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SEC Change Board Meeting 19_2006

20th June 2018 10:00 – 11:00

8 Fenchurch Place, London, EC3M 4AJ

Draft Minutes

Attendees:

Category	Change Board Members
Change Board Chair	David Kemp
SECAS Modifications Support	Hollie McGovern
	Mertcan Agir <i>(Part)</i>
	Talia Addy <i>(Part)</i>
	Harry Jones <i>(Part)</i>
Large Suppliers	Jonathan Hawkins <i>(Teleconference)</i>
	Stacey Brentnall <i>(Teleconference)</i>
	Graham Wood <i>(Teleconference)</i>
	Rachael Mottram <i>(Teleconference)</i>
	Alex Hurcombe <i>(Teleconference – alternate for Paul Saker)</i>
	Amie Charalambous <i>(Teleconference)</i>
Small Suppliers	Karen Lee <i>(Teleconference – alternate for Carolyn Burns)</i>
Networks	Jeremy Meara <i>(Teleconference)</i>
	Paul Fitzgerald <i>(Teleconference)</i>
	Shanna Key <i>(Teleconference)</i>
Other SEC Parties	Elias Hanna
	Tim Boyle <i>(Teleconference – alternate for Mike Woodhall) (part meeting)</i>
	Gerdjan Busker <i>(Teleconference)</i>
Representing	Other Participants
DCC	Amanda Rooney
Ofgem	Raymond Elliot <i>(Teleconference)</i>

1. SECCB_19_2006_01 – SECMP0027 ‘Amending Service Request Forecasting’

SECAS provided the Change Board Members with the Final Modification Report (FMR) and the Modification Report Consultation (MRC) Responses for [SECMP0027 ‘Amending Service Request Forecasting’](#).

Change Board Vote on SECMP0027

The Change Board voted to **APPROVE** SECMP0027 under Self-Governance. The voting outcome is shown below:

Party Category	Approve	Reject	Abstain	Conclusion
Large Suppliers	3	2	1	Approve
Small Suppliers	1	0	0	Approve
Networks	2	0	1	Approve
Other	2	0	0	Approve

The majority view of the Change Board is that SECMP0027 will better facilitate Objectives (d)¹ and (g)². The majority of Members believed this change will provide a clear process for which service requests should be excluded from reporting, which will better ensure that Parties are not published as being in breach of their forecasts as a result of service requests that are hard to predict.

Some members believed this change would also provide more clarity on the process for excluding service requests and would prevent unnecessary scrutiny being placed on Parties for breaches of their forecasting that were outside of their control.

A minority of the Change Board did not believe this change will better facilitate Objective (g), as they consider the Panel already has the ability to exclude service requests from reports, and believe this solution does not add anything further. These members noted that this new process could reduce flexibility around the exclusion of service requests from these reports.

One Network member abstained as they did not believe that this modification has an impact on Gas Networks. A Large Supplier abstained as they believed there was not enough evidence to justify the implementation of this change.

The Change Board:

- **CONSIDERED** the Final Modification Report and Modification Report Consultation responses for SECMP0027;
- **AGREED** not to send the Final Modification Report back to the Panel for further clarification;
- **APPROVED** SECMP0027 for implementation on 1st November 2018 as part of the November 2018 SEC Release; and
- **PROVIDED** rationale as to why SECMP0027 better facilitates the General SEC Objectives.

¹ Facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy

² Facilitate the efficient and transparent administration and implementation of this Code.

2. SECCB_19_2006_02 – SECMP0047 ‘Default Provisions for Other SEC Parties’

SECAS informed the Change Board that the SEC Panel had considered the legal text for [SECMP0047 ‘Default Provisions for Other SEC Parties’](#), following the Change Board’s recommendation. SECAS noted that the SEC Panel had reviewed the comments raised by the Change Board, and it did not believe that any edits to the legal text were required, and therefore agreed to return SECMP0047 unchanged to the Change Board for it to vote on the modification.

SECAS informed the Change Board that a longer-term solution is being developed, and this modification will remove the immediate issue of a large number of Parties entering default while a longer-term solution is developed.

Change Board Vote on SECMP0047

The Change Board voted to **APPROVE** SECMP0027 under Self-Governance. The voting outcome is shown below:

Party Category	Approve	Reject	Abstain	Conclusion
Large Suppliers	4	1	1	Approve
Small Suppliers	1	0	0	Approve
Networks	2	0	1	Approve
Other	3	0	0	Approve

Two Change Board members raised concerns that the modification could have been better designed so that a longer-term solution to the issue of Other SEC Parties being placed into default by not signing up to DCC services could have been developed. They noted that this two-step approach of removing the text now, only to implement a further change later on, did not represent good governance and was a poor way of working. They also noted that with the time that has been available since the Panel identified the issue, a more permanent solution could have been created. One of these members queried, if the Other SEC Parties were to have entered default for this reason, whether any serious consequences of this would be pursued by the Panel.

Members agreed that more work is required, and supported the ongoing discussions, but ultimately believed that this was the most pragmatic option available to the immediate issue in the interim, removing the administrative burden this would create.

The majority view of the Change Board is that this change better facilitates General SEC Objective (g), as it will facilitate the efficient and transparent administration of this Code. A minority of the Change Board members believed that this change will not better facilitate Objective (g) due to the legal text not reflecting an efficient means of dealing with Other SEC Parties that would fall into default after the transitional variation period ends.

One Network member abstained as they did not believe that this modification has an impact on Gas Networks. One Large Supplier member abstained, noting that while they supported the intention of the modification, they could not support the solution as it differed too much to one they believed would be more effective.

The Change Board:

- **CONSIDERED** the Final Modification Report and Modification Report Consultation responses for SECMP0047;
- **APPROVED** SECMP0047 for implementation on 31st October 2018; and
- **PROVIDED** rationale as to why SECMP0047 better facilitates the General SEC Objectives.

3. SECCB_19_2006_03 – SECMP0052 ‘Updates to the DCCKI CP and DCCKI RAPP’

SECAS provided the Change Board Members with the Final Modification Report (FMR) and the Modification Report Consultation (MRC) Responses for [SECMP0052 ‘Updates to the DCCKI CP and DCCKI RAPP’](#).

Change Board Vote on SECMP0052

The Change Board voted to **APPROVE** SECMP0052 under Self-Governance. The voting outcome is shown below:

Party Category	Approve	Reject	Abstain	Conclusion
Large Suppliers	4	0	2	Approve
Small Suppliers	1	0	0	Approve
Networks	2	0	1	Approve
Other	3	0	0	Approve

The view of the Change Board is that SECMP0052 will better facilitate Objectives (d) and (f)³.

The minority of members believed this would better facilitate Objective (d) as this change will improve the clarity of the Certificate Profiles to be used to enable connectivity to DCC Total Systems Interfaces, and will ensure that the SEC requires Users to adhere to Good Industry Practice regarding the use of Certificate Profiles. The majority of the Change Board believed that SECMP0052 was neutral against Objective (d).

The majority of members agreed that this modification will bring the SEC into alignment with Good Industry Practice regarding the use of Public Key Infrastructure (PKI) in accordance with the recommendations made by the independent auditor, supporting Objective (f).

Two Large Supplier members abstained from voting as they did not have an interest in the modification. One Network member abstained as they did not believe that this modification has an impact on Gas Networks.

The Change Board:

- **CONSIDERED** the Final Modification Report and Modification Report Consultation responses for SECMP0052;
- **AGREED** not to send the Final Modification Report back to the Panel for further clarification;

³ Ensure the protection of Data and the security of Data and Systems in the operation of this Code.

- **APPROVED** SECMP0052 for implementation on 1st November 2018 as part of the November 2018 SEC Release; and
- **PROVIDED** rationale as to why SECMP0052 better facilitates the General SEC Objectives.

4. SECP_57_1506_10 – Change Status Report

The Change Board noted this month's Change Status Report. There were no questions or comments raised.

5. Any other business

There were no further comments or any other business raised.