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## SEC Change Sub-Committee Meeting 03\_2805

28 May 2019 10:30 – 12:00

Gemserv, 8 Fenchurch Street, London, EC3M 4AJ

### Final Minutes

#### Attendees:

Representing	Name
Change Sub-Committee Chair	David Kemp
Large Suppliers	Paul Saker ( <i>teleconference</i> )
Other SEC Parties	Elias Hanna ( <i>teleconference</i> )

#### Other Participants:

Representing	Name
DCC	Robin Healey
Ofgem	Michael Walls ( <i>teleconference</i> )
SECAS	Veronica Asantewaa
SECAS	Ali Beard
SECAS	Joe Hehir
SECAS	Jordan Crase
SECAS	Bradley Baker

#### Apologies:

Representing	Name
Large Supplier	Simon Trivella
Small Suppliers	Chris Brown

#### 1. Welcomes and introductions

The Chair welcomed Members to the third Change Sub-Committee (CSC) meeting.

#### 2. DP071 'Second-Comer Charging' Draft Proposal decision

The CSC was presented with the problem statement for [DP071 'Second-Comer Charging'](#) for consideration.

There were some discussions around the costs of the recommended solution and it was noted that the DCC have never used this method of charging for High Volume (HV) and Low Volume (LV) Gateway Connections before and therefore there is no cost information available.

CSC Members reiterated the question raised by the Technical Architecture and Business Architecture Sub-Committee (TABASC), about whether a shared service for Gateway Connection was possible as some companies do have a shared connection. It was pointed out that the companies that offer a shared connection service manage the security of the information passing through the connection. It was also pointed out that this is a commercial arrangement which anyone can offer. However, the DCC noted that their infrastructure is different to that which other companies are using, and that the data sent across will not be secure, which will create a security risk.

The Change Sub-Committee:

- **AGREED** that the issue identified under DP071 is clearly defined and understood;
- **AGREED** to recommend to the Panel that this Draft Proposal is ready to be converted to a Modification Proposal; and
- **AGREED** to recommend to the Panel that the Modification Proposal should proceed to the Report Phase.

### 3. DP072 'Change of Supplier process' Draft Proposal decision

The CSC were presented with the problem statement for [DP072 'Change of Supplier process'](#) for consideration.

CSC Members agreed that there are issues with the Change of Supplier (CoS) process not being followed correctly potentially causing General Data Protection Regulation (GDPR) breaches, noting that in such cases, Parties have a duty to ensure they delete any data they should not be receiving. However, they also advised that there will always be scenarios where gaining Suppliers are unable to send Service Request 6.23, for example, in no Wide Area Network (WAN) scenarios. Some Members noted the edge cases that could arise from the CoS process and pre-payment meters, with the impacts being felt more acutely. It was also noted that this proposal may need to be expanded to incorporate other scenarios which are linked to GDPR such as Change of Tenancy (CoT).

It was noted that this is already covered by the Supplier Licences, which sit above the SEC, and that Parties may just need to be reminded of their obligation to remove data following CoS. Overall the CSC Members agreed that more information is required to provide a more defined process, and this may need to be further reviewed by the Operations Group.

The CSC:

- **DID NOT AGREE** that the issue identified under DP072 is clearly defined and understood; and
- **DID NOT AGREE** to recommend to the Panel that this Draft Proposal is ready to be converted to a Modification Proposal.

#### 4. DP073 'Alteration of SMKI Repository information and documentation' Draft Proposal decision

The CSC were presented with the problem statement for [DP073 'Alteration of SMKI Repository information and documentation'](#) for consideration.

The CSC agreed that a robust system is required to ensure that no information, document or other material in the Smart Metering Key Infrastructure (SMKI) Repository is deleted, changed, altered, amended, modified or replaced in any way without the SMKI Policy Management Authority's (PMA's) approval. A CSC Member questioned how long the data is kept without being replaced or deleted. SECAS noted this query and reiterated that the aim of this proposal is to manage the data that is in the SMKI Repository. The DCC noted that it will assist in managing the data in the SMKI Repository, in accordance with SEC Section L5.6.

CSC Members noted that the legal text may need to be reviewed as they felt there appeared to be some unnecessary text. SECAS agreed to provide the Proposer with the CSC's comments regarding the legal text.

The CSC:

- **AGREED** that the issue identified under DP073 is clearly defined and understood;
- **AGREED** to recommend to the Panel that this Draft Proposal should be converted to a Modification Proposal; and
- **AGREED** to recommend to the Panel that the Modification Proposal should proceed to the Report Phase.

#### 5. DP074 'Clarity on Obtaining SMKI Device Certificates' Draft Proposal decision

The CSC were presented with the problem statement for [DP074 'Clarity on Obtaining SMKI Device Certificates'](#) for consideration.

No further comments were raised regarding this Draft Proposal.

The CSC:

- **AGREED** that the issue identified under DP074 is clearly defined and understood;
- **AGREED** to recommend to the Panel that this Draft Proposal should be converted to a Modification Proposal; and
- **AGREED** to recommend to the Panel that the Modification Proposal should proceed to the Report Phase.

## 6. DP075 'Third party metering service providers' Draft Proposal decision

The CSC were presented with the problem statement for [DP075 'Third party metering service providers'](#) for consideration.

It was noted that the Draft Proposal states that the SEC does not recognise Suppliers' relationships with Meter Asset Managers (MAMs) and Meter Asset Providers (MAPs).

The CSC noted that the licence conditions are not adequately covered in the SEC, specifically in Section G, and that the SEC does not take into account the contractual arrangement that Suppliers already have in place with Manufacturers. It was noted that the licence obligations may need to be reinforced through the SEC. This is to ensure that Suppliers are clear on what arrangements are required to abide by their obligations, and that Users are clear that Suppliers have contractual arrangements in place to ensure that they are compliant with SEC Section G.

The CSC:

- **AGREED** that the issue identified under DP075 is clearly defined and understood;
- **DID NOT AGREE** to recommend to the Proposer that this Draft Proposal should not be converted to a Modification Proposal;
- **AGREED** to recommend to the Panel that this Draft Proposal is ready to be converted to a Modification Proposal; and
- **AGREED** to recommend to the Panel that any Modification Proposal should proceed to the Refinement Process.

## 7. DP076 'Pursuing Non-Payment in Events of De-fault' Draft Proposal decision

The CSC were presented with the problem statement for [DP076 'Pursuing Non-Payment in Events of De-fault'](#) for consideration.

The CSC had concerns around how Payment Defaults are currently handled, and how this may affect the outcome of future Defaults. The DCC had concerns with the proposed solution and suggested that a legal arrangement could be made with smaller Parties to ensure that the payment is claimed in Events of Default.

There was discussion regarding the process of pursuing non-payment, and whether larger Parties should be held responsible if smaller Parties cannot pay their debt. It was noted that the DCC has an all reasonable steps (ARS) obligation within their License Conditions to collect the debt. If the DCC have not taken all reasonable steps, they could be liable for the debt through the price control mechanisms. This illustrates that although the SEC may benefit from further refinement on how to accomplish this in consultation with the Panel, the ARS obligation remains constant in their license.

Another issue was highlighted that the SEC Panel and the DCC are the two main parties involved in how these debt collection processes take place. Based on the fact that the two parties work together,

it would be pragmatic for them to agree the content of the modification. The Ofgem representative confirmed that at a previous meeting with the DCC it became apparent that the DCC did not support the way in which the modification had been drafted. Therefore, it would benefit from refinement in order to identify issues and gain industry views for a more robust solution. Ofgem considered, and the CSC agreed, that the proposal would benefit from the Refinement Process in order to give Parties the opportunity to provide comment and feedback on the solution and for this to be able to be accounted for.

The CSC:

- **AGREED** that the issue identified under DP076 is clearly defined and understood;
- **AGREED** to recommend to the Panel that this Draft Proposal should be converted to a Modification Proposal; and
- **AGREED** to recommend to the Panel that the Modification Proposal should undergo the Refinement Process.

## 8. Any Other Business

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

**Next Meeting:** 25 June 2019