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## SEC Panel Meeting 75

10:00 – 13:15, 13 December 2019

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

### SECP\_75\_1312 - Final Minutes

#### Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies (PD)
Large Suppliers	Ash Pocock (AP)
	Sam Cannons (SC) (Teleconference) ( <i>Alternate for Simon Trivella</i> )
Small Suppliers	Karen Lee (KL)
	Mike Gibson (MG)
Electricity Networks	Paul Fitzgerald (PF)
Gas Networks	Tracey Saunders (TS)
Other SEC Parties	Terry Jefferson (TJ)
	Carmen Strickland (CS) (Teleconference) ( <i>Alternate for Mike Woodhall</i> )
DCC	Ro Crawford (RC)
Citizens Advice	Ed Rees (ER)

Representing	Other Participants
Ofgem	Michael Walls (MWa)
	Jonathan Coe (JC)
BEIS (Secretary of State)	Duncan Stone (DS)

	Dan Chambers (DC) (Part)
DCC	Angus Flett (AF) (Part)
	Charlotte Semp (CS) (Part)
Meeting Secretary	Louise Evans (LE)
SECAS	Abigail Hermon (AH)
	Adele Thain (AT) (Part)
	Alan Bateman (AB) (Part)
	David Kemp (DK) (Part)
	Fiona Bond (FB) (Part)
	Fiona Chestnutt (FC) (Part)
	Joe Hehir (JH) (Part)
	Nick Blake (NB) (Part)
	Phillip Twiddy (PT) (Part)

### Apologies:

Representing	Other Participants
Large Suppliers	Simon Trivella (ST)
Other SEC Parties	Mike Woodhall (MW)

## 1. Minutes and Actions Outstanding

The minutes from the November 2019 SEC Panel meeting were approved ex-committee and circulated.

The following action updates were provided:

Action Reference	Action
<b>SECP72/02</b>	SECAS to consult with the PSPs on their ability to support vending following a SoLR event.

Action Reference	Action
	The Panel was informed that SECAS understand that Payment Service Providers could continue to support vending, however this route is dependent upon each Supplier's integration (some are integral to the vending process). The Panel requested that SECAS provide a SoLR update at the January Panel meeting to include finalised assumptions that customers will be able to vend and can hopefully make their own arrangements. SECAS noted that SoLR was not included as a project in the SEC Panel Approved Budget 2019 – 2022 and that a retrospective Project Brief will be submitted to the Panel with the outstanding SoLR actions. Action: <b>OPEN</b> .
<b>SECP74/03</b>	BEIS to present a paper for the December Panel meeting which outlines the governance steps BEIS will complete when deciding whether a DMC should be added to the EPCL.
	BEIS (DC) presented the governance steps BEIS will take in deciding whether a Device Model Combination (DMC) will be added to the Eligible Products Combination List (EPCL); the discussion is captured under Agenda Item 12. Action: <b>CLOSED</b> .

The Panel **NOTED** the updates and **AGREED** that any actions marked as Complete and Propose to Close could be formally closed except for SECP72/02.

## 2. SEC Panel Draft Budget 2020 – 2023 Consultation (**AMBER**)

SECAS (AH) presented the Panel with the latest version of the SEC Panel Draft Budget for the next three Regulatory Years (April 2020 to March 2023). The discussion was classified as **AMBER** and therefore recorded in the Confidential Minutes.

The Panel:

- **APPROVED** the Draft Budget to be published for SEC Party consultation; and
- **APPROVED** the total figure of the Draft Budget to be provided to the DCC for publication in the January 2020 Charging Statement and Indicative Budget.

**SECP75/01:** SECAS to issue the SEC Panel Draft Budget to SEC Parties for consultation.

**SECP75/02:** SECAS to provide the total figure of the Draft Budget to the DCC for publication in the January 2020 Charging Statement and Indicative Budget.

### 3. Next Generation – DCC Core Evolution (**AMBER**)

The DCC (AF) provided the Panel with an update on the DCC's Next Generation Core Evaluation programme, which aims to provide a 2G swap out resolution, following the discontinuation of 2G services from 2025. DCC see the programme as digitising the energy system with a network that is cost effective but can handle change in a low-cost way.

The programme's workstreams include:

- Re-procurement of Service Providers (SPs) including Communications Service Provider (CSP), Data Service Provider (DSP) and Trusted Service Provider (TSP);
- NextGen Comms Hub delivery;
- Test Automation Improvement to reduce the cost of System Integration Testing (SIT);
- National Competitive Network; and
- DCC's engagement approach.

The agenda item was marked as **AMBER** and therefore recorded in the Confidential Minutes.

The Panel **NOTED** the update.

### 4. Ofgem Price Control – Consultation Response (**GREEN**)

The Panel considered a draft response to the Ofgem Consultation on DCC Price Control, which was published on 24 October 2019.

The Panel:

- **AGREED** the response; and
- **NOTED** the response will be issued to Ofgem by 20 December 2019.

**SECP75/03:** SECAS to issue the response to the Ofgem Consultation on DCC Price Control on behalf of the SEC Panel.

### 5. OPSG Process for addressing Party differences (**AMBER**)

SECAS (AB) proposed enhancements to the Negotiation stage, documented in the 'Guidance on the Disputes Process', to resolve differences arising between Parties without invoking the full Disputes process. The process acts as an interim mechanism prior to the development of a full Performance Assurance Framework, a project included in the SEC Panel Budget for 2020 – 2023.

Given the operational impact that may arise from these 'Party differences', the SEC Operations Group (OPSG) is viewed as the most appropriate delivery vehicle for this process.

The proposed process is as follows:

- A dispute is raised which would be initially assessed by SECAS before commencing informal discussions with the relevant parties.
- If a resolution is not agreed during this process, SECAS will report the issue to the Panel. The Panel will then have the opportunity to invite the OPSG to identify options to resolve the issue and request a remediation plan, if required, or to request further assessment by SECAS.
- If a positive response is received, SECAS will monitor the progress against the remediation plan, providing updates to parties until the issue is resolved.
- If a positive response is not received, SECAS will inform the Panel of this, who will determine the next steps. The process would then conclude and the Party raising the case may consider invoking the Disputes process.

Large Supplier representative (AP) suggested that there could be a conflict of interest should a committee make a decision on the outcome of the issue. AP raised that the test evidence would need to be reviewed to support it in reaching a recommendation. If the Sub-Committees are to fulfil this role, the Terms of Reference would need to be revised to accommodate this.

BEIS representative (DS) noted that there are several separate dispute resolution processes contained in the SEC for different areas but grounded in Section F3 (Panel Dispute Resolution Role).

DS questioned that as this is a mediation exercise, what would happen if one Party does not wish to mediate. It was agreed that ultimately, it will be for Parties to decide whether or not to engage with this process.

Panel members questioned whether there are any criteria that issues must meet before being formally raised, noting concern that there could be an influx of issues raised. SECAS (AB) confirmed that a reasonable degree of pre-cursor work would be carried out prior to the issues being raised.

Small Supplier representative (KL) questioned whether the issues are more likely to be live, to which SECAS and the Panel agreed that they would.

The Chair (PD) summarised that this process attempts to reach a bilateral resolution outside of the SEC and noted that Parties should be informed of the process, but not actively encouraged to raise an issue.

The Panel:

- **CONSIDERED** the proposed enhancement to the process;
- **AGREED** to its implementation and the development of a detailed supporting document;
- **AUTHORISED** SECAS and the Operations Group Chair to commence operation of the process; and
- **AGREED** to inform SEC Parties of the process.

**SECP75/04:** SECAS to inform SEC Parties of the Operations Group process for addressing Party differences.

## 6. Privacy Controls Framework update (**AMBER**)

SECAS (NB) informed Panel members that since the November Panel meeting, the User Independent Privacy Auditor (IPA) has updated Sections I1.2, I1.3, I1.4, I1.5 of the Privacy Controls Framework (PCF) to facilitate new consent and authentication methodologies.

Updates have also been made to Section 7.3 Random Sample Privacy Assessment, to expand on the criteria SECAS will consider, as well as some housekeeping amendments to the rest of the document to ensure information is consistent with current practice.

BEIS representative (DS) noted that BEIS have provided some minor comments to the legal text which did not affect the materiality of the framework, and SECAS (NB) confirmed that these changes would be incorporated prior to publication.

The Panel **APPROVED** the proposed amendments to the Privacy Controls Framework.

**SECP75/05:** SECAS to publish the Privacy Controls Framework v2.7 to the SEC website.

## 7. SEC Website enhancement – Project Brief

SECAS (AT) presented the Panel with a project brief for the SEC website enhancement project.

Acknowledging that the SECCo Board approve project spend, the Panel requested that in future Project Briefs, SECAS provide estimated days effort, total costs and confirmation of whether the project is included in the SEC Panel Budget 2020-23, or whether it is a new proposed project.

SECAS (AT) informed the Panel that this was a request for additional funding and that improvements have been categorised as “must have”, “should have” and “could have”. “Must have” improvements have been proposed in response to direct feedback received via the SECAS Customer Satisfaction and Cross-Code surveys.

SECAS (AT) confirmed that two additional days’ effort would be required by the developer to implement the “should have” improvements and a further 1.5 days’ effort to implement the “could have” improvements.

The Panel **APPROVED** the scope of the project and the recommendation of the project to the SECCo Board for release of funds.

A Member (SC) also requested that SECAS provide an update on the benefits realised as a result of the website improvements before further investment is made.

**SECP75/06:** SECAS to provide an update on the benefits realised as a result of the website improvements.

**SECP75/07:** SECAS to include effort days, costs and confirmation of whether a project is new or included in the SEC Panel Approved Budget in future Project Briefs.

## 8. Consultancy support to the SSC for the 8th Security Risk Assessment - Project Brief (**AMBER**)

SECAS (FB) presented the Panel with a project brief for consultancy support to the Security Sub-Committee (SSC) for the 8th Security Risk Assessment as part of the SSC’s annual security obligations. The agenda item was marked as **AMBER** and therefore recorded in the Confidential Minutes.

The Panel **APPROVED** that SECAS proceed with the procurement and timetable, noting that a recommendation on budget will be made to the SECCo Board for its approval on 14 February 2020.

## 9. Consultancy support to the SSC for the End-to-End Security Architecture Document Review - Project Brief (**AMBER**)

SECAS (FB) presented the Panel with a project brief for consultancy support to the SSC for the End-to-End Architecture Document Review. The agenda item was marked as **AMBER** and therefore recorded in the Confidential Minutes.

The Panel **APPROVED** the scope of the project and the recommendation of the project to the SECCo Board for release of funds.

## **10. Consultancy support to the SSC for the Security Incident Management Exercise - Project Brief (AMBER)**

SECAS (FB) presented the Panel with a project brief for consultancy support to the SSC for the Security Incident Management Exercise. The agenda item was marked as **AMBER** and therefore recorded in the Confidential Minutes.

The Panel **APPROVED** the scope of the project and the recommendation of the project to the SECCo Board for release of funds.

## **11. Market-Wide Half-Hourly Settlement & Market Structure impacts - Project Brief**

SECAS (PT) presented a Project Brief for the following two proposed projects related to the Balancing Settlement Code (BSC), both supported by the Technical Architecture and Business Architecture Sub-Committee (TABASC):

### Market-Wide Half-Hourly Settlement project

It was noted that at its meeting on 12 December, the TABASC approved SECAS participation in the BSC Architecture Working Group (AWG) which will develop the functional requirements of the system architecture and interfaces required to implement its Target Operating Model (TOM) up to April/May. This participation would take place until the completion of the Market-Wide Half-Hourly Settlements functional requirements for interfaces and data transfer. SECAS noted that 10 days of effort is estimated to support this project.

### Market Structure Impacts project

At its meeting on 12 December, the TABASC approved SECAS' overall participation in industry changes and the proposed activities set out specifically for BSC Modification P379 engagement. SECAS noted that 10 days of effort is estimated to support this project.

The Panel **APPROVED** the scope of the projects and the recommendation of the project to the SECCo Board for release of funds.

## 12. SMETS1 Enrolment EPCL Governance (GREEN)

BEIS (DC) provided the Panel with an overview of the proposed governance for advice and decision-making on different types of Eligible Product Combinations List (EPCL) entries in the context of the SMETS1 enrolment programme.

It was noted that the DCC has asserted readiness for 2,000 installations per day, and this is the level at which the Panel has reviewed readiness; the DCC has stated it wishes to go beyond 2,000 installs per day. BEIS noted that for this to happen, it would require assurance from the DCC in addition to consideration from the Operations Group to inform BEIS' approval.

BEIS also provided an overview of the EPCL process for further entries, which includes Operating Capability, Initial EPCL entries and subsequent entries. It was noted that the Testing Advisory Group (TAG) will be the governance body for approving the additions to the EPCL. It was noted that TAG approval would not be required for entries where there are no code changes and testing of the Device Model has previously been agreed.

The Panel **NOTED** the presentation.

## 13. Audio Recording at SEC meetings

The Panel considered SECAS' proposal to adopt an audio recordings policy, aligned to the SEC Digitalisation Strategy, which would permit SECAS to record the audio at SEC meetings for the purposes of ensuring the quality and accuracy of meeting minutes and correctly capturing actions.

SECAS (AH) informed Panel members that several Modification Working Groups have been recorded and published on the SEC website with appropriate consent obtained.

The Panel raised several areas for consideration:

- Capturing confidential discussions – Large Supplier representative (AP) highlighted concerns raised by the SSC;
- Storage – Panel members noted that an assurance statement would be required which states that the recordings would be stored securely with a prescribed process for deletion;
- Accessibility – SECAS confirmed that recordings would not be shared outside of SECAS and would be used for the sole purpose of the secretariat producing accurate minutes. An Electricity Networks representative (PF) raised that meeting attendees would have the right to access a recording of themselves; and

- Clarity of audio – A Member (SC) questioned whether the clarity of the recording would result in a meaningful record.

The Panel **AGREED NOT** to adopt the policy for the SEC Panel and its Sub-Committees but **ACKNOWLEDGED** audio recording could be a useful tool for capturing technical discussions at modification Working Group meetings provided that appropriate consent was obtained.

#### 14. SEC Panel Risk and Issue Register update (**GREEN**)

The Panel was presented with a revised set of risks, following a full review of all risks on the SEC Panel Risk Register.

The Panel was content with the approach taken for consolidating the risks, and the Chair requested members to review the risks prior to the January 2020 Panel meeting where a more detailed discussion will take place.

The Panel decided to **DEFER** discussion of this item to the January Panel meeting.

**SECP75/08:** Panel Members to review the SEC Panel Risk and Issues Registers and provide comments for full discussion at the January 2020 Panel meeting.

#### 15. Events of Default (**RED**)

SECAS (FC) provided the Panel with an update on:

- two new Events of Default; and
- three existing Events of Default.

The agenda item was marked as **RED** and therefore recorded in the Confidential Minutes.

The Panel **AGREED** recommendations for each Event of Default and **AGREED** to expel Snowdrop Energy Supply Limited from the SEC.

#### 16. Change Status Report – December 2019

The Panel was provided with an update on the status and progress of Modification Proposals.

SECAS (DK) asked the Panel if members found the Change Status Report useful. SECAS believed that this report could be removed, with key information such as the DCC Assessment timescales

covered in the Operations Report. Several Members highlighted that they did find the report useful, and requested it be left unchanged.

SECAS highlighted a recent publication by ELEXON entitled “ELEXON Policy View: A faster, more consistent process for changing energy codes”. The Panel noted that a table in the document incorrectly suggested that SECAS did not ‘develop and actively support Working Groups in the development of solutions’ and ‘develop legal text on behalf of the Working Group’. In both cases, Panel Members agree that SECAS is fully providing these services to SEC Parties. The Chair suggested that the Panel would write to ELEXON requesting these errors be corrected. The Panel was also informed that SECAS had not been consulted beforehand and was disappointed that ELEXON had not sought to engage with other Code Managers prior to publication in order to ensure accuracy.

The Panel **NOTED** the report.

**SECP75/09:** SECAS to prepare and issue a letter from the Panel to ELEXON highlighting the errors in the ELEXON Policy View document, and requesting it be corrected.

## 17. Delivery of DCC Assessments (GREEN)

The DCC (CS) provided the Panel with an overview of its current thoughts on how the DCC Assessment process can be improved, following the letter from the Panel in August 2019. This includes the assignment of a Project Manager at the design phase of the project, better reporting on changes raised, and better prioritisation and planning of timescales. The DCC noted a workshop it is hosting with key stakeholders in January to agree the actions each party will take to improve the delivery of DCC Assessments. A plan will then be brought to the February 2020 Panel meeting.

A Panel Member (AP) noted they had expected the DCC to be following a formal project management methodology, such as PRINCE or Agile. Had such an approach been taken, then an effective process would already be in place. The DCC noted that it had been following a Waterfall approach and acknowledged it had overlooked the complexity of the design phase of the process. It also noted the current approach had only been in place for six-nine months and was still being embedded. Older projects are past the point where they could realise benefits from this new approach. The Member noted that whichever methodology is chosen, the DCC must ensure that appropriate governance steps are followed, and that this is made clear. The Chair requested that the DCC brings a clear plan of action and timetable to the Panel.

A Member (KL) referenced the Cost Benchmarking Study that had been undertaken by the DCC at the beginning of 2019. They questioned why these improvements had not been picked up as part of

the action plan resulting from that report. Another member (ER) noted that there needed to be more of a strategy around Modifications, ensuring that they link to User strategies.

It was noted that the DCC Assessment timescales recorded by SECAS in the Change Status Report were longer than the timescales that the DCC had quoted. SECAS agreed to share its record of timescales with the DCC to ensure consistency.

The Panel **NOTED** the presentation.

**SECP75/10:** DCC to provide a plan of action and timetable for how it intends to improve the delivery of DCC Assessments to the February 2020 Panel meeting.

**SECP75/11:** SECAS to share the DCC Assessment timescales as reported in the Change Status Report with the DCC.

## 18. SEC Modification Timetables

SECAS (DK) provided an update to the Panel on the timetables for all Modification Proposals currently in the Refinement Process.

The Panel **AGREED** the programmes of work and timelines proposed.

## 19. SECMP0007 'Firmware updates to IHDs and PPMIDs' Modification Report

SECAS (JH) presented the Panel with the Modification Report for [SECMP0007 'Firmware updates to IHDs and PPMIDs'](#). It was noted that the DCC has still not provided the Impact Assessment for this modification.

SECAS noted that a Working Group meeting is taking place on 19 December to streamline the proposed solution, in order to reduce the costs and implementation timescales. A Panel Member (SC) noted previous exploration of costs, and that the Working Group had struggled to get the granularity needed to help inform which options to go with. SECAS noted that this granularity wouldn't be available at this meeting, but it will be working with the DCC in the New Year to drive towards the DCC providing more granular costs for solutions, potentially at a requirement level, going forward.

It was noted that the Technical Architecture and Business Architecture Sub-Committee (TABASC) Chair has challenged the Proposer's and Working Group's proposal to ban local firmware updates following the implementation of this modification, which was discussed at the Security Sub-

Committee (SSC) meeting on 11 December. SECAS recommended that the ban remains, in order to avoid further delays to the implementation of this modification. However, it noted that this would not prevent a Party from raising a proposal to investigate this following the implementation of this modification.

*[post-meeting note: At its meeting on 11 December, the SSC discussed the TABASC Chair's proposal; the SSC noted it does not wish to introduce any delay to the existing approach for SECMP0007, however it considers that local upgrades are feasible subject to appropriate security controls].*

The Panel agreed that SECMP0007 should remain in the Refinement Process until the Impact Assessment is provided by the DCC and the completed Modification Report can be brought back to the Panel.

The Panel:

- **NOTED** the progress update for SECMP0007; and
- **AGREED** that this modification should remain in the Refinement Process.

## 20. SECMP0062 'Northbound Application Traffic Management - Alert Storm Protection' Modification Report

SECAS presented the Panel with the Modification Report for [SECMP0062 'Northbound Application Traffic Management - Alert Storm Protection'](#).

The Panel:

- **AGREED** that SECMP0062 should be progressed to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that SECMP0062 should be progressed as a Self-Governance Modification.

## 21. MP079 'Provisions for withdrawing modifications' Modification Report

SECAS presented the Panel with the Modification Report for [MP079 'Provisions for withdrawing modifications'](#).

The Panel:

- **AGREED** that MP079 should be progressed to the Report Phase;

- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that MP079 should be progressed as an Authority Determined Modification.

## 22. DP097 'Improving SMETS2 Meter Installs for New Connections' Problem Statement

SECAS presented the Panel with the Problem Statement for [DP097 'Improving SMETS2 Installs for New Connections'](#).

The Panel:

- **AGREED** that DP097 is ready to be converted to a Modification Proposal;
- **AGREED** that MP097 should be progressed to the Report Phase;
- **APPROVED** the Modification Report;
- **APPROVED** the implementation approach; and
- **AGREED** that MP097 should be progressed as a Self-Governance Modification.

## 23. SEC Document Management Review update

SECAS (DK) provided the Panel with an update on its progress with the SEC Document Management Review and set out the intended next steps.

SECAS highlighted the proposed improvements that have been identified so far and noted that these improvements will complement the digitalisation work being undertaken with CodeWorks.

A Member (SC) questioned what assurance there is, that, in consolidating the documents, clauses or changes will not be lost. SECAS responded that any proposed changes would be reviewed by the relevant Sub-Committee(s) and by Gowling before being taken forward. Furthermore, any such changes would require modifications, providing a further layer of industry scrutiny.

The Panel:

- **ENDORSED** SECAS' proposed improvements to the management of SEC documentation and the approach to taking these improvements forward; and
- **ACKNOWLEDGED** that the improvements would be complimentary to the Digital SEC.

## 24. BEIS Update

BEIS (DS) provided the Panel with an update on recent publications, forthcoming consultations and key milestones.

The Panel **NOTED** the update.

## 25. DCC Update

The DCC (RC) presented the Panel with an update on the activities undertaken since the last Panel meeting.

### Operational update

The DCC provided an operational update, noting the number of meters which have been installed and commissioned to date. It was noted that Major Incidents are still occurring on a monthly basis.

### SMETS1

The DCC provided an update on Initial Operating Capability (IOC), Middle Operating Capability (MOC) and Final Operating Capability (FOC). The DCC highlighted that the migration of dormant Itron Devices had been suspended due to issues relating to the quality of SMSO data in relation to master keys. For MOC, MDS SIT testing has completed and EOC1 and EOC2 are underway. DCC is forecasting to complete tests and hold Test Assurance Board by 20 Dec 2019.

A Member (KL) noted a positive change in that Small Suppliers are now represented at the Smart Metering Design Group (SMDG); updates from SMDG will now be covered on the monthly Small Supplier call that takes place the week of Panel meetings.

### Release 2

The DCC provided the Panel with an update on Release 2 Single Band Transition and Dual Band Communications Hub.

DCC noted that for Release 2 Single Band Communications Hubs in the CSP North Region, the scope of the next firmware update has been finalised. The Panel requested that the DCC ensures that Parties are informed of the scope of the next firmware release for Single Band Communications Hubs in the CSP North Region, when it will be made available and what the revised plan for implementing upgrades in the production environment will be.

The Panel **NOTED** the update.

**SECP75/12:** DCC to ensure that SEC Parties are informed of the scope of the next firmware release for Single Band Communication Hubs in the CSP North Region, when it will be made available and the impacts that this will have on the re-plan.

## **26. SEC Panel Sub-Committee Report**

SECAS provided the Panel with an update on recent activities from all the SEC Panel Sub-Committees.

The Panel **NOTED** the update.

## **27. DCC Reporting**

The Panel was provided with the Post Commissioning Information Report from the DCC as required by the SEC.

The Panel **NOTED** the observations raised by the Operations Group against the reports currently delegated to them.

## **28. Operations Report – November 2019**

The Panel was presented with the Operations Report for November 2019. The report provided an outline of the activities undertaken by the SECAS team in support of the SEC.

The Panel **NOTED** the report.

## **29. Transitional Governance Update (GREEN)**

SECAS presented the Panel with an update from the transitional governance entities and other smart metering related meetings and workshops attended by SECAS in the last month.

The Panel **NOTED** the update.

## **30. Any Other Business**

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

**Next Meeting: 17 January 2020**