the same reasons given by the Proposer. The majority of members agreed with the Proposer's view that Objective (f) would also be better facilitated, while the remaining members believed there would be no impact on this objective.

The Working Group agreed with the legal text and implementation approach provided for the modification after revisions were made following the Working Group Consultation. This included the removal of the reporting process in this modification, although it was determined this may be added at a later date should it be required. Members also agreed that implementation of the modification's solution should be made at the earliest opportunity, given the potential cost to industry involved if the modification was not delivered.

Consultation respondents' views

There were five respondents to the Working Group Consultation, two of which were in support and three were against the modification.

One respondent who responded negatively cited several issues they had from a regulatory and solution perspective. They questioned the reason for raising the modification as they believed this was something the DCC needs to solve internally and not something that should be funded or solved by industry. This point was raised at the Working Group meeting following the consultation, where the DCC stated that from a regulatory perspective this would solve an issue with Communication Hubs and other devices prior to being commissioned rather than having commissioned stock sitting idle. The Working Group members agreed with the DCC's view at the meeting. The DCC also provided a business case which they believe addressed the issues raised over the proposed solution and potential industry cost involved.

Another respondent explained that whilst they agree with the modification in principle and that it does present a solution to the issue, they questioned how close the solution was to what was proposed in the first Working Group meeting and that elements of what were discussed were missing from the DCC's Business Requirements and Preliminary Assessment. This information has since been clarified

[2] (b) Enable the DCC to comply at all times with the objectives of the DCC and to discharge the other obligations imposed upon it by the DCC License

[3] (f) Ensure the protection of data and the security of data and systems in the operation of the SEC

in this report and the scope of the Impact Assessment was increased to extend to all devices rather than just Communications Hubs to reflect this.

The final respondent against the change cited that the lack of a well-defined business case prevented them from giving a positive response to the consultation. They also mentioned other issues at the time, including the lack of reporting process in the provided assessments, which was mentioned in the Working Group meeting when the modification was originally proposed, and questions over costs in the analysis referring to data management and contract schedules. Following this comment, the DCC provided further figures around the number of Communications Hubs potentially affected by this and the costs that would be incurred if no change was made, which is outlined in Section 7.

The two respondents in support of SECMP0060 gave the rationale that extending the time period in the SMI for communications hubs would be beneficial, where it would give them greater flexibility with their asset management and reduces the administrative burden of re-notification of devices. Both these respondents also stated that they want this modification implemented as soon as possible to minimise the number of devices that are removed from the SMI.

Sub-Committee views

This modification was presented to the SSC on 23 January 2019 to assess the security risks associated with this modification. The SSC confirmed that there were no security risks arising from this change.

Appendix 1: Glossary

This table lists all the acronyms used in this document and the full term they are an abbreviation for.

Glossary	
Acronym	**Full term**
BEIS	Department for Business, Energy and Industrial Strategy
DCC	Data Communications Company
DSP	Data Service Provider
IMR	Initial Modification Report
PIT	Pre-Integration Testing
SEC	Smart Energy Code
SECAS	Smart Energy Code Administration and Secretariat
SIT	System Integration Testing
SMETS	Smart Metering Equipment Technical Specifications
SMI	Smart Metering Inventory
SSC	Security Sub Committee
UIT	User Integration Testing

If you have any questions on this modification, please contact:

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SECMP0060 'Amend Requirements to Remove 'Pending' Communications Hubs from the SMI'

Annex A

Business Requirements – version 0.1

About this document

This document contains the detailed context and business requirements to deliver SECMP0060.

Context

Currently under the SEC, any device in the SMI with a 'Pending' status must be removed by DCC after 12 months if the status has not changed. Delays to the SMETS2 rollout programme has led to multiple Communications Hub devices still being listed as 'Pending' and potentially needing to be removed from the SMI. The requirement in its current form is a potential barrier to the rollout and the affected assets could be obsolete to Users in their current state. This is due to DCC Users being unable to install devices that have been removed from the SMI list, and therefore increases the likelihood of older device models not being used and being charged by the DCC through the Communication Hub Stock Level Charges as specified in SEC Section K 'Charging Methodology'.

Business Requirements

This section sets out the detailed business requirements for the SECMP0060 Proposed Solution.

DCC Change Request

This Change Request aims to stop the DSP's Smart Metering Inventory (SMI) from deleting Communications Hubs that have been in a Pending state for 12 months or longer.

This issue presents an administrative burden to both the DCC and the industry, with a need to monitor and report on the Communication Hubs that are removed from the SMI. Furthermore, DCC Users are unable to install Communication Hubs that have been removed from the SMI, as per SEC Sections F7 and Appendix I 'Communications Hubs Installation and Maintenance Support'.

DSP Solution

The Proposer's primary requirement is to stop the removal of Communications Hubs that have been in a 'Pending' state in the SMI for 12 months or longer. The solution is also required to have a provision to disable housekeeping for a selected type of device if needed in future. A two-stage solution has therefore been proposed for the DSP:

Stage 1: Tactical Solution

- A quick fix that changes retention period of the devices in 'Pending' state to 36 months from 12 months. This tactical solution has been progressed by way of the small change request SCR137.

Stage 2: Enduring Solution

- A longer-term solution that will exclude Communications Hubs from being deleted from the SMI. This will be managed by way of an exclusion list. New device types can be added to this exclusion list if needed in future.

SECMP0060 business requirements

The following business requirements have been agreed for SECMP0060:

Requirement 1: The period after which Devices listed on the SMI as 'Pending' will be removed will be increased from 12 months to 36 months

The DCC will remove Devices from the SMI where the device status is 'Pending' and has remained in that state for 36 months.

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SECMP0060 'Amend Requirements to remove 'Pending' Communications Hubs from SMI'

Annex B

Legal Text – version 0.2

About this document

This document contains the redlined changes to the SEC that would be required to deliver this Modification Proposal.

These changes have been drafted against SEC Version 6.3.

Appendix AC 'Inventory, Enrolment and Withdrawal'

Amend Section 7.2 as follows:

7 Reactivating Decommissioned, Withdrawn or Suspended Devices

7.1 Where the Responsible Supplier wishes to change the SMI Status of any Device (other than a Type 2 Device) from 'decommissioned', 'whitelisted' or 'withdrawn' to 'pending', then the Responsible Supplier shall send the DCC a Service Request to that effect. Provided the Device in question is of a Device Model that is identified in the Certified Products List, the DCC shall change the SMI Status to 'pending'.

7.2 Where the SMI Status of a Device has remained as 'pending' for ~~12~~ 36 months, then the DCC shall remove the Device from the Smart Metering Inventory.

7.3 Where a Device ceases to be Suspended (either as a result of the Device Model being added to the Certified Product List, or the Device's Device Model being modified such that it is on the Certified Product List), the DCC shall change the SMI Status of that Device to the status it held immediately prior to its Suspension.

Data Communications Company

SEC Modification Proposal, SECMP0060

Retention of Comms Hubs* in "Pending" State in Smart Metering Inventory

Full Impact Assessment (FIA), DCC CR 1022

Version:	**0.9**
Date:	**07/02/2019**
Author:	**DCC**
Classification:	**DCC PUBLIC**

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1 Document History

1.1 Revision History

Revision Date	Revision Number	Summary of Changes
23/01/2019	0.1	Compilation from Service Providers, requested changes
29/01/2019	0.7	Completed internal DCC Review
08/02/2019	0.9	Updated on SECAS direction to include all devices in DSP

1.2 Associated Documents

This document is associated with the following other documents:

Title and Originator's Reference	Source	Issue Date	Version
SEC Modification Proposal, SECMP0060 Retention of Comms Hubs in "Pending" State in Smart Metering Inventory Preliminary Impact Assessment (PIA), DCC CR 1022	DCC CR	11/12/2018	0.7

2 Introduction

2.1 Document Purpose

The purpose of this DCC Full Impact Assessment (FIA) is to provide the relevant Working Group with the information requested in accordance with SEC Section D6.9 and D6.10.

2.2 Previous Information Provided by DCC

This version of the FIA is provided to cover updated requirements that all devices in the DSP should be configurable to remain in the SMI after 12 months.

An initial DCC Full Impact Assessment was requested of DCC on 14/1/2019. further to a DCC Preliminary Assessment (PA), which was returned to the Working Group on 11/12/2018. This document builds on the information previously provided as part of the PIA, clarifying and refining the impact of this SEC Modification on DCC.

The original Proposers for this Modification were Amanda Rooney and Martin Cullen, DCC.

2.3 DCC Contact Details

Please raise any queries regarding this DCC Impact Assessment using the contact details provided below.

Name	DCC - SEC Modification queries
Contact email	Mods@smartdcc.co.uk

2.4 Context

The SEC currently states that devices with a "Pending" status in the Smart Metering Inventory (SMI) must be removed by DCC after 12 months. The SMI currently complies with this statement.

However, due to delayed installation activity in the SMETS2 rollout, increasingly more devices are due to be removed from the SMI through this requirement, with the first significant numbers expected in September 2018. As Users are unable to install devices that have been removed from the SMI, this requirement is a potential barrier to rollout activity and the affected assets would be no longer useful to Users in that state.

Additionally, DCC levies a CH Stock Level Charge (SEC K7.5 part l) to customers in relation to devices that have been delivered and accepted but not yet commissioned, with figures taken from the SMI (as this was the most efficient process to follow). Therefore Communication Service Provider (CSPs) will continue to charge DCC for CHs in stock (even if deleted in SMI), however, DCC would require a new data source and business process (without using SMI) in order to apply a Stock Charge to Customers for the CHs that have been deleted from the SMI.

A tactical fix identified in DCC Small Change Request (SCR) 137, based on manually resetting the values is in place. However, this is not an enduring change as smart

meter rollouts continue, and the number of impacted devices is likely to rise significantly.

If this change were not implemented:

- installation and commissioning activity could be delayed as DCC Users are unable to install devices that have been removed from the SMI.
- since CSPs may charge DCC for CHs in stock in Pending status for prolonged periods there may be a financial impact to DCC as rollout progresses and more devices are affected.
- there would be an increasing administrative burden to DCC and industry with the need to actively monitor and report on devices removed from the SMI.
- DCC would become non-compliant with the SEC as a corresponding SEC modification is planned.

2.5 Requirements

The business requirements are as follows.

Requirement 1	The DCC Total System should be configurable to stop the removal of all devices that have been in a Pending state in the SMI for 12 months or longer.
Requirement 2	It must be possible to switch off housekeeping functionality for selected devices by way of configuration. This is to cater to any future requirement to exclude other device types from housekeeping.

The term "housekeeping" refers to the tidying up, or removal, of devices that have been in a pending state for too long, or more specifically in this case, the deletion of devices available through the SMI.

Based on the discussions at the Working Group and the Business Requirements as set out in the Solution Design Document, DCC consider the requirements for SECMP0060 to be STABLE.

2.6 Description of Solution

The existing SMI housekeeping functionality within the DCC Total System deletes all devices that have been in Pending state for 12 months or longer regardless of its type. In situations where the devices are not Comms Hubs (i.e. the Notifying Party is a Service User), the corresponding Service User is alerted about the deletion by way of the DCC Alert N8. In the case of Comms Hubs, the Notifying Parties are CSPs and the deletion of Comms Hubs happens silently as there is no mechanism to alert the CSPs.

With the implementation of this CR, the Comms Hubs in Pending state will be excluded from housekeeping. The exclusion of Comms Hubs from housekeeping is in line with the SEC updates proposed by DCC. However the SEC updates and text changes are not in the scope of this document.

This solution offers the flexibility to exclude any device type, not just Comms Hubs, from being deleted, by way of a configuration. To facilitate any future requests for devices other than Comms Hubs, other devices stored in the DSP have also been configured so they could be excluded from housekeeping if required. These include:

- PPMID
- IHD
- ESME
- GSME

2.6.1 High Level Solution

This change will modify the DCC Total System to update the SMI housekeeping procedures such that the records of device types that are part of the housekeeping exclusion list will not be removed from the SMI. The housekeeping exclusion list will initially contain all devices in the DSP.

As part of SCR137, the housekeeping duration of all the devices have been changed to 36 months. This will be restored to 12 months. The housekeeping duration of the applicable device types will continue to be configurable and any updates to the settings can be requested via change control process.

The pre-notification mechanism for Comms Hubs or the other devices will not change due to this CR.

3 Impact on DCC Systems, Processes and People

This section describes the impact of SECMP0060 on DCC's Services and Interfaces that impact Users and/or Parties.

3.1 Security

This section describes the impact DCC considers SECMP0060 will have on Security of DCC's Total System. On the basis that there are no changes to infrastructure and no changes to interfaces, it will not be necessary to perform any security testing (e.g. penetration testing), although security assurance will validate that contractual obligations in relation to security reviews of the revised functional solution have been completed. In addition, no additional requirements for monitoring are expected.

3.2 Infrastructure

Since this change does not require DCC Total System to store any additional Comms Hubs in the SMI there is no need to increase the storage capacity. The estimates for this change do not include any additional storage costs.

There are no changes to the external interfaces due to this change.

No new infrastructure will be procured in relation to this change.

3.3 Release Approach

Following discussion with DCC, this FIA response is based on delivery of SECMP0060 alongside other similar SEC Modification changes as part of a November 2019 release. Section 5.1 outlines a general plan for the release including when each of the major phases need to commence.

Section 7.2 includes some assumptions about the nature of the November 2019 Release which have been accounted for planning the release.

3.4 Implementation Approach

Within the SMIP, the Implementation Approach is referred to as Transition to Operations (TTO).

This change will be implemented as part of a larger release. It is assumed that the activities required for TTO will be minimal following completion of contractual test phases. Some updated service procedures have been implemented and take part in some form of service role playing in advance of go live, but that costs for this will be covered by the other November 2019 release.

Any required environment uplifts will take place outside of business hours.

3.5 Application Support

On the basis that updates to configuration will be charged under separate Operational Change Requests, it is not expected that there will be any change to ongoing levels of support as a result of the change. There will need to be some updates to service procedures in advance of the new solution being deployed to the Production system.

4 Testing Considerations

This section outlines the testing required to complete the Design, Build and Test phases for this SEC Modification.

4.1 Pre-Integration Testing

During Pre-Integration Testing (PIT), each Service Provider tests its own solution to agreed standards in isolation of other Service Providers. Specifically, the development team will carry out unit testing and the build will be subject to continuous build and automated testing to identify build issues at the earliest opportunity.

PIT will operate as a single phase of activity with a single drop. It will consist of a defined subset of system tests being observed by DCC.

4.2 Systems Integration Testing

Systems Integration Testing (SIT) is the testing of the DCC Total System, which brings together the components, e.g., DSP and CSP Systems, to allow testing of the end-to-end solution by DCC. SIT is carried out for every DCC System release and incorporates the test and integration of multiple changes. The SEC Modification and associated system changes will need to be demonstrated and tested as part of the integration test phases.

During the Transitional phase of the Smart Metering Implementation Programme (SMIP) the SIT environment and associated services are primarily used to provide integration testing to support implementation. At this stage in the programme the SIT environment is required to support the integration of SMETS1 systems into the DCC ecosystem, with the associated costs already being incurred by Users. Because Users are already paying for SIT, DCC considers that SIT costs should not be included in this assessment.

4.3 User Integration Testing

User Integration Testing (UIT) is referred to as User Testing in the SEC. User Testing of Modification Proposals is provided using the Modification Implementation Testing Service. It enables Users to run specific tests to support their implementation of a change. DCC expects that User Testing will be required to support User's implementation of this modification.

There is no perceived requirement for UIT relating to SECMP0060.

5 Implementation Timescales and Releases

5.1 Change Lead Times

From the date of approval (in accordance with Section D9 of the SEC), to implement the changes proposed DCC requires a lead time of: 6 months.

It is assumed that this change is to be implemented as part of a November 2019 release alongside other DSP impacting SEC Modifications. Implementation will need to commence in February 2019 based a set of changes being chosen by SECAS during January 2019. The high level plan for the release will need to follow the high level timelines in the table below:

Phase	Start	End
SECAS agreement on scope of release	April 2019	
PIT Phase	March 2019	mid-July 2019
SIT Phase, (limited to functional changes only)	Mid- July 2019	September 2019
UIT Phase, (limited to functional changes only)	October 2019	October 2019
Transition to Operations and Go Live	October 2019	November 2019

Table 1: November 2019 Release Timescales

Note that the implementation lifecycle is expected to fit into this schedule. In order to achieve this timescale and implement changes alongside other releases such as SMETS1 it may be necessary to align some activities with those programmes of work. Where required, changes will be implemented using feature switches to enable functionality to be only switched on for testing when it is required.

5.2 Consideration against Other Changes

None currently identified.

6 Costs and Charges

The table below details the cost of delivering the changes and Services required to implement this Modification Proposal.

The price is presented as a +/-15% range and is not an offer open to acceptance.

6.1 Design, Build, and Testing Cost Impact

The table below details the cost of delivering the changes and services required to implement this Modification.

Implementation Costs							
Phase	**Design**	**Build**	**Pre-Integration Testing**	**System Integration Testing**	**User Testing**	**Implement to Live**	**Total**
SECMP0060	*£71,217*			*Not included*[1]	*Not included*[2]	*Not included*[3]	**£71,217**

Supplementary Information	
Implementation cost assumptions	Costs are exclusive of VAT and any applicable finance charges Majority of the costs above represent labour costs. Costs provided for Design, Build and Pre-Integration Testing are quotes provided by the Service Providers with specific exclusions of costs as identified above. DCC have reviewed and challenged the costs from the Service Providers to ensure this reflects best price to date.
Explanation of Implementation Phases	DCC's implementation costs are provided by implementation phases. The following describes the purpose of each phase: • Design: The production of detailed System and Service design to deliver all new requirements. • Build: The development of the designed Systems and Services to create a solution (e.g. code, systems, or products) that can be tested and implemented. • Pre-integration Testing: Each Service Provider tests its own solution to agreed standards in isolation of other Service Providers. This is assured by DCC.

[1] At this stage in the SMIP the SIT environment is required to support the integration of SMETS1 systems into the DCC ecosystem, with the associated costs already being incurred by Users. Because of this DCC considers that SIT costs should not be included in this assessment.
[2] The costs associated with Modification Implementation Testing are largely fixed costs for providing all of the Testing Services. As such the costs of Modification Implementation Testing are not included in this assessment. In addition, there is expected to be no requirement for UIT for this SEC Modifcation.
[3] Individual changes are collected into a DCC release in order to make implementation as efficient as possible. Because of this DCC does not consider it appropriate to provide separate implementation costs for each individual change.

	• System Integration Testing (SIT): All Service Providers' PIT-complete solutions are brought together and tested as DCC's Total Solution, ensuring all Service Provider solutions align and operate as an end to end solution. • User Integration Testing (UIT): Users are provided with an opportunity to run a range of pre-specified tests in relation to the relevant change. • Implementation to Live Costs: The solution is implemented into Production environments and ready for use by Users as part of a live service. This service is subject to implementation costs.

6.2 Impact on Contracts and Schedules

It is not expected that there will be significant changes to the contract as a result of this change. There are modifications in the contract schedules required to support this Modification as follows:

- Schedule 2.1 Requirement G108.2 will need to be updated to state that records of Pending Comms Hubs and other types of devices will not be deleted from the SMI, and the changes in the retention period functionality

- Schedule 7.1: Will be updated to include an increased payment against the completion milestones.

An update to the SEC to reflect the changed housekeeping time will be required.

7 Risks, Assumptions, Issues, and Dependencies

In the following sections, Risks, Assumptions, Issues, and Dependencies have been identified.

7.1 Risks

Ref.	Area	Description	Impact
MP60-DR1	SMI	There is a risk that the number of additional Comms Hubs that will be retained in the SMI when not deleted after 12 months will have an impact on the additional storage required.	L
MP60-DR2	CR	If this change is not approved, DCC will need to develop an enduring solution to source data to calculate the CH Stock Level Charges for devices that have been removed.	H

7.2 Assumptions

The following assumptions relate to general November 2019 release planning. They have been considered in the planning for SECMP0060 and are accepted by the Service Provider.

Ref.	Description	Accepted?
MP60-A1	The November 2019 release would consist of approximately five medium sized changes where a medium sized change is classed as a changed valued between £100k and £500k	Yes
MP60-A2	The changes implemented do not introduce any material changes to existing design patterns, security implementation, interfaces or require any changes to DSP's infrastructure configuration	Yes
MP60-A3	The scope of supply under this Full Impact Assessment does not include any regression testing of wider DSP functionality	Yes

7.3 Issues

Ref.	Description	Mitigate?
MP60-DI1	Not addressing the pending state concern will present a barrier to installation activity; the devaluing of assets; and will be an administrative burden to both DCC and industry, with a need to actively monitor and report on the devices that are removed from the SMI.	
MP60-DI2	Although a tactical solution to continue to calculate the CH Stock Level Charge is in place, this will not endure and will become more of a burden on DCC as more devices are affected.	

7.4 Dependencies

Ref.	Dependency	Impact
M60-DD1	Further progress of this SEC Mod will be subject to SEC approvals of the proposed changes	Impact on the timescales.

Appendix: Glossary

The table below provides definitions of the terms used in this document.

.Acronym	Definition
CAN	Contract Amendment Note
CH	Communications Hub, Comms Hub
CR, CRP	Change Request, BEIS Change Request
CSP	Communication Service Provider
DCC	Data Communications Company
DSP	Data Service Provider
FIA	Full Impact Assessment
PIA	Preliminary Impact Assessment
PIT	Pre-Integration Testing
SEC	Smart Energy Code
SIT	Systems Integration Testing
SMI	Smart Metering Inventory
SMIP	Smart Metering Implementation Programme
TTO	Transition to Operations
UIT	User Integration Testing

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SECMP0060 'Amend Requirements to Remove 'Pending' Communications Hubs from the SMI'

Working Group Consultation responses

About this document

This document contains the full non-confidential collated responses received to the SECMP0060 Working Group Consultation.

Question 1: Do you agree with the solution put forward?

Question 1			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	No	At present there are several regulatory & solution issues to be resolved in the management of CHUB in the SMI. Bryt Energy is unsure why SEC Users are being asked to fund a MOD where DCC is failing to underpin its obligations under SEC & SEC Appendixes. There seems to be a misconception in the DCC solution to meet its obligations. Primarily the SEC AC "PENDING" 7.1 & 7.2 requirement within SEC. This was to enable that if a CHUB or SMETS Device that had been Commissioned at a property, then subsequently decommissioned and physically removed from a property has a back stop to minimise data risks and security risks by removing it from the SMI after a period of time. SEC AC 7.1 requirement then ensured that the device was moved to "PENDING" to enable refurbishment and redeployment through the logistics chain. SEC AC 7.2 ensured that during the return through logistics process if the device became lost or scrapped, it would be removed from the SMI after 12 months to minimise data & security risks of devices lost after removal as a back stop. SEC AC 7.2 was not intended to apply to CHUBS that are "PENDING" that have not left the secure warehouses where they were delivered by the CSP. SEC AC 7.2 is to only apply to device that have been at a commissioned as defined in SEC AC 7.1. DCC and DSP are incorrectly applying the SEC obligations through their current solution.

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			SEC H5.5 & AC 2.2 clearly calls out DCC has an obligation to ensure the inventory is up to date and correct. This issue caused by DCC's misinterpretations of SEC AC 7.2 which DCC has identified shows it is their role to ensure it is resolved, not through a costly MOD. **SEC 6.3** **Smart Metering Inventory** H5.5 The DCC shall establish and maintain the Smart Metering Inventory in accordance with the Inventory, Enrolment and Decommissioning Procedures. H5.6 Each User and the DCC shall each comply with the applicable obligations set out in the Inventory, Enrolment and Decommissioning Procedures, which must include obligations concerning: (a) the addition and removal of Devices to and from the Smart Metering Inventory; and (b) changes to the SMI Status of the Devices recorded on the Smart Metering Inventory from time to time. **APPENDIX AC Inventory Enrolment and Withdrawal Procedures** **Smart Metering Inventory** 2.1 The DCC shall establish and maintain the Smart Metering Inventory. 2.2 The DCC shall ensure that the Smart Metering Inventory reflects the most up-to-date information provided (or made available) to it from time to time in accordance with this Code (subject to Section F2.9 (Publication and Use by the DCC)). 2.4 Prior to delivering a Communication Hub to a Party pursuant to the Communications Hub Service, the DCC shall add the Communications Hub Function and Gas Proxy Function that comprise that Communications Hub to the Smart Metering Inventory (to be identified with an SMI Status of 'Pending'); provided that such Devices may only be added to the Smart

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			Metering Inventory where the Communications Hub is of a Device Model identified in the Certified Products List. **7 Reactivating Decommissioned, Withdrawn or Suspended Devices** 7.1 Where the Responsible Supplier wishes to change the SMI Status of any Device (other than a Type 2 Device) from 'decommissioned', 'whitelisted' or 'withdrawn' to 'pending', then the Responsible Supplier shall send the DCC a Service Request to that effect. Provided the Device in question is of a Device Model that is identified in the Certified Products List, the DCC shall change the SMI Status to 'pending'. 7.2 Where the SMI Status of a Device has remained as 'pending' for 12 months, then the DCC shall remove the Device from the Smart Metering Inventory. We would propose a simple solution that the script that deletes devices > 12 Months needs an additional “AND” statement where a device has had an inventory state other than “PENDING” to ensure DCC meets its SEC obligations and the SEC Intent. This simple change to the script would enable DCC to meet its SEC obligations and intent. As this is a misinterpretation and DCC solution gap, DCC should fund this change. In terms of the DCC Impact assessment appears to be poorly constructed on several levels. Firstly, the tactile solution to change to 36 months does not appear to show value for money or to be cost effective. Effectively as there is no technical detail, cost breakdown, FTE resource, management and testing cost, we can only assume that the IA allows DSP to

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			identify the script and change the “12” to “36”, some minimal PM cost, minimal testing cost and implementation cost. A range of £64k to £84k, which is caveated with as this is not a full IA: “As a result, the final offer price may result in a variation outside of the indicative range.” clearly shows that this is not value for money for a simple change. At an average market cost for example a SQL Developer at £1500 per Day, this equates to 53-man days effort. If this IA estimated cost is reflected in the enduring solution, which is described as a more complex change one can only estimate to resolve this design issue being a total of above £250,000k mark. Thirdly as this MOD is not for inclusion until Nov 19 SEC, we are unsure how DCC will ensure devices that are in warehouses >12 months will be able to be commissioned if they are deleting volumes and not maintaining the inventory correctly.
EDF Energy	Large Supplier	No	The reason for this response is that it is not actually clear what the solution that is being proposed actually is. The Modification Reports states that the only change required to the SEC is to amend the requirement in SEC Appendix AC Section 7.2 to increase the time period a device can remain in a ‘Pending’ state from 12 months to 36 months. This section of the legal text applies to all Devices and not just Comms Hubs.

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			The SECAS Business Requirements document seems to be in line with this as the only business requirement is to extend the period after which Devices listed on the SMI as 'Pending' will be removed will be increased from 12 months to 36 months. The DCC's Preliminary Assessment, however, states that the business requirements are that: • The DCC Total System should be configurable to stop the removal of the Communications Hubs that have been in a Pending state in the SMI for 12 months or longer. • It must be possible to switch off housekeeping functionality for selected devices other than Comms Hubs by way of configuration. This is to cater to any future requirement to exclude other device types from housekeeping. These do not align with the SECAS business requirements noted above, which relate to all Devices and not just Comms Hubs. The Modification Report states that the change to enable this to be managed by way of an exclusion list, with new device types able to be added to this exclusion list if needed in the future, would be progressed via a separate Modification – however this requirement seems to be in the Preliminary Assessment for this Modification, and driving the quoted cost for this Modification as included in the Modification Report. We note that the Modification report states that the Proposer suggests introducing a new reporting process to the SEC Panel, whereby the Panel is notified of DCC Users installing devices that have been added more recently to the SMI rather than using the older existing stock. This requirements new reporting process is not referenced anywhere in the draft legal text, or in the DCC's Preliminary Assessment – it is not clear if this is proposed to be delivered as part of this solution or not, and if so what the costs of this report would be, and what the obligation on Parties disincentivise a 'last-in-first-out' system would be.

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			While we support the content of this Modification we are not able to support the solution until we get clarity on exactly what is being proposed, and what the costs of that solution are.
npower	Large Supplier	Yes	We feel that by having the extended time period from 12 months to 36 months is a positive step forward. Appreciating the uncertainties involved with deployment, we would support efforts to remove barriers to installation activities. Any incentives where assets can be more effectively utilised is welcomed, this would increase the flexibility when the assets can be utilised whilst maintaining a backstop date and allows users greater flexibility for asset management on behalf of consumers, the customer journey and experience. We welcome a solution that will underpin the whole lifetime of the asset and not just the installation.
SSE	Large Supplier	Yes	This seems a sensible tactical proposal and means that our stock management process can be streamlined, and we can continue to install these older devices and therefore minimise those rendered obsolete where they can still be fit for purpose. It reduces the administrative burden for re-notification over shorter timescales. It minimises the potential impact for additional DCC Communications Hub Stock Level Charges being incurred where these devices are removed from the Smart Metering Inventory.
E.ON	Large Supplier	No	In addition to the points below we note that there has been no cost-benefit case provided for this Modification, without understanding that this Modification has a positive cost-benefit case we cannot support it.

Question 2: Will there be any impact on your organisation to implement SECMP0060?

Question 2			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	Yes	There is increased security risk of devices that are de-commissioned and that travel back through logistics for refurbishment that data breaches could occur on these devices due to the move from 12 to 36 months.
EDF Energy	Large Supplier	Yes	We would need to make some minor process changes to reflect the revised period in which devices can be 'Pending'. If we are required to implement processes to avoid a 'last-in-first-out' approach to Comms Hubs this would have further process impacts, but as noted it is not clear that this is a requirement on SEC Parties.
npower	Large Supplier	Yes	The longer an asset remains in a pending status, the likelihood for a firmware update upon installation would increase, Users would need to manage this process to protect consumer experience of smart.
SSE	Large Supplier	No	Positive impact – we welcome this change.
E.ON	Large Supplier	Yes	We will fund our share of the implementation costs (full costs yet to be provided); We may have CHs that cannot be installed and commissioned in Production because the version of Firmware that they operate on cannot be upgraded over-the-air (OTA) to the current Production Firmware version, particularly in an 'N-1, N, N+1' world; Implementing changes to the DSP that overlap with the Enrolment and Adoption (E&A) migration and operation activities in 2019, may create unmanageable triage difficulties that negatively impact the E&A Programme. It is difficult to accurately assess this risk in the absence of any risk-profile that should be accommodated within the cost-benefit case of this Modification.

Question 3: Will your organisation incur any costs in implementing SECMP0060?

Question 3			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	Yes	As described in question 1, on the proposed DCC flightpath DCC Users should expect costs of £250k to enable this change.
EDF Energy	Large Supplier	No	We do not believe that we would incur any material costs over and above our share of the DCC implementation costs.
npower	Large Supplier	Yes, but in a positive way	If this modification is implemented, the benefits would outweigh the costs involved
SSE	Large Supplier	No	Implementing this change will require an adjustment to our internal business processes and there are minimal costs associated to this.
E.ON	Large Supplier	Yes	As above In addition we note that the Modification document alludes to the DCC utilising a source other than the Smart Metering Inventory (SMI) to undertake the Communications Hub (CH) Stock Level Charge. There are known issues affecting the accuracy and therefore viability of the data recorded within SMI so this is a welcomed proposal, however we note that this data quality shortfall is a defect and as such should not be subject to User charge-back. We would seek this opportunity to clarify with the DCC that no charges will be made to Users to acquire a valid data source for the CH Stock Level Charges, particularly not under the guise of this Modification.

Question 4: Do you believe that SECMP0060 would better facilitate the General SEC Objectives?

Question 4			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	No	It misinterprets SEC and the SEC intent of the original requirements.
EDF Energy	Large Supplier	Yes	This change would better facilitate SEC Objective (a) as it would make the provision of smart metering systems more efficient by allowing compliant devices to be installed even if they have been Pending on the SMI for some time. This change would also better facilitate SEC Objective (b) as it would enable DCC to retain data relating to Comms Hubs and charge Parties more accurately.
npower	Large Supplier	Yes	Yes, we feel that the implementation of this modification would better facilitate objectives (a) and (b).
SSE	Large Supplier	Yes	We believe it will better facilitate General SEC Objectives (a) and (b) for the reasons set out in the Modification Report. We note the references to a longer-term solution and believe that this tactical solution would be neutral regarding General SEC Objective (f).
E.ON	Large Supplier	No	We are struggling to understand how any of the SEC Objectives are better facilitated by elongating the SMI removal requirement from 12 to 36 months.

Question 5: Noting the costs and benefits of this modification, do you believe SECMP0060 should be approved?

Question 5			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	No	As per Q1: • DCC has misinterpreted the SEC requirements • DCC interim or enduring solution does not "fix" the design gap • DCC enduring solution is not required as there are clear SEC requirements to remove devices that meet the USE CASE for de-commissioned devices. • DCC has not provided value for money for their proposed interim solution for a simple change
EDF Energy	Large Supplier	No	While we support the intent of this Modification, we need further clarity on the solution that is proposed and the cost of that before we are able to agree that it should be approved.
npower	Large Supplier	Yes	
SSE	Large Supplier	Yes	As per our response to Question 1.
E.ON	Large Supplier	No	No cost-benefit case has been provided within this Modification; in addition, we are unable to ascertain that the WG have assessed that the cost of implementing this Modification is off-set by any cost-savings to be acquired by avoiding the SMI re-notification process. With regard to the benefits of this Modification we would ask how the CH Stock Level Charges will accommodate changes within a Device's 36-month 'Pending' status, that would see the CH unusable prior to the 36-month SMI-removal requirement? For example, if a CH cannot be OTA upgraded within this 36-month period owing to the 'N-1, N, N+1' Firmware version

Question 5			
Respondent	**Category**	**Response**	**Rationale**
			aspiration, how would the DCC ensure that they are not continuing to charge Users the CH Stock Level Charge knowing that the CH would not work in the Production environment?

Question 6: How long from the point of approval would your organisation need to implement SECMP0060?

Question 6			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	None	There are no implementation issues as this is purely DCC back system processes and implementation.
EDF Energy	Large Supplier	1 month	We would need this time to make changes to our systems and processes to reflect the revised timescales.
npower	Large Supplier	As soon as possible	The implementation date for the modification should be as soon as possible to minimise the number of devices that are removed from the SMI.
SSE	Large Supplier	As soon as possible	We do not require a lead time and could therefore support the proposed implementation approach set out in the Modification Report.
E.ON	Large Supplier		

Question 7: Do you agree with the proposed implementation approach?

Question 7			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	No	As the MOD implies for inclusion in NOV 19 and that is an immediate issue with DCC solution and meeting SEC requirements, we do not agree that the implementation is sufficient.
EDF Energy	Large Supplier	Yes	We agree that this change should be made as soon as possible to minimise the number of Devices unnecessarily removed from the SMI.
npower	Large Supplier	Yes	
SSE	Large Supplier	Yes	As per our response to Question 6.
E.ON	Large Supplier	No	As given above, without understanding the risk profile of introducing change to the DCC's Systems whilst the E&A activities are being implemented/tested we are not supportive of this approach.

Question 8: Do you agree that the legal text will deliver SECMP0060?

Question 8			
Respondent	**Category**	**Response**	**Rationale**
Bryt Energy	Small Supplier	No	It will water down the existing requirements and impacts the Use Case for de-commissioned and removed devices sent for refurbishment.
EDF Energy	Large Supplier	No	Again, this is because the legal text and the requirements noted in the various documents do not seem to align.
npower	Large Supplier	Yes	
SSE	Large Supplier	Yes	It reflects the business requirement set out in Annex A to this consultation.
E.ON	Large Supplier	-	The legal text provided affects the change to the removal requirement from 12 to 36 months, it does not however cover the new reporting that will be presented to Panel or any process that such reporting may inform. Where the intent of this Modification is to introduce reporting to Panel we do not believe that the legal text covers the necessary Terms of Reference changes. However, where the intent of the Modification is limited to the extension of the removal requirement we believe that the legal text provided with deliver the solution of SECMP0060.

Question 9: Please provide any further comments you may have.

Question 9		
Respondent	**Category**	**Comments**
Bryt Energy	Small Supplier	No further comments.
EDF Energy	Large Supplier	We have no further comments.
npower	Large Supplier	
SSE	Large Supplier	
E.ON	Large Supplier	We have the following comments to make on the DCC's Preliminary Impact Assessment Document Purpose – we are not sure that the text under this heading is accurate: The CH-returns process is not a deliverable of this Mod Requirement 2 – this is not part of the intent or solution of SECMP0060. It is our view that this should have formed part of the alternative Modification to be raised for the 'long-term' solution and that costs incurred for this work within this Impact Assessment have therefore been unnecessarily duplicated / have introduced waste costs. 2.6 – As above, the 'long-term' solution is not part of SECMP0060 and we do not therefore believe this Impact Assessment to be reflective of the solution to be implemented under SECMP0060 (in so far as it extends the solution, meaning a PIA would not likely have been necessary for the solution for SECMP0060). As a consequence, we believe that much of the work undertaken within the PIA have introduced costs that will be duplicated when the Modification relevant to the long-term solution undergoes an Impact Assessment, as such we believe this to be duplicate/waste costs. What is the relationship between CR1022 (given in the title to this PIA) and SCR137? - Can the costs associated with the activities to be provided by each CR be separated to ensure there is no duplication?

Question 9		
Respondent	**Category**	**Comments**
		Data Management – How much does this cost? - Impact to cost-benefit case where the exclusion was not the intent of the Mod as per the Mod documents? DSP Functionality – Can the costs associated with this testing be separated by exclusion of housekeeping, and the amendment from 12 to 36 months for the housekeeping deletion functionality (cost-benefit case) such that the costs relevant to SECMP0060 can be identified? Contract Schedules – As above, how much does this cost? - Impact to cost-benefit case where the costs associated with the long-term (exclusion) solution are not included within SECMP0060? Contract Schedules – Can the DCC explain why amendments are required to payment milestones as a result of this Modification? Implementation Timescales – We believe this is extremely misleading: SEC Modifications are subject to the timelines of the relevant RID and where this is not being made explicitly clear, the text should avoid any certainty e.g. 'implementation will be' and perhaps indicate only that the DCC could implement the changes '3 months following'. Implementation Costs – Are Working Groups supposed to consider DCC Assessments that do not contain full costs anymore?? I thought Panel had insisted some months ago that these assessments include full costs going forward? - May be my misunderstanding with regard to the type of assessment though (e.g. preliminary vs full)! MP60-DR1 – Can the DCC quantify this risk? - If the status had been amended to something other than 'pending' Users would expect this information to be retained within the SMI without additional cost - the service provision for SMI is part of the LABP and should have therefore been forecast sufficiently for total volumes at Licence Award (e.g. no significant increase in meter points between Licence Award and today). MP60-DR2 – Can DCC quantify this need? - As above, accordance with the requirements of SEC is a condition of the Licence and thus no additional costs from those proffered at Licence Award would be expected by Users.

Question 9		
Respondent	**Category**	**Comments**
		MP60-DI1 – Have the WG or the DCC considered alternatives to the solution proposed within the Modification that could equally address this risk? e.g. the re-notification process? MP60-DI2 – As above, accordance with the requirements of SEC is a condition of the Licence and thus no additional costs from those proffered at Licence Award would be expected by Users.