Meeting SECP_15_1212, 12th December 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
Small Suppliers	Andrew Campbell
	Mike Gibson
Electricity Networks	David Lane
Other SEC Parties	Eric Graham
	Hugh Mullens
DCC	Paul French
Consumer Member	-

Representing	Other Participants
Skanska	Sam Adeyemo (Observer)
DECC (Secretary of State)	Tim Guy
	Duncan Stone
Ofgem (the Authority)	Nigel Nash
	Roberta Fernie
Meeting Secretary	Alys Garrett
SECAS	Sarah Gratte
	Glenn Sheern

Apologies:

Category	SEC Panel Members
Large Suppliers	Simon Trivella
Gas Networks	Erika Melen

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the November SEC Panel meeting were agreed ex-committee on 28th November 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 attended a meeting with the privacy lead at DECC to confirm that Suppliers acting in the capacity of an Other User would be required to undergo a Privacy Audit. This was also confirmed in the SEC 4A Government response document.
SECP13/01	For the purposes of the budget, the timing of the establishment of the TSC has been pushed back until October 2015 following discussions with DECC and the publication of the DCC consultation on resetting their Delivery Programme.
SECP13/05	Change Board nominations will be sent out week commencing 15th December 2014
SECP14/02	The Panel Chair held a meeting with Ofgem's Smarter Markets team to determine the Panel's involvement in the Smarter Markets work. It was confirmed that the budget provision currently in the Draft Budget was adequate and the contingency could be relied upon if required. It is anticipated that resource may be required to undertake business process modelling, programme management and any other requests that may arise. It was confirmed that the Smarter Markets project would be looking at Objections and a Request for Information would be published shortly to obtain feedback on how objections are currently used in the market.
SECP14/04	SECAS held a meeting with DECC to discuss the changes to the Event of Default provisions. It was confirmed that the changes to be designated with SEC 4A as consulted on in SEC 2 will change the provisions so that the SEC Panel will be able to restrict Core Communication and Local Command Services for all User Roles other than Other User without requiring Authority approval. Following the designation of the text, the Panel will be presented with a paper detailing any impact this would have on the current Event of Default in place.
SECP14/06	Ofgem provided an update on SEC accession and confirmed that licence enforcement is a matter for Ofgem. A Panel Member noted that access to the non-User Gateway will only be available to SEC Parties and if there any non-acceded Licensees this could ultimately have an impact on the consumer if they are unable to get smart functionality on the change of supplier.

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. CIO Procurement Update

This item related to the procurement of the Competent Independent Organisation (CIO) to undertake the security and privacy assurance of DCC Users. The Panel were presented with options for the timing of the procurement due to the publication of the DCC consultation on resetting the DCC Programme. They were also presented with the Procurement Sub-Groups recommendation for the preferred bidder for approval.

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

4. Security Sub-Committee Terms of Reference

The Panel were presented with draft Terms of Reference for the Security Sub-Committee (SSC) following confirmation of the SEC legal drafting relating to the SSC in the SEC 4A Government response.

A Panel Member questioned whether they should wait until the consultation response on the DCC Delivery Programme had been published before they establish the SSC. DECC confirmed that they would take an action to look at the roles and responsibilities of TSEG and SSC and the transition across to the enduring SEC Governance.

A Panel Member noted that security is a core deliverable in the smart metering programme and needs to be continually assessed either through the TSEG or the SSC. SECAS noted that if the development of the Security and Privacy Controls Framework were to go ahead as planned then the SSC would need to be in place to support the development process although this may be undertaken by TSEG in the absence of the SSC.

It was noted that following the outcome of DECC's action, SECAS would publish the invitation for nominations for Members to serve on the SSC.

The Panel had no comments on the Terms of Reference set out in Appendix 1 and to establish the SSC subject to the discussions to be held with DECC regarding the transferral of responsibilities.

A Panel Member raised a concern regarding the security of SMETS1 meters as there may be more SMETS 1 Meters operating in the market if DCC Live is delayed as per the options laid out in the Resetting the DCC Delivery Programme consultation. The CESG previously indicated they would only be comfortable with a certain volume of SMETS 1 meters operating in the market, with the DCC resetting exercise this may instigate this level being exceeded. It was questioned whether the Panel should have a role in looking into this issue and looking at how the volume of meters could be governed. DECC noted that this issue had been raised in a number of forums and DECC are currently looking into the issue including whether there is likely to be a significant change in the Critical National Infrastructure threat.

Ofgem noted that there is a Supply Licence Condition that bears upon Suppliers in the foundation stage to take measures to ensure the security of smart meters and that would include SMETS1 Meters.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the Terms of Reference as set out in Appendix 1.

ACTION SECP15/01: SECAS and DECC to discuss the establishment of the SSC and the transferral of responsibilities from the TSEG.

5. Conclusions and Consultations on SEC Matters

This paper set out the recently published consultation responses any live publications that may have an impact on the SEC Panel and its operations, including the Panel obligations confirmed in the SEC 4A Government response. It was agreed that the Panel would not respond to the Further Changes to the SEC and the DCC Price Control consultations.

The Panel agreed that they should respond to the Resetting the DCC Delivery Programme consultation referring to the governance associated with the deferral of functionality and the constrained roll out proposals.

DECC confirmed that they would be publishing a consultation on the timing of the designation of Section H15 of the SEC and the Interface Code of Connection that the Panel may wish to consider. It was noted that the Interface Code of Connection would be required in order for Users to obtain a gateway connection and confirmed that the lead time for gaining access would be a maximum of 90 days. The DCC are currently processing a number of requests for connections as far as they can without the text being designated.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** whether they would respond to each of the consultations laid out in the paper; and
- **APPROVED** the draft response to the consultation on Resetting the DCC Delivery Programme.

ACTION SECP15/02: SECAS to send the SEC Panel response to the Resetting the DCC Delivery Programme consultation by Tuesday 16th December 2014.

6. Draft 3 Year Budget 2015-2018

SECAS introduced the Draft Budget paper that had been amended following earlier reviews by the Panel and the Panel Finance and Contracts Sub-Group (PFCG). SECAS highlighted that a number of amendments had been made to the provisions relating to the Technical Sub-Committee (TSC) although no further amendments had been made due to the Resetting the DCC Delivery Programme consultation.

SECAS noted that following approval, the Draft Budget consultation would be sent out for a 20 day consultation in January 2015 and any responses to the consultation would be presented to the SEC Panel in February 2015.

The Panel requested that a cover letter should accompany the consultation and should inform Parties that the budget does not take into account any of the proposals laid out in the consultation on Resetting the DCC Delivery Programme. It should also state the extent to which the re-plan could impact the Draft Budget e.g. certain reductions if activities were deferred.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the Draft Budget can be circulated for consultation in January 2015.

ACTION SECP15/03: SECAS to publish the Draft Budget for 20 day consultation on 5th January 2015.

7. CACoP Annual Review Report

The Panel were presented with the Code Administration Code of Practice (CACoP) Annual Review Report and the amended CACoP for comment as part of the Annual Review currently being undertaken. Each Code Panel were requested to consider any further comments they may have on the Report and the amended CACoP.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that they did not have any further comments to be submitted to the host Code Administrator on the CACoP Annual Review Report and the associated CACoP v3.1

8. Testing Advisory Group Update

The Panel were presented with an update on the Testing Advisory Group including the progress of the review of the Interface Testing (IT) Approach document. The Panel were asked to consider whether the TAG should have an additional function to support the SMKI PMA in their review of the SMKI and Repository Testing Approach document. The Panel approved the expanded scope of the group and requested that an exercise be undertaken to assess whether any further documents may require review by the TAG.

The Panel:

- **NOTED** the update regarding the Systems Integration Testing Approach Document and the IT Approach Document, and
- **AGREED** that the TAG should review the SMKI and Repository Testing Approach Document.

ACTION SECP15/04: SECAS to amend the TAG Terms of Reference to reference the review of the SMKI and Repository Testing Approach Document

ACTION SECP15/05: SECAS to review whether any other documents may require review by the TAG.

9. SMKI PMA Update

The Panel were presented with a paper on the activities recently undertaken by the SMKI PMA highlighting that the December meeting had been postponed with the business to be discussed at the January meeting.

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

10. 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_15_1212_09] 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 11th December 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.

11. 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 highlighted that further amendments had been made to the report to include further granularity regarding the activities undertaken by SECAS in Section 3 in relation to the Time Devoted by Product.

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

12. DCC Update

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

- Currently consulting on Resetting the DCC Delivery Programme with responses due by Tuesday 16th December 2014.
- A delivery structures review is currently taking place looking at the effectiveness of the Project Management Office and their interactions, including governance structures.
- No appeals on the Device Selection Methodology and the SIT Approach document had been received and they have been published on the DCC website as approved.
- Testing Design and Execution Group are currently considering the arrangements for informal testing.
- The Service Management framework has been finalised.

The requirements for DCC Live have been locked down and the DCC are currently looking at how changes can be assessed for inclusion in future releases following DCC Live. The DCC is looking to provide a roadmap of change to plan for when changes will be implemented in order to minimise impact on core delivery. A Panel Member raised that the Joint Industry Plan should be extended up to the end of the mass rollout period so that the broader impact of the DCC re-planning exercise can be analysed, including any impact on centralised registration and enrolment and adoption projects. DCC noted that planning for changes post DCC Live will need to occur in order that key design resource is not compromised for delivering DCC Live Operations. It was noted that the DCC should look at when they may have capability to look at enrolment and adoption projects and look to provide a roadmap of

a programme of works that does not risk DCC Live but gives an indication of when additional capabilities can be delivered.

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

13. Accessions Update

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

- HP Enterprise Services UK Limited (Other SEC Party);
- ASE Consulting Limited (Other SEC Party); and
- Wingas UK Limited (Small Supplier).

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

14. AOB

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