



Smart Energy Code

# SEC modification process review industry workshop

27 January 2021

Managed by



Gemserv

# Today's agenda

1. The previous review
2. The modifications framework
3. Business requirements and solution development
4. The Working Group
5. DCC Assessments
6. Seeking wider input
7. Developing the case for change
8. After the decision



# The previous review

# What did the last review introduce?

## SECMP0049

- Introduced the Development Stage and created the CSC
- Required Change Board to approve the costs of DCC IAs

## SECMP0050

- Moved the details of how Working Groups operate to a Panel-owned document

## SECMP0051

- Streamlined the process for Fast-Track Modifications

# Feedback on the previous changes

- Been successful in pushing back mods not yet ready for Refinement
- Better quality changes reaching the Working Group
- But doesn't cover a CBA to determine if the change should proceed
- Greater cost breakdown and benefits analysis needed
- Some DPs remain in Development for a while – questions if they should have been raised in first place
- Clearer mechanism for signing off IA costs
- Not clear if Change Board can reject IAs, and do all need approval?

# What is this review looking at?

Are the previous review's enhancements working as expected?

Can the management of the framework be consolidated?

How can business requirements be enhanced?

How can Sub-Committees better input to solution development?

What is the role of the Working Group?

Can the DCC Assessment process be streamlined?

How can Parties effectively input across the framework?

How can the business case be better developed?

How can DCC cost governance be improved?

How should final decisions on modifications be made?

Should the legal text be amendable after the final decision?

How can SEC Release governance be improved?



# The modifications framework

# Feedback on framework management



- Each group needs a clearly defined role in process
- Lot of groups involved – benefits in consolidating oversight
- Potential for SEC Panel to delegate its role – not clear if the Panel needs to be as involved as it is
- Is any further approval needed once CSC happy with a DP's issue?
- Any group with oversight needs time and expertise to devote to this



# Who should oversee the framework?

- We propose that CSC is given end-to-end oversight of modifications

## Identified benefits

- Dedicated group and meetings with greater expertise to consider modifications
- Consistent oversight of a modification's end-to-end progression

## Potential issues

- Ensuring CSC has the same level of independence and representation as the Panel, and that all views are heard
- Would CSC be able to approve high-cost modifications?

# Framework Stages and Stage Gates



- What is the issue we are trying to resolve?
  - What is the solution that resolves this issue?
  - Should this solution be implemented?
- 
- Clear stage gates will be introduced at end of each Stage
    - Modification Report must meet criteria before allowed to move to next Stage

# Proposed Stage Gate criteria

A proposal should only exit **Define** when:

- The issue raised has been clearly defined
  - *Understood whether it is the root issue or a symptom of a wider issue*
- The scale of the impacts the issue is having is fully understood
  - *E.g. number of Parties/consumers affected, cost/impact of doing nothing*
- Relevant parts of the SEC linked to the problem have been identified
- Potential high-level solution options for resolving the issue have been identified
  - *Very rough order of magnitude costs provided to inform the benefits case of proceeding*

# Proposed Stage Gate criteria

A proposal should only exit **Refine** when:

- A solution (or solutions) has been clearly defined
- The impacts of the solution(s) on all participants have been fully defined
- All implementation and on-going costs have been drawn out and scrutinised
- The implementation approach has been clearly laid out
  - *Including the technical specification versions arising from the change*
- The changes to the SEC documentation have been fully drafted
- The business case for change has been fully defined
- The consumer benefits analysis has been completed
- All questions raised along the way have been answered

# Feedback on making the final decision



- No material issues with current decision-making process
- Final decisions should remain with Change Board – a decision making authority is required
- Many Change Board members are already involved in earlier stages
- Expect Change Board members to seek views from their constituents
- Would be challenging to get votes from enough Parties via consultation

# Who should make the final decision?

Feedback supports keeping final decision with a committee

- Also consistent with other Codes

Proposing to keep the Change Board to perform the final vote

- Allows CSC to remain compact while allowing larger number of participants to contribute to final vote

Allow members to cast vote with rationale in advance

- Support members unable to attend in person



# Business requirements and solution development

# Feedback on business requirements

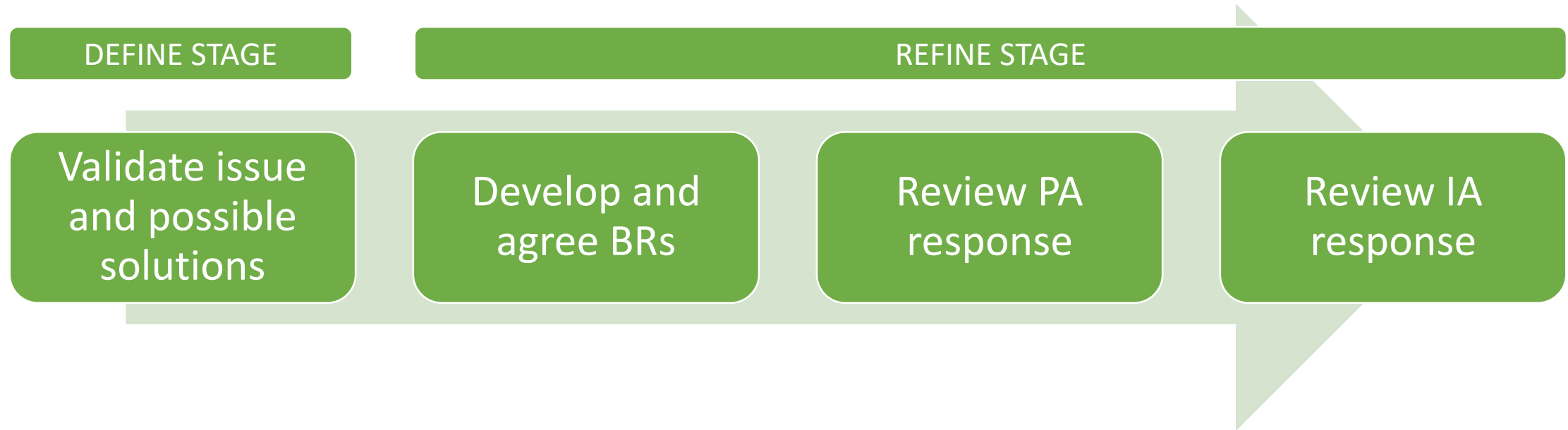
- Not a 'one size fits all' solution to this
- Allow optional requirements – suggestion to use MoSCoW
- Mixed views on the level of detail needed – some feel higher level statement is needed, others seek more detailed requirements
- DCC Assessments need to deliver against agreed requirements
- Early DCC involvement is important, and collaboration with Proposer
- Clarification needed on who agrees the requirements
- Greater support from a SECAS business analyst to the Proposer



# Feedback on Sub-Committee input

- More Sub-Committees being involved increases complexity
- But their input is essential to provide expertise, especially if little wider input is received
- Need to ask clear, constructive and concise questions
- Do Sub-Committees have enough time to input on relevant modifications?
- What weight do their views have, or influence on a solution?
- Involve TABASC earlier to help shape requirements

# General flow of refining a solution



# Introducing the Requirements Workshop

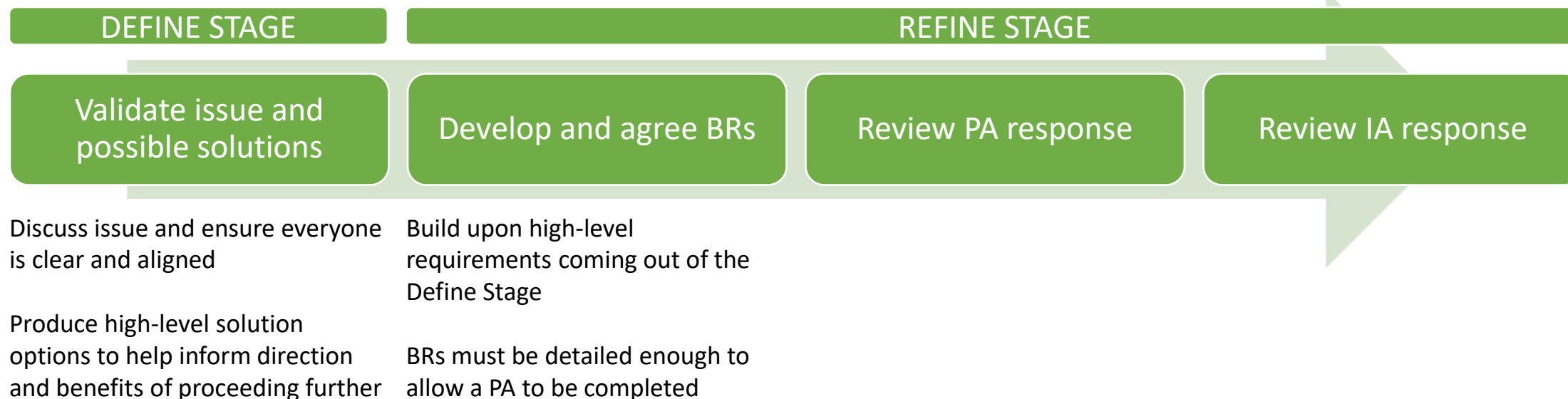
A diagram consisting of three white circles with green outlines, arranged vertically and connected by thin green lines. The top circle is connected to the middle one, and the middle one is connected to the bottom one. The top circle also has a short line extending from its top-left, and the bottom circle has a short line extending from its bottom-left.

New regular session for collaborative discussion between SECAS, DCC, Service Providers and Proposers

Initiates discussions with DCC and Service Providers much earlier to filter out unsuitable options up front

Allows for questions and clarity to be drawn out and to understand what needs to be drilled into

# Where will the Workshop input?



# TABASC input on modifications

## Input on modifications that impact DCC Systems or BAD/BAM

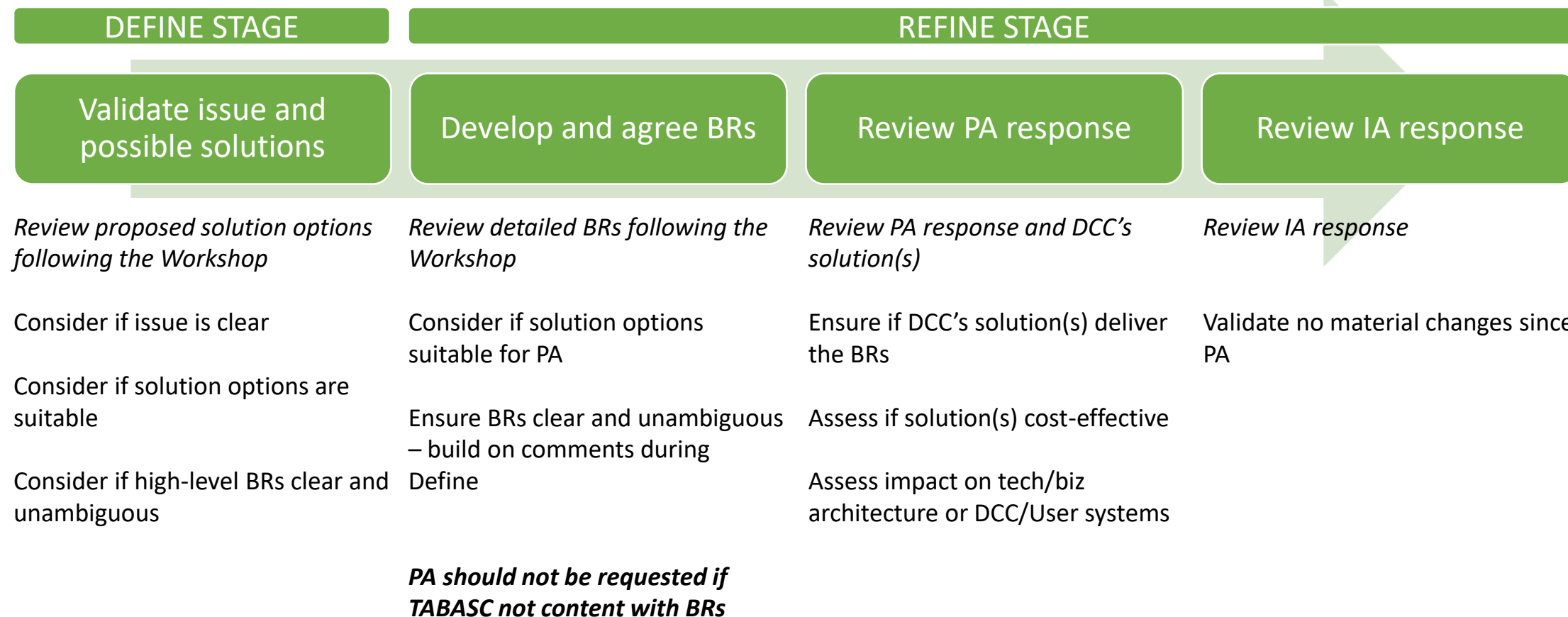
- Review modifications from a technical and business architecture perspective
- Provide CSC and Working Group with its technical expertise

## Ensure requirements for these changes are clear and unambiguous

- What is the modification seeking to do from a business/technical architecture perspective?

## Ensure consistency of the solution throughout its development

# Where will the TABASC input?



# What other SC input should be sought?



SECAS will identify which Sub-Committees need to input

- Keep this under review as the solution(s) evolves
- We are developing criteria for needing a particular Sub-Committee's input

Clear questions and recommendations will be presented

Incorporation of other discussion forums?

- E.g. DCC Top Issues Forum, TSIRS – opportunity to streamline/consolidate groups?

# SSI changes linked to a modification

Standalone SSI changes have their own process separate to modifications

However, it has been unclear how SSI changes required for a modification should be handled

We believe these changes should be included within the relevant modification:

- Assess and cost changes to the SSI holistically as part of the DCC Assessment
- Prepare documentation changes as part of the legal text
- Consult on single holistic solution as part of modification's consultations
- Prevents the two parts becoming disjointed





# The Working Group

# Feedback on Working Groups

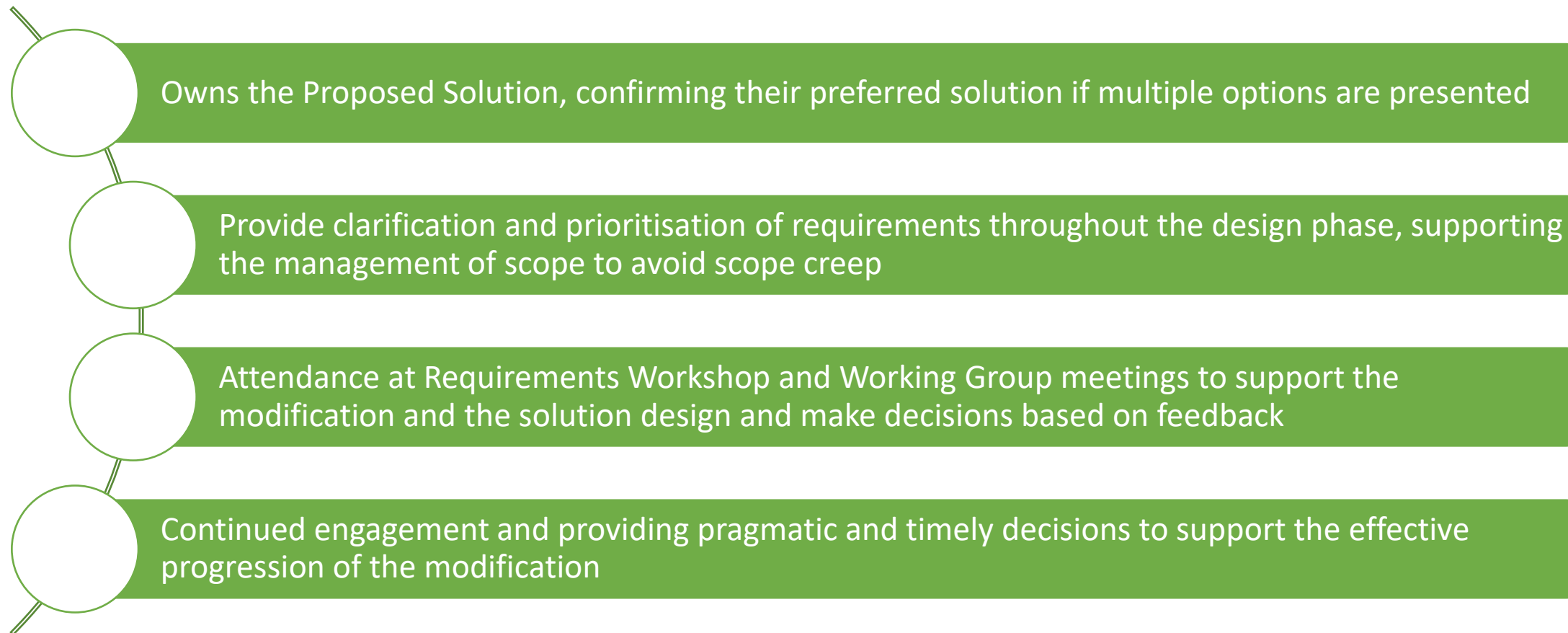
- Independent forum of experts able to input to and shape solutions
- Discuss problems and challenge assumptions and assertions
- Discuss and refine BRs and solution(s), ensuring it is fit for purpose and resolves the issue
- Challenge costs and provide cost/benefit analysis
- Having people ‘in the room’ discussing options is helpful for bigger modifications
- One meeting per month seems to be working well

*Continues...*

# Feedback on Working Groups

- Role of Proposer needs to be clearer
- Issues and solutions should be worked up by SECAS and Proposer first before being presented to the Working Group
- Ensure all thoughts and opinions are heard and answered
- Options for participation broadened, e.g. email input if can't attend

# The role of the Proposer



# The role of the Working Group

Provide sounding board to the Proposer

Developing, refining and reviewing solutions to the issue

Review the business requirements and proposed solution options; put forward alternative options for consideration

Review DCC PA/IA response and comment on developed solution

Comment on the costs of delivery and cost to do the DCC IA

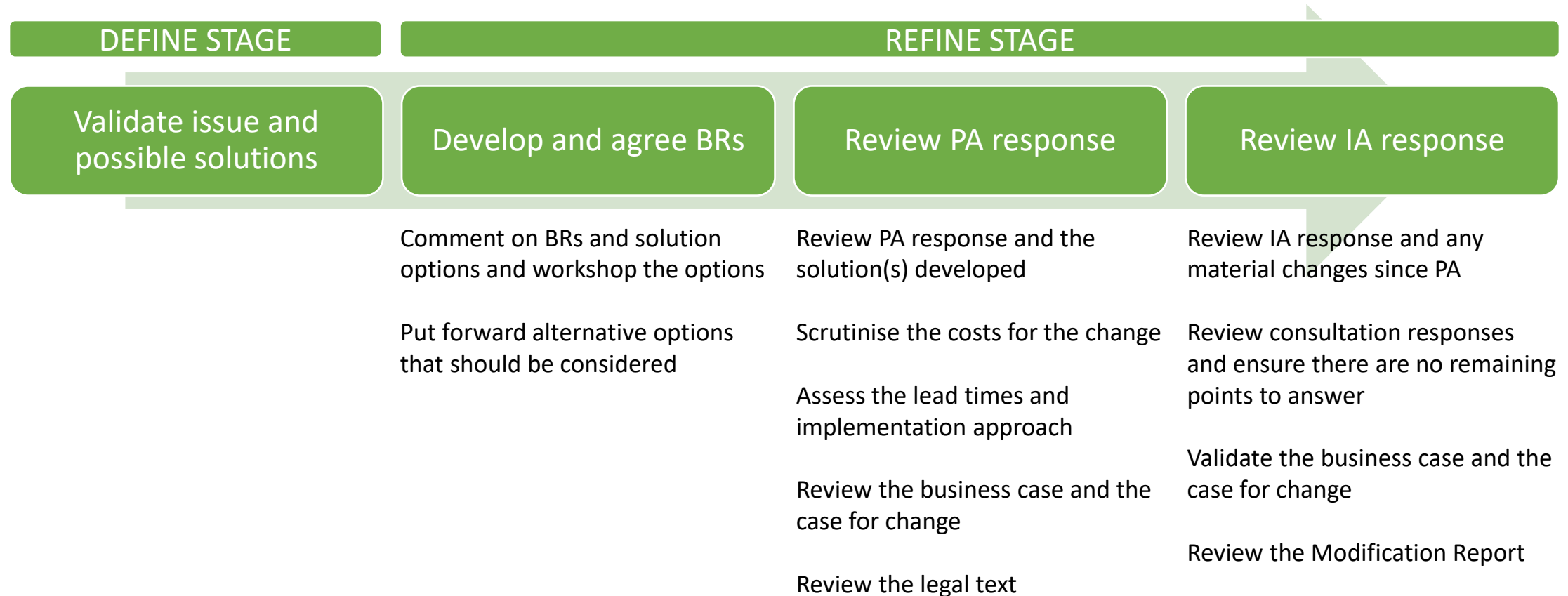
Assess lead time needed to deliver solution

Provide input to any CBA and the business case for change

Provide input on the benefits to consumers

Review consultation responses and ensure points have been answered

# Where should the Working Group input?



# Feedback on Alternative Solutions

- Alternative Solutions should be progressed in parallel under the original modification
- Further work needed to clarify ownership
- Needs to be clearer that these can be raised
- Suggestions need drawing out and discussing more clearly with the Working Group
- Does the SEC lend itself to multiple solutions?
- Should other Sub-Committees be able to raise Alternative Solutions?

# Solution ownership

## Proposed Solution

- Proposer owns this – the option taken forward is theirs to agree (CACoP Principle 6)
- Working Group and other groups provide feedback to the Proposer
- Proposer should attend meetings where their modification is covered

## Alternative Solutions

- These should have a single named ‘owner’, rather than being owned by the Working Group
- Same rules of ownership as with Proposer above – greater accountability and flexibility
- Progressed in parallel with the Proposed Solution under the same modification
- No limit on the number that can be raised (CACoP Principle 7)





# DCC Assessments

# Feedback on streamlining PAs/IAs

- Takes too long – need to be meeting the SLAs, but no incentives for DCC to do so
- Opportunities to go straight to IA?
- Flexible to the requirements of the modification – some just need assessment of feasibility or ROM costs
- Cost estimates too broad – need robust information and breakdown
- Costs increase between PA and IA – further scrutiny needed
- What assessment does DCC do on Service Provider costs?
- Feel there is duplication of the assessment done on IRPs

# Feedback on DCC cost governance

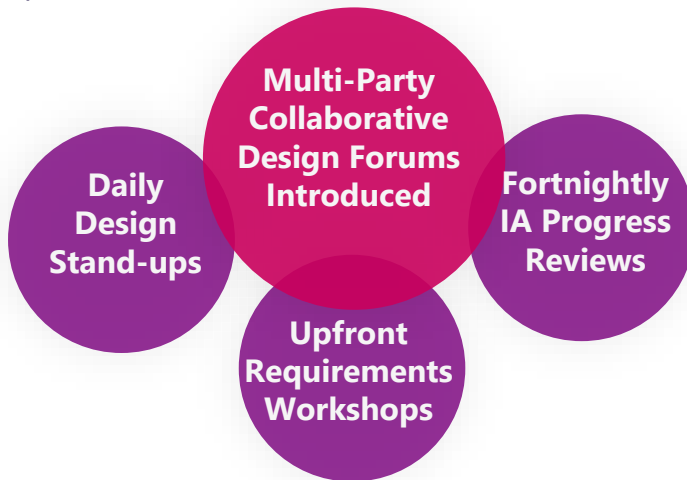
- Support for greater transparency – feeling this is still lacking
- Cost scale is the issue, rather than the lack of breakdown
- High costs a barrier to change – much higher than for other Codes
- Standalone costs are not realistic
- DCC should provide further justification for costs
- Threshold on costs needing an Authority decision – but this could extend timescales
- Greater challenge of costs and proposal of other options by SECAS

# Orthello Partnership: Collaborative Design

Smart DCC have been working closely with SECAS and Service Providers to improve SEC Modification Design

## All parties working more collaboratively during design.

Historically, the design process has been very linear, with parties working largely in isolation. New ways of working have been introduced to ensure greater collaboration and earlier engagement, and to ensure SECAS and Industry have a greater level of visibility throughout the process.



## Further design process improvements are planned.

There are several improvements that are in the final stages of implementation, as follows:

- Increased cost transparency/granularity
- Fixed FIA costs within Programme Budget
- Greater industry engagement during design

Some proposed improvements will need supporting within the Section D Review.

- Intelligent SLA Management / Stop the Clock
- Enhanced pipeline management /certainty/Extension of SLAs for PIAs to 25WDs

Feedback on the changes will be sought from Industry representatives and performance against the Collaborative Design Maturity Model will be reviewed at regular intervals.

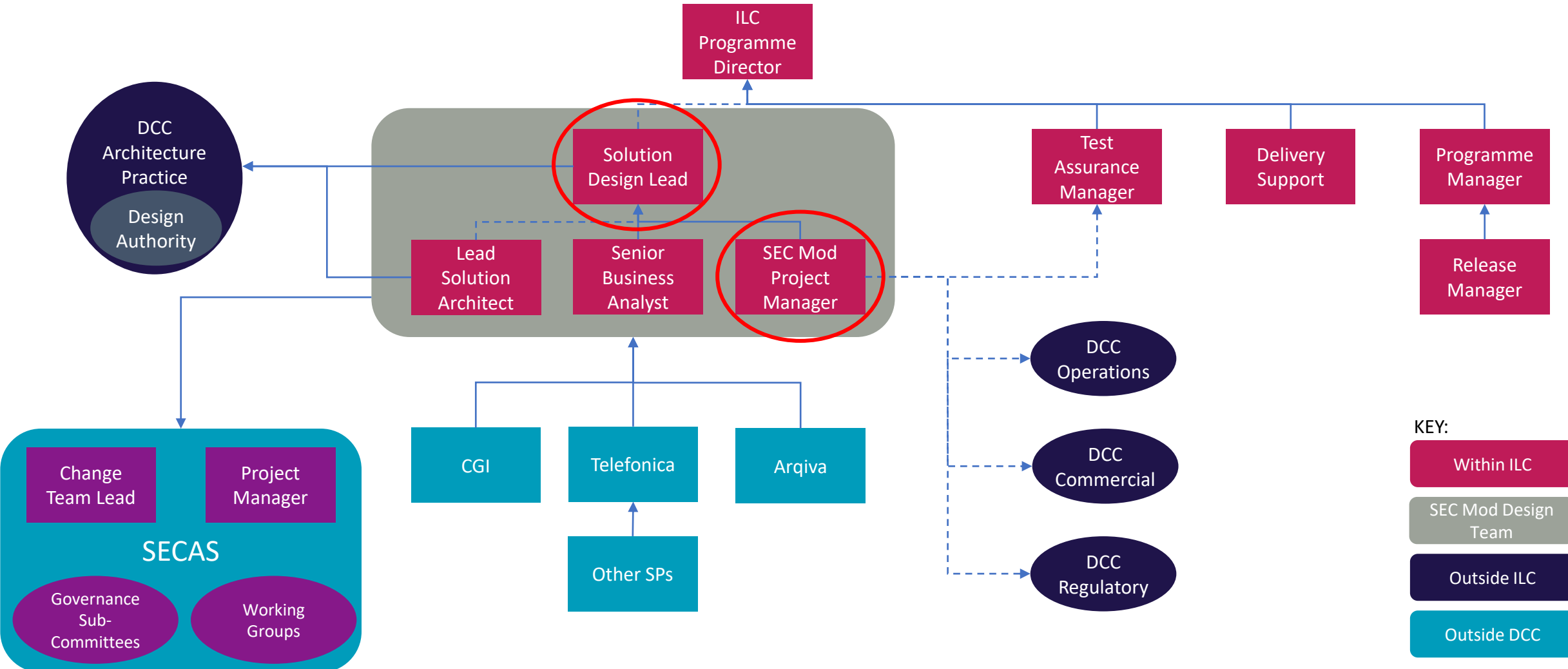
## Smart DCC are committed to continuous improvement.

Delivery of SEC Systems Releases represents positive progress over the past 18 months, but the need to delivery faster and more cost-effective solutions is recognised, with all parties committed to this.

There is a firm belief that all parties working more collaboratively together throughout the design process will significantly improve the delivery of SEC Modifications.



# DCC Organisation Design





Seeking wider input

# Feedback on Party input

- Generally feel Working Group and consultations allow enough chance to input
- Need to understand why some Parties don't engage in change process and better engage with them – prompt relevant Party types?
- Use of workshops may help increase input
- Greater transparency on how consultation responses are considered
- Working Group should be open to all unless security implications
- Online meetings and digital input methods may help
- Acknowledge only so much we can do to improve engagement

## Some questions for the group...

What obstacles are there that prevent you from being able to engage with SEC modifications?

What can we do to help you overcome these?



# Feedback on modification consultations



- Not clear the value of the MRC or how much attention Change Board pays it – more of an indicative vote?
- Flexibility needed as some modifications may need many consultations, but clear rationale and value for issuing one is needed
- Focus on quality of questions being asked
- Ask questions on respondent's indicative vote during Refinement?
- Replace MRC with a meeting to discuss?
- Could reduce consultation time if change is straightforward
- SECAS should feed back on points raised in responses

# Key questions to ask the industry

Agree with the solution(s) proposed?

Agree the legal text delivers the solution(s)?

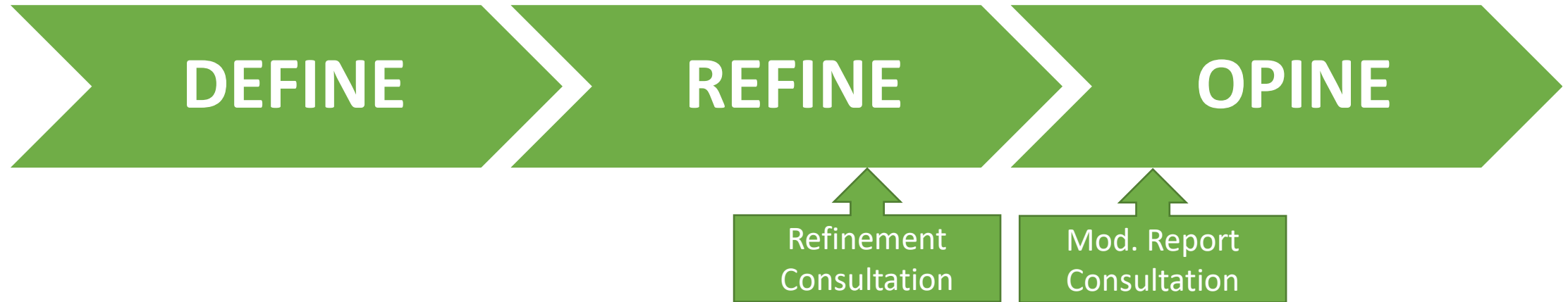
Assess the impacts, costs and lead time on Parties to implement the solution(s)

Provide views against the Applicable SEC Objectives

Provide view on the consumer benefits

Comment on/input to the business case for change

# Where do we currently need to consult?



# How could we streamline this?

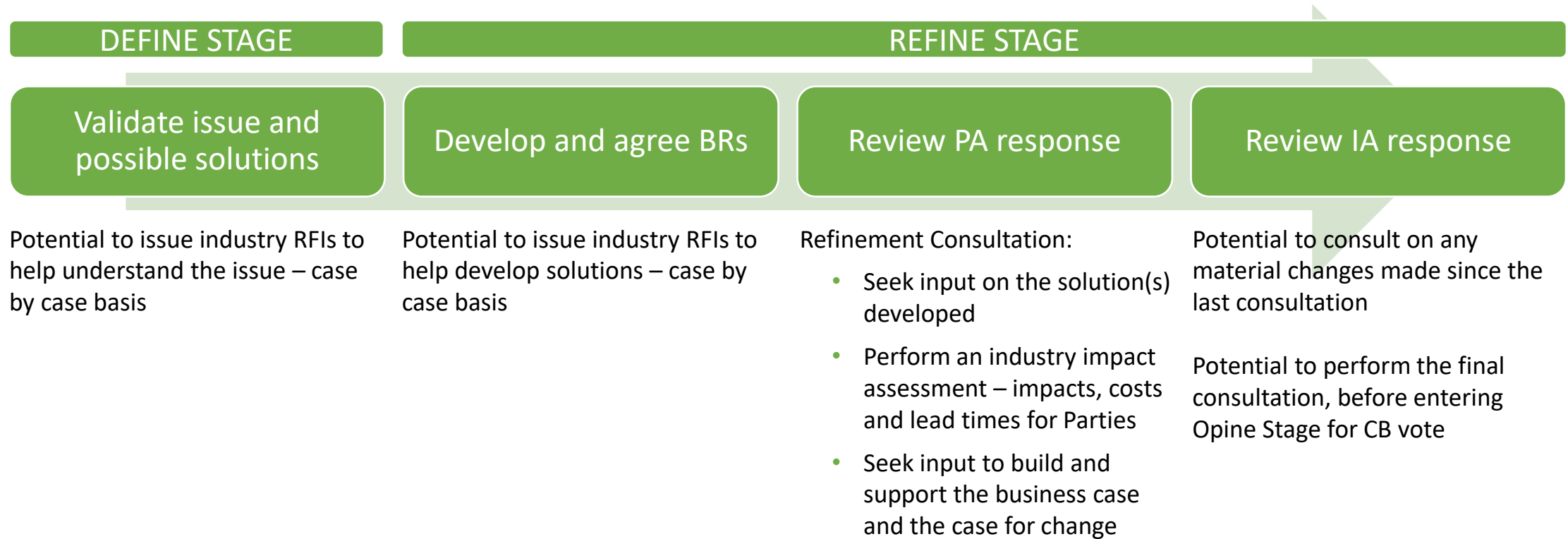
MRCs could be made optional for modifications that underwent the Refine Stage

- Panel/CSC can agree to skip the MRC if it feels nothing has materially changed since the Refinement Consultation

All modifications are consulted upon via the Refine Stage

- All modifications would undergo the Refine Stage for industry consultation
  - *Allows comments to be resolved before Modification Report finalised*
- Modification would only progress to Opine Stage when ready for the final vote – issued straight to CB for vote

# Where could consultations be issued?



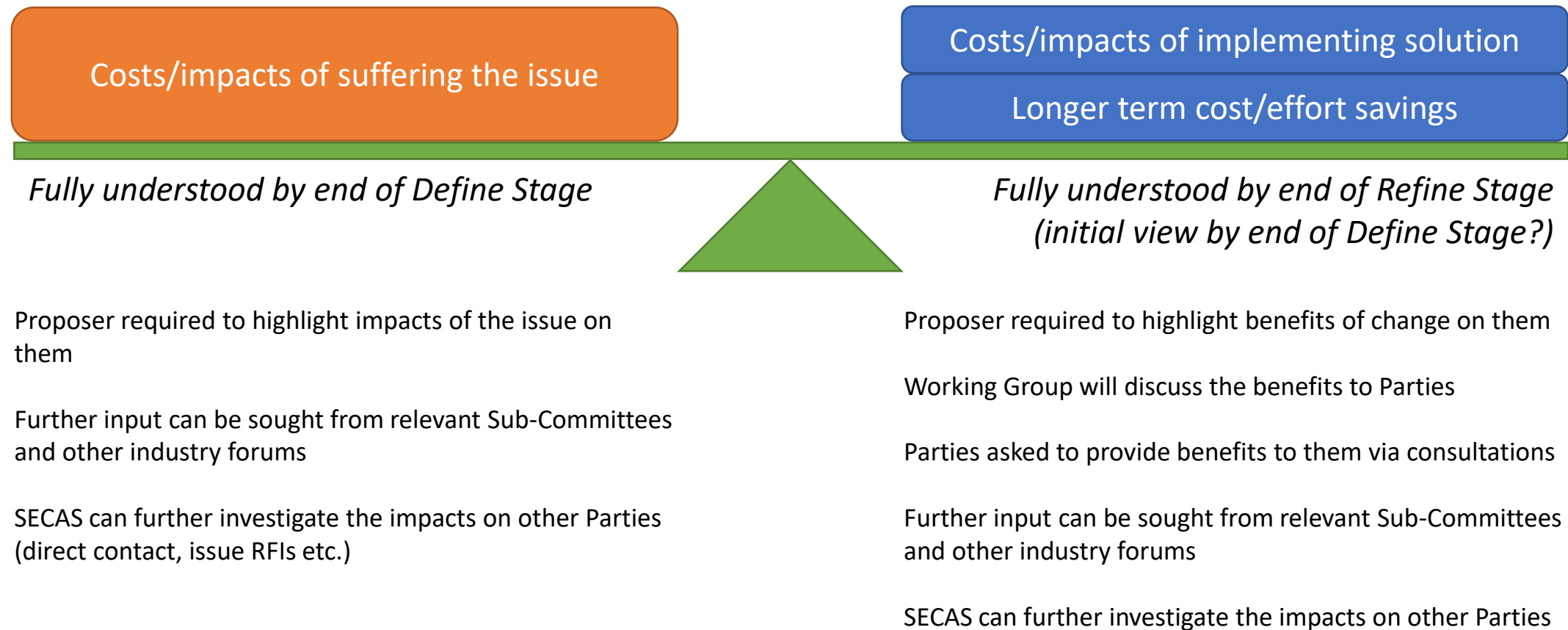


# Developing the case for change

# Feedback on the business case

- Greater engagement early on to understand scale of impact
- Provide cost/benefit ranges to assist with providing input
- Business cases often don't demonstrate clear CBA
- Need clear discussion on this at Working Group – workshop approach
- DCC costs very high and wouldn't be incurred standalone
- Not all benefits can be quantified
- Independent scrutiny needed?
- SECAS should challenge where there is no case for change

# Developing the business case for change





# Quantifying the unquantifiable

## Provide cost brackets in consultations

- Provide a set of cost ranges for costs and for benefits for respondents to tick
- Allow respondents to more easily assess ROM values

## How can we provide estimates for unknown events?

How can we better measure  
unquantifiable benefits?

How can we better assess  
'preventative' solutions?



After the decision

# Feedback on legal text changes

- A transparent approvals process would be needed for any such changes, to ensure intent remains intact
- Can see benefit in minor amendments as DCC gets into the technicalities – strict governance needed
- Could be benefit for correcting typos
- Should be by exception, and not the rule
- Legal text changes could impact the cost the CB vote was based on

# Changing the legal text post-decision

Fast Track was introduced to cater for minor corrections or typos

We will streamline how such modifications are raised:

- SECAS will present any such minor changes directly to Panel/CSC with accompanying legal text
- Panel/CSC can immediately approve the changes under a Fast-Track Modification or can determine the changes are not suitable for Fast-Track

# Changes best made post-decision

Some details may not be able to be accurately drafted pre-decision

- For example, detailed DUIS schemas
- Could such elements be prepared and approved post-decision if clearly identified?

Clear and transparent governance would be required

- Clearly identify which documents or parts of documents this approach could be applied to
- The elements requiring post-decision approval would be agreed during the modification's refinement
- A nominated Sub-Committee would be given responsibility to review and approve the changes, with industry consultation issued beforehand

# Feedback on flexible impl. dates

- Could be benefit, but would need strict governance and clear benefits case for each time used
- Change of date could affect costs and benefits case
- Better understanding of what is User impacting and ensuring enough lead time for their changes
- Smarter targeting of change to Releases to realise greater benefits
- Lag time between technical change going live and Parties implementing those changes (e.g. through new Devices)

# Feedback on Release governance

- Increased engagement in determining scope of Releases
- DCC Release Notes on the deliverables in a Release, separate to RID
- Final legal text could be easier to identify
- Could better align Releases to how smart metering technology evolves over time – current process focused on piecemeal change
- Optimise strategy to deliver changes when they will actually be able to be used rather than against a fixed release calendar

# Flexibility with Releases

There is limited appetite for more flexibility with setting or moving dates than currently

We will work to develop smarter allocation of modifications to releases

- Better grouping of related changes within the wider landscape, rather than just targeting the next available release
- Identifying possible synergies between changes or likely targeted Releases in the Define Stage





# Outstanding questions

# Any final views?



Is there anything else we  
may have missed?



Next steps

# Next steps

Feb

- Industry consultation on straw man proposals

Mar

- Final report with our recommendations presented to Panel
- Roll out changes that do not require SEC changes

Apr

- SEC changes – launch a Draft Proposal following the report to Panel
- Start trial runs for any governance changes while this modification progresses



# SEC

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## Thank you for participating

Please let us know of any further thoughts you may have as they arise

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