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MP088 ‘Power to raise modifications’ Conclusions Report – version 1.0

About this document

This document summarises the responses received to the Modification Report Consultation and the decision of the Change Board regarding approval or rejection of this modification.

Summary of conclusions

Modification Report Consultation

There were three responses to the Modification Report Consultation. Two Network Parties believed the modification should be rejected. They considered the modification does not better facilitate SEC Objective (g). One Large Supplier believed the modification should be accepted as they considered the modification better facilitates SEC Objectives (g).

Change Board

The Change Board voted to recommend **approval** of MP088. It believed the modification better facilitates SEC Objectives (g).

Modification Report Consultation responses

Summary of responses

One respondent did not believe that the issue identified was actually an issue. Additionally, there was a further concern in regard to a potential conflict of interest with the implementation of the solution.

SEC Objective (g)¹

The respondents that rejected MP088 believed that it would not better facilitate SEC Objective (g). One respondent believed it would have a negative impact on SEC Objective (g) due to the potential conflict of the Panel reviewing a Proposal that it had raised itself.

SECAS response

Prior to the any discussions or the Panel's approval for progression, the core issue of a Proposal will be discussed by the Change Sub-Committee. These industry representatives will make recommendations to the Panel on how the issue should be progressed. All consultations and Working Groups will still provide opportunity for any wider input. This input will still be taken into consideration when the Change Board makes the decision a recommendation to the Authority on whether a change should be approved. It should be noted that while the Panel will be able to raise modifications, the final decision on approval rests with either the Change Board or the Authority.

¹ Facilitate the efficient and transparent administration and implementation of the SEC

Change Board vote

Change Board vote

The Change Board voted to recommend **approval** of MP088.

The vote breakdown is summarised below.

Change Board vote				
Party Category	Approve	Reject	Abstain	Outcome
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
Consumer Representative	1	0	0	Approve
Overall outcome:				APPROVE

Views against the General SEC Objectives

Objective (g)¹

The Change Board believes that MP088 will better facilitate SEC Objective (g) by increasing the efficiency of administration of SEC Section D 'Modifications'.

Change Board discussions

The issue

A member queried if this was an established issue, as there was a lack of evidence that previous proposals raised by volunteer Proposers have had delays. It was discussed that there have been some delays, but also that the issue also includes the burden of Proposer ownership, for proposals that did not originate from their organisation.

Conflict of interest

A concern was raised that a proposal raised by the SEC Panel may be able to circumnavigate the decisions made in the Modifications Process and the Panel could progress its proposal as it pleased. It was clarified that although the Panel could proceed against the recommendations of the Change Sub-Committee, all proposals must past through a Change Board vote for decision or recommendation to the Authority. The Change Board is a SEC defined Sub-Committee with its provisions stipulated in the SEC, and not delegated to it by the SEC Panel.

Ofgem energy code reform

A question was raised on how this would interact with the BEIS/Ofgem Energy Code Review. Ofgem commented that it expects the responses to the last [consultation](#) will be published soon, and that a further consultation is to be issued later this year.

The Change Board commented that this Modification Proposal will be a start to SECAS acting as a Code Manager. This was perceived as a positive, and that there should be confidence in the established Modifications Process to provide the right checks and balances. The Change Board agreed it was better for the industry to be proactive than to wait for Ofgem to direct changes.

Legal text

A member of the Change Board recommended that the legal text provided (version 1.0) be amended. The recommendation was that SEC Section D1.3(h) of the legal text be amended from:

(h) *the Alt HAN Forum, where the Draft Proposal has a material effect on the Alt HAN Arrangements.*

to:

(h) *the Alt HAN Forum, where the Draft Proposal has an effect on the Alt HAN Arrangements.*

The Change Board agreed to this amendment to the legal text, believing including the word '*material*' added unnecessary complexity and a possible hinderance to changes being raised. Version 2.0 of the legal text will be included in the Modification Report issued to the Authority.