Meeting SECP_23_1408, 14th August 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
Small Suppliers	Mike Gibson
Electricity Networks	David Lane
Gas Networks	Richard Pomroy (Alternate)
Other SEC Parties	Eric Graham
	Hugh Mullens
DCC	Paul Hawkins

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

Apologies

Representing	Other Participants
Small Suppliers	Chris Welby
Large Suppliers	Simon Trivella
Consumer Member	Chris Alexander(Observer)

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the July SEC Panel meeting were agreed ex-committee on 23rd July 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 or were ongoing with updates to be provided at future meetings. A brief update was provided on the following actions:

- **SECP21/03:** The Panel Chair noted that a project had been set up by DECC regarding the transition to enduring arrangements with Panel Chair and SECAS participation. The project will look at the products and responsibilities to be transferred and the timelines associated with the transferral. The Action was CLOSED noting that updates will be provided to the Panel when required.

2. Competent Independent Organisation Update

SECAS provided the Panel with an update on the progress of the Competent Independent Organisation (CIO) since contract award in early July. The Panel were informed that the CIO was currently undertaking the development of the Security Controls Framework (SCF) and the Privacy Controls Framework (PCF).

Under the SEC, the Panel are responsible for the development of the PCF and have looked to the CIO to support the development of this product. SECAS noted that the PCF was currently in its first draft and would be provided to the Panel for review prior to the September Panel meeting. The Panel noted that early sight of the drafting would help with the timetable to ensure approval of the document for consultation in September 2015.

SECAS noted that to support the review of the PCF, a data privacy expert provided by SECAS could present recommendations to the Panel regarding the document. The Panel agreed that this would be useful. SECAS also highlighted that the data privacy expert could establish the relationship with the Information Commissioner which the Panel are required to form in accordance with SEC Section C2.3(m) as the PCF is deemed a matter that may interest the Information Commissioner. It was confirmed that the work undertaken by the data privacy expert should not exceed 5 Working Days per month during the development process.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** for the establishment of a sub-group of the Panel to manage the PCF review process, noting that this sub-group would not limit the number of Panel Members;
- **AGREED** to SECAS providing a data privacy expert to assist in the PCF review process; and
- **CONSIDERED** the two stage security assessment process.

ACTION SECP23/01: SECAS to issue the draft PCF for review by the Panel when received from the CIO.

ACTION SECP23/02: SECAS to instruct the data privacy expert to review the PCF when received from the CIO in order to provide a recommendation to the Panel on whether it is fit for purpose.

3. Technical Sub-Committee Considerations

SECAS presented the Panel with a paper providing the Panel with considerations for the establishment of the Technical Sub-Committee (TSC) following the publication of the recent Government consultation on new SEC content and continued discussions with DECC. SECAS noted that due to the latest consultation indicating the switch on of further Modification Pathways towards the end of the year and the potential reliance on the TSC throughout the progression of a Modification Proposal, it may be appropriate to establish the TSC in advance of the Modification Pathways being switched on.

The Panel were also informed that DECC are considering including a business process role for the TSC, with the duty being to maintain a Business Process Architecture document as well as the Technical Architecture Document. The Panel Chair highlighted that further discussions would be required on the extent of this new role and to understand the depth of the business process mapping. With that in mind, it is being considered that the TSC will be named the Technical and Business Sub-Committee.

A Panel Member questioned the composition of the group and the Chairing of the group. SECAS confirmed that this clarity should be provided in a further paper to be discussed at the September Panel meeting.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the timescales, potential workload and timings outlined in recent documents and discussions in relation to the establishment of the TSC; and
- **AGREED** to the activities and timescales in Table 1.

ACTION SECP23/03: SECAS to produce a paper on the proposed composition of the TSC and its duties, including a draft Terms of Reference for consideration by the Panel.

4. Centralised Firmware Library Feasibility Study

SECAS presented the Panel with an amended Centralised Firmware Library Feasibility Study for consideration. The paper included a widened scope, with less focus on the security aspects, to look at the ease/possibility of implementation and method of implementation. The report also looked at a number of challenges that may be faced when implementing a centralised firmware library.

One of the challenges discussed by the Panel included how to incentivise meter manufacturers to provide firmware updates and the associated release notes to Parties whom they have no contractual relationship. The Panel discussed that meter manufacturers should have sufficient commercial incentive to provide firmware updates to the central library, as it would be expected that Suppliers would only procure devices that have centrally available firmware.

The Panel discussed that the feasibility study provided a good stepping stone into the further considerations that need to be looked at. The Panel also discussed that liabilities would need to be considered.

The Panel noted that there was support for a central library with the next level of detail in the study now being required. The Panel requested that SECAS provide the Panel with a business proposal for the implementation of a Centralised Firmware Library. The Panel also noted that a number of interested parties were keen to contribute, including the DCC, Suppliers and MAPs.

SECAS also informed the Panel that any feedback meter manufacturers had on the Certified Products List may inform thoughts on the centralised firmware library.

The Panel:

- **NOTED** the contents of the paper; and
- **REQUESTED** that SECAS provide the Panel with a business proposal for the implementation of a Centralised Firmware Library.

ACTION SECP23/04: SECAS to produce a business proposal for the implementation of a Centralised Firmware Library, seeking input from the DCC, Suppliers and MAPs.

5. Panel Release Management Policy

SECAS presented the Panel with a paper presenting the approach and considerations for the Panel Release Management Policy, which the Panel is required to produce in accordance with SEC Section D10. It was noted that in the July SEC Content consultation, it was proposed that further Modification Pathways are switched on by the end of 2015. It is detailed that it would be expected that the Panel Release Management Policy would be in place ready for the switch on of Modifications.

The Panel discussed the considerations set out in the paper and noted that an element of flexibility needs to be built in, especially during the transition period. It was also discussed that although three releases a year was the current industry standard, this does not mean that it should necessarily be adopted without considering other options. A Panel Member noted that Xoserve are currently looking to move from a fully flexible change process to a more structured release process due to the increased costs of ad-hoc releases. The DCC also consulted industry on a release management strategy and they came to the conclusion that three releases a year would best fit with current industry processes.

The Panel noted the need for alignment between the Panel Release Management Policy and the DCC Release Management Policy. The Panel did however note that system changes in the Panel Release Management Policy do not necessarily mean DCC System Changes and may relate to User System Changes which may have different timescales.

The DCC Member raised that it may be appropriate to undertake a joint consultation on the DCC Release Management Policy and the Panel Release Management Policy to ensure that the policies were aligned.

DECC mentioned that a significant amount of work had already been undertaken to define the scope of Release 2 and this work should continue prior to Modifications being switched on.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the proposed timetable for developing the Panel Release Management Policy.

ACTION SECP23/05: SECAS to develop a draft Panel Release Management Policy for consideration by the Panel at the September meeting.

ACTION SECP23/06: SECAS and the DCC to discuss the potential for a joint consultation on the Panel Release Management Policy and the DCC Release Management Policy.

6. Impacts on the SEC Panel and SEC Operations

SECAS presented the Panel with an overview of the consultation document issued on 16th July 2015 on new Smart Energy Code content. The paper highlighted areas where the proposals may have a specific impact on the Panel and where the Panel may wish to provide a response to the consultation.

The Panel Chair highlighted that the SMKI PMA had raised concern regarding the Recovery Procedures guidance becoming a SEC Subsidiary Document. The Panel agreed that as the SMKI PMA will be bound by the conditions to be outlined in the guidance document, they should have overall control of the document and it not be subject to the formal modifications process. This would be subject to any changes to the document first being consulted on with industry.

A further observation was made by the SMKI PMA regarding the process for Key Custodians being nominated and that there should be an obligation on Parties to co-operate and ensure that there are Key Custodians in place. The Panel agreed that they could mirror the concern in their response to the consultation.

The Panel also noted that they should respond to the consultation regarding the proposed switch on of Modification Proposals. It should be noted that further detailed guidance would be required on the transitional Modifications Process and Release 2. DECC noted that they would work with SECAS to produce this guidance.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** a response to the consultation laid out in the paper; and
- **AGREED** for SECAS to amend the draft response to the consultation and submit to DECC on behalf of the Panel.

ACTION SECP23/07: SECAS to amend the draft response from the Panel to the consultation on new SEC content published in July 2015 and submit prior to the deadline.

7. SEC Information Policy Update

SECAS presented an amended version of the SEC Information Policy following feedback received. The paper provided a timetable for the next steps involved in the development of the policy. SECAS requested whether the Panel had any further comments prior to issuing for legal review and providing to the Information Commissioner.

The DCC Member noted that although not specifically Party Data, there is data that the DCC is required to provide to the Panel e.g. performance data as set out in SEC Section H13, that may require classification with consideration for how the data should be shared. DECC agreed to look into this.

The Panel Chair also questioned whether the policy should make reference to the website and how information is shared through the website.

The Panel:

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

- **AGREED** the next steps and timetable for development of the final SEC Information Policy noting that the legal and Information Commissioner review could be undertaken at the same time.

ACTION SECP23/08: SECAS to instruct a legal review of the draft Information Policy alongside obtaining views from the Information Commissioner.

8. Signifier Allocation Impact Assessment

The DCC presented the Panel with an Impact Assessment outlining the impact on the DCC from adopting the Signifier allocation procedure as consulted on with industry in June 2015.

SECAS informed the Panel that the process that had been consulted on was proposed as the interim process set up to enable communication with the interim service desk was not considered robust enough to meet the SEC requirements and to guarantee uniqueness.

The DCC Member informed the Panel that the DCC were supportive of a more optimal process but the Panel should note that there is activity required in order to implement the process.

The Panel agreed that to ensure the process is robust, the DCC should adopt the new process going forward and either adopt the process for the 40 Signifiers already issued or retain the Signifiers already issued.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that the DCC would adopt the enduring process going forward, and either adopt the new process for the Signifiers already issued or retain the interim Signifiers.

ACTION SECP23/09: DCC to provide the Panel with their approach for the interim Signifiers issued by SECAS.

*Post Meeting Note: DCC have confirmed that the approach will be to retain the interim Signifiers rather than adopt the enduring process for the Signifiers already issued to Parties.

9. DCC CIO Design Phase Review

The DCC appointed a CIO to undertake an assurance review of the DCC during the design, build and test stages as described in the DCC Licence. The SEC Panel received the final Design Phase Review report as required by the DCC Licence. The discussions held under this agenda item are recorded in the confidential minutes.

10. SEC Panel Risk Register Update

SECAS presented the monthly review of the SEC Panel Risk Register. It was highlighted that there was one mitigation change to the risk of governance of testing outside of Systems Integration Testing (SIT) and Interface Testing (IT) as the IT Approach Document, which includes Operational Acceptance Testing, has been approved by the SEC Panel.

The Panel discussed a further risk to the testing timescales and requested that the DCC provide indication of when the testing timelines will be finalised.

The Panel:

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

11. Smart Energy Code Event of Default, Appeal, Referral and Dispute Processes

SECAS presented the Panel with flow diagrams to show the processes to be followed if an Event of Default occurs or a Referral, Appeal or Dispute is brought to the Panel. The diagrams specifically show the parties involved and the process steps built on the requirements in the Code.

The Panel requested that SECAS select appeals that they are most likely to see in the coming year and develop thinking relating to the expertise required to deal with the appeal, any guidance that would be necessary etc.

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

ACTION SECP23/10: SECAS to provide the Panel with further information on selected likely appeals.

12. SMKI PMA Update

SECAS presented the paper providing an update on the Smart Metering Key Infrastructure (SMKI) Policy Management Authority (PMA) meeting held on 14th July 2015. A verbal update was provided on the meeting held on11th August 2015 and will be included in the update paper for the September meeting for completeness.

An updated Terms of Reference (ToR) for the SMKI PMA were provided to the Panel for approval. The amendments were made to align the ToR with the latest version of the SEC (SEC 4.3).

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the changes to the SMKI PMA Terms of Reference.

13. Security Sub-Committee Update

SECAS provided the Panel with an update on the first Security Sub-Committee (SSC) meeting held on 12th August, noting that an update paper would be provided to the September Panel for completeness.

The Panel were informed that the SSC were provided with their Terms of Reference, noting that their remit currently included the development of the Security Controls Framework (SCF) and further duties would be included when required.

The Competent Independent Organisation (CIO) presented an update on the development of the SCF, requesting input on certain areas of the approach and content. Following amendments, the CIO would release a draft to the SSC Members for review prior to their next meeting.

It was clarified that once the SCF had been approved by the Panel, the document should be publically available.

The Panel **NOTED** the verbal update provide.

14. Smarter Markets Project Update

SECAS presented the Panel with a project update on the work being undertaken to support the Smarter Markets Ofgem workstream as agreed by the SEC Panel, which included an update from the Change of Supplier Expert Group (COSEG).

SECAS noted that there was preference at COSEG that any code modifications required to the SEC to support the centralised registration arrangements should be developed through the SEC Panel rather than the DCC, as proposed in the current consultation on DCC's role in developing the Centralised Registration Service. The Panel discussed whether they should respond to the consultation and it was agreed that the input should be left to individual organisations.

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

15. Competition and Markets Authority (CMA) – Provisional Findings

The Panel were presented with an overview of the provisional findings arising from the CMA energy market investigation published on 10th July 2015. Particular areas of interest for the SEC Panel were highlighted and SECAS noted that they would keep the Panel apprised of further developments.

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

16. 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 Smart Metering Implementation Programme. The paper [SECP_23_1408_16] consolidates headline updates from all of the Transition Work Groups attended by SECAS and the SEC Panel Chair in the last month including an overview of any relevant publications and consultations.

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

17. Operations Report – July 2015

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 and the total amount of resource effort.

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

18. SEC Panel Activity Planner

SECAS presented the Panel with the standing agenda item which provides an overview of the forthcoming SEC Panel activities and a forward look at the Panel agenda items for the next three months based on the latest information available to SECAS.

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

19. DCC Update

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

- The DCC's Price Control report for RY2014/15 was submitted to Ofgem on 31st July 2015;
- Service Providers are progressing through Pre-Integration Testing and on course for progression into SIT;
- The DCC Service Management System is currently undergoing testing with a good pass rate.

The DCC also provided an update on the resolution of items required as part of the Panel's approval of the IT Approach and End-to-End Testing Approach Documents. It was highlighted that the outcomes would be discussed with the Testing Advisory Group in September prior to the conclusion of the issue.

The DCC also noted that to improve the provision of information to the Panel, a subset of the update slides presented to Implementation Managers Forum will be provided to the Panel. This will provide an overview of the risks to Implementation Milestones and greater transparency on the progress towards DCC Live.

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

20. SEC Party 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:

- Fundraising Innovations Ltd (Other SEC Party)
- Trojan Utilities Ltd (Other SEC Party)
- University College London (Other SEC Party)
- Energy Savings Trust (Other SEC Party)

The Panel were informed that the following Parties had requested withdrawal from the SEC:

- Lowri Beck Systems Ltd
- Lowri Beck Software Ltd
- Lowri Beck Solutions Ltd
- Lowri Beck Sales Promotions Ltd
- BV Holdings Ltd
- UK Power Networks (IDNO) Ltd

The Panel:

- **NOTED** the contents of the paper; and
- **RESOLVED** that the Parties as listed in the paper are withdrawn from the SEC.

21. Any Other Business

SECAS provided the Panel with an update on the Panel Member elections noting that the nomination window had closed and voting forms would be provided for the seats where more than one nomination was received the week commencing 17th August 2015.

SECAS also provided the Panel with feedback from the SEC Party Engagement Day held on 10th July, noting that attendees indicated that the range of speakers and presentations was good with a number of suggestions made for future events.

The Panel Chair noted that a Settlement Reform Advisory Group had been set up under the BSC and the SEC Panel were invited to provide a representative on the group. The Panel **AGREED** that Jill Ashby, SECAS would represent the Panel on the group and provide the Panel with updates.

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