Meeting SECP_14_1411, 14th November 2014

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	David Ross Scott
	Simon Trivella
Small Suppliers	Andrew Campbell
	Andrew Beasley (Alternate)
Electricity Networks	David Lane
Gas Networks	Erika Melen
Other SEC Parties	Eric Graham
	Hugh Mullens
DCC	Paul French
Consumer Member	-

Representing	Other Participants
DECC (Secretary of State)	Tim Guy
	Duncan Stone
	Peter Dell'osa
Ofgem (the Authority)	Nigel Nash
	Roberta Fernie (via teleconference)
Meeting Secretary	Alys Garrett
SECAS	Jill Ashby
	Sarah Gratte
	Ken McRae
	Phillip Twiddy (part)

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the October SEC Panel meeting were agreed via ex-committee on 24th October 2014 to allow SEC Parties to receive the final minutes within 10 Working Days of the meeting.

SECAS provided the SEC Panel with an update on the Actions Outstanding from previous meetings, noting that the majority of the actions had either been closed or were on target for the completion date. The following updates were provided:

Action Reference	Update
SECP11/01	SECAS have set up a meeting with the privacy lead at DECC in order to discuss the privacy audit trigger events. A post meeting update will be provided to the Panel.
SECP13/01	SECAS held a meeting with DECC in order to discuss the establishment of the TSC.DECC are currently concluding on their thoughts and will keep the SEC Panel informed.

2. Confidential Minutes and Actions Outstanding

The discussions held under this agenda item were deemed confidential and recorded in the SEC Panel confidential minutes.

3. Security Sub-Committee Update

This item related to the resourcing of security expertise to support the Security Sub-Committee once established. The resource secured will provide 1.2 - 1.4 FTE support with experience from working in the security work stream of the SMIP.

An update was also provided on the procurement of the Competent Independent Organisation to undertake the security and privacy assurance of DCC Users. The procurement sub-group are on target to make a recommendation to the Panel in December on their preferred organisation.

The detailed discussions held under this agenda item were deemed confidential and recorded in the SEC Panel confidential minutes.

4. DCC CIO Build Phase Scoping Document

This item related to Panel consideration of the confidential Build Phase Scoping Document produced by the DCC's Competent Independent Organisation as part of its assurance role.

The discussions held under this agenda item are recorded in the SEC Panel confidential minutes.

5. Certified Products List

Paper SECP_14_1411_05 was provided in respect of the SEC Panel obligation (SEC3 F2.1) to establish and maintain the Certified Products List (CPL). SECAS presented an overview of the

requirements and the proposed work package to develop the functional solution and timescales involved. The estimated resource effort and costs were also outlined in the paper for consideration.

The Panel questioned the complexity of the required solution and SECAS noted that this would be drawn out when gathering detailed business requirements. SECAS highlighted that if any additional costs arise, e.g. bespoke software, subsequent to the initial analysis for the solution, they would be brought back to the Panel for approval. It was proposed that SECAS would work with DECC and the DCC in order to establish the underlying assumptions regarding the system scope, functionality and CPL update processes.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to the timescales and resources indicated for the work package.

6. SIT Approach Document Approval

This paper set out the Testing Advisory Group's (TAG) recommendation to the Panel on whether to approve the Systems Integration Testing (SIT) Approach Document, and was supported by the consultation responses received from the Registration Data Providers as required by SEC T2.8.

Firstly, the SECAS lead noted a prerequisite in the SEC that the Device Selection Methodology should be published before the SIT Approach Document can be approved; and confirmed the DCC had issued this document on 13th November 2014.

SECAS summarised that the TAG held a meeting on 29th October to determine whether each of the remaining points for inclusion had been addressed adequately by the DCC in the updated SIT Approach Document. This review raised a small number of clarification points that were addressed by the DCC and the TAG were unanimous in reaching a recommendation that the SIT Approach Document be approved by the SEC Panel. The TAG's conclusions took into account that the SEC makes room for amendments to be made to the approved document, which would require subsequent approval by the Panel. In this regard, SECAS highlighted that the SIT Approach Document was accompanied by a supporting document setting out the areas of the SIT Approach which are not yet fully formed due to dependencies, such as the production of other documentation or device availability.

It was also noted by the Panel that the prospective replan signalled by the DCC may not only impact the start and end date of SIT but also the composition of the SIT Approach. SECAS confirmed that the TAG considered that the SIT Approach Amendment Plan (annexed to the paper) provided appropriate monitoring of future matters which may impact the SIT Approach Document, such that it could be re-opened for amendment if required.

Ofgem questioned whether the TAG were happy with the scope of the audit in the SIT Approach Document. The SECAS lead confirmed that there was no residual concern raised about the scope of the audit.

The Panel:

- **NOTED** the review process and outcomes of the Testing Advisory Group;
- **NOTED** that the DCC has complied with the requirements to publish the Device Selection Methodology and provide and submit copies of the supporting documents, including the consultation responses; and

- **APPROVED** the SIT Approach Document.

SECAS updated the Panel that, having approved the SIT Approach Document, the SEC specified the notification to be issued of the panel's resolution and also made provision for an appeal of that decision, after which the DCC could proceed with publication.

ACTION SECP14/01: SECAS to notify the DCC and the RDPs that the SIT Approach Document had been approved by the Panel in accordance with SEC section T2.10

7. Draft 3 Year Budget 2015-2018

SECAS introduced the Draft Budget paper that had been produced for comment by the Panel following reviews by the Panel Finance and Contracts Sub-Group (PFCG) and the SECCo Board. The budget takes the same form as last year using four categories: SECCo and Panel Operations, SECAS Services, Projects and Contingency.

SECAS highlighted that further changes had been requested by Panel Members prior to the meeting regarding the level of granularity provided in Section 4.2 and that these would be included in the updated version to be approved for consultation.

A number of points were raised regarding the budget:

- the involvement of the Panel in the Smarter Markets work should be clarified in the text in section 4.3.4 to provide justification of the provision provided in the budget. Ofgem noted that they would liaise with SECAS in order to provide further information as work in this area progresses.
- the forecast outturn for this regulatory year is under-budget and it was questioned whether this had been considered when setting the budget for next year. SECAS confirmed that forecast out-turn had been used as the initial basis. The Chair also clarified that the Panel have always been prudent in their budgeting to ensure that costs they will be responsible for do not exceed the budget.
- a Panel Member noted that it was projected that there would be high mobilisation costs with the costs then dipping down towards the enduring phase. It was clarified that this relates to the assumption of the implementation of Modifications which would be resource intensive and this explains a lift in resource requirements. It was also noted that due to the delay of some activities that these would now take place in the next Regulatory Year rather than the current Regulatory Year.

SECAS confirmed that they would make the requested changes to provide further granularity in Section 4.2 and present them to the PFCG for acceptance prior to submitting the Draft Budget to the December Panel meeting for approval to be published for consultation.

The Panel:

- **NOTED** the contents of the paper; and
- **CONSDERED** amendments to the budget provisions.

ACTION SECP14/02: SECAS and Ofgem to discuss the Panel involvement in the Smarter Markets work in order to provide further information in the budget paper.

ACTION SECP14/03: SECAS to amend the Draft Budget in line with comments to present to the PFCG for comment prior to submitting for approval by the SEC Panel in December.

8. SEC Website Improvements

SECAS presented a paper to the Panel setting out proposed amendments to the SEC Website including the costs involved and the resource effort required to deliver the amendments. In order to establish a Website within the first three months as determined within the contract, the Panel agreed to deliver it with limited functionality. The proposed amendments allow for further functionality to be added to the Website, taking on board Party feedback from the Customer Satisfaction Survey and implements a number of efficiencies in the website processes and functions.

A Panel Member highlighted that the Large Supplier view was that it was hard to see the business case for the changes at this point in time and a more tangible benefit may arise from a larger project. Another Panel Member highlighted that the Small Suppliers rely on the information published on the SEC Website as they have limited resource who can attend the DECC meetings and that changes to make information more accessible now rather than later would benefit them greatly.

The Panel agreed that if the changes would provide benefits to certain communities then they should go ahead with the amendments.

The Panel questioned whether they could prioritise the changes or look at the cost of individual changes. It was noted that the changes and testing model was co-ordinated for efficiency and effectiveness, and splitting the changes could remove some efficiencies. It was also highlighted that some functional changes were to the back end of the website to improve the administration, which would have benefits in reducing effort spent on some of the routine publication tasks.

It was suggested that a user group be established so that feedback could be gained more easily and they could validate any proposed amendments in order to provide a user view. For future changes, an endorsement from the user community for the change would be useful for the Panel in evaluating spend.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** the development and implementation of the work package for the amendments; and
- **AGREED** to recommend to the Board that the estimated costs for the website are released.

9. Event of Default

This item related to an information paper for the Panel respect of an action on SECAS to monitor the SEC content regarding the restrictions that Panel can put in place as a consequence of an Event of Default. It was noted that the information in the paper set out the current SEC drafting as the basis for a review following each release of an updated Code.

In summary, the SEC contemplated restrictions from the perspective of access to SEC decision-making and DCC communication services. SECAS also highlighted that there is currently no joined up processes with other industry codes and that this could be looked at in time based on their experience to facilitate cohesive cross-Code processes.

The Panel highlighted that the paper was useful in detailing the current obligations however, it would be helpful for the Panel to better understand the policy intent of the restrictions in the SEC that Panel may implement as a consequence of an Event of Default. SECAS proposed to hold discussions with

DECC regarding the background to the provisions as laid out in the SEC in order to provide the Panel with further information.

SECAS also highlighted that differences were signalled in the SEC consequences of an Event of Default drafting between baselined and designated versions and this is under discussion with DECC. SECAS will update the Panel regarding these discussions.

The Panel **NOTED** the contents of the paper.

ACTION SECP14/04: SECAS to discuss with DECC the background to the Event of Default provisions

10. CACoP Annual Review Update

SECAS attended the Code Administration Code of Practice (CACoP) Annual Review group meeting in October where the feedback from the consultation was discussed. It was noted in the paper that the annual review process would be amended so that users would only respond to one consultation instead of one issued by each Code Administrator.

SECAS will update the Panel in December following the publication of the annual review report.

The Panel **NOTED** the contents of the paper.

ACTION SECP14/05: SECAS to update the Panel on the CACoP annual review report once published.

11. SMKI PMA Update

SECAS provided the Panel with an update on the Smart Metering Key Infrastructure (SMKI) Policy Management Authority (PMA) activities undertaken since the previous Panel meeting, noting that the next PMA meeting would be held on 18th November 2014. The Panel noted that the PMA and the TPMAG were working well together.

The SECAS PMA attendee highlighted that they are currently discussing the expansion of the Public Key Infrastructure (PKI) documentation to include DCC Key Infrastructure (DDC KI) and Infrastructure Key Infrastructure (IKI). This documentation will be included as part of the SEC suite of documents however not all will be overseen by the PMA as the approving authority. Further clarification will be provided to the Panel following the next PMA meeting.

The Panel **NOTED** the contents of the paper.

12. Transition Governance Update

The Transition Governance Update is a standing agenda item which is intended to inform the SEC Panel and SEC Parties of the activities occurring in the SMIP. Paper [SECP_14_1411_12] consolidates headline updates from all of the Transition Work Groups attended by SECAS and SEC Panel Members in the last month including an overview of any relevant publications and consultations.

SECAS highlighted that since the publication of this paper, a SMDG meeting was held on 13th November 2014 for which a verbal update was provided by the SEC Panel Chair and will be included in the next month's Transition Governance Update.

The Panel **NOTED** the contents of the paper.

13. Operations Report

The Operations Report is a standing agenda item to inform the SEC Panel and SEC Parties of operational activities that have taken place in the last month in support of the SEC.

SECAS presented the new format as agreed by the Panel Finance and Contracts Sub-Group (PFCG). Implementing the new reporting lines that have been incorporated into the timesheet system used by SECAS resource. The changes also included further detail in section 3 (time devoted by product) to aid understanding on what activities are behind SECAS resource effort.

The Panel agreed that the changes that had been made were useful and would help to identify where short term or persistent peaks occur and where efficiencies were being achieved.

The Panel **NOTED** the contents of the paper.

14. DCC Update

The DCC provided an update on its progress and other activities undertaken since the last Panel meeting:

- the DCC User Gateway Interface Specification (DUGIS) has been published for consultation;
- the DCC replan consultation was due imminently and considers all the requirements that are currently known, a number of changes to the documentation and the new requirements signposted in the SEC 4 drafting. A mini industry day will be held by the DCC regarding the consultation to provide further clarity to Parties. There will be a four week consultation period followed by review of responses and publication of the response. It is likely that the replan outcome will be published in January 2015.The Panel noted that the replan and any amendments to the Joint Industry Plan could impact the SEC budget for 2015-2018 although the timing of the outcome of the replan consultation is likely to be during the SEC budget consultation period with Parties;
- the DCC are currently upgrading their website to be available mid-December, which is intended to improve access to public DCC documentation;
- the Device Selection Methodology has been published;
- the automated GBCS testing (ATG) has completed its first phase of testing and the DCC are awaiting the formal report. It was confirmed that the ATG will be available to industry however, there is a wider package of work that is looking at whether the DCC can offer a further service associated with ATG;
- the DCC Service Provider audits are about to commence which will cover the management of change processes and commercial aspects. This was initiated through an obligation in the DCC Licence.

The Panel **NOTED** the contents of the update.

15. Accessions

SECAS noted that the following organisations would be admitted as SEC Parties following the execution of an Accession Agreement by the SECCo Board:

- Simplify Digital Ltd (Other SEC Party);
- Skanska Construction (Other SEC Party);
- In Home Displays (Other SEC Party);
- Effortless Energy (Small Suppliers) and
- Hudson Energy UK (Small Suppliers).

Two further organisations would be admitted as Parties prior to the next SEC Panel following the execution of an Accession Agreement:

- Wingas (Small Supplier)
- HP (Other SEC Party).

The Panel discussed the Licensed organisations who are yet to accede. It was noted that, although the SEC Panel were not the enforcing authority, SECAS would request an update from Ofgem on the information previously provided in this regard.

The Panel **NOTED** the contents of the paper.

ACTION SECP14/06: SECAS to request an update from Ofgem regarding the information previously provided regarding licensees yet to accede to the SEC.

16. Any Other Business

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