

## SEC Panel Meeting 35

### Meeting SECP\_35\_1208, 12<sup>th</sup> August 2016

10:00 – 12:30, Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

## Final Minutes

### Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	Simon Trivella (Teleconference (part))
	Adam Carden (Alternate)
Small Suppliers	Andrew Green (Alternate)
	Mike Gibson
Electricity Networks	David Lane
Gas Networks	Sara Neal
	Hilary Chapman (observer)
Other SEC Parties	Mike Woodhall
	Hugh Mullens
Consumer Member	Morgan Wild (observer)
DCC	Paul Hawkins

Representing	Other Participants
DECC (Secretary of State)	Tim Guy
Ofgem (the Authority)	Nigel Nash
	Gwen Cruise
	Raymond Elliot
Meeting Secretary	Sasha Townsend
SECAS	Sarah Gratte
	David Barber
	Alys Garrett
	George MacGregor (part)
	Sebastian Rattansen (part)

## Apologies:

Category	SEC Panel Members
Large Suppliers	David Ross Scott
Small Suppliers	Eric Graham

## 1. Minutes and Actions Outstanding

The minutes from the July 2016 Panel meeting were approved via ex-committee decision, noting that suggested changes were included in the final minutes. The Chair highlighted that the Consumer Member has not been included in the list of attendees. SECAS advised that they will amend this and reissue the final version.

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
SECCP22/08	SECAS advised that the Firmware Management Design Note will be discussed at the TBDG meeting scheduled on 18 <sup>th</sup> August 2016 and will be published on the SEC Website if approved.  <b>Post Meeting Note:</b> The Firmware Management Design Note received approval at the TBDG meeting.
SECCP23/08	The Panel were informed that the Panel Information Policy and Security Policy will undergo legal review once the Security Policy is completed and reviewed by the Security Sub-Committee (SSC) in September 2016.
SECCP34/06	The Panel Chair advised that a further response from the DCC was received on 4 <sup>th</sup> August 2016, regarding the DCC Impact Assessment of Modification Proposals. It was highlighted that the DCC had provided dates in which the outstanding Preliminary Assessments (PAs) and Impact Assessments (IAs) will be completed. Although this is encouraging, the Chair noted there are a number of concerns surrounding Release Management and the prioritisation of Modification Proposals. The Panel Chair advised that he has responded to the letter proposing a meeting between the SECAS and the DCC and the letter would be circulated with the Meeting Headlines to Panel Members.

## 2. User Security Assessments – July 2016

The Panel were provided with the reports, responses, and the recommendations of the Security Sub-Committee (SSC) for three organisations following their Full User Security Assessments. This was in order for the SEC Panel to review and set the assurance status of the Parties, 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 Reports and User Security Assessment Responses 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 Panel meetings. The Panel were also provided with an overview of

the User Security Assessment process and the four possible assurance status', which were further outlined in Appendix 1 to the paper.

The Panel's decisions on the assurance statuses are documented in the confidential minutes. It was noted that the Panel's decision will be communicated to each Party.

The Panel:

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

### 3. TABASC Terms of Reference Update

The Panel were provided with the amended Terms of Reference (ToR) for the Technical Architecture and Business Architecture Sub-Committee (TABASC), which was formally known as the Technical Sub-Committee (TSC) prior to the designation of SEC 4.14. SECAS gave an overview of the changes made to the ToR in order to introduce a number of new duties surrounding the Business Architecture and the oversight of HAN requirements. It was highlighted that the TABASC reviewed the amended ToR during their July meeting and no feedback was received. The ToR had also been provided to the Strategic Assurance 16 (SA16) group for comment and it was highlighted that no comments were received due to the amendments aligning to the SEC.

The TABASC also recommended that as part of the approval, the Panel provide the direction for a number of the TABASC duties, as required prior to TABASC undertaking the activity. It was highlighted that this will allow the TABASC to take action as and when it is required and report back to the Panel through the monthly Panel meeting update.

The Panel:

- **NOTED** the contents of this paper;
- **APPROVED** the amended Terms of Reference as provided in Appendix A; and
- **APPROVED** the Panel directions as set out in Section 3 of the paper.

#### 4. SEC Panel Risk and Issue Register Update

The Panel were provided with the updated Risk Register following the monthly review by SECAS. SECAS highlighted that no new risks had been identified and noted that updates had been made to reflect names changes to TABASC (formally TSC) and the Department of Business, Energy and Industrial Strategy (BEIS) (formally the Department of Energy and Climate Change(DECC)).

The Panel were also informed that a SEC Panel Issues Log had been introduced following the discussions on risk 19 at the July Panel meeting. The SEC Panel Issues Log outlines further detail on the actions being taken to resolve risks that have become issues. It was noted that any risk 19 mitigations and issue 1 actions will be further considered following the outcomes from the Consultation for DCC Release Plan for R1.2 and R1.3 and discussed at the Testing Advisory Group scheduled on 16<sup>th</sup> August 2016. SECAS advised an update will be provided to the September Panel meeting.

The Panel:

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

#### 5. DCC Live Decision Making Process

The Panel were presented with an update on recent discussions between the Panel Chair, BEIS, and the DCC regarding the DCC Live Decision Making Process. A draft of the direction letter that will be provided by the Secretary of State to the Panel on their role in accordance with SEC Section X1.18 was produced by BEIS and was provided in the Confidential Appendix A of the paper. The Panel also noted that a similar letter would be presented to the DCC regarding their requirement to provide an assertion letter on the DCC Criteria required for DCC Live.

The Panel were also presented with a timeline outlining the necessary decision and review points for each of the bodies involved. It was highlighted that the Panel will receive 5 days' notice of the DCC's intent to provide the relevant documentation for review and comment by the Panel, supported by the Testing Advisory Group (TAG). Once the Panel receives the documentation, including the assertion letter, the Interface Testing (IT) Exit Report and the Systems Integration Testing (SIT) Exit Report, they will have 5 Working Days (WDs) to review. Based on the DCC Live date of 30<sup>th</sup> September 2016, this will be sent on 21<sup>st</sup> September 2016.

SECAS highlighted that the TAG will meet on 27<sup>th</sup> September 2016 to review and discuss the DCC Live Decision documentation. Any relevant recommendations from TAG and the Panel will then need to be communicated to BEIS by 28<sup>th</sup> September 2016. It was recognised that these timescales are subject to progress through Interface Testing and the subsequent provision of documentation by the DCC. It is also intended that the TAG will receive draft exit reports to comment on prior to receiving the final versions. It was requested that the draft reports also be circulated to the Panel on receipt.

The Panel discussed the necessary meetings that should be scheduled in order to carry out the review activities. It was agreed that the Panel should meet via teleconference at the beginning of the process. It was noted that elected Panel Members take their seats on the 23<sup>rd</sup> September 2016 and it was suggested that this may impact the Panel's DCC Live Decision Making Process. SECAS highlighted that only one Other SEC Party seat requires a vote, and so little impact is envisaged as the majority of Panel Members will retain their seats.

The Panel:

- **NOTED** the contents of the paper; and
- **DISCUSSED** the contents of the confidential Appendix A.

**ACTION SECP35/01:** SECAS to circulate the draft exit reports to Panel once issued to TAG.

**ACTION SECP35/02:** SECAS to schedule placeholder Panel meetings relating to the current planned dates for DCC Live.

## 6. SEC Modification and Release Process Thought Piece

SECAS presented the Panel with a ‘thought piece’ on the SEC Modification and Release Process as requested at the June Board meeting. This included an overview of the current process, feedback received from Panel Members with regards to the current process, and options for the Panel to consider in order to improve the process and current working practice. It was noted that a number of the items could be taken forward as ‘quick wins’, subject to Panel agreement, whereas others are likely to need further thought and input from wider industry with the potential for Modification Proposals being required.

The areas for Panel discussion were split into the following topics:

### Raising a Modification and Initial Assessment

The Panel discussed the first stages of the Modification Process, considering SECAS as a critical friend, Panel’s initial considerations, Modification Proposal progression paths, and modification progression timetables.

SECAS highlighted feedback received regarding the Modification Process not including a stage to filter out change that may not be feasible or beneficial. It was noted that provisions under the Change Board functions to develop, refine, and discuss potential variations to the Code prior to formal submission had previously not been utilised due to the work being undertaken by the transitional governance groups. The Panel was of the view that scheduling Change Board meetings to discuss potential change would be unproductive, noting that Change Board Members may not have the necessary expertise. It was discussed that a similar body to the Issue Resolution Expert Group (IREG) under the Master Registration Agreement (MRA) could be introduced under the SEC, however, it was noted that this could overlap with current transition governance groups. The Panel discussed another approach, using the existing Sub-Committees to provide a ‘sounding board’ for issues raised that could potentially result in a Modification Proposal. SECAS agreed to put in place a process whereby potential modification Proposers could attend necessary Sub-Committees to gain initial advice on viability, noting that the activity would always be optional.

The Panel discussed the option of a multi-tiered approach to the Modification Process. It was noted that other codes, such as the Balancing and Settlement Code (BSC) use Change Proposals to make changes to documentation that do not form part of the main code, and use a monthly change process to amend Market Domain Data (MDD). It was considered that a two-tiered approach could be implemented, although with a limited application, due to much of the SEC being technical in nature, while a third-tiered approach may not be achievable due to the complex nature of the SEC. A Panel Member suggested that sections of the SEC could be drafted to allow changes in certain areas, such as the existing provisions for Anomaly Detection Thresholds, to be actioned relatively quickly. The Panel agreed in light of the content of the SEC and how it is structured that further work on a two or three tiered change process should not be taken forward.

The Panel also agreed that the suggestion for the Proposer to be in attendance during the relevant Sub-Committees and the Panel's initial considerations of a Modification Proposal should be actioned straight away as SECAS can easily arrange this for future Panel meetings.

### **Refinement and Working Groups**

The Panel considered certain areas of the Refinement Process that could have the potential to cause delays to the progression of a Modification Proposal through the Modification Process. It was highlighted that Preliminary Assessments (PAs) and Impact Assessments (IAs) undertaken by the DCC and their Service Providers (SPs) currently adds approximately 13 weeks to the progression timetable. The DCC highlighted that the timescales are always being assessed to establish potential reductions wherever possible, such as where fewer DCC Service Providers are impacted timescales may be less.

SECAS noted feedback received which expressed that the Modification Process needs to ensure that Parties cannot delay the progression of any modifications. SECAS highlighted that other codes, such as the BSC, have provisions for Working Group members to be removed if they are not fulfilling their required duties and it was considered that this could be taken forward in the SEC if the need arises. The Panel Chair also highlighted that the Working Group Chair and SECAS have responsibilities to ensure discussions are managed efficiently and are constructive in progressing the refinement.

The Panel also discussed the potential to include extra stages in the Modification Process to allow the Panel, or the Authority to express any provisional thoughts on the viability of a modification. Ofgem highlighted that although their views on viability are often sought for other code changes, such as the BSC, it is approached informally. It was also noted that the Authority have to be cautious when providing a view if the Refinement Process has not been concluded, as they may not have adequate information to make any conclusions at that point in time. A Panel Member questioned if Sub-Committee input had been gained for Modification Proposals currently active in the Modification Process. SECAS advised that input had not been officially requested from any Sub-Committee for any modifications at this point, but they do receive monthly updates, and in the case of the TABASC and SSC, receive a detailed monthly update.

### **Releases and implementation of change**

The Panel were provided with an overview of feedback received on releases and implementation of modifications. SECAS highlighted that a joint SECAS and DCC workshop took place with industry on 26<sup>th</sup> July 2016 to discuss enduring SEC Releases and Release Management post DCC Live. The Panel Chair highlighted the letter, sent in response to the DCC letter received on 4<sup>th</sup> August 2016 regarding PAs and IAs, requesting a meeting between SECAS and the DCC. It was noted that there will be further discussions on modifications and releases during these forthcoming meetings, and SECAS can provide more detail in updates to the Panel at future meetings.

### **General Comments**

SECAS highlighted that feedback had been received recognising the high volume of Modifications Proposals submitted since the activation of the additional Modification Paths in February 2016. It was suggested that the volume of modifications is expected to decrease over time. Although, a Panel Member highlighted that there is also the potential for the number of modifications to increase post DCC Live, as Parties will have a working service to change rather than a design. SECAS noted that early considerations through the Critical Friend function and possible early Sub-Committee input may give an indication of the volume of modifications and when they are likely to be raised.

BEIS informed the Panel that they will be sending a communication outlining the responsibilities for each party in future releases. This will include the roles and responsibilities of the Secretary of State, the SEC Panel, and the DCC. BEIS agreed to send the draft to SECAS, and to circulate to the Panel once formally issued.

### Next steps

The Panel also discussed how the benefit of the changes made to the Modification Process will be measured in comparison to the cost and time required to make these change. SECAS highlighted that the Code Administrator Code of Practice (CACoP) outlines a number of principles and metrics SECAS are obliged to meet. Ofgem also noted that the final outcomes from the Competition and Markets Authority (CMA) report may have an impact and this should be considered in the future. However, it was also noted that many of the suggestions in the thought piece would implement some of the key outcomes from the Code Governance Review: Phase 3 (CGR3).

The Panel commended the 'thought piece' and commented that it was a great starting point to initiate further work and 'quick fixes' wherever possible. It was agreed that SECAS should prepare an activity plan to summarise the thought piece and set an indication of what can be actioned quickly and what would require more detailed work. BEIS also informed the Panel that some changes to the Modification Process could be actioned by them if required.

The Panel:

- **NOTED** the contents of the paper; and
- **CONSIDERED** the content of the thought piece and any next steps that should be taken.

**ACTION SECP35/03:** SECAS to produce a summary of key areas within the thought piece and an activity plan for the areas to take forward.

## 7. Modification Progression Timetable Review

As agreed at the July Panel meeting following a letter from the DCC, regarding its current ability to deliver PAs and IAs, SECAS reviewed and put together proposed amendments to the progression timetables for the Modification Proposals that were impacted by the delay. The review also took into consideration any further work that will be undertaken by the Working Groups that impact the Refinement timescales e.g. consideration of Alternative Proposals. The Panel were presented with the updated progression timetables for consideration and approval. It was noted that PAs/IAs had not yet been requested for a number of modifications and work on any newly requested PAs and IAs will not be able to commence until approximately mid-September. The DCC clarified that this will depend on the Modification Proposal, as some may only impact certain Service Providers who are able to commence work and others may not require any Service Provider input at all. It was also noted that this may not apply to any Urgent Modification Proposals that may arise.

SECAS highlighted that they are obliged to report metrics on the modification progression timetables, to Ofgem on a quarterly basis, under the Code Administrator Code of Practice (CACoP) Principle 12. Currently, the report does not feature a notes field to provide commentary on why a progression timetable has been extended. The Panel agreed that this commentary should be provided alongside the quarterly metrics, when they are next brought to the Panel prior to submission to the Authority.

SECAS advised the Panel that the revised progression timetables will be circulated to SEC Parties, each Panel Sub-Committee and published in the Modification Register on the SEC Website.

The Panel:

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

## 8. Modification Status Report – August 2016

SECAS presented the Panel with an update on the status and progress of Modification Proposals going through the Modification Process. In August 2016, 16 modifications were undergoing the Refinement Process and one modification was brought to the Panel as an Initial Modification Report (IMR). The Panel were informed that the Change Board voted to approve SECMP0017 '*CGR Phase 3 outcomes: Code Administrator to chair modification Working Groups*' on 27<sup>th</sup> July 2016 and this Modification Proposal is due to be implemented on 17<sup>th</sup> August 2016.

SECAS informed the Panel that on 8<sup>th</sup> August 2016 the Proposer stated their wish to withdraw SECMP0014 '*Standardise formatting of device ID*' in accordance with the withdrawal provisions in SEC Section D5.1. This was due to reasoning that suggested the modification adds limited value and could cause risk to Supplier's Institute of Electrical and Electronics Engineers (IEEE) obligations and agreements. It was noted that this will be formally withdrawn on 22<sup>nd</sup> August 2016 subject to any other Party choosing to adopt the modification.

SECAS provided the Panel with an update on developments from the five SEC Working Groups. It was highlighted that although there are delays to the PAs and IAs that Working Groups have requested from the DCC, SECAS is working with the DCC, modification Proposers, and Working Group members to complete background work on modifications in the interim. SECAS also noted that Working Group 1 is currently focussing on seven Modification Proposals, however, the amount of modifications that will be discussed in each meeting will be staggered to ensure efficient time is spent on each.

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

## 9. Modification Proposals

SECAS presented the Panel with an Initial Modification Report (IMR) for SECMP0019 '*ALCS Description Labels*', to discuss and determine how it should be progressed through the Modification Process. SECMP0019 seeks to include guidance or naming conventions to define any of the five Auxiliary Load Control Switches (ALCS) or HAN Connected Auxiliary Load Control Switches (HCALCS).

The Panel were informed that SECAS and the Proposer considered that the modification will not have any material impacts and therefore, it has been recommended that SECMP0019 be progressed as a Path 3 Self Governance modification. SECAS highlighted that the updated DCC timescales for delivery of PAs and IAs were reflected within the modification progression timeline provided in the IMR.

In relation to the previously discussed SEC Modification and Release Process Thought Piece, the Chair highlighted that this Modification Proposal could be an example similar to the point raised around changes to parameters, such as the Anomaly Detection Threshold example discussed earlier in the meeting. The Panel also discussed the current problem SECMP0019 is trying to resolve. It was noted that in the event of a Change of Supplier (CoS), although a gaining Supplier can obtain details from Balancing and Settlements, they may still make an assumption on the suppliers' current ALCS setup due to the different nomenclature used by different Suppliers.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the determinations for the Modification Proposal, as set out in the IMR.

## 10. BEIS Update

The Panel were presented with an update on the forthcoming consultation and response documents, and upcoming key milestones. BEIS highlighted that the DCC Live Activation consultation will be published week commencing 12<sup>th</sup> August 2016. It was noted that this is a large consultation, consisting of 25 annexes, to bring in to effect the latest versions of over 13 SEC Sections and SEC Subsidiary Documents required for DCC Live. BEIS informed the Panel that this consultation will be for four weeks and will cover a number of topics. It was clarified that the four-week consultation period is standard process.

BEIS also highlighted that the Smart Meter Roll-out Cost Benefit Analysis – 2016 Update consultation will be published in August/September 2016. This consultation, previously known as an impact assessment, will also be open for four weeks and will look at Cost Benefit Analysis covering the domestic and small and medium non-domestic sectors.

A further SEC consultation will also be released in August / September covering a number of areas including:

- Install & Leave
- Maintenance of Smart Metering Systems
- Changes to Section N to support the Initial Enrolment Project Feasibility Report (IEPFR)
- Amendment to Ofgem Significant Code Review powers
- Privacy Requirements
- Smart Change of Supply Licence Condition Changes
- Making Transitional Variations Enduring
- Changes to the Enduring Testing Approach Document
- Changes to the SEC to enable it to accommodate multiple versions of Technical Specifications
- New Registration Data Provider Entry Process Testing
- Definition of Registration Data Provider Systems
- Testing required to implement changes to the SEC
- Provision of variant communication hubs for testing
- Miscellaneous Changes and minor clarifications

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

## 11. DCC Update

The DCC presented the Panel with an update on the activities undertaken by the DCC since the last Panel meeting, including an update on testing progress and the status of releases. The DCC highlighted that August is a key month for User Entry Process Testing (UEPT), noting that progress has been made in Systems Integration Testing (SIT) required for UEPT to commence. The Panel were informed that Test Assurance Board (TAB) and DCC programme gate meetings were scheduled week commencing 15<sup>th</sup> August 2016 to decide whether UEPT can commence at the end of August 2016. It was noted that a letter will be sent to the Secretary of State following these meetings.

The DCC informed the Panel that all Electricity Registration Data Providers (RDPs) have commenced SIT, as previously reported, and all Gas RDPs have now completed Technical Readiness Testing (TRT) and commenced SIT on 2<sup>nd</sup> August 2016. It was also highlighted that that entry quality gate assessments have been completed with all Large Suppliers and the DCC are completing final spot checks on Test Participant (TP) testing artefacts prior to the TPs commencing UEPT.

The Panel were informed that consultations on the arrangements for additional support, and on the temporary maintenance arrangements and Business Continuity and Disaster Recovery (BCDR) are due to be published shortly. The DCC anticipate bringing a paper to the September Panel following the conclusion of this consultation. The DCC also highlighted that they will be hosting an Independent Supplier Day on 14<sup>th</sup> September 2016, at which SECAS will support, and an Industry Day on 3<sup>rd</sup> October 2016.

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

## 12. DCC Reporting

The Panel were provided with a paper that includes reports issued to the Panel from the DCC as required by the SEC. The DCC Performance Measurement Report – June 2016 report (marked DCC Controlled and which the DCC published on 22<sup>nd</sup> July 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 June 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 100% 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.

## 13. Operations Report – July 2016

SECAS presented the Panel with the operations report for July 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 informed the Panel that a Governance Consultant and Operations Senior Analyst have left the company within the last month. The Governance Consultant role has been occupied by a current SECAS team member, whereas the Operations and Governance Analyst vacancies are undergoing recruitment in order to fill the positions. SECAS highlighted that a lot of activity had still taken place in the modifications area due to the high volume of modifications going through the process. It was also highlighted that activity has taken place to prepare for upcoming Spotlight on the SEC Seminar scheduled on 16<sup>th</sup> August 2016.

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

## 14. CMA Energy Market Investigation Update

The Panel were presented with an update on the Competition and Markets Authority's (CMA) Final Report on the energy market investigation. The Panel were informed that Ofgem have published their

response to the Final Report and their Implementation Strategy. It was noted that Ofgem are currently working with BEIS on implementing the licencing of Code Administrators, which is one of the key CMA remedies that is likely to have the greatest impact on the Panel. Ofgem informed the Panel that they are considering various licencing models and these will be consulted on in Autumn 2016. SECAS will provide a further update to the Panel once this consultation has been published.

The Panel:

- **NOTED** the contents of the paper; and
- **NOTED** that SECAS will provide further information to the Panel and Parties as consultations and further information is made available.

## 15. Configuration Management Update

SECAS provided the Panel with a paper providing a configuration management update on the new SEC content designated by the Secretary of State in July 2016. The latest SEC versions released in July 2016 were SEC 4.13 and SEC 4.14. These took effect on 6<sup>th</sup> July 2016 and 13<sup>th</sup> July 2016, respectively.

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

## 16. 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. It was noted that the timeline normally included in Appendix A of this standing paper has been removed due to the recent consultation on the DCC Release 1.2 and Release 1.3 plans. The paper is based on the milestones set out in the final decision from the BEIS Senior Responsible Officer to the DCC's Smart Metering Implementation Programme (SMIP) Contingency Request (May 2016) circulated on 7<sup>th</sup> June 2016. Any updates required due to any revised release dates will be included within the paper for the September Panel meeting.

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

## 17. Change Board Update

SECAS provided the Panel with a paper on the Change Board meeting held on 27<sup>th</sup> July 2016, where Change Board Members voted on a Modification Proposal for the first time. The Panel were informed that the Change Board unanimously voted to approve SECMP0017 '*CGR Phase 3 outcomes: Code Administrator to chair modification Working Groups*'. It was noted that the Panel did not receive any appeals to the Change Board's decision and the Modification Proposal will be implemented on 17<sup>th</sup> August 2016.

The Panel were informed that the Change Board will be presented with revised Change Board vote dates following the August Panel meeting, based on the amended modification progression timetables.

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

## 18. SMKI PMA Update

SECAS presented the Panel with a paper on the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA) meeting held on 12<sup>th</sup> July 2016. The SMKI PMA discussed an amended set of SMKI PMA Terms of Reference (ToR) and agreed to provide them to the Strategic Assurance 16 (SA16) for comment. A further meeting was held on 9<sup>th</sup> August 2016, where SMKI PMA Members were provided with an update on the comments received from industry on the SMKI Recovery Key Guidance Consultation. A paper update on the meeting will be provided to the September Panel meeting.

The Panel were informed of concerns expressed by the SMKI PMA Chair with regard to the current size of the SMKI PMA membership. It was noted that the initial membership structure was set up on the basis that the SMKI PMA would undertake governance activities and would not have any operational responsibilities. To ensure that the meeting is quorate in an event of a Recovery decision, a Modification Proposal could be raised to increase the membership to six Large Suppliers, two Small Suppliers, one Network Operator, one SSC representative, and one TABASC representative. This Modification Proposal is expected to be presented to the September Panel meeting.

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

## 19. TABASC Update

SECAS provided the Panel with a paper on the first meeting of the Technical Architecture and Business Architecture Sub-Committee (TABASC), formerly the Technical Sub-Committee (TSC), since the designation of SEC 4.14, which was held on 21<sup>st</sup> July 2016. The TABASC discussed updates from BEIS and the DCC and further refined the TABASC Principles to assess Modification Proposals.

A further meeting will be held on 18<sup>th</sup> August 2016 for which an update will be provided to the September Panel meeting.

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

## 20. Security Sub-Committee Update

SECAS presented the Panel with a paper on the Security Sub-Committee (SSC) meetings held on 13<sup>th</sup> and 27<sup>th</sup> July 2016. In addition to discussing developments pertaining to security arrangements, the SCC reviewed Full User Assessment Reports and made recommendations on assurance status' for three Large Suppliers. A further meeting was held on 10<sup>th</sup> August 2016, during which the SSC reviewed a Full User Assessment Report for an Electricity Network Operator. An update on the meeting and the recommended assurance status, which is to be reviewed by the Panel, will be provided to the September 2016 Panel meeting.

SECAS informed the Panel of concerns communicated by the SSC Chair with regard to the SEC not currently specifying and defining skills or experience required to become an SSC Member. In order to enable the SSC Chair to set necessary membership requirements, the SSC Chair is considering raising a Modification Proposal. This Modification Proposal is expected to be presented to the September Panel meeting.

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

## 21. Testing Update

SECAS presented the Panel with an update on testing progress, including an overview of the proposed changes to the DCC Release Plan for Release 1.2 and Release 1.3. The Panel were informed that the Testing Advisory Group (TAG) had not met since the July 2016 Panel meeting. A meeting will be held on 16<sup>th</sup> August 2016 to consider the implications of the revised DCC Release Plan for 1.2 and 1.3, for which an update will be provided to the September 2016 meeting.

The Panel:

- **NOTED** the contents of the paper; and
- **NOTED** the contents of the accompanying Confidential Appendix A.

## 22. Smarter Markets Project Update

SECAS provided the Panel with the monthly overview on the activities undertaken in support of the Smarter Markets project, including updates from the three design teams set up to support the Blueprint Phase: Business Process Design, Delivery Strategy, and Regulatory Design. The Panel were informed that there has been increased activity on the Business Process Design and SECAS successfully implemented a 'read-only' version of the Casewise model.

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

## 23. Transition Governance Update

The Panel were provided with an update 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. SECAS provided a verbal update on the Smart Metering Delivery Group (SMDG) meeting held on 11<sup>th</sup> August 2016, which will be included in the September Transition Governance Update paper.

The Panel were informed that BEIS presented an update to the SMDG on Independent Suppliers, noting that there is approximately fifty Independent Suppliers who hold approximately 15% of the energy market. SECAS highlighted they have not yet interacted with all of these Suppliers, causing concern that they may not all be aware of their obligations to the SEC. The Panel were advised that SECAS will be attending the Independent Supplier Day, which will be hosted by the DCC on 14<sup>th</sup> September 2016, and they will ensure that the SECAS Party Support Analysts engage with as many Independent Suppliers as possible. The Panel expressed their doubts that all fifty Independent Suppliers were currently active in the market and agreed that SECAS should look into this further.

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

**ACTION SECP35/04:** SECAS to compile a list of the Small Suppliers, highlighting which ones are active or in-active.

## 24. 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.

## 25. 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:

- Regent Gas Ltd (Small Supplier)
- UK Power Distribution Ltd (Electricity Network)
- Covent Energy Ltd (Small Supplier)
- Aclara Meters UK Ltd (Other SEC Party)

## 26. Any Other Business

The Panel noted that the Balancing and Settlement Code (BSC) Panel have agreed their scheduled meeting dates for 2017, which is to meet on the second Thursday of each month. The SEC Panel therefore considered that it would be suitable for them to meet on the second Friday of each month. SECAS advised that they will list the proposed dates in a paper for approval at the September Panel meeting.

The Chair informed the Panel that Nigel Nash, a representative from Ofgem, would be retiring shortly and this would be his last Panel meeting. On behalf of the Panel, the Chair thanked Nigel Nash for his input and knowledge over the many meetings he has attended.

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

**ACTION SECP35/05:** SECAS to bring a list of proposed 2017 meeting dates for the Panel's approval.