Meeting SECP_12_1209, 12th September 2014

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	Simon Trivella
	David Ross Scott
Small Suppliers	Leyton Jones
	Mike Gibson (Alternate)
Electricity Networks	David Lane
Gas Networks	Erika Melen
Other SEC Parties	Helen Boothman (Alternate)
DCC	Paul French
Consumer Member	-

Representing	Other Participants
DECC (Secretary of State)	Peter Dell'Osa
	Tim Guy
Ofgem (the Authority)	Dora Ianora
	Roberta Fernie (via teleconference)
Meeting Secretary	Natalia Sandomierska
SECAS	Jill Ashby
	Alys Garrett
	Sarah Gratte
	Ken McRae
	Phillip Twiddy (part)

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the August SEC Panel meeting were agreed ex-committee on 29th August 2014 and issued without amendment as Final Minutes to SEC Parties 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 to the meeting:

Action Reference	Update
SECP04CONF/01	This action has been moved from the confidential actions log in order to keep SEC Parties updated with the review work being undertaken. DECC updated the SEC Panel on its research into Codes' credit cover, noting that DECC published its report end of August 2014. DECC also noted that SEC is not in the scope of this report as arrangements are still being developed. This action was closed off at the meeting.
SECP11/01	SECAS provided further detail and confirmed this will be discussed with DECC privacy team and clarify privacy audit trigger events and report back to the next SEC Panel meeting.
SECP11/03	An update will be provided to SEC Panel in November.
SECP11/06	Noting that a paper will be submitted to the SEC Panel in October, the SEC Panel Chair requested SECAS include some background and clarity around which SEC products would need to be notified to the European Commission (EC). The SEC Panel also discussed the notification process and Ofgem confirmed that the notification will be Ofgem's responsibility under enduring operations of the SEC.

2. Security Update

SECAS provided the SEC Panel with an update on the activities undertaken in August 2014 in relation to the establishment of the Security Sub-Committee (SSC) and the procurement of the Competent Independent Organisation (CIO) as set out in the accompanying paper.

SECAS also provided an update on the secondment of a DECC security lead and the procurement of security experts to support the Security Sub-Committee. SECAS noted that a business case for the part time secondment of security leads from the SMIP had been submitted to DECC. SECAS are also investigating the alternative approach to supplement the secondment from DECC with CLAS consultants on a call-off basis.

SECAS noted that in order to establish the SSC in December 2014, the nomination process for SSC Members will need to commence in October 2014. One SEC Panel Member raised the question whether there would be any changes to the SEC 4A content which could impact the nomination process. DECC responded that there may be amendments to the proposed composition which will

need to be considered when asking for nominations. SECAS will commence preparations for the SSC but will request nominations following the release of the SEC 4A Government Response due at the end of October 2014.

SECAS updated the SEC Panel on activities since the paper was issued regarding the Invitation to Tender (ITT) for the CIO. The draft ITT was sent out for comment to the SEC Panel sub-group supporting the procurement exercise. No material comments had been received, and a suggestion to extend the timescale for responding organisations to four weeks has been incorporated into the draft ITT. The ITT is currently undergoing legal review and any comments would be shared with the SEC Panel sub-group prior to circulation to potential bidders, expected to be w/c 15th September 2014.

The SEC Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that SECAS commences the activities for the establishment of the SSC.

ACTION SECP12/01: SECAS to provide the SEC Panel sub-group supporting the procurement exercise with an update on the responses following the legal review of the Invitation to Tender (ITT) for the CIO.

3. SEC Panel Risk Register Update

SECAS presented the updated Risk Register following a quarterly review and the action to include the EC Notification Process in the register.

SECAS highlighted six risks in the SEC Panel Risk Register which had been newly introduced or updated. The assigned impact and likelihood ratings of those risks were discussed by the SEC Panel. It was noted that Risk 2 relating to specialist duties should have a higher impact and lower likelihood rating then currently assigned. The SEC Panel agreed for the risk ratings for Risk 2 to be amended, i.e. impact rating to be raised to 4 and likelihood reduced to 3. The SEC Panel also acknowledged that Risk 8 would be reviewed in the next update, following the Scottish Referendum.

SECAS highlighted Risk 11 which had been newly introduced and assigned an amber status. This relates to testing responsibilities which fall outside of SEC Governance but risks impacting the overall enduring operations. This risk currently incorporates matters associated with DCC testing stages outside of SIT and IT and any outstanding issues accepted for ILO which may impact enduring activities.

One SEC Panel Member raised the question of whether TAG would have a role in communicating these risks to the SEC Panel. SECAS confirmed that this would be the case in respect of the former. In relation to Risk 11, DECC took the action to confirm the ILO operational readiness checks.

DECC suggested aligning the colour coded scale in the SEC Panel Risk Register with that used by the SMIP for ease of navigation by Parties. The SEC Panel Chair highlighted the importance of the planned mitigations when discussing the Risk Register. The SEC Panel agreed for any further comments relating to the content and format of the Risk Register to be discussed with SECAS following this meeting.

The SEC Panel also discussed the process for EC Notification and inquired about the exemptions to the notification obligation including the implications of Urgent Modifications. It was noted that there is provision for exemptions to the prior notification obligation for exceptional circumstances, although

there is still a requirement to retrospectively notify any changes implemented, and any responses must still be considered.

The SEC Panel:

- **NOTED** the contents of the SEC Panel Risk Register and Matrix; and
- **APPROVED** the contents subject to the discussed amendment to Risk 2.

ACTION SECP12/02: DECC to provide clarification on the ILO operational readiness checks in relation to risk 11 in the SEC Panel Risk Register.

4. Customer Satisfaction Survey Timeline

SECAS introduced the agenda item, which set out a proposed revised timetable for the bi-annual Customer Satisfaction Survey (CSS).

SECAS explained that the contractual timetable for the second bi-annual survey is to be conducted in November 2014. However, in the event the SEC Panel considered the forthcoming survey to be too soon, the next survey could be deferred until May 2015. This would have the effect of revising the frequency to an annual survey, although SECAS clarified that variations to the SECAS contract can be recommended to the SECCo Board by the SEC Panel.

The SEC Panel discussed the option of scheduling the CSS around specific events but agreed that by doing so the responses and surveys may be too focused on the events rather than other elements of the survey. One SEC Panel Member was of the view that a CSS provides a useful barometer of Party's views on services and performance, and felt that an annual frequency would not provide the SEC Panel with the opportunity to respond to any concerns or requirements in a suitable timeframe.

The SEC Panel discussed the option of having a shorter bi-annual surveys in addition to a more comprehensive annual survey, potentially conducted by telephone interviews. SEC Panel Members favoured this approach.

There was consensus amongst the SEC Panel that, given the SEC is evolving, with incomparable content in the energy sector; and the uptake of Other Parties, a party category unique to the SEC, the CSS should continue to be conducted bi-annually according to the current schedule.

The SEC Panel also requested that SECAS provides more detail around the contractual obligation and options for the different methods that could be considered for the upcoming survey.

SECAS confirmed that, similar to the approach used for the first survey a paper would be issued to the October SEC Panel meeting setting out the applicable components for the CSS questions, and taking into account the options for the preferred medium of contact.

The SEC Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to continue with the six-monthly frequency, with the next Customer Satisfaction Survey to be conducted in November 2014.

ACTION SECP12/03: SECAS to provide the SEC Panel with a decision paper at the October SEC Panel meeting for the content and medium for the second bi-annual SECAS CSS.

5. Event of Default

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

6. Panel Elections and Meeting Dates

Elections

SECAS presented a paper outlining the SEC Panel Members that will be in office from the 23rd September 2014 following the conclusion of the Scheduled Elections for the initial 12 month term SEC Panel Member seats.

The SEC Panel and SEC Panel Chair thanked the retiring SEC Panel Members, Andrew Beasley, Leyton Jones, Richard St Clair and Howard Porter, for their support and commitment to the SEC Panel during its first year of operations.

The SEC Panel Chair also noted that Simon Trivella and David Lane have been re-elected for another term as SEC Panel Members and Andrew Campbell and Mike Gibson are the new Small Suppliers representatives. Mike Gibson is to undertake a 24 month term and Andrew Campbell a 12 month term. They and Hugh Mullens, elected to the Other SEC Parties category, would be joining the SEC Panel next month.

Future Meeting Dates

SECAS presented the proposed meeting dates for the SEC Panel Meetings in 2015, noting that the current arrangements of the second Friday of every month is continued with the exception of January which would fall on the 16th January due to the holiday season.

A SEC Panel Member requested for the May meeting to be scheduled for the 15th May instead of the 8th due the May Bank Holiday. The SEC Panel agreed the change in the proposed schedule.

A SEC Panel Member enquired about the two vacant Consumer Member seats on the SEC Panel and it was confirmed that the last discussions were held between the SEC Panel Chair and Citizens Advice/Citizens Advice Scotland and they have postponed their decision about representation on the SEC Panel. Previously, it was indicated that their primary interest lies in attending the Change Board and it would be expected that Consumer Members may be nominated once all Modification Paths are open. The SEC Panel agreed for SECAS and the SEC Panel Chair to keep this matter under review.

The SEC Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the proposed meeting date schedule for 2015 with the revised meeting day in May 2015.

ACTION SECP12/04: SECAS to revise and re-publish the SEC Panel meeting timetable for 2015.

7. SEC Panel Budget Timetable

SECAS presented a paper to inform the SEC Panel of the timetable and the associated activities for the development and production of the SEC Budget for 2015-18 following the discussions at the August SECCo Board meeting.

SECAS noted that a SEC Panel sub-group will be convened on 30th September 2014 to develop the outline of the draft Budget for presentation to the SEC Panel in October. The SEC Panel Chair invited one SEC Panel Member from each elected category to attend this meeting[1], noting other elected members could attend this meeting, if available.

SECAS also noted that the final Draft Budget would need to be agreed by the SEC Panel in December 2014 in order to be published for consultation with SEC Parties in January 2015.

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

ACTION SECP12/05: SECAS to provide the SEC Panel with an outline of the draft SEC Budget Report 2015-18 for the October 2014 SEC Panel meeting.

8. SMKI Policy Management Authority Update

SECAS presented the SEC Panel with the paper outlining the activities undertaken by the SMKI Policy Management Authority (PMA) at their meeting held 12h August 2014.

The paper included an update on SMKI Independent Assurance Scheme (IAS) where the PMA has requested further information from the DCC on how the SMKI IAS will support the requirements within the SEC. The SMKI PMA has also submitted a response to DECC in relation to certain SMKI content in the SEC4 Consultation.

SECAS highlighted that since the publication of this paper a SMKI PMA meeting was held 9th September 2014. The main business of this meeting was to consider the timetable for the production of the materials which will become SEC Subsidiary Documents and to receive indicative updates on the responses to the DCC's consultation on the SMKI documents and any SMKI-related aspects from DECC's SEC4 consultation.

SECAS also highlighted that the PMA and TPMAG meetings will be aligned. The TPMAG meetings are expected to be held when there are any outstanding policy matters to be considered. DECC continues to chair TPMAG although updated Terms of Reference will reflect the inclusion of the SMKI PMA Members.

A more detailed written update from the September SMKI PMA meeting will be provided to the next SEC Panel meeting.

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

9. Testing Advisory Group Update

SECAS presented the paper outlining the activities undertaken by the Testing Advisory Group (TAG) at their last meeting held 13th August 2014.

[1] Mike Gibson, Eric Graham and David Ross Scott

This TAG meeting focused on the review of the Systems Integration Testing Approach (SITA) document and subsequently, SECAS held a tripartite meeting with DECC and the DCC to discuss the specific issues for DCC's consideration in undertaking any revisions to the SITA.

SECAS updated that TAG is still waiting for some documents to be submitted and the timescales for the IT Approach document are under review and this may impact the timescales for submission of TAG's recommendations to the SEC Panel. It was noted that the timings for the IT Approach document already indicate that this will need to be considered ex-committee as it does not align with the SEC Panel meeting calendar.

SECAS informed the SEC Panel that the next TAG meeting will be held by teleconference on15th September 2014 and an update will be provided to the next SEC Panel meeting.

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

10. Transition Governance Update

The Transition Governance Update is a standing agenda item which 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. The paper is intended to inform the SEC Panel and SEC Parties of the activities occurring in the SMIP.

SECAS highlighted that in the week following the publication of this paper, one further SMDG meeting had taken place for which a verbal update was provided by the SEC Panel Chair.

The SEC Panel Chair agreed to forward a revised organisation chart received via the SMDG to SEC Panel Members.

SECAS noted that in the Appendix B in the paper provides a list of the expected content of both SEC4 A and SEC 4B. The SEC Panel inquired whether SECAS could provide more detail on the dates and SEC clauses for the respective content. SECAS confirmed it could be updated where such information was available

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

ACTION SECP12/06: SECAS to update the Appendix B SEC 4A and SEC 4B content 'tracker'.

11. Operations Report

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

SECAS provided an overview of the paper, noting that a pro-forma report will be presented to a SEC Panel sub-group in at the end of the month with the intent to provide further clarity around operations activities. SECAS highlighted that the richer reporting format for the Operations and Management Reports will be discussed at the sub-group meeting on 30th September, with the aim of revised reporting being in place for October 2014.

Concerning the SEC Panel Activity Plan, a SEC Panel Member inquired about the anticipated schedule date for the approval of the Certified Products List (CPL), In particular whether the scheduled approval of the CPL in July 2015 was too early, SECAS confirmed the requirements for SEC Panel managing the CPL are currently being developed and further information will be brought to the November 2014 meeting.

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

ACTION SECP12/07: SECAS to provide the pro-forma of the revised Operations Report and Management Report for discussion at the SEC Panel sub-group meeting on 30th September 2014.

ACTION SECP12/08: SECAS to provide the SEC Panel with further information on the Certified Products List (CPL) in November 2014.

12. DCC Update

The DCC provided the SEC Panel with an update on the activities undertaken by the Smart DCC since the August SEC Panel meeting.

DCC Progress Update

An early version draft of the DCC User Gateway Interface Specification (DUGIS) has been published which provides parties with the technical specifications in order for them to proceed with system developments. The Panel questioned how the DCC will manage changes to the document going forward and requested appropriate version control to ensure parties are working towards the same deliverables and that there is appropriate governance in place for the requirements that are not included in the final SEC Subsidiary Document.

The DCC together with its Service Providers are currently determining the full impacts of the GBCS iterations. The Panel discussed that the two CSPs are currently due to complete SIT at different times and it was asked what the DCC are doing to resolve this and whether it would be considered as part of the re-planning due to the GBCS delays. A Panel Member enquired about the status of change and issues resolution for the GBCS. DECC responded, highlighting that an executive summary would be produced on the issue statuses.

A Panel Member also highlighted the potential three month delay between completing SIT and the commencing of E2E testing and that earlier access to the testing environment could minimise the risk for Initial Live Operations. The Panel also questioned whether the use of the DCC's automated GBCS testing tool is a commercial or regulated matter, and if it would be part of the Device Selection Methodology.

The CSP WAN Coverage data has been published at postcode level and one CSP has commenced the Communication Hub CE certification. A Panel Member highlighted that the coverage database currently covers less than 80% of all postcodes and there is an obligation that 80% of properties are covered from day 1. It was asked of the DCC how they will ensure that the coverage data meets this obligation.

The following updates were also provided:

- the forthcoming DCC consultation on the Device Selection Methodology is ready for publication and the DCC currently have a strong focus on producing a toolset for managing testing, incident triage and defect management;
- a SEC Subsidiary Document Project has been mobilised by the DCC. The DCC Consultation Planner will be updated according to the timetables for this project and is expected to be published within the next two weeks;
- the SMKI Service provider is on target for live SMKI certificates to be available at the start of User Integration Testing (UIT);
- both the Parse & Correlate and the automated GBCS testing tool are on plan; and

- the DCC consultation on the Common Test Scenarios (CTS) has been published.

The SEC Panel **NOTED** the update from the DCC.

ACTION SECP12/09: The DCC to provide the feedback to the SEC Panel on the requested clarifications.

13. Accessions Update

SECAS provided an update on the number of complete applications which had been received from organisations in the last month, highlighting the first application from a switching site. In addition to those organisations listed in the paper, a further three applications were received, meaning the applications to be processed concerned the following organisations:

- uSwitch Limited (Other SEC Party)
- Stark Software International Limited (Other SEC Party)
- Wipro Limited (Other SEC Party)
- Iresa Limited (Small Supplier Party)
- Harlaxton Energy Networks Limited (Electricity Networks Party)

Consequently, following countersignature of the Accession Agreements by the SECCo Board, the five aforementioned organisations would be admitted as Parties to the SEC.

SECAS also noted that Stark Software International Limited, Iresa Limited and Harlaxton Energy Networks Limited had applied for shares in the Capital and the allotment of the shares in SECCo Limited.

The SEC Panel **NOTED** the update.

14. Any Other Business

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