Meeting SECP_19_1004, 10th April 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
	Simon Trivella
Small Suppliers	Mike Gibson
	Chris Welby (Alternate)
Electricity Networks	David Lane
Gas Networks	Erika Melen
Other SEC Parties	Eric Graham
	Hugh Mullens
DCC	Paul French
	Paul Hawkins
Consumer Member	-

Representing	Other Participants
DECC (Secretary of State)	Duncan Stone
Ofgem (the Authority)	Roberta Fernie
	Raymond Elliot
	Andrew Wallace (part)
Meeting Secretary	Alys Garrett
SECAS	Jill Ashby
	Sarah Gratte

1. Minutes and Actions Outstanding

The SEC Panel noted that the draft minutes from the March SEC Panel meeting were agreed ex-committee on 27th March 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 majority of the actions had been closed. The three that remain ongoing, include

undertaking a Firmware Feasibility Study and producing a glossary of terms and acronyms are on track for completion.

2. CIO Update

SECAS presented the Panel with a confidential paper setting out recent discussions held between DECC and SECAS regarding some considerations for Panel discussion prior to entering into a contract with the preferred bidder to undertake the security and privacy assurance of DCC Users.

The discussions held under this agenda item were considered confidential and are documented in the Confidential minutes.

3. SEC Party Engagement Day – Outline Preparations

SECAS presented the Panel with a paper outlining two options for the Panel to fulfil its requirement to hold a general meeting during the month of July each year at which representatives of each SEC Party are entitled to attend.

The Panel agreed to hold an event similar to the one held last year at which guest speakers presented and a question and answer session was held with Panel members.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to hold a repeat of last year's SEC Party Engagement day inviting guest speakers and a Question and Answer session with Panel Members.

ACTION SECP19/01: SECAS to present a firmer outline of the order of the day and cost implications at the May Panel meeting.

4. Certified Product List Update

SECAS presented the Panel with an update on the progress being made by SECAS and the DCC toward the implementation of the Certified Product List (CPL). The paper outlines a cost-effective solution and the next steps that are required.

SECAS highlighted that since the paper had been published further discussions are to take place regarding the solution proposed. SECAS will update the Panel following the decisions held with the DCC.

DECC suggested that the proposals are presented to the Transitional Security Expert Group / Security Sub-Committee to ensure there are no security risks associated with the implementation of the CPL.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the purchase of the items laid out in the paper subject to further discussions with the DCC and TSEG/SSC.

ACTION SECP19/02: SECAS to discuss the CPL process with the DCC and TSEG/SSC and update the Panel on progress.

5. SEC Panel Risk Register Update

SECAS presented the Panel with the updated Risk Register following discussion at the March Panel meeting. The Risk Register will remain as a standing agenda item and will undergo a full review prior to next month's Panel meeting as the Joint Industry Plan has now been baselined following the outcomes of the DCC replan.

The Panel:

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

6. Ofgem Smarter Markets

Andrew Wallace (AW) had been invited by the Panel to discuss the developing arrangements for moving to reliable next-day switching set out in the Ofgem response to the consultation and in the recent Target Operating Model and Delivery Approach consultation.

AW thanked the SEC Panel for their response to the consultation offering their support to the programme and noted that although Ofgem are the right body to head the project they require input and expertise from the SEC Panel.

AW provided an overview of the key activities planned for 2015/16 leading up to the mobilisation of the formal workgroups at the end of 2015. Prior to mobilisation a number of activities will occur over summer with the intent of publishing version 2 of the Target Operating Model and issuing the Significant Code Review launch statement in September 2015. There will also be continuing policy development work by Ofgem, Energy UK and industry on cooling off periods, objections, data quality, DCC funding, Smart Change of Supplier Meter Read modifications and the Switching Guarantee.

AW provided an overview of the areas where Ofgem would request support from the SEC Panel including:

- Business Process Design: roles to support the design and development of the market arrangements as well as the design lead to lead the design of the new switching arrangements and the centralised registration system.
- Regulatory Design: a SEC Governance expert to support the development of options and recommendations on how to incorporate the new switching arrangements in to the governance arrangements.

The Panel agreed that they could provide support to the business process design as the enduring arrangements will sit within the SEC. However, they were unsure whether they would have the necessary expertise available to provide a Business Process Design Lead and whether it would be appropriate as Ofgem would be managing. AW noted that if they could not provide the resource directly, they could maybe support in the funding if the Panel felt that this was an appropriate expenditure under the SEC Panel budget. The Panel requested further information on the scope of work requested including the costs, effort required and timescales involved.

Regarding the regulatory design piece, AW noted that although individual codes would be required to look at their respective areas, Ofgem's position was that it would be useful to have one Code leading the work. It was also highlighted that the Regulatory Workgroup when established would have participants from industry and the industry Codes. Prior to the establishment of this workgroup, AW requested whether the Panel would be able to support a thought piece on what the governance might look like. SECAS agreed to produce a work package for this piece of work once the formal request have been received from Ofgem.

A Panel Member highlighted that the Competition and Markets Authority review of industry codes would be seen by industry in June and so it may be appropriate to wait for sight of that prior to undertaking the thought piece on what the governance might look like.

AW agreed to send a formal request for support from the Panel with the scope discussed. SECAS agreed to propose work packages for the scope of work formally requested by Ofgem once received.

ACTION SECP19/03: SECAS to propose work packages for approval by the Board once the formal request for support is received from Ofgem.

7. Configuration Management Update

SECAS provided the Panel with a configuration management update on the content of the SEC following the designation of SEC 4.2 on 18th March 2015. It was noted that the table comparing designated SEC4.2 content against designated SEC4.1 content will be published on the website.

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

8. SEC Appeals Process

SECAS presented a paper on the appeals routes prescribed in the SEC as the result of an action outstanding from the March Panel meeting. The paper provides a summary of: what can be appealed; who can appeal it; and who the Party can raise the appeal to, including any possible escalation routes.

A Panel Member highlighted that there were some decisions that are made by the Panel that cannot be appealable however it is not explicit that the Panel's decision is a binding decision e.g. F3.1: the SMETS and CHTS compliance of a device. It was agreed that SECAS should do some further analysis into which decisions these are and discuss with DECC the intent of the requirements.

The Panel discussed the criteria that they would use to assess appeals and whether they could look to any of the Sub-Committees for support in the decision process. SECAS agreed to overlay this into the appeals route table to provide the Panel with potential support options.

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

ACTION SECP19/04: SECAS to discuss with DECC the intent of the SEC text where the Panel's decision on an appeal cannot be appealed but the decision does not appear to be binding.

ACTION SECP19/05: SECAS to provide further information in the Appeals process to overlay inactive and active obligations and the support options the Panel have to inform an appeal decision.

9. Resetting the DCC Delivery Programme Consultation Outcomes

SECAS produced a paper which provides the Panel with an overview of the areas discussed in the Resetting the DCC Delivery Programme consultation, the DCC conclusions on each and the potential impacts for the SEC Panel.

A verbal update had been provided at the March Panel meeting and this paper was presented for completeness.

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

10. SEC Consultation Conclusions

SECAS presented the Panel with a paper providing an overview of the recent SEC related government response and consultation documents which may have an impact on the SEC Panel and its obligations. It was also noted that a further consultation had been published on the timings for: The entry into force of Section F5 of the SEC; the initial communications hub delivery date; transitional arrangements for forecast submission; and transitional arrangements for ascertaining SM WAN availability.

The Panel agreed that no response was required although they had some concerns over the risk of ordering Communications Hubs to arrive for use from August 2016 (the central planning assumption for Supplier readiness) and then there are further delays to DCC Live.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to produce a response to the consultation on new Smart Energy Code Content and Related Licence Amendments.

ACTON SECP19/06: SECAS to produce a draft response to the SEC Consultation for approval by the Panel

11. March 2015 Consultations

SECAS presented a further information paper providing an overview of the number of consultations published by DECC in March, including:

- HAN Solutions: Implementation of 868MHz and Alternative HAN solutions;
- Smart Metering Rollout Strategy; and
- Non-Domestic Smart Metering: the DCC opt-out and the Advanced Metering Exceptions.

The paper also included an overview of potential impacts for the SEC and the Panel in order to be able to inform the decision on whether a response is required.

The Panel discussed the consultation on HAN Solutions: Implementation of 868MHz and Alternative HAN solutions. The consultation details that there is the expectation that monitoring of HAN solutions, selection of HAN standards with associated standards etc., will fall to the SEC Panel and the Technical Sub-Committee. The Panel questioned the governance around introducing subsequent HAN variants and whether this would be managed under the Modifications Process. DECC agreed to look further into the governance around introducing subsequent HAN variants.

The consultation also proposes the option of the Panel undertaking the procurement, contracting and operational oversight activities on behalf of Suppliers for a central solution for managing Alternative

HAN solutions. The Panel Chair highlighted that he had discussed this further with Energy UK and Ofgem in relation to the governance surrounding this potential obligation. Panel Members noted that any Panel response to the consultation should indicate that they are happy to support the collective solution to Alternative HAN solutions however, it would need to be ensured that the Supplier remains responsible for providing the HAN solutions.

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

ACTION SECP19/07: SECAS to draft a response to the Consultation on Home Area Network (HAN) Solutions: Implementation of 868MHz and Alternative HAN solutions for sign off at the May Panel meeting.

12. Testing Advisory Group (TAG) Update

SECAS provided an update on the TAG meeting held on 1st April 2015 at which the following was discussed:

- A review was undertaken on the SMKI and Repository Test (SRT) Approach document as requested by the Panel. The TAG will feed their comments into the SMKI PMA who will provide the formal recommendation on the document's approval to the Panel.
- The DCC are updating a number of test approach documents following the outcome of the DCC replanning activities and this will result in the request for re-approval of the SIT approach document by the Panel.

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

13. SMKI PMA Update

SECAS presented the update paper which provides the verbal update given at the last Panel meeting on the SMKI PMA meeting held on 10th March 2015. It was highlighted that the next SMKI PMA meeting will be held on 14th April and an update on the outcomes of the meeting will be provided to the May Panel meeting.

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

14. Security Sub-Committee Update

SECAS presented the update on the establishment of the Security Sub-Committee and the nominations process undertaken in February/March 2015. It was highlighted that no election was required for the different Party Categories, however no nominations were received for the two available Small Supplier seats. SECAS highlighted that they were liaising with the Panel Small Supplier representatives regarding the vacancies and the Panel Chair offered his support if required.

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

15. Transition Governance Update

The Transition Governance Update is a standing agenda item which is intended to inform the SEC Panel and SEC Parties of the activities occurring in the SMIP. Paper [SECP_19_1004_15] 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.

SECAS highlighted that since the publication of this paper a Smart Metering Delivery Group meeting had been held for which a verbal update was provided by the Panel Chair and will be included in the next month's Transition Governance Update.

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

16. Operations Report – March 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.

17. SEC Panel Activity Planner

SECAS introduced the new standing agenda item which provides the Panel with 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 agreed that it should be included as a monthly agenda item and highlighted its usefulness.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the inclusion of the SEC Panel Activity Planner as a standing agenda item.

18. DCC Update

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

- The DCC have begun supplier engagement on Enrolment and Adoption with the aim of issuing its formal information request in May 2015 as part of the scoping phase of the project. It is envisaged that the project will take approximately 12 months.
- The Pre-User Interface Testing scope has been agreed with the TDEG[1] and the first GFI[2] testing event is to be held on 14th April 2015.
- A progress update was provided on the DCC Service Providers noting that they were all on track with Pre Integration Testing ongoing and the Service Management solution Remedy is in its build phase.
- The DCC User Interface Specification and its associated Message Mapping Catalogue are currently undergoing consultation.

[1] Test Design and Execution Group
[2] Automated GBCS Testing for Industry

It was also highlighted that a new organisation structure has been put in place at the DCC, with a new Programme Director as the programme enters a new phase.

SECAS requested that an update on Release Management is provided on an ongoing basis.

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

19. Accessions Update

The Panel **NOTED** that there were no organisations acceding to the Code in the month of April 2015.

20. AOB

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