Meeting SECP_27_1112, 11th December 2015

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	David Ross Scott
	Alex Travell (Alternate)
Small Suppliers	Mike Gibson
	Eric Graham
Electricity Networks	David Lane
Gas Networks	Erika Melen
Other SEC Parties	Hugh Mullens
	Mike Woodhall
DCC	Paul Hawkins
Consumer Member	Daniel Walker-Nolan

Representing	Other Participants
DECC (Secretary of State)	Duncan Stone
	Tim Guy
Ofgem (the Authority)	Raymond Elliot
	Nigel Nash
	Andrew Wallace (part)
Meeting Secretary	Lucia Halbherr
SECAS	Alys Garrett
	Jill Ashby
	Sarah Gratte
	David Barber

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the November SEC Panel meeting were agreed ex-committee on 27th November 2015 to allow SEC Parties to receive the final minutes prior to the next Panel meeting.

SECAS provided the SEC Panel with an update on the Actions Outstanding from previous meetings, noting that the majority of the actions had been closed with updates to be provided under respective agenda items. A brief update was provided on the following actions:

Action Reference	Update
SECP22/08	SECAS are continuing their development of the Design Notes in collaboration with Energy UK. The Time Management Design Note will be presented to TBDG in December 2015 for approval.

2. Confidential Minutes and Actions Outstanding

The Panel were presented with the final Confidential minutes which were agreed ex-committee on 27th November 2015. An update was also provided on the closed action outstanding from the previous meeting.

3. Smarter Markets Target Operating Model

Andrew Wallace had been invited by the Panel to provide an update on the Smarter Markets Faster Switching programme and the updated Target Operating Model that had been released for consultation.

A number of key points were raised:

- Ofgem have welcomed the strong support from the SEC Panel through the work SECAS have been undertaking in support of the three workstreams: developing new switching and CRS rules, governance arrangements and delivery.
- Recent activity on the Switching Programme has included the publication of the updated Target Operating Model, the Significant Code Review (SCR) launch statement and the draft Terms of Reference for the workgroups plus a number of team meetings have been held under the Business Process Design and the Delivery Strategy workstreams.
- Following a consultation on DCC's obligations and funding in relation to the CRS, Ofgem's initial considerations are that Code Panel's should lead the development of the code modifications. The Panel discussed that were supportive of having the Code Panel's develop modifications relevant to their code and that this should be centrally co-ordinated, however the SEC Panel are not necessarily in the best position to co-ordinate this activity across the industry.
- The Panel questioned that there are currently changes being considered to the Significant Code Review process as well as allowing Ofgem to develop primary legislation. Ofgem confirmed that ideally they would use primary legislation if they were enabled to. However, the current Significant Code Review process is adequate, although the enhanced process would benefit.
- Work is continuing on the Business Process Design work and they are currently reflecting on the volume of work and the resource requirements to undertake this work. The Panel discussed that if Ofgem were to need further support than an indication would be appreciated as soon as possible due to the current budgeting process being carried out. It was also noted that it may be beneficial to hold a session with the other Code Panel's that are supporting

Ofgem so that programme budgeting and support from across the industry can be discussed in a more efficient manner.

- The Panel discussed the delivery date for the CRS and Ofgem clarified that the provisional implementation timetable that is currently being worked towards, however this is yet to be set as a formal milestone.

The Panel thanked Andrew Wallace for providing an update and **NOTED** the contents of the update.

4. Draft SEC Panel Response to Ofgem Code Governance Review (Phase 3) Consultation

The Panel were provided with the draft response to the Ofgem Code Governance Review (Phase 3) Consultation two weeks prior to the December Panel meeting to allow comment prior to the November Panel meeting. No comments had been provided prior to the meeting.

A Panel Member requested that an addition was made to the response to refer to the SEC Objective relating to consumers.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the draft response to the Ofgem consultation subject to a minor amendment.

ACTION SECP27/01: SECAS to send the response to the Ofgem consultation subject to a minor amendment, prior to the deadline of 18th December 2015.

5. Draft 3 Year Budget 2016 - 2019

The Panel were presented with the outline Draft Budget covering Regulatory Years 2016 – 2019 for approval for consultation in January 2016 with Parties in accordance with SEC Section C8.11. The paper also included the draft consultation letter for comment.

SECAS noted that some of the project lines may need to be amended subject to further discussions and information being made available and it was proposed that a line is included in the Draft Budget to highlight this during the consultation.

A Panel Member noted that they had some comments on the consultation letter and these would be fed into SECAS outside of the meeting.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that the Draft Budget can be issued for consultation in January 2016 subject to some minor amendments.

ACTION SECP27/02: SECAS to publish the Draft Budget for consultation on 4th January subject to making some minor amendments.

6. SIT Approach Document – Functionality Annex

SECAS presented the Panel with the updated annex to the Systems Integration Testing Approach Document including the functionality for testing in the third phase of SIT for approval.

It was highlighted that the changes to the annex had undergone consultation with Registration Data Providers and the Testing Advisory Group from which a number of concerns were raised, including the short timescales of the consultation. Accompanying the Functionality Annex for approval, was a letter from the DCC outlining the development of the document and addressing the feedback received from TAG members. The DCC also provided the Panel with a letter on testing progress, providing further information on the scope of each SIT stream.

The Panel discussed the process for approving the document and the timescales driving approval. The DCC noted that in order for it to be approved 30 Working Days before the commencement date of SIT3 approval would be required by 16th December, however to allow TAG to further consider the document at their meeting on Thursday 17th December this may be flexible as the timescales are based on an un-concluded proposed obligation.

DECC noted that the purpose of the Functionality Annex is to provide clarity on what functionality is available to be tested when and as it stands this amended annex fits the purpose.

The Panel agreed to approve the document subject to further TAG approval at their meeting on 17th December 2015.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the updated Functionality Annex to the SIT Approach Document subject to TAG approval.

7. Centralised Firmware Library Update

SECAS presented the Panel with an update on the development of a solution for a centralised firmware library as previously discussed. The paper provided two options for the continued development:

1. Modifications Pathway – await the switching on of further Modification Pathways and industry raise a Modification Proposal
2. Panel development of a solution through continued work by SECAS.

The Panel agreed that the appropriate progression method to get relevant industry input would be through the raising of a Modification Proposal. The Working Groups set up to progress the Modification Proposal through the Refinement Process could request wider industry input, not necessarily SEC Parties.

The Panel clarified the industry need for a centralised firmware library, specifically the need for a reference to clarify the firmware on a gained meter through a change of supplier.

SECAS noted that they would hold discussions with Energy UK requiring the raising of a Modification Proposal. A Panel Member noted that the Modification Proposal would need to be clear in its scope, explaining the industry requirement for the library.

The Panel:

- **NOTED** the contents of the paper; and

- **CONSIDERED** the appropriate route or the advancement of the centralised firmware library would be via a Modification Proposal.

ACTION SECP27/03: SECAS to discuss with Energy UK the raising of a Modification Proposal for progressing a solution for a centralised firmware library.

8. Certified Products List Signing Update

SECAS presented the Panel with a paper providing an update on the discussions regarding the file signing process for the Certified Products List (CPL) and the two options:

- The Panel signs the CPL with a commercial Public Key Infrastructure (PKI) and the DCC verifies the PKI
- The Panel signs the CPL with an Infrastructure Key Infrastructure (IKI) certificate.

The paper also included the discussions from the Transitional Security Expert Group (TSEG), who agreed that from a security perspective both solutions would be effective. However the Panel agreed in order to avoid any delays through raising a DCC Change Request the IKI solution would be more efficient.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to use IKI Certificates to digitally sign the Certified Products List.

ACTION SECP27/04: SECAS to provide further information to the Panel on the procedural steps required to appoint an Authorised Responsible Office from the Panel and Senior Responsible Officers from SECAS.

9. SEC Panel Sub-Committees and SEC Subsidiary Documents

SECAS presented the Panel with a proposal which Sub-Committee may be responsible for the drafting and reviewing of changes to SEC Subsidiary Documents that arise from Modification Proposals.

The Panel approved the proposals noting that the paper provided useful information, however it should be kept under review once the process has begun.

The Panel:

- **NOTED** the content of the paper; and
- **APPROVED** the Panel Sub-Committee responsibilities for each SEC Subsidiary Document.

ACTION SECP27/05: SECAS to review the Terms of Reference for each Sub-Committee and propose any amendments required regarding SEC Subsidiary Document change management.

10. Panel Release Management Policy – Final Approval

The Panel were presented with the Panel Release Management Policy for final approval. The document had been amended in light of the decisions made at the November Panel meeting

regarding version control and release cut-off periods. Minor amendments were also made to in order to provide clarification regarding Release 2 as discussed under agenda item 14.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the Panel Release Management Policy.

ACTION SECP27/06: SECAS to publish the final approved Panel Release Management Policy on the SEC Website.

11. Appeal, Dispute, Referral and Event of Default Process Efficiencies

Following an action taken at the October 2015 Panel meeting, SECAS presented the Panel with a paper outlining some considerations for process efficiencies and process gaps in the event of an appeal, Dispute, referral or Event of Default being brought to the Panel for determination.

The Panel discussed the Sub-Committee input to the process and whether the Panel would always need to consider the appeal, Dispute, referral or Event of Default, prior to asking for Sub-Committee input. The Panel noted that the determination would reside with them and therefore they should consider the input required for each appeal, Dispute, referral or Event of Default raised. It was also noted that some appeals are likely to be raised against Sub-Committee decisions, in which case the Panel would need to consider the appeal.

The Panel also agreed that the Party in question may be invited at a meeting where the appeal, Dispute, referral or Event of Default is to be considered.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the options and considerations within the paper; and
- **APPROVED** the Notification Form.

12. Information Commissioner Memorandum of Understanding

The Panel had previously discussed the setting up of a Memorandum of Understanding (MoU) with the Information Commissioner regarding Data Protection Act breaches and SECAS took an action to provide further information on the process for establishing a MoU.

The Panel were provided with the process for setting up a MoU and provided an example MoU between Ofgem and the Information Commissioner regarding smart meter data access and privacy framework.

The Panel were also informed of their obligation in SEC Section C2.3(m) to notify the Information Commissioner of matters which the Panel believes the Information Commissioner may have an interest. The Panel discussed that what constitutes a matter of interest should be determined when progressing the establishment of a MoU.

The Panel:

- **NOTED** the contents of the paper; and

- **AGREED** for SECAS to develop a draft MoU for consideration at a future Panel meeting.

ACTION SECP27/07: SECAS to develop a draft MoU with the Information Commissioner for discussion at a future Panel meeting.

13. SEC Panel Risk Register Update

The Panel were provided with the updated Risk Register following the monthly review by SECAS. The Panel approved the changes identified to the Risk Register including a change in Severity to Risk 1 – (Panel is unable to fulfil its duties due to unclear or ambiguous requirements leading to poor decision making and reputation damage). Further discussion was held on the mitigations to this risk and how the increased likelihood is being mitigated. SECAS clarified that a new mitigation for the Panel to monitor the impacts of the DCC's Contingency Request and any decisions the Panel is required to make in relation to testing outcomes had also been added to the Register. This is being managed through the interactions with the DCC and the Testing Advisory Group (TAG).

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the proposed amendments to the SEC Panel Risk Register.

14. Smarter Markets Project Update

SECAS provided the Panel with the monthly update on the activities undertaken in support of the Smarter Markets project, currently in the Blue Print Phase. SECAS have been providing support in the design of the Business Processes in support of the Business Process Design Team. These processes will underpin the design of the CRS and therefore will feed into the other workstreams.

The paper also provided an update on the updated Target Operating Model (TOM) to support the switching programme published by Ofgem on 17th November 2015.

SECAS also presented the proposal for a shared Casewise service with MRASCo, noting that the proposal had been presented to the Panel in advance of the MRA Executive Committee due to the monthly meeting cycle.

The Panel gave their support to setting up the MoU as soon as possible in order for SECAS to be able to use the Casewise service for their business process modelling work to be undertaken using this service.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** the outline proposal for Casewise can be discussed further with MEC; and
- **AGREED** to open discussions with MEC regarding the MoU

ACTION SECP27/08: SECAS to hold further discussions with MEC regarding a shared Casewise service.

15. Release 2 Clarifications

SECAS provided the Panel with a paper including clarifications on Release 2 including: what it means, when it will occur and an initial view of the content.

It was clarified that the term Release 2 is used in reference to the first system-impacting release after Release 1.3, with the timing and scope yet to be determined. The Panel discussed the initial view of content for post-Release 1.3 Releases and discussed that these would need prioritising and may not necessarily form content for Release 2. It was also discussed that the timing for Release 2 may be determined by the lead times for the system-impacting changes recognised.

SECAS confirmed that the view of changes for potential inclusion in post-R1.3 Releases would be published on the SEC Website and maintained as more information is available and changes are prioritised by industry.

The Panel discussed the timing of the changes required for the SMETS1 Enrolment and Adoption arrangements. The DCC clarified that the timetable for the Initial Enrolment Project Feasibility Report is available on the DCC website. The report is due for consultation in summer 2016 and submission to the Secretary of State in Q4 2016. The DCC confirmed that further information on the status of the work being undertaken would be presented at the January 2016 Panel meeting.

The DCC confirmed that the list of candidate items for post-R1.3 Releases had yet to be impact assessed and this process will support the allocation of items into releases.

DECC also confirmed that under the Implementation Managers Forum (IMF) work was ongoing to extend the Joint Industry Plan (JIP) out to 2020 and as Releases were confirmed these could be maintained through the JIP.

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

ACTION SECP28/09: DCC to present an update on the activities being undertaken in relation to SMETS1 Enrolment and Adoption.

16. SEC Document Management

The Panel were provided with a paper outlining the management routes for the SEC documents that are prescribed in the SEC but will/do not form SEC Subsidiary Documents (and therefore are not modified via the Modifications Process as set out in SEC Section D.

It was noted that a guidance document would be produced and published on the Website so Parties are informed of the change management paths for the various SEC Documents.

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

17. Impacts on the SEC Panel and SEC Operations

The Panel **NOTED** that this verbal agenda item was a placeholder for highlighting any impacts from any DECC consultations that had been released, however it was noted that the forthcoming consultations are expected in the week commencing 14th December 2015.

SECAS highlighted that an update would be provided to the January Panel meeting.

18. Strategic Assurance (SA16) Project Update

The Panel were provided with an update from the SA16 Project, established to oversee a smooth transition from the transitional governance arrangements to the enduring SEC arrangements.

The update included the final Transfer of Responsibilities Implementation Plan and it was included that the Panel would be kept up to date as necessary on progress of implementation.

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

19. Customer Satisfaction Survey Results

SECAS provided the Panel with an overview of the results from the Customer Satisfaction Survey undertaken in November 2015. It was highlighted that there was a low response rate with only 13 organisations providing feedback so the quality scores are not comparable with previously surveys. However it was noted that the score achieved was above the average rating of 3 out of 5 as required by the SECAS Contract.

The Panel discussed whether an annual survey would produce more meaningful results rather than a six-monthly survey and it was agreed that the potential contractual amendment would be raised under Any Other Business at the Board.

The Panel:

- **NOTED** the contents of the paper; and
- **RECEIVED** the results of the November 2015 CSS as being above the average rating of 3 out of 5 as required by the Key Performance indicators set out in the SECAS contract.

20. SEC Panel Role in DCC Live

SECAS provided the Panel with the standing agenda item providing an overview of the duties to be performed by the Panel through the Testing phases leading up to DCC Live. SECAS confirmed that the Panel are likely to receive the report on RDP entry criteria for SIT in April ready for testing in May. It was noted that a full update of the timelines would be undertaken based on the outcome of the Contingency Request submitted by the DCC.

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

21. Testing Update

SECAS provided the Panel with an update on Testing progress and noted that the Testing Advisory Group (TAG) are working with the DCC on understanding the changes to the testing documents required due to the outcome of the DCC Contingency Request.

A further TAG meeting will be held on 17th December 2015 where timescales for reviewing and approving the Testing Approach Documents will be discussed.

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

22. Technical Sub-Committee Update

SECAS provided the Panel with an update on the first Technical Sub-Committee (TSC) meeting held on 30th November 2015. It was highlighted that the introductory meeting looked at the ways of working

and the procedural elements of the running of the TSC. The expert group structure that would sit underneath the TSC was also discussed and further scoping work will be undertaken prior to the next meeting.

The next meeting to be held in January 2016 will also include discussions on the forthcoming consultation on the expanded scope of the TSC to include a business architecture element.

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

23. Security Sub-Committee Update

SECAS provided the Panel with a paper update on the Security Sub-Committee (SSC) meeting held on 6th November 2015 that had been provided as a verbal update at the November Panel meeting.

It was also noted that the next SSC meeting will be held on 16th December where further discussions and activity will be undertaken on the processes and accompanying documentation for the security assessment process. All the supporting documentation will be published on the SEC Website when finalised.

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

24. SMKI PMA Update

SECAS provided the Panel with a paper update on the Smart Metering Key Infrastructure (SMKI) Policy Management Authority (PMA) meeting held on 10th November 2015. Items for discussion included the SMKI Recovery Key Guidance Document and the identification measures set out in the SMKI Registration Authority Policies and Procedures.

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

25. Transition Governance Update

SECAS presented the Panel with an update from all of the transition governance entities and other smart metering related meetings and workshops attended by SECAS and the SEC Panel Chair in the last month.

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

26. Operations Report – November 2015

The Panel were presented with the operations report for November 2015. The report provides an outline of SECAS activities undertaken in support of the SEC. The Panel **NOTED** the contents of the paper, which includes a breakdown of days by driver, product and grade and provides commentary related to the activities undertaken by the SECAS team.

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

27. SEC Panel Activity Planner

The Panel were presented with the SEC Panel Activity Planner as the standing agenda item providing a high level overview of the forthcoming SEC Panel activities and a forward look at Panel agenda items for the next three months based on the latest information available.

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

28. DCC Update

The Panel were provided with an update on the activities undertaken by the DCC since the last Panel meeting, including an update on the DCC progress and Service Provider progress with particular regard to progress through Systems Integration Testing. An updated SIT progress report template was provided to the Panel for comment which includes further commentary and information on progress. It was noted that the first report for SIT2 could be expected week commencing 14th December 2015.

The DCC confirmed that these progress reports could be sent out to all Parties.

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

29. DECC Update

DECC provided an updated on the forthcoming consultations and publications expected week commencing 14th December 2015:

- Alternative HAN – Government response and further consultation on the delivery model and regulatory requirements
- Smart Energy Code content – Government response
- Data Access and Privacy Framework – Government response
- Home Area Network Solutions – Government response and further consultation
- Non-domestic Smart Metering – Government response on advanced metering exception

Further Government responses on the IHD consultation and the DCC opt out – non-domestic smart metering are expected in early 2016.

A further consultation is also expected in mid-February which will cover the SEC changes required as a result of the outcome of the DCC Contingency Request.

The Panel **NOTED** the verbal update.

30. Accessions Update

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

- Easy Energy Supply Ltd (Small Supplier); and
- Xcel Power Limited (Small Supplier).

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

31. Any Other Business

An item of confidential business was raised regarding a notification regarding readiness for SMKI and Repository Entry Process Testing.

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