

SEC Panel Meeting 37

Meeting SECP_37_1410, 14th October 2016

10:00 – 13:30, Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	Simon Trivella
Small Suppliers	Eric Graham
	Mike Gibson
Electricity Networks	David Lane
Gas Networks	Hilary Chapman
Other SEC Parties	Hugh Mullens
Consumer Member	Morgan Wild (observer) (part)
DCC	Paul Hawkins

Representing	Other Participants
BEIS (Secretary of State)	Duncan Stone
	Tim Guy
	Phillip Milmine (part)
	Stuart Featham (part)
Ofgem (the Authority)	Gwen Cruise
	Raymond Elliot
DCC	Adam Pearce (part)
	Melissa Dean (part)
	Stuart Scott (part)
Meeting Secretary	Sasha Townsend
	Mertcan Agir (observer)
SECAS	Sarah Gratte
	Jill Ashby
	Alys Garrett
	David Barber
	George MacGregor (part)

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SECAS	Seb Rattansen (part)
Landis + Gyr (SECMP0021 Proposer)	Elias Hanna (teleconference) (part)

Apologies:

Category	SEC Panel Members
Large Suppliers	David Ross Scott
Other SEC Parties	Mike Woodhall

1. Minutes and Actions Outstanding

The minutes from the September 2016 Panel meeting were approved via ex-committee decision, noting that suggested changes were included in the final minutes.

SECAS provided the 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
SECP35/04	<p>The Panel were informed that there are currently 65 Small Suppliers acceded to the SEC. Of the 65, it has been estimated that 13 are currently inactive, 30 are active but have had minimal contact with SECAS through the helpdesk, Party Support Analyst function or the governance entities, and 22 are active and have regular contact with SECAS.</p> <p>Discussion followed on potential market entry barriers in relation to the User Competent Independent Organisation (CIO) assessments, noting that many new market entrants may not be aware of these obligations. BEIS highlighted that new entrants to the market should be entering the market ready to become a DCC User and that the relevant guidance should be available.</p> <p>SECAS noted that a Small Supplier workshop has been scheduled on 4th November 2016, which will focus on the process for becoming a DCC User including a specific section on the User CIO assessments. Also, the opportunity for one-to-one engagement sessions will continued to be offered to all Parties.</p> <p>SECAS noted that they would keep a record of Small Suppliers who have been in contact and that updates are provided to the Panel on a regular basis.</p>
SECP36/06	<p>SECAS informed the Panel that an update on the SEC Modification and Release Process Thought Piece will be provided at the November 2016 Panel meeting. This update will include further clarity on reference numbers 2, 4, and 10.</p>

2. DCC Live Decision Making Process

The Panel were provided with an update on the outputs of the recent trilateral discussions between the Panel Chair, Department for Business, Energy, and Industrial Strategy (BEIS), SECAS and the DCC regarding the DCC Live Decision Making Process. This included an updated DCC Live Decision timeline, in light of the revised DCC Live target date of 31st October 2016.

A further developed draft of the DCC Live Service Criteria Report, which will be in the form of an assertion letter, was also presented to the Panel in the Confidential Appendix A of the paper. The completed assertion letter is due to be provided to the Panel on 23rd October 2016. The Panel is then scheduled to meet on 28th October 2016 in order to provide any comments in accordance with their role as outlined in the direction letter to be sent by the Secretary of State.

BEIS presented to the Panel with the agreed revised scope of the DCC Live decision. The Panel were informed that the following functionality will be deferred in order to go live with the priority functionality as soon as possible:

- to initially exclude the User Roles of “Other User” and “Registered Supplier Agent (RSA)”;
- to initially exclude Telefonica Mesh and Mesh with antenna Communications Hubs (CHs); and
- to perform System Integration Testing (SIT) using a meter emulator and with fewer actual meter variants than were originally selected via the device selection methodology.

It was highlighted that updates to the SEC and changes to the SIT Approach Documents would normally be required for a functionality delay. However, to prevent further delays to DCC Live, BEIS have agreed an alternative approach. This approach involves the DCC submitting ‘interim’ SIT and Integration Testing (IT) exit reports, which will be produced and assessed by the Panel against the revised agreed scope. The BEIS Senior Responsible Officer (SRO) will then base the DCC Live decision on the revised agreed scope and BEIS will add a Transitional Variation to the Smart Energy Code (SEC) to disable the Other User and RSA roles.

The Panel were informed that the DCC will then submit the exit reports for the deferred scope to BEIS and the Panel, Post-DCC Live. The full Release 1.2 will then be delivered, following the Panel’s final determination on whether IT has exited against the full scope. BEIS will then remove the Transitional Variation. It was noted that this is expected to be in mid-November 2016.

Panel Members questioned the use of a meter emulator and the introduction of additional meter variants. BEIS advised that the focus is currently on one meter alongside the emulator for the purpose of DCC Live and additional meter variants will be considered in the scope for Release 1.3.

BEIS advised that they will formally write to the SEC Panel, the DCC, and SEC Parties setting out the presented approach. Although the Panel recognised that the approach was to mitigate further delays to DCC Live, Panel Members felt that the approach added additional risk, as this changed the originally agreed assurance regime. The DCC informed the Panel that there are currently no plans to further defer functionality if the revised scope is not met by the DCC.

The Panel were also provided with a high level overview of the revised approach surrounding the Interface Test Defect Mask (IT Defect Mask). BEIS highlighted that there is an expectation that the IT Defect Mask will be met for the agreed Release 1.2 scope, excluding any notified transitional variations. However, it was noted that defects may arise of a high severity that the DCC consider should not impact the decision to go Live. The approach in this case would be that the DCC will need to provide a justification as to why the defects should not affect the DCC Live decision, including

evidence as to why the defect(s) will not impact live operations. It was noted that any defects will be considered by the Testing Advisory Group (TAG).

The Panel:

- **NOTED** the contents of the paper; and
- **DISCUSSED** and provided feedback on the draft Assertion Letter provided as Confidential Appendix A.

3. Post-DCC Live Temporary Alternative Arrangements

The Panel were provided with additional detail, full commentary, and responses to the consultation on the proposed temporary alternative arrangements for Planned Maintenance post-DCC Live. This was following discussions and an agreed action (*Action SECP36/02*) at the September 2016 Panel meeting.

The DCC outlined the changes made to the proposal following the consideration of feedback from SEC Parties, in response to the consultation. It was emphasised to the Panel that the temporary maintenance schedule will apply during the six months following DCC Live. The Panel also noted that the DCC will review the need to continue with the maintenance schedule after four months and will consult with SEC Parties if they believe it needs to be extended further. Any plans to extend the temporary maintenance schedule further will need to be presented to the Panel for approval.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the documentation provided by the DCC in response to *Action SECP36/02*; and
- **AGREED** that the DCC may use the proposed temporary alternative arrangements for Planned Maintenance post-DCC Live.

4. Initial Enrolment Project Feasibility Report: Security Redactions

The DCC provided the Panel with a paper outlining the DCC's proposal for the Panel to delegate the redaction of sections of the Initial Enrolment Project Feasibility Report (IEPFR) for security reasons, to the Security Sub-Committee (SSC).

The Panel were informed that as part of the IEPFR, the DCC are required to consult on the security risks, the measures to prevent increased security risks, a risk treatment plan surrounding the Smart Metering Equipment Technical Specifications 1 (SMETS1) populations, and the feasibility of enrolling them in to the DCC System. The DCC advised that this consultation will soon be ready for publication. However, in accordance with SEC Section N4.10 and N4.11, the DCC are required to present a draft with proposed redactions on security grounds, prior to publishing the report.

The DCC highlighted that delegating the approval of redactions to the SSC would be beneficial. This is because the DCC has already sought the SSC's expertise for the contents and security principles of the IEPFR. Also, it was noted that the SSC will be able to consider and approve redactions on 9th November 2016, which is prior to the November 2016 Panel meeting. The Panel were advised that delegation would allow the publication of the consultation to occur as soon as possible and would

ensure the DCC meet its milestone in the IEPFR delivery plan. This is currently set for early November 2016.

The DCC clarified that 89 pages of the report are not classified and no redactions were envisaged, and approximately 40 pages in the appendix will be marked as confidential and therefore proposed to be redacted. The SSC will only be required to review the appendix. The Panel agreed the delegation of the approval of redactions, whilst noting that it is not a Panel principle to compress governance timescales. However, the Panel recognised the benefits and the assurance provided in relation to this matter.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** to delegate the approval of redactions to the IEPFR, to the SSC for reasons of security.

5. Outline Draft Budget 2017-2020

SECAS presented the Panel with an initial view of the outline Draft Budget for the next three Regulatory Years (April 2017 to March 2020). It was highlighted that this paper includes amendments requested by the Panel Finance and Contracts Sub-Group (PFCG), and is marked confidential.

Any comments from the Panel will be incorporated into a Panel paper that will be accessible to SEC Parties in November 2016. The Draft Budget, including any additional comments from the November 2016 activities, will then be reviewed by the Panel during the December 2016 meeting. This is in order for the Panel to approve the publication of the formal consultation with SEC Parties. It was also highlighted that this will inform the DCC of the indicative budget figures to be included within the Indicative Charging Statement and Indicative Budget due to be issued in early January 2017. SECAS informed the Panel that following the consultation, the Draft Budget will be reviewed in February 2017, in order to approve by no later than 13th March 2017.

The Panel's considerations are documented in the confidential minutes.

- **NOTED** the contents of the paper; and
- **CONSIDERED** amendments to the Draft Budget 2017-2020 in Appendix A of the paper.

6. User CIO Assessment Reports

The Panel were provided with the report, response, and the recommendation of the SSC for an organisation following their Full User Security Assessments. This was in order for the SEC Panel to review and set the assurance status of the Party, in relation to its compliance with each of their obligations under SEC Sections G3 to G6 in the relevant User Role. The User Security Assessment Report and User Security Assessment Response are classified as SSC Red and were provided to the Panel via Egress, a secure cloud solution for handling and storing of confidential information. SECAS reiterated that the information provided is strictly confidential and should not be discussed outside of the Panel meetings.

The Panel's decision on the assurance status is documented in the confidential minutes. It was noted that the Panel's decision will be communicated to the assessed Party.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** upon an assurance status for the Party following the consideration of the confidential appendix.

7. CPL CPA Certificate Expiry

SECAS provided the Panel with a paper describing a specific scenario in relation to Commercial Product Assurance (CPA) Certificate expiry. It proposed a number of potential solutions in relation to the Certified Products List (CPL).

The Panel were informed that a Large Supplier raised a concern in relation to the CPA Certificate Expiry. It was highlighted that SEC Section F2.7 requires the SEC Panel to notify the DCC (for Communication Hubs only) and Import/Gas Supplier when the CPA Certificate for Device Models is 12 and 6 months from the date of expiry. Currently, the SEC only requires the Panel to inform the Party who submits the Device Model for inclusion on the CPL. It does not currently state which Supplier should be contacted in the event of multiple Suppliers making use of the same Device Model or in the event of a Supplier who acquires a Device Model that is no longer used by the submitting Supplier.

SECAS presented the following solutions:

1. **Do nothing** – Suppliers will identify upcoming CPA Certificate expirations by checking the CPL themselves and engaging with SECAS to ascertain whether a replacement CPA Certificate is required.
2. **Inform all Supplier Parties via email** – SECAS will email all Supplier Parties informing them of the upcoming CPA Certificate expiration, in addition to notifying the submitting Supplier Party.
3. **Discussions at SEC Panel Meeting** – the Panel Member representing the Supplier Parties could communicate the CPA Certificate expirations and determine whether a new one is required.
4. **DCC Impact Analysis** – following the discussions in option 3, the DCC could be requested to identify how many Smart Metering Systems may be impacted by the CPA Certificate expiry, to determine further actions.

The Panel considered that the first proposed option was not in line with the Panel's obligations under the SEC and it was noted that this would cause ambiguity surrounding Change of Supplier (CoS) events.

The Panel discussed the viability of the second and fourth options proposed in the paper. It was agreed that SECAS should e-mail all Supplier parties with certificates due to expire and would liaise with Parties regarding renewal of certificates. The Panel acknowledge that this is not an immediate risk or issue and it was noted that the proposed options are yet to be formally discussed with the DCC.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the potential options; and

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- **AGREED** that SECAS should inform all Supplier Parties via email of upcoming CPA Certification expiry.

8. Panel Information Policy Update

The Panel were provided with an update on the Panel Information Policy. SECAS advised that the SSC reviewed the amended Panel Information Policy at their September 2016 meeting and the Panel were originally requested to review the amended policy at the October 2016 Panel meeting.

It was noted that the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) had previously reviewed the document prior to the SSC's review. However, the SMKI PMA has since raised a concern with regard to the intent of the classifications outlined in the Appendix of the policy. SECAS highlighted that the classifications are the document labels used by SECAS to determine the level of security required for each document.

The Panel were informed that the changes to the Appendix are not substantial and these will be made for the Panel review at their November 2016 meeting.

The Panel:

- **NOTED** the contents of the paper; and
- **DEFERRED** the consideration of the amended Panel Information Policy for approval at the November 2016 Panel meeting.

9. Joint Industry Cyber Security Incident Management Plan

SECAS provided the Panel with a confidential paper produced by the SSC Chair outlining the SSC's SEC obligations in respect of security vulnerabilities and security incidents, and their proposals for managing such incidents that affect more than one SEC Party. The paper included the Joint Industry Cyber Security Incident Management Plan (JICSIMP) that was approved by the SSC at its meeting on 14th September 2016. The proposed plans of the establishment of a Smart Metering Incident Response Team (SMIRT) and the draft Terms of Reference (ToR) were also provided.

The Panel considerations and decisions on the JICSIMP and the SMIRT are documented in the confidential minutes.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the continued development of the Joint Industry Cyber Security Incident Management Plan;
- **CONSIDERED** the establishment of a SMIRT as an enduring working group, reporting to the SSC; and
- **CONSIDERED** continuing work by SECAS to provide support to the SMIRT within normal working hours.

10. Impacts on SEC Panel and Operations

The Panel were provided with an overview consultations issued in September 2016 and matters that have arisen that may have an impact on the SEC Panel, SEC Parties, and related obligations.

On 22nd September 2016, BEIS issued a consultation on a number of proposed amendments to the SEC and energy licences. These amendments cover testing provisions, implementing outcomes of the Ofgem Significant Code Governance Review 3 (CGR3) Final Decision, and enabling the SEC to accommodate multiple versions of the Technical Specifications.

In relation to testing provisions, it was noted that the consultation proposes the introduction of a requirement for a SEC Variation Testing Approach Document for each SEC Modification Proposal. SECAS clarified that the current SEC Modification Working Groups (WGs) are already considering testing as part of the Refinement Process, in line with the Panel Release Management Policy (RMP). However, this added requirement will formalise the identified testing needs for each modification in a document (possibly the DCC Impact Assessment), that can then be reflected in each Modification Report.

The Panel were also informed of the proposed amendment to set out the process for accommodating multiple versions of Technical Specifications and the DCC User Interface Specification. It was noted that the consultation proposes a new SEC Section A3 'Technical Specification, the GB Companion Specification and the Commercial Product Assurance (CPA) Security Characteristics'. This will outline validity periods and interactions between various versions of technical specifications, and will include tables that set out the applicability of the various Technical Specifications. As per the testing provisions, SECAS highlighted that version control and configuration management is already considered by the WGs as part of the Refinement Process, and the proposed amendment will formalise backward compatibility.

Examples of the proposed Technical Specification Compatibility matrix were presented to the Panel in Appendix A to the paper. It was noted that modifications of the matrix will be a Panel responsibility under the RMP and it will be maintained by SECAS. The Panel discussed the increased complexities to the matrix as multiple Technical Specification versions are released, and the impact this will have on the Modification Process. It was noted that the required updates to the matrix in SEC Section A3 will have to be considered as part of the progression of any Modification Proposals that impact the Smart Metering Equipment Technical Specification (SMETS) or Communication Hub Technical Specification (CHTS).

A Panel Member highlighted concerns across industry in relation to Maintenance Validity Periods (MVPs) having an end date. SECAS advised that MVPs would only have an end date in the case of the Technical Specification change being retrospective and the expectation that retrospective change would be the exception rather than the norm. It is assumed that MVPs will mainly be in place for issues such as security risks, on an enduring basis.

The Panel agreed the draft letter to be sent to BEIS in response to the consultation, on the basis that the comments on complexities and MVPs were incorporated. The Panel also recognised that considerations will need to be included in the Modification Reports for any Modification Proposals that are due to proceed to Authority Determination prior to the proposed changes in the consultation being made to the SEC. The Panel also agreed that SEC Section A3 should be published as a separate document, from SEC Section A, on the SEC Website once it has been designated for ease of accessibility.

The Panel were also informed of a consultation issued by BEIS on 7th September 2017. This consultation sought views on Registration Data Provider (RDP) Live. It was reiterated that the Panel

responded to BEIS in September 2016, confirming that SECAS is prepared for CPL Live as soon as the Secretary of State (SoS) issues the direction. SECAS advised that they will continue to keep a watching brief on SoS consultations and directions.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the draft response to the 22nd September 2016 consultation on amendments to the SEC.

ACTION SECP37/04: SECAS to draft and send a response to the 22nd September 2016 consultation on the amended to the SEC.

11. ID Allocation Procedure Update

SECAS provided the Panel with a paper detailing the responses received as a result of the consultation on amendments required to the ID Allocation Procedure document. This consultation was issued on 12th September 2016, following the Panel's review and approval at the September 2016 Panel meeting. During the two-week consultation period, SECAS received two responses. It was noted that both respondents supported the amendments as they aligned the document with content designated in SEC 4.14.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the responses provided as Appendix B of this paper;
- **APPROVED** the amended ID Allocation Procedure; and
- **AGREED** for SECAS to publish the document as version 1.1 on the SEC Website.

ACTION SECP37/05: SECAS to publish the ID Allocation Procedure document version 1.1 on the SEC Website.

12. SEC Panel Risk and Issue Register Update

The Panel were provided with the updated Risk Register and Issue(s) log following the monthly review by SECAS. The Panel were informed of proposed changes made to Risk 19 to reflect the revised scope of DCC Live.

SECAS also highlighted that two new proposed risks (rated as amber status) had been identified in the paper, since the last Panel meeting:

- **Risk #23** – based on the DCC's proposed timeframe for additional SIT Stream completion and User Entry Process Testing (UEPT), there is insufficient time for Testing Participants (TPs) to complete UEPT for 'RSA' and 'Other User' Roles. This means there are risks that Devices could be found not to be fully compliant to SMETS and the SEC.
- **Risk #24** – there are identified risks that changes to the DCC Systems introduced as part of the DCC internal Release 1.3.1 could have an impact on existing Service Requests (SRs) that would require external User input.

The Panel discussed Risk 24 and the potential impacts on User SEC Obligations. SECAS advised the Testing Advisory Group (TAG) will continue to monitor the progress toward DCC Release 1.3.1. It was also noted that Suppliers have requested to be involved in testing to ensure there are no external impacts as a result of Release 1.3.1.

A Panel Member raised a concern that another potential risk had not yet been formally identified. It was noted that the enrolment of SMETS1 meters into DCC Systems is a concern for industry. BEIS highlighted the forthcoming Initial Enrolment Project Feasibility Report (IEPFR) and advised that this should provide clarity. The Panel therefore agreed that this potential risk should be considered following the issuance of the IEPFR for industry consultation.

In addition to the proposed new risks presented in the paper, SECAS informed the Panel that an additional risk had been identified at the October 2016 SMKI PMA meeting. It was highlighted that the SEC requires the DCC Key Infrastructure Certificate Authority (DCCKICA) to be independently assessed by a UKAS approved auditor. At the SMKI PMA meeting, it came apparent that the assessments undertaken by an auditor thus far are not classed as independent and not UKAS accredited.

The proposed new Risk 25 was presented to the Panel. The risk related to the scheduling of the undertaking and completion of the audit and if significant findings were found once the audit had taken place, this may result in material change to the DCCKI systems and services potentially having an impact on Users. SECAS highlighted that the impact of the risk had been rated as 4, the likelihood as 5, and the severity as 20. The Red/Amber/Green (RAG) status had been proposed as Red. It was also noted that the risk will likely become an Issue by the November 2016 Panel meeting, due to the proximity to DCC Live.

Discussion followed on how this risk/issue will be addressed prior to DCC Live. The DCC advised that their current view is that there are mitigations in order to proceed to DCC Live. It was noted that a paper will be provided to the SMKI PMA and the Panel for consideration prior to the DCC Live Decision. The Panel Members highlighted that although Transitional Variations can be proposed by BEIS, this matter may still be considered a breach of the SEC and Ofgem will need to be formally notified. The Panel Chair also highlighted that this risk will need to be factored in to the DCC Live Criteria Report.

The Panel:

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

ACTION SECP37/06: DCC to provide the SMKI PMA and the Panel with a paper outlining the mitigations of this risk.

13. Release Management Update

The Panel were presented with an update in relation to Release Management, including a proposed way forward in relation to the scoping and content of the initial enduring SEC Releases. The paper also included an updated table providing an overview of the earliest Releases that BEIS led changes, DCC Internal Changes, and SEC Modification Proposals could be included in. This table had been updated in light of Panel's comments during discussions at the September 2016 Panel meeting. It was noted that the DCC had contributed to the content of the paper and the tables provided in the appendices.

An overview of the potential ways forward for the scope of the content of the enduring planned Releases in November 2017, February 2018, and June 2018, was provided to the Panel. BEIS pointed out that the Anomaly Detection SMETS Objects Limits (CR205) to be expected in November 2017 is a DCC Internal Change and not a BEIS led change, as it is noted in the paper. Discussions followed on what DCC Internal Changes and BEIS led changes have an impact on the SEC. The Panel Chair noted that this would provide a lower level of detail than is required for the Panel considerations. SECAS also clarified that testing requirements will be presented to the Panel for consideration at a later stage.

In addition to the potential ways forward proposed in the paper, a further option was presented that had been considered to mitigate the risk of the November 2017 Release being unsuccessful and having wider impacts on industry. This potential option would mean that all Modification Proposals (apart from SECMP0005¹ which has been proposed for February 2018, subject to the timing of Authority approval) would be implemented in June 2018 at the earliest. It was suggested that this way forward seemed to be the approach with the least risk, based on the information provided in the paper and through discussions with the DCC. The Panel Chair also noted that the approach also recognised the 12-month lead times that have been informed by the DCC.

Panel discussions followed on the lead times and concerns were raised on the current default 12-month timescales for the implementation of all DCC System impacting Modification Proposals. It was agreed that going forward each modification should be assessed on its own merits, rather than setting the current proposed 12-month lead time for all. It was emphasised that the DCC should implement changes in the timescales deemed achievable and this should be informed through DCC Impact Assessments (IAs). Subsequently, if the DCC are unable to achieve the proposed lead times, then this should be treated as a compliance issue in the future.

A Panel Member questioned whether there are changes planned to be implemented in June 2017. It was clarified that R1.3 and R1.3.1 timescales are being reviewed and related activities and resource contention have an impact on any additional release in these timeframes. These changes are predominantly to the Self Service Interface (SSI). Discussions followed on the potential impacts this will have on modification lead times and it was questioned whether the exclusion of a formal June 2017 Release could potentially shorten the current proposed implementation lead times. The DCC advised that there will still be risks in planning lead times less than 12 months, and it was recognised that risk mitigations should be considered and notified where possible.

Whilst recognising the challenges surrounding DCC Live, the Panel also noted that the Refinement Process for many of the DCC System impacting modifications has been extended due to the delays in the delivery of the DCC Preliminary Assessments (PAs) and IAs. It was highlighted that there is general frustration within industry on the time period required from the point of raising a Modification Proposal to the point of implementation.

A Panel Member also stated that they had received concerns from Large Suppliers in relation to the level of ambition demonstrated in the proposed scope of enduring Releases. The Panel recognised that this is a concern across industry.

In order to address these concerns, the Panel agreed to propose a way forward that includes the six Modification Proposals, that were identified in Section 3.4.1 of the paper, as part of the February 2018 Release, including SECMP0002, SECMP0003, SECMP0004, SECMP0005, SECMP0008 and SECMP0011. This is subject to the Modification Proposals being approved by the Authority 12-months prior to implementation.

¹ SECMP0005 'Include Tariff and Register Labels in SMETS2 Device'

For November 2017, the Panel considered SSI Functionality (H8.16) CR195 and User Identifiers for EUI- 64 to be included within the release. However, it was noted that no approved DCC System impacting Modification Proposals will be included in the June 2017 and November 2017 Release. The Panel agreed to write to the DCC to outline this proposed way forward and to request assurance that this is achievable. Noting, that rationale would be expected if it is deemed to be unfeasible.

The Panel also agreed that a consultation with SEC Parties on the potential scopes would not be efficient in relation to timescales. Therefore, the Panel were in agreement that the letter to the DCC should also be circulated to SEC Parties, Ofgem, and BEIS in order to inform them of the proposed way forward.

The Panel:

- **NOTED** the contents of the paper;
- **CONSIDERED** the proposed release scopes;
- **AGREED** to write to the DCC proposing an initial way forward and request assurance on whether this is achievable; and
- **AGREED** to copy in SEC Parties, Ofgem, and BEIS in order to notify them of the scope being considered.

ACTION SECP37/07: SECAS to send a letter to the DCC proposing the Panel's agreed initial way forward, copying in SEC Parties, Ofgem, and BEIS.

14. SEC Modifications – DCC Assessments

The DCC provided the Panel with an update on the progress with the production of PAs and IAs (together 'DCC assessments') for SEC Modification Proposals currently in the Refinement Process. This is a standing monthly update that provides the expected delivery dates of DCC Assessments and any applicable rationale for any changes.

The DCC advised that the IAs for SECMP0004 and SECMP0008² will be delivered on 17th October 2016, rather than on 14th October 2016, as it was outlined in the paper. No further changes have been made to the necessary target delivery dates since the last correspondence between the DCC and the Panel.

The DCC clarified that the PA informs implementation lead times and Rough Orders of Magnitude (ROM). SECAS highlighted that the WG Consultation is to gauge the impacts on SEC Parties. The Panel were informed that the WG Consultation and DCC IA can be undertaken in parallel for the current active Modification Proposals. The DCC IA informs more granularity and SECAS expected that the standard process of carrying out the WG Consultation after the DCC IA has been delivered, will recommence following the first few enduring Releases.

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

² SECMP0004 'Inclusion of Meter Serial Number data item in the Smart Metering Inventory' and SECMP0008 'Provision of a Service Request error response for quarantined Service Requests'.

15. Modification Progression Timetable Review

The Panel were provided with a paper presenting proposed amendments to the progression timetables for three Modification Proposals currently undergoing refinement. This included a revised timetable for SECMP0006³ due to delays driven by ambiguities around the BEIS policy intent.

With regard to SECMP0004 and SECMP0008, reviews on the progression timetable had been carried out in light of further delays to the delivery of DCC PAs. The Panel were presented with the updated timelines for consideration and approval. It was noted that the Modification Process activities have been impacted by approximately 1 month. Discussion followed on the impact this will have on the proposed implementation date for both modifications as being included in the February 2018 Release. It was questioned whether DCC implementation activities could commence prior to the Authority Determination, whilst accepting risks of cost incurred if the modifications subsequently get rejected by the SoS. The Panel Chair highlighted that this will need to be discussed with BEIS and Ofgem, prior to a decision being made.

A Panel Member also enquired whether the timescales and meeting dates for all active Modification Proposals were the most efficient possible. SECAS advised that all progression timetables are based around the required activities in accordance with SEC Section D. Also, it was highlighted that Ofgem's Code Administration Code of Practice (CACoP) Principle 10 states that a standard 15 Working Days period should apply to all consultations, unless there are special circumstances to consider. SECAS informed the Panel that the time required to complete the steps from the Panel's consideration of the Draft Modification Report (DMR) to submitting the Modification Report (MR) to Change Board Members, has been considered when determining the necessary Change Board Votes for each modification. In light of the recent concerns surrounding Release Management, the Panel agreed that SECAS should review the necessary phasing and required meeting dates.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the proposed revisions to each Modification Proposal progression timetable.

ACTION SECP37/09: SECAS to ensure and provide clarity that the timescales and meeting dates, from the point of the Working Group Consultation to the Change Board Vote, are the most efficient possible for each active Modification Proposal.

16. Modification Status Report – October 2016

The Panel were provided with an update on the status and progress of Modification Proposals going through the Modification Process. SECAS apologised for quality errors within the paper and advised that a new version has been issued on the SEC Website.

In October 2016, 16 modifications were undergoing the Refinement Process and three modifications were brought to the Panel as an Initial Modification Report (IMR). The Panel were also informed that SECMP0016 '*Consideration of "maximum credit" value in credit cover calculation*' was issued for Working Group Consultation on 5th October 2016.

³ SECMP0006 'Specifying the number of digits for device displays'

SECAS provided the Panel with an update on developments from the five SEC Working Groups (WG). In relation to the September 2016 Panel meeting, WG1 and WG2 had not met, and WG3 and WG4 met on the 2nd September 2016 and 5th September 2016, respectively.

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

17. Modification Proposals

SECAS presented the Panel with IMRs for three Modification Proposals, to discuss and determine how they should be progressed through the Modification Process. The modifications raised are listed below:

- SECMP0020 - Removal of the confidential classification of the unique identifiers listed in SEC Schedule 5;
- SECMP0021 - Increase the representation of the “Other SEC Party” category on the SSC and TABASC; and
- SECMP0022 - Expanding SMKI PMA membership and removing Alternate restrictions.

SECAS advised that it has recommended that all three proposals be progressed as Path 3 ‘Self Governance’ modifications. It was also recommended that SECMP0020 and SECMP0022 do not require refinement and be issued directly for Modification Report Consultation. The Panel were provided with the DMRs for both of these modifications, for consideration.

BEIS advised the Panel that they had raised concerns with SECAS in relation to SECMP0020 and potential privacy impacts. It was noted that the unique identifiers listed in Schedule 5 are freely available to industry and the public through other means as part of the Market Domain Data. It was also highlighted that the identification spreadsheet hosted on the SEC Website is only accessible for SEC Parties. For these reasons, this modification is expected to have no impacts on data privacy.

It was recommended that SECMP0021 go through the Refinement Process and is refined by Working Group 5 (WG5). This is because WG5 was established to discuss non-technical governance modifications and it is deemed that adding this modification to the group’s remit will create efficiencies. As per the action area (reference 6) identified in the Modification and Release Process Thought Piece, that was presented at the September 2016 Panel meeting⁴, the Proposer of SECMP0021 provided an overview of the issue the modification seeks to resolve and the proposed solution. The Panel requested that the Sub-Committees and Sub-Committees Chair’s view are captured during the Refinement Process. It was also noted that the initial BEIS SEC consultations on Panel and SC’s membership should be considered.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the determinations for the Modification Proposals, as set out in the IMRs.

18. DCC Update

The DCC presented the Panel with an operational update on the activities undertaken by the DCC since the last Panel meeting, including an update on testing progress and the status of DCC Live. The DCC highlighted that Registration Data Provider Live (RDP Live) took place on 29th September 2016. The forecast for the DCC to provide the DCC Live Criteria Report remains the 23rd October 2016, and

⁴ SECP_26_0909_13 SEC Modification and Release Process Thought Piece – Action Areas

it was noted that the delivery confidence for the Central/South region is higher than for the North, with the status being Amber and Amber/Red, respectively.

The DCC held an Industry Day on 3rd October 2016 and the DCC advised that over 100 industry representatives attended. The DCC also hosted an Independent Suppliers Day on 14th September 2016. The DCC advised that both of these sessions were focused on operational areas only, and business matters will be discussed at the DCC Business Plan event, scheduled on 27th October 2016. This event aims to seek the views of the industry on the priorities and spending plans for the coming years.

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

19. DCC Reporting

The Panel were provided with a paper that included reports issued to the Panel from the DCC as required by the SEC. The DCC Performance Measurement Report – August 2016 (marked DCC Controlled and which the DCC published on 21st September 2016) was provided in Appendix B of the paper, setting out the Service Levels achieved in respect of each Performance Measure.

The Certificate Signing Request (CSR) Variance Report for August 2016 was provided in Appendix A of the paper. The report sets out the actual number of CSRs against the forecasted volumes and, where there are exceptions, the details of the Authorised Subscriber whose actual volumes of CSRs is greater than or equal to 110% of their forecasted volumes. SECAS advised that there are no decisions for the Panel to make with regard to omitting any parts of the report concerning under or over forecasting. Therefore, the report will be published on the SEC Website.

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

20. BEIS Update

BEIS presented the Panel with an update on the forthcoming consultation and response documents, and upcoming key milestones. BEIS highlighted that the responses for the Local Consumer Access Device (CAD) Pairing and Non-Domestic DCC Opt-out consultations are expected to be published in approximately November 2016 or December 2016.

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

21. Operations Report – September 2016

SECAS presented the Panel with the operations report for September 2016. The report provides an outline of SECAS activities undertaken in support of the SEC and includes a breakdown of days by driver, product, and grade.

SECAS outlined changes that have been made to Figure 1 of the report (SECAS core functions resources). It was noted the vacant Governance Analyst position has now been filled and the Operations Analyst vacancy is currently undergoing recruitment.

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

22. SEC Panel Role in DCC Live

SECAS presented the Panel with an overview of the duties to be performed by the Panel through the testing phases leading up to DCC Live. The paper provides an update on the various activities related to testing. This includes R1.2 milestones communicated through the Smart Metering Delivery Group (SMDG) on 21st September 2016.

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

23. Code Governance Review (Phase 3) (CGR3) Final Proposals: Cross-code survey on code administrators' performance

SECAS presented the Panel with an update on the first Code Administrators' Performance Survey, which forms part of the third phase of Ofgem's Code Governance Review (CGR3). This included an overview of the arrangements, costs, and the timescales in relation to the survey, which is due to be undertaken in mid-October 2016.

The Panel were advised that the Memorandum of Understanding (MoU) draft from National Grid had been received, but was returned to them, in order to request missing timescales. Once these are received, it will be circulated to Panel Members for comment. It was noted that the costs involve a two phase charging approach, with the two invoices expected to be in November 2016 and February 2017.

The Panel Members questioned the purpose and main objectives of the survey. Ofgem clarified that it is to review the performance and metrics of industry Code Administrators. The Panel Chair highlighted that this survey should be reflective and can be used in order to gauge a benchmark for SECAS's performance. SECAS also noted that they will be getting sight of the questions from the survey provider (Future Thinking) prior to its roll out, and they will update the Panel accordingly.

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

24. SMKI PMA Update

SECAS presented the Panel with a paper on the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) meeting held on 13th September 2016. During the meeting, the group discussed the amended SMKI Recovery Key Guidance document and draft Modification Proposal based on the current membership structure of the SMKI PMA to that of the SSC. It was also noted that SECAS will review Terms of Reference (ToR) for the SMKI PMA.

A further meeting was held on 11th October 2016, for which an update will be provided at the November 2016 Panel meeting.

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

25. TABASC Update

SECAS provided the Panel with a paper on the Technical Architecture and Business Architecture Sub-Committee (TABASC) meeting held on 15th September 2016. The TABASC's main focus was the initial review of the Business Architecture Document (BAD) content and on the proposed approach for the TABASC to review the effectiveness of the End-to-End Technical Architecture.

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

26. Security Sub-Committee Update

SECAS presented the Panel with a paper on the Security Sub-Committee (SSC) meetings held on 14th and 31st September 2016. In addition to review a Full User Assessment Report for a Large Supplier, the SSC discussed developments relating to security arrangements under the SEC. This included the Joint Industry Cyber Security Incident Management Plan (JICSIMP) and Security Controls Framework and Agreed Interpretations.

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

27. Testing Update

SECAS presented the Panel with an update on testing progress, including an update on the Testing Advisory Group (TAG) meeting held on 27th September 2016. During the meeting, TAG focused mainly on the revised DCC Release Plan for 1.2 and 1.3. The paper also provides an update on party's engagement with SMKI and Repository Entry Process Testing (SREPT). The next TAG meetings have been scheduled for 25th and 26th October 2016, to review and provide recommendation to the SEC Panel of DCC's testing completion reports.

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

28. Smarter Markets Project Update

SECAS provided the Panel with the monthly overview on the activities undertaken in support of the Smarter Markets project, including developments of the design period, as well as an update on the three design teams set up to support the Blueprint Phase. These are the Business Process Design, Delivery Strategy, and Switching Regulatory Design. The Panel were informed that a total of 36.57 days had been expended to the project this month.

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

29. Transition Governance Update

The Panel were provided with an update of the transition governance entities and other smart metering related meeting and workshops attended by SECAS and the Panel Chair in the last month.

This included a verbal update, provided by the Panel Chair, on the Smart Metering Delivery Group (SMDG) meeting held on 13th October 2016, which will be included in the November Transition Governance Update paper. The Panel Chair informed that the SMDG focus was mainly on Release 1.2 and Release 1.3. It was noted that the SMDG expect Release 1.3 plans to be communicated in the week commencing 17th October 2016. The Panel were also informed that the SMDG were notified that the Joint Industry Plan had been finalised at the Implementation Manager Forum (IMF) and will be in place until 2020. The Smart Energy Great Britain also presented an update on their business plan and work load to the SMDG during their meeting.

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

30. SEC Panel Activity Planner

The Panel were provided 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 two appendices to this paper.

31. SEC Party Update

The Panel **NOTED** that the following organisations would be admitted as Parties to the SEC following countersignature of their Accession Agreement by the SECCo Board:

- Foxglove Energy Supply Ltd (Small Supplier)
- Connected Cloud Solutions Ltd (Other SEC Party)
- Azacca Energy Limited (Small Supplier)
- Bor Energy Limited (Small Supplier)
- Bullion Energy Limited (Small Supplier)
- Galena Energy Limited (Small Supplier)
- Golding Energy Limited (Small Supplier)
- Newport Energy Limited (Small Supplier)
- Opal Energy Limited (Small Supplier)
- Clean Returns Limited (Small Supplier)
- Green Energy Options Ltd (Other SEC Party)

The Panel also **NOTED** that Extra Energy Limited have declared themselves as a Large Supplier Party.

32. Any Other Business

The Panel Chair acknowledged that Tim Guy, from BEIS would be stepping down as a SoS representative for the Panel and this would be his last meeting. On behalf of the Panel, the Chair thanked Tim Guy for his input and knowledge over the many meetings he has attended.

SECAS informed the Panel that a Small Supplier acceded to the SEC have recently nominated themselves for a TABASC seat representing Small Suppliers. However, it has come apparent that their website claims they have over 400,000 customers. In accordance with SEC Section M, Suppliers with more than 250,000 are required to declare themselves as a Large Supplier Party. It was also noted that SECAS have obligations to undertake activities in order to keep Party Details updated and correct. The Panel therefore agreed that SECAS should write to the Supplier Party in question.

ACTION SECP37/10: SECAS to write to the Party in question in relation to declaring themselves a Large Supplier Party if required.

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