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## SEC Change Board Meeting 39

26 February 2020, 10:00 – 10:45

Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

### SECCB\_39\_2602 - Final Minutes

#### Attendees:

| Category           | Change Board Members   |
|--------------------|--|
| Change Board Chair | David Kemp ( <i>teleconference</i> )                           |
| Large Suppliers    | Jenny Smith ( <i>teleconference</i> )                          |
|                    | Sharon Armitage ( <i>alternate</i> ) ( <i>teleconference</i> ) |
|                    | Simon Trivella ( <i>teleconference</i> )                       |
|                    | Paul Saker ( <i>teleconference</i> )                           |
|                    | Emslie Law ( <i>alternate</i> )                                |
| Small Suppliers    | Gareth Evans   |
|                    | Andrew Margen  |
|                    | Carolyn Burns ( <i>teleconference</i> )                        |
| Networks           | David Mitchell   |
|                    | Gemma Slaney ( <i>teleconference</i> )                         |
| Other SEC Parties  | Mike Woodhall ( <i>teleconference</i> )                        |
|                    | Gerdjan Busker ( <i>teleconference</i> )                       |
|                    | Alastair Cobb  |
| Consumers          | Ed Rees ( <i>teleconference</i> )                              |

| Representing | Other Participants   |
|--------------|--|
| DCC          | Jonathan Coe ( <i>teleconference</i> )                               |
|              | Mari Toda ( <i>teleconference</i> )                                  |
| SECAS        | Laura Delargy ( <i>Meeting Secretary</i> ) ( <i>teleconference</i> ) |
|              | Jordan Crase   |

| Representing | Other Participants                    |
|--------------|---------------------------------------|
|              | Ali Beard ( <i>teleconference</i> )   |
|              | Harry Jones ( <i>teleconference</i> ) |
|              | Fiona Chesnutt                        |

## 1. MP084 'Other User Panel Seating Amendment' Change Board vote

The Change Board was invited to perform the final vote on [MP084 'Other User Panel Seating Amendment'](#)

A CB member (ST) asked where the requirement for reviewing the seating amendment had come from, considering the SEC Panel had previously reviewed its representation and had not requested a change. A CB Member (GE) was also unsure whether the proposal had been considered fully and if it was the right approach for progression.

The Chair agreed that the level of responses to the questionnaire had been low and could be evident of a lack of interest for the proposal. A CB member (MW) stated that as an 'Other SEC Party' representative on the Panel, he was unaware of any of the parties he represents being unsatisfied with the level of representation at SEC meetings.

A CB member (GS) had a similar view, stating that with no real issue being highlighted from the responses, that it would be unjustified to incur costs. SECAS confirmed that the proposal had been raised with them shortly after the SEC Panel Questionnaire. The Energy Savings Trust has been sponsoring the proposal so there may have had interest expressed to them directly, but it had not been mirrored by the industry.

A CB member (ST) noted the role of Other Users had not been clear originally, and there had been a challenge in the early days of the SEC on whether those Parties needed different representation. However, the evidence since then has not backed this up, therefore he felt he could not support the need for MP084. He believed it was right the issue had been raised for discussion but concluded that the case for change had not been made.

No further comments were raised, and the Change Board proceeded to vote.

### Change Board Vote – MP084 decision:

The voting outcome is shown below:

#### Proposed Solution

| Party Category      | Approve | Reject | Abstain | Conclusion |
|---------------------|---------|--------|---------|------------|
| Large Suppliers     | 0       | 5      | 0       | Reject     |
| Small Suppliers     | 0       | 3      | 0       | Reject     |
| Network Parties     | 0       | 2      | 0       | Reject     |
| Other SEC Parties   | 0       | 3      | 0       | Reject     |
| Consumers           | 0       | 1      | 0       | Reject     |
| Overall conclusion: |         |        |         | REJECT     |

## Alternative Solution

| Party Category      | Approve | Reject | Abstain | Conclusion |
|---------------------|---------|--------|---------|------------|
| Large Suppliers     | 0       | 5      | 0       | Reject     |
| Small Suppliers     | 0       | 3      | 0       | Reject     |
| Network Parties     | 0       | 2      | 0       | Reject     |
| Other SEC Parties   | 0       | 3      | 0       | Reject     |
| Consumers           | 0       | 1      | 0       | Reject     |
| Overall conclusion: |         |        |         | REJECT     |

The view of the Change Board is that MP084 would not better facilitate SEC Objective (g) in the way put forward in the Modification Report. Members had no issues with the solutions put forward but believed this change did not have enough support to show there was a clear case for change, with there already being sufficient means for Other Users to put forward representatives to the Panel. As such, it was not clear there would be any benefit against the General SEC Objectives.

The Change Board:

- **AGREED** that MP084 should proceed to vote;
- **RECOMMENDED** to the Authority that the MP084 Proposed Solution should be **REJECTED**;
- **RECOMMENDED** to the Authority that the MP084 Alternative Solution should be **REJECTED**; and
- **PROVIDED** rationale for these recommendations against the General SEC Objectives.

## 2. MP088 ‘Power to raise modifications’ Change Board vote

The Change Board was invited to perform the final vote on [MP088 ‘Power to raise modifications’](#).

A CB member (GS) asked if the Change Board’s role and powers were defined by the SEC or if these are delegated to it by the SEC Panel. They were concerned whether the Panel could raise and subsequently approve its own changes. SECAS (JC) confirmed that it is the Change Board that makes decisions on modifications, not the Panel, and its powers and voting provisions are defined in the SEC.

A CB member (ST) stated that he was happy to have been the sponsor for MP088 in order to progress it through the governance process. He noted this is the direction that the industry seems to be going in. He fully understood the concerns around potential conflict of interest but noted his belief that the governance process provided the right checks and balances. He believed this change would enable the right person to sponsor each modification. A CB member (GS) acknowledged the response to the concerns over conflict of interest but felt the justification was not clear. They noted there was no clear example of the current provisions providing blockers.

SECAS (AB) acknowledged the concerns, but was also appreciative of the support of Proposers, stating that it would be a time-consuming process to ask a Proposer to sponsor a modification they had not come up with themselves, or to subsequently make all the decisions on that proposal. A member (EL) agreed that Proposers own their modifications, which entails a lot of work, and if they were to step away, then the modification dies. Another member (ER) acknowledged there are the right checks in place if people disagree with a proposal, and that being a sponsor places a burden on

the individual. A member (PS) noted they had been a Proposer in the past and could attest to the effort involved. They also noted this is the direction the Retail Energy Code (REC) is taking, and that the Change Sub-Committee (CSC) should filter out vexatious modifications. They queried why the number of people who can raise modifications should be limited as it currently is. The Chair stated that the final decision on MP088 would be for Ofgem to make.

A member asked if this modification would be changing SECAS's role to that of a Code Manager via the back door. They did not believe this was a bad thing, but felt it needed to be acknowledged. Another member (ST) agreed the modification would be aligning SECAS's role to that of a Code Manager but felt this was a proactive change in line with the general direction of travel, though agreed it was right this point be highlighted. They felt it was better the industry be proactive than wait for Ofgem to direct change.

A member noted the draft legal text, stating that the reference to a 'material affect' on Alt HAN arrangements' was unclear and that the word material should be removed. The Change Board agreed to remove the word 'material' from this clause in the legal text.

A member (GB) asked Ofgem for the timescales expected for the BEIS/Ofgem consultation responses. The Authority representative (JC) informed the Change Board that Ofgem was in the process of reviewing the responses to the last consultation, which would be published as soon as possible. A further consultation will be issued later this year.

No further comments were raised, and the Change Board proceeded to vote.

#### Change Board Vote – MP088 decision:

The voting outcome is shown below:

| Party Category      | Approve | Reject | Abstain | Conclusion |
|---------------------|---------|--------|---------|------------|
| Large Suppliers     | 5       | 0      | 0       | Approve    |
| Small Suppliers     | 3       | 0      | 0       | Approve    |
| Network Parties     | 2       | 0      | 0       | Approve    |
| Other SEC Parties   | 3       | 0      | 0       | Approve    |
| Consumers           | 1       | 0      | 0       | Approve    |
| Overall conclusion: |         |        |         | APPROVE    |

The view of the Change Board is that MP088 will better facilitate SEC Objective (g) for the reasons given in the Modification Report. Members noted the change would streamline the Modification Process and would guide the industry in the right direction, particularly regarding governance.

The Change Board:

- **AGREED** that MP088 should proceed to vote;
- **RECOMMENDED** to the Authority that MP088 should be **APPROVED**; and
- **PROVIDED** rationale for this recommendation against the General SEC Objectives.

### 3. MP093 'Implementing IRP511 and CRP535 to support GBCS v3.2 devices' Impact Assessment request

The Change Board was invited to approve the DCC Impact Assessment request for [MP093 'Implementing IRP511 and CRP535 to support GBCS v3.2 devices'](#).

The Change Board **AGREED** that a DCC Impact Assessment should be requested for MP093.

### 4. CodeWorks Update

SECAS (FC) provided a brief update on CodeWorks, stating that 50% of CB members were not yet users. SECAS asked all members to request their own access via email to SECAS and a Username and Password would be sent to each member.

The Change Board **NOTED** the update.

### 5. Any Other Business

SECAS updated Change Board members that the 2020 SECAS Customer Satisfaction Survey would be carried out soon. It was noted that the survey would be administered by the same company (DJS Research) as the previous year. However, SECAS is required to seek consent, prior to sharing any contact details with the agency; therefore members were encouraged to respond to the email that SECAS will circulate to confirm whether they are happy to take part, and SECAS will deem the response as confirmation of consent to participate.

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

**Next meeting date: 25 March 2020**