SEC Change Board Meeting 07, 27th July 2016

10:00 – 11:00 Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	Change Board Members
Change Board Chair	Adam Lattimore
Large Suppliers	Simon Trivella (alternate)
	David Smith
	Samantha Cannons
	Simon Finnegan (alternate)
Small Suppliers	Carolyn Burns
	Marc Brook (alternate)
Networks	Leigh Page
	David Lane (alternate)
Other SEC Parties	Dave Gregson
	Gerdjan Busker

Representing	Other Participants
DCC	Adam Pearce
SECAS Modifications Support	David Barber
	Seb Rattansen
Meeting Secretary	Sasha Townsend

Apologies:

Category	Change Board Members
Large Suppliers	Ashley Pocock
	Tim Newton
	Jeremy Guard
	Suzanne Farag
	Iain Matthews

Category	Change Board Members
Small Suppliers	Steven Bradford
Other SEC Parties	Mike Woodhall
Consumer Member	Morgan Wild
DECC	James Goldsack

1. Actions Outstanding

SECAS updated the Change Board on the Actions Outstanding from the previous meeting, noting that all of the actions had been closed. During the meeting, each Change Board Member was provided with support material providing high level guidance on the Change Board voting process, in order to action **SECCB06/03.**

2. SECMP0017: CGR Phase 3 outcomes: Code Administrator to chair Working Groups

The Change Board Members were provided with the Final Modification Report (FMR) and Modification Report Consultation Responses for SECMP0017 'CGR Phase 3 outcomes: Code Administrator to chair Working Groups'. SECAS highlighted that one of the key outcomes from Ofgem's Code Governance Review Phase 3 (CGR3) is that modification Working Groups should be chaired by the Code Administrator, unless there is a Panel identified conflict of interest. SECMP0017 seeks to amend SEC Section D to align it with this outcome so that SECAS will chair all Working Groups.

3. Change Board Vote on SECP0017

The Change Board agreed that the FMR should not be returned to the SEC Panel with any recommendations for further clarification or analysis. All Party Categories unanimously voted to approve the Modification Proposal and therefore the overall Change Board vote was to approve SECMP0017. Each Change Board Member stated the following rationale for voting to approve:

- The seventh General SEC Objective (g)[1] would be better facilitated if SECMP0017 was implemented, because it supports the efficient and transparent administration and implementation of this Code;
- SECMP0017 aligns the SEC with the key outcome from Ofgem's CGR3;
- SECMP0017 aligns the SEC with other industry Codes where Working Groups are chaired by the Code Administrator; and
- SECMP0017 helps ensure a consistent approach across modification Working Groups.

SECAS informed the Change Board that the SEC Modification Register and the FMR will be updated to include Change Board Members' votes, reasoning, and the overall Change Board vote outcome. SECAS will also communicate the Change Board vote outcome to the SEC Panel, SEC Parties, and the Authority. It was noted that there will be a referral period of 10 Working Days (WD) following the

[1] SEC Section C1.1

meeting, during which any SEC Party can appeal the Change Board's decision to the SEC Panel[2]. If the Panel do not receive any appeals, the modification will be implemented five WDs following the end of the ten WDs referral period. This is scheduled for 17th August 2016.

The DCC questioned whether the modification will have any effect on SECAS' contract with SECCo. It was noted that SECAS have currently been chairing all modification Working Groups as part of SECAS' core services and this will continue once the modification has been implemented.

The Change Board:

- **CONSIDERED** the FMR for SECMP0017 and the Modification Consultation Responses;
- **AGREED** that the FMR for SECMP0017 should not be returned to the SEC Panel with any recommendations; and
- **VOTED** to approve SECMP0017.

4. Modification Status Report – July 2016

SECAS presented the Change Board Members with the July 2016 Modification Status Report, providing a high level update of the status of SEC Modification Proposals.

SECAS highlighted a letter that DCC sent to the SEC Panel on 6th July 2016 regarding their input into SEC Modifications. The letter noted that there will be delays to the Preliminary Assessments (PAs) and Impact Assessments (IAs) that modification Working Groups have requested from the DCC.

The Change Board were informed that SECAS is working with DCC, modification Proposers, and Working Group members to complete background work on modifications in the meantime. This will ensure that when DCC's PAs and IAs information are delivered, the Working Groups have completed as much other work as possible.

SECAS informed the Change Board that the SEC Panel will review the modification timetables for all Modification Proposals currently in the Refinement Process at its August 2016 meeting. Many of the Modification Proposals will require changes to their timetables due to the PA and IA delays. These changes will require Panel approval.

The DCC noted that they are working with their Service Providers to establish revised timescales for the PAs and IAs. These will be communicated to the SEC Panel once they have been agreed. The DCC is also reviewing how information is communicated to the modification Working Groups. For example, DCC is considering the provision of a Rough Order of Magnitude assessment at the first Working Group discussions for new Modification Proposals.

The Change Board **NOTED** the contents of this paper.

5. Any Other Business

The Change Board were advised that they will be updated with revised indicative Change Board vote dates following the SEC Panel's review of the modification progression timetables at its August 2016 meeting. It was noted that any new Modification Proposals could prompt a Change Board meeting to occur sooner and the Change Board Members will be updated accordingly.

[2] Pursuant to SEC Section D9.4(a)