Meeting SECCB_06_2505, 25th May 2016

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

Final Minutes

Attendees:

Category	Change Board Members
Change Board Chair	Jill Ashby
Large Suppliers	Amie Charalambous (alternate)
	Iain Matthews
	Jeremy Guard
	Paul Saker (alternate)
	Samantha Cannons
	Suzanne Farag
	Tim Newton
Small Suppliers	Carolyn Burns
	Duncan Carter
	Steven Bradford
Electricity Networks	Martin White (part)
Other SEC Parties	Dave Gregson
	Gerdjan Busker
	Mike Woodhall

Representing	Other Participants
Ofgem	Raymond Elliot
DCC	Adam Pearce (part)
SECAS Modifications Support	David Barber
	Sebastian Rattansen
	Adam Lattimore
Meeting Secretary	Sasha Townsend

Apologies:

Category	Change Board Members
Large Suppliers	Graham Wood
	Ashton Berkhauer
Gas/Electricity Networks	Leigh Page
Consumer Member	Daniel Walker-Nolan
DECC	James Goldsack

1. Minutes of Change Board Meeting 05_1502

A Change Board member requested that section 2 of the draft minutes be amended to clarify that Change Board Members are required to provide supporting rationale for their vote as to whether a Modification Proposal better meets the applicable SEC Objectives, as per SEC Section D8.17. The minutes as drafted indicated this was optional. No further comments were raised, and it was agreed that the minutes will be published as final subject to the amendment being made.

2. Actions Outstanding

SECAS provided the Change Board with an update on the actions Change Board Members' had requested paper reference numbers and further information on.

SECCB01/04 – Further information including the relevant SEC Panel paper reference was provided to the Change Board Members in the Actions Outstanding paper (SEC_06_2505_03). SECAS noted that the addition of an online discussion forum on the SEC Website may be considered by the SEC Panel in the future, if it is deemed to be cost effective in correlation to SEC activity. The Change Board Members were advised of the numerous means available to SEC Parties in order for them to communicate their SEC Website suggestions, including the upcoming SEC Party Engagement Day, the SEC customer satisfaction survey, and the SEC Panel budget consultation. It was also noted that SEC Parties are welcome to email issues or suggestions to the SECAS inbox.

The Change Board Members' also discussed the issues surrounding the numerous industry codes and their multiple registers. It was noted that it is a SEC requirement for an individual Modification Register but code administrator are developing a centralised modification register as a result of the recent Ofgem Code Governance Review.

The Change Board Member's agreed that there is no need for a discussion forum function at this time.

This action was marked as **CLOSED**.

SECCB03/01 – SECAS highlighted DECC's project (SA16) to monitor the handover from transitional working groups and SEC Sub-Committee, whilst they continue to operate in parallel. SECAS also provided an update from the Technical and Business Design Group (TBDG) meeting in May 2016, where DECC confirmed the *Transfer of Responsibilities Implementation Plan* was presented at the December 2015 SEC Panel meeting (SEC Panel reference SECP_27_1112_18). This plan was agreed by DECC, Ofgem and the SEC Panel, and it sets out when and how the transitional governance functions will be transferred whilst maintaining programme stability.

This action was marked as **CLOSED.**

SECCB04/01 – Further information was provided to the Change Board Members in the Actions Outstanding paper. SECAS also informed the Change Board that it is the TBDG's role to oversee the development of Design Notes related to DECC policy and it is the Technical Sub-Committees' (TSC) role to maintain Design Notes that fit into the End-to-End Technical Architecture (including the business processes architecture). It was also noted that if a Modification Proposal was to change functionality or SEC content related to a published Design Note (or guidance), it is expected that the Design Note will be reviewed and updated as part of the implementation of a given Modification Proposal as part of Release Management activities.

This action was marked as **CLOSED.**

SECCB04/02 – SECAS noted that the role of the Smart Metering Delivery Group (SMDG) and the Smart Metering Steering Group (SMSG) relates to the relevant support to DECC decision-making and DECC have indicated in the SA16 project, which areas of change they will continue to manage post DCC Live. It was highlighted that SMDG and SMSG do not have a specific role in change arising from Modification Proposals, although the Secretary of State will act as the Authority for Path 2 'Authority Determined' Modification Proposals for a set period after DCC Live. It will be up to DECC to consider whether they seek any input from SMDG or SMSG in exercising this activity.

This action was marked as **CLOSED.**

SECCB04/08 – Updated information was provided to the Change Board Members in the Actions Outstanding paper and SECAS provided a further verbal update during the meeting. It was noted that SECAS notifies all SEC Parties of any updated SEC versions when they have been implemented and keeps the Panel apprised of any changes that may impact their operations or duties. SECAS suggested additionally providing this update to the Change Board ex-committee, but the Members agreed that there was no need for this. It was noted that changes in relation to SEC Section D will be communicated to the Change Board if any arise.

This action was marked as **CLOSED**

SECCB05/01 – SECAS added Panel paper references to the Actions Outstanding paper where requested. It was also highlighted that this will continue in future relevant actions.

This action was marked as **CLOSED**

SECCB05/02 – SECAS provided additional information on the actions where the Change Board requested clarity, via the Actions Outstanding agenda item and verbal updates during the meeting.

This action was marked as **CLOSED**

SECCB05/03 – SECAS added the requested column to indicate which organisation raised the Modification Proposal in the Modification Status Report, which was covered under agenda item 3.

This action was marked as **CLOSED**

SECCB05/04 & SECCB05/05 – SECAS noted that a presentation would be provided under agenda item 4, which intended to cover these two actions. The action were to be closed subject to any Change Board questions in relation to these two actions.

This action was marked as **CLOSED**

3. Modification Status Report – May 2016

SECAS provided the Change Board Members with the monthly Modification Status Report, which has been developed in order to keep the SEC Panel and the SEC Sub-Committees informed of the progress of active Modification Proposals going through the SEC Modification Process. SECAS highlighted that the May 2016 report details that there are currently twelve Modification Proposals in the Refinement stage and it is viewed that the majority of these are relatively complex. The Change Board Members were also informed that since the publication of this report, there has been three new Modification Proposals that are undergoing Critical Friend review, which may then undergo initial consideration at the June 2016 SEC Panel meeting.

SECAS also provided the Change Board with an update on each Working Group. It was highlighted that Working Group 1 and Working Group 2 was progressing well, with the solution design notes currently being finalised for the Modification Proposals covered in Working Group 1 and the Preliminary Assessments are underway for two of the Modification Proposals covered in Working Group 2. It was highlighted that Working Group 3 and Working Group 4 are still in the earlier stages.

The Change Board Members were informed that future Modification Status Reports issued to the SEC Panel on a monthly basis, will also be emailed to Change Board ex-committee to recognise their role in the Modification Process.

4. Modification Process Timelines

SECAS presented an example of a Modification Process Timeline. It was highlighted that the earliest possible Change Board Vote will be on the 19th October 2016. This is based on the current projection for the production of Draft Modification Reports (DMRs) being submitted to the SEC Panel, and on the basis that the Change Board will meet 28 Working Days after the SEC Panel agrees that the DMRs should undergo through Modification Report Consultation.

A Change Board Member questioned whether Working Groups are allowed to exceed the timescales assigned to the Refinement stage for a Modification Proposal. SECAS clarified that the SEC Panel are responsible for overseeing the progression of a Modification Proposal and if a Modification Proposal is deemed more complex than initially assessed, the SEC Panel are able to extend the timeline provided that they give clear rationale. It was also reiterated that it is the SEC Panel's role to agree that the content of the DMR is complete and all Working Group Terms of Reference have been completed before the Modification Proposal goes to Modification Report Consultation. Following the Consultation, responses are collated and added to the Final Modification Report (FMR) before the Change Board Vote. However, the Change Board are able to send the Modification Proposal back to the Panel, which in turn may result in the Panel sending the Modification Proposal back to the Working Group for further work if there was something lacking in the FMR. The Change Board noted however that if the Change Board sent the FMR back to the Panel, and the Panel did not agree further action was required, to address the Change Board concerns and/or questions, the FMR would be sent back to the Change Board to complete the vote process.

The Chair highlighted that the current timelines were driven by the proposed implementation dates and a lot of the current Modification Proposals have had initial consideration and discussion in various transitional groups. The Chair also noted that it is the first time the SEC Modification Process has been used and the Working Group members were commended to the Change Board Members, as it was highlighted that the workload has been significant.

5. Change Board Vote Scenario

The Change Board Members were provided with a paper which included a dummy FMR for a mock Modification Proposal and the SEC Objectives. The aim of the paper was to facilitate a practice vote and cover off any precordial questions in advance of the Change Board undertaking an actual vote on a Modification Proposal. It was noted that the mock FMR was not a complete document, but was structured to show, at a high level, the information Change Board Members would receive in an FMR. Due to the amount of Modification Proposals currently in the process, the number of Change Board Members, and the need for each member to provide clear rationale when voting on a Modification Proposal, SECAS highlighted that the practice session was to help ensure that when actual votes take place they can be completed in an efficient manner with the focus being on the Modification Proposals in question rather than the vote process.

It was clarified that during an actual vote, SECAS would present each Modification Proposal, and any alternatives, by drawing out the key points and impacts. It was noted that when casting a vote, each Change Board Member must provide a reason on why the Modification Proposal or any Alternative does or does not better facilitate the achievement of the SEC Objectives.

The Change Board Members discussed the potential issues surrounding Modification Proposals better facilitating the achievement of the SEC Objectives but the cost of implementation is deemed too high in comparison to the benefit. The Chair highlighted that costs will always be a key consideration and it was outlined that extra charges will fall under the SEC Charging Methodology. It was also noted that cost efficiencies can be gained by grouping certain Modification Proposals together when implementing Modification Proposals in releases. Further details on Release Management and the Panel's role in them is detailed in the Panel Release Management Policy.

SECAS talked through the possible outcomes from a Change Board Vote. It was confirmed that Change Board Members are able to abstain from voting in accordance to SEC Section D8.9 and it was noted that a tied outcome on a Modification Proposal will be a vote to reject. It was also highlighted that where Authority determination (for Path 1 and Path 2 Modification Proposals) is required, a decision will typically take 25 Working Days, but this timeline may be extended if a regulatory impact assessment is required. A Change Board Member questioned the impact of possible EC Notification for any Modification Proposals. SECAS informed the Members that the Change Board vote will still proceed, although additional timescales will be factored into the implementation approaches set out in the FMR, however this may mean that a Proposers proposed implementation date may not be met.

A Change Board Member questioned the process of Small Supplier Parties becoming Large Supplier Parties and how this affects the Change Board Member representation. If that Small Party already holds a Change Board seat. It was noted that all Large Suppliers are entitled to a Change Board Member seat and so the Supplier may step down from the Small Supplier seat and a new nomination will be allocated. SECAS clarified that the Supplier undergoing the category change can also continue to represent Small Supplier Parties, on condition that they retain support from the Small Supplier Parties.

The Change Board Members participated in the vote scenario exercise by each providing a mock vote and rationale in reference to the SEC Objectives. Although the votes were not recorded for the purpose of this exercise, the Change Board and SECAS deemed it to be useful in forming the future Change Board voting structure for actual Modification Proposals. SECAS clarified that they are currently looking at the FMR template in order to align it with the Ofgem Code Governance Review template. It was highlighted that additional inputs would be included, such as Sub-Committee

feedback, provided during the Refinement process. The Change Board Members also discussed how forming decisions and rationale in reference to the SEC Objectives could be better assisted. It was suggested that SECAS provide a laminate of the SEC Objectives in a simple format which gives a clear identification reference to each objective, and this is used as a material aid during the Change Board Vote. SECAS also clarified that there will be further detail on the consultation responses in an actual FMR. A Change Board Member also requested that the Modification Proposal Form template is circulated to the Change Board for information.

ACTION SECCB_06_01: SECAS to update FMR template, in light of the Ofgem Code Governance Review, and circulate to the Change Board Members.

ACTION SECCB_06_02: SECAS to circulate latest Modification Proposal Form to Change Board Members

ACTION SECCB_06_03: SECAS to develop support materials to help facilitate the Change Board Vote process

6. Any Other Business

The Change Board did not consider the need to hold a Change Board meeting until the provisional October 2016 date, when Modification Proposals going through the process may be ready for Change Board vote. This is subject to SECAS highlighting any matters arising for the Change Board's consideration from the Modifications Process, that could prompt another meeting in the interim.