Meeting SECP_07_1104, 11th April 2014 at 10am

Gemserv, 10 Fenchurch Street, London, EC3M 3BE

SEC Panel Final Minutes

Attendees:

Category	Panel Members
Panel Chair	Peter Davies
Large Suppliers	Simon Trivella
	David Ross Scott
Electricity Networks	David Lane
Gas Networks	Erika Melen (via teleconference)
Small Suppliers	Andrew Beasley
	Leyton Jones
Other SEC Parties	Helen Boothman (Alternate)
DCC	Paul French

Representing	Other Participants
DECC (Secretary of State)	Peter Dell'Osa
Ofgem (the Authority)	Dora Ianora
Panel Secretary	Alys Garrett
SECAS	Jill Ashby
	Ken McRae
	Sarah Gratte
	Jane Butterfield
	Phillip Twiddy (part)
	Rebecca Mottram (part)

Apologies:

Category	Panel Members
Other SEC Parties	Richard St Clair
Ofgem	Roberta Fernie

1. Minutes of SEC Panel Meeting 06_1403

The Panel Chair extended his thanks to Simon Trivella for taking the role of the interim Panel Chair whilst the appointment process was taking place.

There were no suggested amendments to the minutes and the Panel approved the minutes as written.

2. Actions Update

SECAS provided the Panel with an update on the Actions Outstanding from previous meetings:

Action	Update
SECP02/09	SECAS are continuing to update the Panel via agenda items on discussions with DECC regarding the intended arrangements for transition work group handover and secretariat support; Panel agreed to CLOSE the action and SECAS will continue to update the Panel through meeting papers as items arise.
SECP04CONF/01	Work is on-going on DECC's review of Code credit cover arrangements. A final report is expected in the coming months which will be published for the industry's information.
SECP05/01	DECC have held discussions with Richard Hall, the former Panel Consumer Member. Consumer Futures' indicated that concerns had been raised over the potential conflicts between their role and their Panel Member(s) also being a SECCo Director(s). The Panel discussed that a SEC change could be possible in order to break the link between membership of the SECCo Board and SEC Panel. The Panel noted that previously it had been thought that the reason for resignation was a strain on resources. The Panel Chair agreed to speak to Consumer Futures to further understand their concerns.
SECP05/13	SECAS confirmed that they had initiated communications with the secretariat and Elexon representative of the European Code Coordination Application Forum (ECCAF[1]). The Panel agreed to CLOSE the action as the contact had been established.
SECP06/03	The Panel agreed that if they had any comments to feed into the Technical Sub-Committee Terms of Reference they should be sent in by 25th April 2014.
SECP06/04	No comments were received on the initial population of the Risk Registers and the Panel agreed to CLOSE the action as these baseline versions would be subject to periodic review.

All other actions had either been completed or were to be discussed under their respective agenda items.

3. Customer Satisfaction Survey

SECAS introduced the agenda item, highlighting the decisions to be made regarding the SECAS Customer Satisfaction Survey (CSS). At previous meetings, the Panel had agreed the approach to be

[1] A joint standing group to coordinate the application of European Network Codes across GB Codes

taken (with the use of Survey Monkey and a market research company to provide qualitative information) and the intended timeline for the CSS.

The Panel discussed the need for the use of a market research company and agreed that during the early stages of the implementation of the SEC it would seem unnecessary to commit to the spend by using the Market Research Company. However, undertaking a survey using Survey Monkey would remain useful in order for SECAS to obtain feedback on the quality of delivery. It was noted that market research expertise might usefully inform framing the questions.

The Panel agreed the inclusion and the exclusion of the topics and questions as laid out in the paper, noting that the proposed coverage included questions that are specified in the SECAS contract (where applicable to operations to date) plus further questions to provide qualitative information/feedback on performance and facilitation. It was agreed that the limited Modifications activity was not substantive enough to ask the questions as laid out in the contract at this time, and they should therefore be excluded.

SECAS noted that any organisations with limited access to Survey Monkey would be sent a word version of the questionnaire to be returned via email.

The Panel:

- **AGREED** the plan and inclusion/exclusion of survey questions; and
- **AGREED** to use this opportunity to seek feedback on the content of the Panel's General Meeting.

ACTION_07_1104_01: SECAS to use appropriate expertise to frame the questions for the CSS to be distributed via Survey Monkey in late May.

4. Testing Advisory Group (TAG)

SECAS provided the Panel with an update on the establishment of the Testing Advisory Group as agreed at the March Panel meeting, with the purpose of the discussions to gain consensus on the draft Terms of Reference.

SECAS highlighted that a call for interest in membership had been sent out with a good response from the current Test Design & Execution Group (TDEG) industry representatives. Responses were still required from Small Suppliers, Other Parties, Consumer Representative and the Registration Data Providers/Network Operators.

The Panel discussed the Terms of Reference and the options for the Chair of the Sub-Committee. SECAS outlined the options as:

- SECAS provides the chair;
- One of the Sub-Committee members takes on the chair role;
- A Panel Member or their Alternate sits as the chair; or
- The Sub-Committee is established and then they are tasked with nominating a chair.

The Panel discussed their preference for SECAS to provide the chair as the optimum value for money approach, since SECAS would be expected to provide expert resource to support the Sub-Committee, as well as preparing the regular update papers for the Panel. . It was also noted that having an independent Chair, such as SECAS, would be preferable as there are divided opinions across the industry regarding the scope and content of the testing phases. The Panel also highlighted that having one of the Sub-Committee members as the Chair could impact their focus and perspective on the discussions of the meeting, noting that the TAG constitution mirrors that of the Change Board.

SECAS highlighted that, whilst a resourcing structure had been estimated within the paper, there was a large degree of uncertainty on this level of support: for instance it did not factor in the chairing of the Sub-Committee, and expert support was dependent on the approach that the Sub-Committee will want to take. The current projection was for up to five meetings of the TAG and a draft plan will be shared at their first meeting for them to agree their approach.

The Panel agreed that resource would be assigned to the TAG work package in order for the monitoring of the costs of running the group.

The Panel noted that the Terms of Reference for the TAG are time-bound and the TAG will cease once they have assisted the Panel in approving the relevant testing documentation. It was highlighted that although this Sub-Committee is currently finite, there may be opportunity for the Panel to call on support of the group again throughout the test phases and this can be considered for future approvals, should the need arise.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** for SECAS to fulfil the role of the Chair to the Sub-Committee;
- **AGREED** the Terms of Reference, subject to revision to incorporate the Panel's direction that SECAS Chair the TAG; and
- **NOTED** the estimated SECAS resource implications in supporting the TAG.

ACTION_07_1104_02: SECAS to update the Terms or Reference and continue the establishment of the TAG Sub-Committee

5. Security Sub-Committee Establishment Update

SECAS highlighted that this paper builds on previous papers and discussions held on the establishment of the Security Sub-Committee (SSC). A sub-group of the Panel together with SECAS representatives met with DECC on 25th March 2014 to further discuss the responsibilities of the SSC, including any documentary collateral to be passed across and the required expertise to support the group.

The Panel discussed the potential for seconding some of the DECC security support team across to support the enduring SSC group to provide continuity and to de-risk the transition process. It was highlighted that there are currently three DECC resources dedicated to the security matters for the SMIP, who also provide support to the TSEG. However the requirement for the SEC and SSC enduring arrangements is not fully known. The Panel agreed that the Panel Chair and SECAS should continue the discussions regarding the secondment opportunities with the DECC security Programme workstream in order to provide options to the Panel at their next meeting.

The Panel also discussed the requirement for the SSC to have an independent, remunerated Chair. They agreed that the Panel Chair could undertake this role whilst the group is in its establishment phase and the requirements for the Chair could be revisited once the requirements of the SSC in its steady state are known.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** the option of utilising existing security expertise from within the Programme through contract or secondment should be explored further (noting this model may be of value to

assist with the transition for other SEC Panel Sub-Committees), with recommendations brought to a future Panel meeting;

- **AGREED** that the Panel Chair could initially undertake the role of SSC Chair on interim basis; and
- **AGREED** that discussions between DECC, SECAS and the Panel sub-group continue in relation to the establishment of the SSC with reports to the Panel following these discussions.

ACTION_07_1104_03: Panel Chair and SECAS to continue discussions with DECC regarding opportunities to secure the continuity of expert resource for the SEC and SSC.

6. Establishing the Policy Management Authority Sub-Committee

SECAS introduced the agenda item highlighting that in February a general overview of the requirement for the Panel to establish a Policy Management Authority (PMA) was provided. Part A of the Government response to the SEC Stage 3 consultation regarding the PMA was published on 31st March which provided clarification on the timescales, election process and the composition of the group. It was highlighted that the PMA should be established in advance of August so that it will be in place by SEC3 designation (as laid out in the response publication). In order for this to occur the PMA member nomination process should occur so that members are established in June with a view to holding the inaugural meeting in July.

SECAS noted that, as discussed for the SSC, there is the possibility of transitioning the DECC SMKI expertise e.g. from the Transitional Policy Management Authority Group (TPMAG) team across to the SEC. Noting the approach used for the SSC, it was agreed that this will be discussed further with DECC and options brought back to the next Panel.

The composition of the PMA was also discussed and it was noted that in the beginning, the seats for the Technical Sub-Committee and the Security Sub-Committee representatives could not be filled as these SEC Sub-Committees will not be in place. The Panel agreed that the respective transitional groups (TBDG and TSEG, respectively) be asked to nominate members in the interim until the enduring Sub-Committees are established.

The Panel questioned why the composition of the group differed from the Panel (e.g. Smaller Suppliers only having 1 seat), as it is customary in other industry codes that Sub-Committees mirror the constitution of the Panel. It was clarified that the Government response to the SEC Stage 3 consultation specified the reasons for the composition of the group[2].

SECAS highlighted that a briefing paper had been issued through TPMAG on the potential for participants who are opted-out of DCC's services to use the SMKI service so that this trust model is available to those operating smart metering equipment. This approach, if pursued, could have a consequential impact in extending the number of SEC Parties in the Other SEC Parties Category and therefore, the make-up of this constituency may evolve. SECAS confirmed that the Panel would be kept apprised of any developments on this proposal through the TPMAG update in the monthly Transition Update paper.

The Government's Part A response confirmed that the PMA will require an independent, remunerated Chair who will be selected by the Panel. Currently it is anticipated that the time commitment for the

[2] Paragraphs 30 and 31 of the Government Response document: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298843/sec3a_government_response.pdf

Chair will be 3 Working Days per meeting. The Panel agreed that this role could be filled by the Panel Chair on an interim basis whilst the focus is on the procurement of the PKI Specialist and the legal advisor. Once the Sub-Committee has reached a state of steady running, the requirements of the Chair's role will be reviewed.

The Panel agreed the Terms of Reference, noting that SECAS will update the references to the SEC once the legal text in the SEC 3 consultation document is designated.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** the Terms of Reference for the PMA (as laid out in Appendix 1 of the paper, subject to updating the SEC references when SEC3 is implemented);
- **AGREED** that SECAS initiates the nomination process for the PMA Members and nominees;
- **AGREED** the approach for the PMA Chair and interim representation on behalf of the Technical and Security Sub-Committees;
- **AGREED** that SECAS provide the Panel with options at the May meeting for approach to take regarding the procurement of the PKI Specialist and legal advisor; and
- **AGREED** that SECAS works with DECC to develop and execute a handover plan (from DECC to SEC/SECAS).

ACTION_07_1104_04: SECAS to provide Panel with options for the approach to take with regard to the procurement of the PKI Specialist Advisors

ACTION_07_1104_05: SECAS to initiate the Member nomination process for the Policy Management Authority

7. Expenses Review

This agenda item provided the Panel with an update on the expenses claimed to date under the SEC Panel expenses policy produced in line with the requirements under SEC section C8.8 (a).

SECAS highlighted that if any Panel Members who have not yet submitted any expenses wish to claim their expenses for the past Regulatory Year they should do so by 28th April 2014 (20 Working Days following the end of the Regulatory Year (C8.4)).

As the Panel Chair is now in office, the Panel agreed that the expenses policy should be amended in order to allow the Panel Chair to claim for expenses incurred in undertaking the role of Panel Chair.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to amend the expenses policy to allow for the Panel Chair to claim expenses in undertaking his role.

ACTION_07_1104_06: SECAS to amend the Panel expenses policy to make provision for Panel Chair related expenses

8. SEC Invoicing and Reconciliation

SECAS introduced the paper which builds on a paper discussed at the first Panel meeting on Approving and Invoicing SEC Recoverable Costs (SECP_01_1110_08a).

This paper reprised the framework for the budgeting, invoicing and reconciliation relationships between SECCo to DCC and SECAS to SECCo. SECAS highlighted that although the intent is that

the processes work together, a misalignment of timings set out in the relevant source documentation (e.g. SEC, DCC Licence and SECAS Contract) exists and will remain the same year on year unless a change is made. However, whilst this had previously been noted, Panel had considered it premature to make any revisions until the full cycle of invoicing dependencies (e. g. monthly billing, and annual reconciliations for SECCo and DCC) were better understood through a period of operational practice.

The Panel noted the income the Panel receive from the Application Fee payments is anticipated to be a deductible item. However, it was highlighted that, as laid out in SEC section B1.5, the amount had been set to recover the reasonable costs incurred by the Panel in administering the Accession process. Consequently, Application Fee payments do not form part of the SEC budget passed on to the DCC for recovery, and should not be included in any surplus calculation for SECCo, since this would negate the self-financing nature of the Application Fee income. .

The Panel discussed the SECCo reconciliation process and whether any over recovery should be deducted as a total from the first DCC invoice after the accounts are finalised or whether the deductions should be taken off each monthly invoice to smooth the invoiced amounts. The Panel agreed that any over recovery should be deducted as one lump sum from the first SECCo invoice to DCC following the finalisation of the SECCo accounts (subject to any surplus not exceeding the monthly invoice amount). The Panel were of the view that this is an appropriate methodology, since it mitigates the administrative burden and does not adversely affect the DCC's timetable for calculating its correction factor (the 'K' factor).

The Panel agreed that going forward the Panel budget review sub-group established to manage the financial aspects of the Panel's business will continue to review the reconciliation process following the finalisation of the accounts.

The Panel:

- **NOTED** the contents of this paper;
- **AGREED** the reconciliation approach for the 2013/14 SEC budget is to reimburse the surplus to the DCC post-finalisation of the SECCo annual accounts; and
- **AGREED** to receive any further recommendations regarding the reconciliation process via the Panel sub-group overseeing the SEC Budget performance.

9. General Meeting – Preparations

SECAS outlined the paper, highlighting the decisions that were required by the Panel in order to continue with the organisation of the SEC Party Engagement Day.

SECAS noted that the engagement day is separate to the formal general meeting to be held by the SECCo Board, which will be scheduled shortly.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** to hold the SEC Party Engagement Day on 11th July 2014;
- **AGREED** the draft agenda as detailed in the paper, subject to an earlier finish time; and
- **AGREED** the cost limit for hiring a venue for the Engagement Day to be £4500.

ACTION_07_1104_07: SECAS to continue organisation of the SEC Party Engagement Day and communicating the details to Parties

10. Event of Default Update - Confidential

The discussions held for this agenda item are covered in the Confidential Minutes provided to the attendees of the meeting.

11. Event of Default – Cross Code Arrangements

SECAS introduced the paper which had been produced following an action to provide Panel with an overview of the Default arrangements under other industry codes. The Panel were provided with a high level summary of industry code processes, including the MRA, BSC, iGT-UNC and the UNC, and how some codes reach across to other Codes in order to make them aware of an Event of Default that may impact the implementation of that Code.

The Panel discussed the impact of the removal of DCC Services for a Defaulting Party and noted that, whilst a Change of Supplier event may not be frustrated at a market-level by the suspension of some or all of the DCC services by the DCC, this is in isolation of the wider impacts, e.g. to other services such as Pre-payment and implications to end-Customers.

The Panel discussed the potential impacts on the Customers of a Defaulting Party and it was noted that if all DCC services were removed and the metering point was still registered to the Defaulting Party then this would have implications for the Customer. It was noted that the Authority have final approval on removal of all DCC Services and it is unlikely they will authorise this if it is detrimental to a consumer. The Panel also considered whether they should have regard to any sub-set of DCC Services that should not be suspended, and whether it was desirable to replicate a formal notice to prevent Defaulting Parties from registering new metering points, as is the case with other industry codes.

The Panel noted that there were presently no communication channels in place between the SEC and other Codes in relation to Events of Default, either under the SEC or those Codes, and that this may be desirable at a future stage, e.g. when more SEC provisions are in force or during Initial Live Operations.

Another point of note was explicit charges; in particular whether there would be such charges for messaging. If not, then restricting the use of Service Requests to the DCC would not impact these charges being incurred by the Defaulting Party, since all charges would fall within the fixed charging element. A paper will be released by the DCC in the coming weeks seeking views on explicit charging, which may inform considerations in this regard.

The Panel agreed that until the arrangements and services are finalised, it is premature to undertake a full analysis on the impacts of suspending DCC Services. However, this should be monitored as the final charging and services arrangements emerge.

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

12. Change Board Update

SECAS provided the Panel with an update on the second Change Board meeting held on 31st March 2014.

The following key points were highlighted:

- the Change Board signed off the Modification Process Guidance material subject to amendments discussed at the meeting and these will be published in the public area of the SEC Website; and

- a paper will be brought to the Panel to discuss a future release of the SEC Website to incorporate an online discussion function for the Change Board and other Sub-Committees;
- the involvement of the TSC and SSC in the Modifications process was discussed and the possibility of having representatives sitting on the Working Groups under the refinement process was suggested.

The Change Board also discussed the inclusion of a pre-change process into the modification process in order for the Change Board to have visibility of any Modification Proposals prior to the Initial Modification Report being presented to the Panel. This led to discussions regarding a wider change management function including looking at the testing phase of implementation and a post-implementation review. Thesematters will be discussed further at the next Change Board meeting

The Panel discussed the Appeals process and which body may be most suitable in supporting the process. The Panel noted that any change to the Change Board's Terms of Reference to include this responsibility would need to be approved by the Panel.

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

13. Fast-Track Modification

SECAS introduced the paper, noting that Consumer Futures had proposed that a Fast-Track Modification be raised by the Panel in order to update the references to the National Consumer Council in the SEC to Citizens Advice and Citizens Advice Scotland. This Modification Proposal arises from the abolition of the National Consumer Council and is intended to reflect the transfer of responsibilities.

SECAS clarified that a Fast-Track Modification can be raised in order to correct typographical, other minor errors or inconsistencies, and that DECC have confirmed that they are comfortable this particular Modification be pursued under SEC Governance as this is consistent with designated SEC text being under SEC change control (subject to the permitted Modifications Paths).

The Modification Proposal also outlined an intent for a future change to allow the Consumer Member for the Panel and the Consumer Member for the Change Board to be different individuals. SECAS apprised the Panel that DECC have also confirmed that the drafting that prevented from this occurring was not intentional and therefore SECAS recommended that this drafting be corrected as part of the same Modification Proposal.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** to raise a Fast-Track Modification Proposal (SECMP 0001) to:
    - Resolve the inconsistency following changes arising from the Statutory Instrument replacing the National Consumer Council;
    - Follow the recommendation to also correct an erroneous reference to the Panel Consumer Member serving as the Change Board representative; and
- **AGREED** the progression timetable of the Modification as laid out in the paper.

ACTION_07_1104_08: SECAS to progress the Fast-Track Modification Proposal in accordance with the timetable set out in Section 4 of SECP_07_1104_13

14. DCC Update

The DCC Member provided an update on the activities undertaken by the DCC since the last Panel meeting.

DCC Progress Update

The DCC held a Commercial Workshop on the 20th March which provided an overview on the background and baseline, DCC charging and change and a presentation from Ofgem on regulation and price control.

The DCC held another Industry Day on 3rd April 2014 at which information was provided around the Great Britain Companion Specification (GBCS) re-planning exercise, service management and testing. The DCC will welcome any feedback from attendees.

The Service Management Design forums are underway and the DCC are keen to get industry input as the contracted position may not currently fit the needs of sustainable mass rollout. The DCC are planning to work with the industry to decide what is required in terms of Service Management and this will be consulted upon later in the year.

The DCC issued a consultation on the re-planning options due to the delay in finalising the GBCS. The DCC recognise the material nature of the change and are grateful for industry's engagement and responses.

The research for the DCC Development Plan is continuing with a wide range of stakeholders being asked to input feedback including Smart Grid GB and the Smart Grid Forum. The Development Plan Consultation will be consulted on in May with a look to finalisation in July.

Finance Update

The Revised Charging Statement following the outcome of Ofgem's consultation on the Charging Statement format and the next set of Indicative Budgets have been published. For future publications, investor style calls will be planned to allow a Question and Answer session between the DCC and Parties.

The Licence Application Business Plan (LABP) is targeted to be published at the end of April. This will provide Ofgem with a baseline of costs that will be used in the ex-post audit.

Change Management

As part of the DCC's development plan, the DCC have started working with the Ofgem Smarter Markets programme regarding providing centralised registration. The DCC noted that any outputs of this early work would be consulted on and that a paper will be published in the coming months on the options available.

It was noted that the DCC is not the only interested party for centralised registration and that changes to the SEC and other industry Codes will be required. The Panel questioned the timeline under which this would take place and it was clarified that this is currently under discussion.

The Panel **NOTED** the DCC Update.

15. Operations Report

SECAS presented the Operations Report; the standing agenda item to inform SEC Parties and the Panel of the SECAS activity that has taken place in the past month and the resource effort for Panel approval.

SECAS highlighted the key activities that had taken place, specifically the SEC release management work that had been undertaken for the publication of SEC version 2.0 and 2.1. SECAS are in discussion with DECC regarding SEC release management going forward.

It was also highlighted that a new resourcing forecast and an update to the format of the report would be produced next month.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the SECAS resource effort of 226 days for March 2014.

16. Transition Governance Update

SECAS presented the Transition Governance Update paper which consolidates headline updates from each of the Transition Work Groups attended throughout the month by SECAS to inform the Panel and SEC Parties of activities occurring in the SMIP. The following verbal updates were provided in relation to activities that had taken place since the paper was issued.

Testing Design and Execution Group (TDEG)

SECAS attended the TDEG on 10th April 2014, at which discussions were held regarding the definitions of User Integration Testing (UIT), User Entry Process Testing (UEPT) and the End to End testing phases. The output from these discussions will be provided in next month's update paper. The DCC is preparing fact sheets for each testing stage, with an overview of who and what is in each stage plus the Entry and Exit criteria. DECC took an action to look at the charging during the testing phases and whether it would be socialised.

TDEG discussed the ongoing debate surrounding the development of the Common Test Scenarios. The DCC is currently drawing this together from the DCC User Gateway Interface Specification (DUGIS) in order to determine the Role-based Service Requests to be sent during the testing phases.

TDEG discussed the GBCS re-planning consultation and raised concerns with overlapping System Integration Testing (SIT) with UIT and that confidence will be needed in this option to mitigate regression testing during UIT.

SECAS raised the establishment of the Testing Advisory Group under the SEC Panel and advised TDEG members that a request had been made by the Panel for TDEG members to support the group where possible.

Smart Metering Delivery Group (SMDG)

The Panel Chair attended the SMDG on 9th April 2014 and provided a verbal update to the Panel which will be included in next month's update paper for completeness. A presentation was given to SMDG on the GBCS update during which it was stated that the scope for Tranche 2 is likely to expand and the GBCS is due to be finalised at the end of July.

An overview of the consultation on the options for re-planning due to the delay to the finalisation of the GBCS was provided along with the impacts of delay.

DECC also announced their wish to accelerate the installation of smart prepayment meters, although it was noted that they would prefer not put in place regulation and look to Suppliers to drive this initiative.

An update was given on the pilot work done by SSE via staff members and the smart meters that had been installed in customer's homes.

DCC Industry Day

SECAS and SEC Panel Members attended the DCC Industry Day on 3rd April 2014 at which sessions were held on testing, Service Management and the Integrated Solution Delivery Plan. It was noted that this was a very useful session providing valuable information.

SECAS highlighted that a request had been made by DECC to move this Transition update paper to a members only (SEC Parties) section of the website. The migration will take place before the next Panel meeting.

A Panel Member noted that in this paper it may be useful to include a view of each of the SMIP transition groups and how they will transition into the different Sub-Committees under the SEC.

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

ACTION_07_1104_09: SECAS to publish the Transition Update paper in a SEC Party only section of the website and include an overview of each of the Transition Work Groups and how their responsibilities will transfer across into the SEC Governance in the next Panel paper.

17. SEC Party Update

The paper confirmed that accession applications had been received from Calvin Capital Limited (Other SEC Party), GDF Suez Marketing Limited and GDF Suez Sales Limited (Small Supplier Parties).

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

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

18. Any Other Business

Ofgem noted that a response had been sent to the letter received from the Panel regarding the licensees who are yet to accede to the SEC. The response sets out the reasons why Ofgem considers enforcement action is not proportionate at this time. The Panel were thanked for bringing this issue to Ofgem's attention.

SECAS noted that the SECCo Annual Report will need to be produced following finalisation of the SECCo accounts. The Panel agreed that this report should not be used for marketing purposes and will be a simple report fit for purpose against the statutory requirements.

SECAS raised that there is a requirement on the Panel (SEC section C2.3 (h)) to produce an annual report by no later than 30 Working Days following the end of each Regulatory Year that highlights the activities undertaken by the Panel during that Regulatory Year, including so as to evaluate whether the Code continues to meet the SEC Objectives. This report will be drafted and brought to the May Panel meeting for a review.

The Panel Chair highlighted that is a requirement that he appoints an Alternate. He noted that it is his intention that if for any reason he is unable to attend a Panel or Board meeting, that the Elected Members of the Panel will take it in turns to chair the meeting on his behalf.

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