This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

Paper Reference:	**SECP_91_1604_20**
Action:	**For Decision**

SEC Section D Review final report

1. Purpose

We have completed our review of SEC Section D 'Modifications Process' and are presenting our final report and recommendations to the Panel. The Panel is asked to endorse the conclusions and recommendations set out in the report and agree the next steps for taking changes forward.

2. Background

In early 2018, we carried out a review of the SEC modifications process in SEC Section D. Our findings resulted in three modifications being progressed, with the biggest changes being the introduction of the Development Stage to assess a proposal's issue, and the requirement for the Change Board to approve Data Communications Company (DCC) Impact Assessment requests.

Since these changes were implemented, we have continued to explore ways of performing parts of the process in a more streamlined manner. We have also progressed over 100 further modifications, allowing us to make further learnings.

In October 2020, the Panel agreed to SECAS carrying out a further end-to-end review of the SEC modification framework. We have now completed our review, and our final report is provided in Appendix A.

3. Conclusions and recommendations

Full details on all our recommendations, including our rationale and the next steps for progressing these, can be found in our report in Appendix A. Our recommendations on each area are summarised at the end of each section within the report, and we have noted the key points below:

3.1 The modification framework

- The overarching 'Define-Refine-Opine' stage structure for the SEC modification framework is fit-for-purpose and should remain unchanged
- A clearer set of Stage Gate criteria should be introduced at the end of the Define and Refine Stages, which the Modification Report should be assessed against before the Panel agrees to the modification progressing to the next stage

- The Panel should fully delegate its responsibilities for overseeing modifications' progression and timetables to the Change Sub-Committee (CSC). For completeness, the CSC would also assume responsibility for approving Impact Assessment Requests (this currently sits with the Change Board)
- The Change Board's role in making the final decision or recommendation on each modification should remain unchanged

3.2 Business requirements and solution development

- A new Requirements Workshop has been established to allow for collaborative discussion between the Proposer, SECAS, the DCC and the Service Providers, allowing for business requirements to be clarified ahead of any DCC Assessments
- The Technical Architecture and Business Architecture Sub-Committee (TABASC) will be engaged earlier and more frequently on any modification that could have an impact on the DCC Systems or the Business Architecture
- We will proactively assess which modifications need the input of other Sub-Committees and focus on bringing only these for discussion, providing clear, constructive, and concise questions for the Sub-Committee to input to
- We will work with other forums discussing SEC issues and request that any issues requiring SEC changes are directed into the SEC modification framework for discussion earlier
- We will work with the DCC to ensure that for any modifications with a Self-Service Interface (SSI) impact, the SSI changes are assessed holistically as part of the modification, and not split off into a separate SSI change request

3.3 The Working Group

- The current monthly Working Group sessions will be retained. We will update the Working Group Terms of Reference document to better align with this approach and reflect the areas the Working Group is to discuss
- Individual Parties should be able to raise an Alternative Solution to a modification, rather than this needing to be done by the Working Group collectively

3.4 DCC Assessments

The outcomes from the DCC's Collaborative Design Review were provided in a separate report provided by the DCC. Key recommendations arising from this work include:

- Introducing greater collaboration with Service Providers before and during a DCC Assessment
- Identifying a fixed cost for Impact Assessments charged separately as part of the DCC's annual budget
- Reviewing the Preliminary Assessment duration and introducing a 'stop the clock' process for active Assessments

3.5 Seeking wider input

- We will continue to review how we can support smaller participants to engage with and input to modifications and are developing digital solutions which will facilitate this
- We examined two potential options for streamlining the final Modification Report Consultation. There was support for streamlining this stage, but there is no clear consensus on which approach, if either, should be taken forward. We believe these should be considered further as part of any follow-up modification
- We will adopt a more flexible approach to seeking Party input across the framework, including issuing more than one Refinement Consultation if required and making better use of requests for information

3.6 Developing the case for change

- We will be enhancing the sources from where we obtain information to use in developing the business case
- For consultation questions relating to costs or cost benefits, we will list a set of cost ranges in the response forms, and will further explore how a similar approach can be used to measure the magnitude of the impacts on Parties
- We will enhance the Modification Report to better draw out the costs and impacts on Parties and for any corresponding changes required to other Codes

3.7 After the decision

- We looked at a process for amending modification legal text following final approval but received little support for this. Instead we will increase the time allowed for reviewing legal text, ensuring greater input from the SEC Lawyer
- We proposed a mechanism that could be adopted for developing parts of the low-level detail in the legal text post-decision, but received little support from Parties for this; we will not take this further
- We considered introducing greater flexibility with setting implementation dates for a modification, but are not recommending any changes to how we set implementation dates at this time
- We will work with the DCC to develop a smarter approach to release planning. We do not believe the SEC Release Management Policy document needs amending at this time

4. Next steps

Many of the changes we have set out in our report can be done within the existing SEC wording, and we either have or are in the process of rolling these out. We will seek to launch a Draft Proposal in the first quarter of 2021/22 to take forward the recommendations that will require a change to the SEC – these have been noted under the corresponding recommendations.

We are recommending the Panel's responsibilities in overseeing modifications are delegated to the CSC. We recommend the Panel fully delegates this oversight, to allow for the most efficient

progression of modifications. However, if the Panel is concerned about delegating the approval of Modification Reports for high-cost changes proceeding to final decision, we examined options for the Panel to retain oversight of these modifications. These were for the Panel to set a 'value threshold' for implementation costs above which its sign-off is needed, or for the Panel to direct that its sign-off is needed on a case-by-case basis.

The SEC allows the Panel to delegate this responsibility without needing a modification. If the Panel agrees with our recommendation, we will bring our proposed amendments to the CSC's terms of reference and a plan of action for how to manage the transition of responsibilities to the Panel to approve.

4.1 Terms of Reference Review project

The Change Board and CSC terms of reference were due to be reviewed under the Terms of Reference Review project. These have been on hold pending the outcomes of the SEC Section D Review project, as changes to both groups were being investigated.

We are proposing minimal change to the Change Board's role and responsibilities, although we are recommending the responsibility for approving Impact Assessment requests be moved to the CSC. However, this change would require a modification to implement. We will therefore complete a general review of the Change Board's terms of reference now and bring any changes back to the Panel to approve. We will then further amend the terms of reference as required following the conclusion of any subsequent modification.

If the Panel agrees to delegate some or all of its role in overseeing modifications to the CSC, the CSC's terms of reference will need major changes to account for its expanded role. We will bring our proposed amendments back to the Panel for approval as part of the transition of responsibilities.

5. Recommendations

The Panel is asked to:

- **NOTE** the SEC Section D Review final report;
- **ENDORSE** SECAS's conclusions and recommendations from this review; and
- **AGREE** the next steps for taking changes forward.

David Kemp

SECAS Team,

9 April 2021

Attachments:

- **Appendix A:** SEC Section D Review final report

SEC
Smart Energy Code

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

Smart Energy Code

SEC Section D Review

Final Report

Version 1.0

9 April 2021

Corporate member of Plain English Campaign
Committed to clearer communication
592

Managed by
Gemserv

This document has a Classification of White

About this document

This document summarises the work that has been carried out under the Smart Energy Code (SEC) Section D Review. It sets out the Smart Energy Code Administrator and Secretariat's (SECAS's) proposed changes and the views received from industry participants to these.

Contents

1. Summary 3
2. Overview and scope of this review 3
3. The previous review 6
4. The modification framework 7
5. Business requirements and solution development 14
6. The Working Group 19
7. DCC Assessments 24
8. Seeking wider input 27
9. Developing the case for change 31
10. After the decision 34
11. Next steps 38

Appendix 1: Milestone activities during each stage 38

Appendix 2: Glossary 39

This document has two annexes:

- **Annex A** contains the full responses received to the industry request for information (RFI).
- **Annex B** contains the full responses received to the industry consultation on our proposals and recommendations arising from this review.

Contact

If you have any questions on this review, please contact:

David Kemp

020 7090 7762

david.kemp@gemserv.com

1. Summary

In early 2018, we carried out a review of the SEC modifications process in SEC Section D 'Modifications Process'. Our findings resulted in three modifications being progressed, with the biggest changes being the introduction of the Development Stage to assess a proposal's issue, and the requirement for the Change Board to approve Data Communications Company (DCC) Impact Assessment requests.

Since these changes were implemented, we have continued to explore ways of performing parts of the process in a more streamlined manner. We have also progressed another 100 modifications, allowing us to make further learnings. In October 2020, the Panel agreed to SECAS carrying out a further end-to-end review of the SEC modification framework.

We have examined all parts of the SEC modification framework, and our findings have been grouped into the following topics:

- The modification framework
- Business requirements and solution development
- The Working Group
- DCC Assessments
- Seeking wider input
- Developing the case for change
- After the decision

Our recommendations on each area are set out throughout this report and summarised at the end of each section. Many of these changes can be made without changing the SEC, and we have or are in the process of rolling these out. Any SEC changes needed will be picked up under a Draft Proposal to be launched following this review's completion.

2. Overview and scope of this review

SECAS carried out a review of the SEC Section D framework in early 2018, and the changes it recommended were implemented across three modifications in November 2018 and March 2019. As part of the modifications, the Working Group recommended a review of the impacts a year later, to ensure the changes were delivering the expected benefits.

Since these modifications were implemented, we have continued to explore ways of performing parts of the process in a more streamlined manner. We have been trialling some new ways of working during this time, and the Panel agreed it would be prudent to trial any approaches first, before updating Section D to align with these. We have also been working with the DCC to improve how it inputs to and engages with modifications.

Since the original 2018 review was completed, we have seen over 100 further modifications raised, as the smart metering arrangements have bedded in and become more widely used. Many lessons have been learnt from progressing these.

In late 2020, the DCC also initiated its Collaborative Design Review, focusing on improving the DCC's input to modifications during the solution design phases. This review sought to identify ways to reduce the costs and timescales associated with assessing DCC System changes. The outcomes of this review were issued in a separate report by the DCC in March 2021[1].

In October 2020, the SEC Panel agreed to SECAS carrying out an end-to-end review of the SEC modification framework that would incorporate these areas[2]. The table below summarises the areas the Panel agreed to be investigated, and the subsequent sections of this report where these questions have been considered:

SEC Section D Review scope		
Area	**Issues and questions identified for review**	**Section**
Review previous changes	Review the changes from the previous review and assess if they are achieving the expected benefits.	3
Framework oversight	Current process offers little continuity or end-to-end oversight, with multiple layers of validation/ assurance increasing the governance timescales. Review potential consolidation of the approvals process across the three main committees (Change Sub-Committee (CSC), Panel and Change Board).	4
Business requirements	The input needed on business requirements is not clear and consistent, and the assessment of 'optional' requirements is discouraged by the DCC. Provide clarity around the input to business requirement development, including if this can be done digitally.	5
Sub-Committee input	Not engaging the right expertise at the right time can cause delays in decision. Examine where and how this expertise should be used to develop the most effective solution and input to modifications.	5
Working Group	The role of the Working Group has evolved and there is not a consistent view of what this is. Changes to the Working Group means that it may no longer be able to raise Alternative Solutions as currently envisioned. Assess the success of recent changes and build upon best practice, including how Alternative Solutions can be raised.	6
DCC Assessments	The two-stage process can be inefficient and there are discrepancies in the costs provided at each stage. The industry is also charged a financial cost to complete an Impact Assessment. The DCC's review of its proposed revised assessment approach to be presented and assessed under this review.	7
Party input	SEC Parties tend to provide their input through 'formal' channels (Working Group, Sub-Committees, consultations). The number and timescales for consultations also adds to the governance timescales. Explore opportunities to establish more 'informal' interaction through a digitised platform and examine whether and how the number of and/or timescales for consultation can be reduced.	8

[1] Please see SEC Panel paper SECP_90_1203_22 (Green) for this review's report and the DCC's action plan.
[2] Please see SEC Panel paper SECP_85_1610_18 (Green) for more information.

SEC Section D Review scope		
Area	**Issues and questions identified for review**	**Section**
Business case	The business case for change is not always effectively made or clearly laid out in Modification Reports, leading to inefficient decision-making. Review how the business case for change can be developed and documented and what input is needed to do this.	9
DCC costs	The DCC costs to implement change are significant, leading to modifications being rejected. The DCC's review of its proposed approach to reducing costs to be presented and assessed under this review.	7
Final decision	The Change Board determines whether modifications should be accepted or rejected but isn't involved prior to this point. Re-explore whether this should be opened up to include wider SEC Parties voting on change.	4
Legal text changes	The legal text is expected to be finalised when the modification is approved. Any subsequent changes then require a new modification. DCC Assessment timescales can also be extended to complete any detailed design work required to inform legal text changes. Review whether and how detailed design changes and any corrections to the original text can be agreed following the modification's approval.	10
Release governance	A specific implementation date is needed for a modification when the Modification Report is approved. Review if greater flexibility can be included in setting implementation approaches and how changes can be effectively prioritised for inclusion in releases.	10

An industry RFI was issued in October-November 2020 to seek Parties' views on the above areas. The full responses received to the RFI can be found in Annex A. These views were considered when developing the strawman proposals set out in this report.

An industry workshop was held in January 2021 and an industry consultation was issued in February-March 2021 to seek Parties' views on these proposals. The full responses received to the consultation can be found in Annex B. We have reviewed our proposals in light of these views, and our final recommendations are contained in this report.

3. The previous review

SECAS previously carried out a review of SEC Section D at the beginning of 2018, and our findings were issued to the SEC Panel in April 2018[3]. Three modifications were raised and subsequently approved as a result:

- SECMP0049 'Section D Review: Amendments to the Modification Process' introduced the Development Stage, created the CSC to review Draft Proposals prior to them being converted to Modification Proposals, and required the Change Board to approve the costs of DCC Impact Assessments. This was implemented on 4 March 2019.
- SECMP0050 'Section D Review: Moving the Working Group Terms of Reference to a separate document' moved the details of how Working Groups operate to a Panel-owned document. This was implemented on 1 November 2018.
- SECMP0051 'Section D Review: Amendments to the Fast-Track Modification process' streamlined the process for Fast-Track Modifications. This was implemented on 1 November 2018.

Some of the changes proposed under the 2018 review were, following subsequent discussions, not taken forward. These included:

- Allowing the Change Board to make material changes to the legal text in response to Modification Report Consultation (MRC) comments, without needing to first send the Modification Report back.
- Introducing the power for the Panel to close stalling modifications – this was later raised under MP079 'Provisions for withdrawing modifications', which was ultimately rejected.
- Progressing a modification to decision on the basis of a DCC Preliminary Assessment, if there was no support for incurring the cost of the DCC Impact Assessment – Ofgem commented at the time that the Modification Report would likely be deemed incomplete in that scenario and so would be sent back.

The Parties we spoke to as part of the current review believed that the Development Stage and the CSC had been successful in pushing back on proposals that weren't yet ready to proceed to the Refinement Process, resulting in better quality changes reaching the Working Group. However, more work could be done to look at the costs and benefits up-front to determine if the change should even proceed. It also wasn't clear if SECAS was getting the engagement and input needed from Parties during this stage, to help understand the scale of the issue.

They also felt that the Change Board's approval of Impact Assessment costs had provided a clearer mechanism for signing these off. However, it wasn't clear if the Change Board could outright reject a request, and whether low-costing Assessments needed Change Board approval.

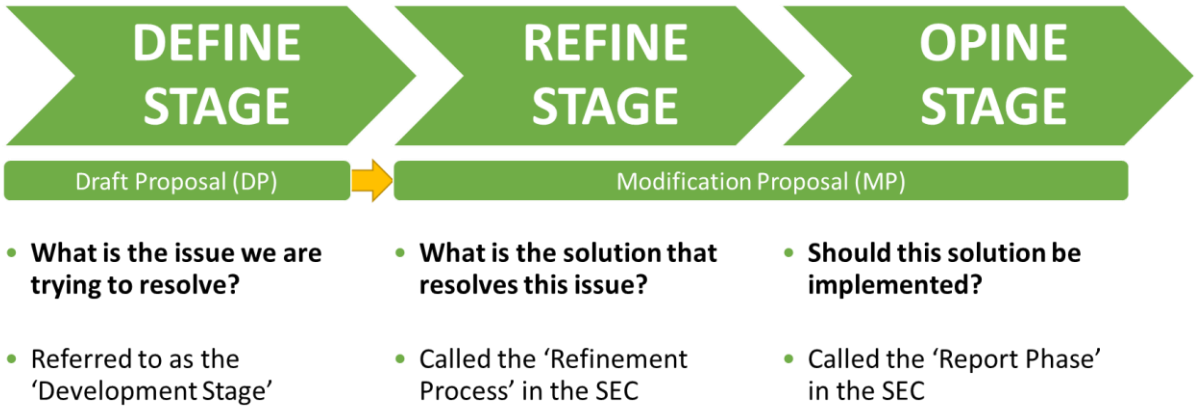
One Party considered the previous review had only made minor changes, believing broader, more fundamental change had been needed. They felt there was further work to be done to improve the overall efficiency, provide clearer understanding of costs, and streamline input to avoid overlaps in output.

[3] SECAS's findings were summarised in Panel paper SECP_55_1304_08, with more detail available in the preceding consultation documents available to download here.

4. The modification framework

The framework stages

The SEC modification framework is split into three main stages, each of which is focused on a key question:



A new modification is initially raised as a Draft Proposal and enters the Define Stage while the issue is assessed and clarified. Once we have determined the issue is clear and would require a SEC change to resolve, it is converted to a Modification Proposal and moves to either the Refine Stage (if more work on the solution is required) or the Opine Stage (if the solution is clear and no further work is required).

We believe this set-up remains fit for purpose, ensuring the key questions are asked and answered in the right order. The Define Stage provides Parties with an opportunity to raise and discuss an issue with the industry. It also enables the Panel, its Sub-Committees and Parties to triage this issue and confirm that a SEC modification is the right vehicle for delivering a solution. This approach is also broadly aligned with the common modifications process set out in the Code Administration Code of Practice (CACoP).

One Party has queried if the numbering convention could be changed to not prefix with 'DP' or 'MP', as changing this part way through makes it harder to search for information. We note the view, but consider the current approach, introduced following the 2018 review, provides a clear distinction between a potential issue that is being assessed, and a confirmed issue for which a solution is being developed. We therefore do not propose to change this approach.

Introducing criteria for progression at the end of each stage

We recommend that at the end of the Define and Refine Stages, a clearer set of criteria needs to be met for a modification to proceed to the next stage. As part of this process, the SEC Panel would review the Modification Report to ensure all the key points had been addressed and make an objective decision on whether the Proposal meets the necessary quality criteria to proceed to the next stage. If not, the Panel would be expected to keep the modification in the current stage, setting out what further assessment is required before it will be progressed onwards. This will also allow Proposers to understand what information they need to provide to support the effective progression of their proposal.

To be clear, these criteria are intended to enhance the current decision points in the framework, not create new ones. These will allow the existing decisions on progression from one stage to the next to be made in a more structured, objective and consistent manner.

For a modification to proceed beyond the **Define Stage**:

- The issue raised has been clearly defined (including defining the business problem the Proposer is seeking to solve, and understanding whether it is the root issue or a symptom of a wider issue);
- The impact and scale of the issue is fully understood (for example identifying the number of Parties or consumers affected and the cost and impact of doing nothing);
- A modification has been confirmed as an appropriate route to delivering a solution;
- The relevant parts of the SEC linked to the problem have been identified; and
- Where applicable, potential high-level solution options for resolving the issue have been identified (including, where possible, an assessment of whether costs and complexity would be high, medium or low to inform the benefits case of proceeding).

For a modification to proceed beyond the **Refine Stage**:

- A solution (or solutions) has been clearly defined;
- The impacts of the solution(s) on all participants have been fully identified;
- All implementation and on-going costs have been drawn out and scrutinised[4];
- The implementation approach has been clearly laid out[4], 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;
- An assessment against the Applicable SEC Objectives and the consumer benefits analysis have been completed; and
- All questions raised along the way have been answered.

Respondents to the industry consultation were largely in support of the approach. One respondent noted it wasn't clear if symptoms of issues could also be progressed. While we would prefer to tackle the root cause, there would be occasions where this is not pragmatic or practical. In those scenarios we agree it would be prudent to resolve the symptom, at least in the short term. This should be judged on a case-by-case basis. The respondent also proposed that changes to non-SEC documentation be drafted as part of a modification. We agree this would be beneficial to do where practical.

However, one respondent was concerned this approach would add complexity and elongate the process. They were supportive of SECAS applying greater project management to modifications, to manage this offline. This is an area we plan to enhance, and the improvements to the framework arising from this review will make doing so easier. We would also proactively use the criteria to assess whether a Modification Report is ready for progression to the next stage before we took it to the Panel.

[4] The DCC has noted it is not able to confirm post-PIT costs or timescales at this stage and will provide an estimate based on the current SEC Release scope assumptions.

What would happen if the Proposer disagreed with a recommendation to withdraw?

Under the current process, there is no mechanism for closing a modification prior to final decision other than through the Proposer electing to withdraw their modification. This approach is in line with the CACoP[5], and is intended to ensure that a Proposer's issue and proposed changes can be given a fair chance to be discussed, developed, and decided upon. However, this can result in Proposers seeking to progress complex or costly solutions through to decision despite a clear steer from Sub-Committees and other Parties that change is not needed or supported, and that the modification should be closed.

This issue was considered during the 2018 review. The primary concern raised by Parties was that a lot of time, resource and cost was being put into Modification Proposals that were not going to progress for valid reasons or have been demonstrated to be detrimental to the SEC Objectives. Equally, there have been cases where Proposers were not engaged with the process and actively requesting their proposals to effectively sit in stasis. The changes introduced by SECMP0049 implemented mitigations to these risks. Further to this, MP079 proposed to allow the Panel to subsequently withdraw a modification if clear criteria were met and the Proposer had an opportunity to respond. This modification was ultimately rejected by the Authority.

Key questions at the end of the Define Stage include whether the issue is one that requires a SEC modification to resolve, and if so whether such change would be appropriate and cost-effective. The CSC would consider the full assessment undertaken on this at the end of the Define Stage. If it believes this is not an issue that should become a Modification Proposal, it would be expected to recommend to the Proposer that the Draft Proposal be withdrawn. In line with the principles of Proposer ownership, the Proposer cannot be compelled to withdraw a modification against their will. However, if the Proposer sought to move the modification forward to the Panel, we would highlight that the CSC does not support or recommend it becoming a Modification Proposal. The Panel can then determine if further work is required to understand the issue, and if so set out what additional assessment is needed, or if the proposal is ready to proceed as a full Modification Proposal.

We also understand some Proposers are reluctant to withdraw proposals in case they cannot be re-raised, or all the work undertaken to date would be lost. We stress that any withdrawn proposal can be re-raised later if the situation changes. There is a two-month 'cooling off' period following a change being rejected or withdrawn where the Panel can refuse an identical or very similar proposal, but there are no restrictions after that time. Furthermore, any work undertaken under the original proposal would be reused under any new modification, accelerating these steps in the framework. We would encourage Proposers to withdraw modifications that are no longer required or cannot be further progressed until the situation changes, as keeping these open places additional work on SECAS and the Panel in managing these dormant proposals.

We do not propose to revisit the solution developed under MP079 at this time. Instead, we will monitor whether the enhancements set out in this review further mitigate the original issues identified from re-occurring in future modifications.

Other Codes' modification processes

Most of the other Energy Codes follow the same broad process flow as we do. In these cases, a modification's solution is fully assessed and refined by a Workgroup via an equivalent to the Refine Stage. Some of these Codes also have a 'pre-modification process' to discuss issues before they are

[5] CACoP Principle 6 'A proposer of a Modification will retain ownership of the detail of their solution' – please refer to the CACoP for more details.

raised, and the Grid Code has a review panel at this early stage whose role is like that of the CSC under the SEC.

The Master Registration Agreement (MRA) and the Supply Point Administration Agreement (SPAA) have a much larger 'pre-modification' process where a new Change Proposal is assessed, and the solution developed, before being formally raised. In practice, this would be largely akin to completing the Refine Stage above while the modification is still a Draft Proposal.

Who should oversee the framework?

The modification framework is currently managed across three separate committees:

- The CSC oversees the Development Stage, providing input and recommendations on whether the identified issue is clear.
- The Panel oversees progression through the framework, approving proposals moving from stage to stage, agreeing the timeline for the Refinement Process and approving the Modification Report.
- The Change Board approves DCC Impact Assessment requests and makes the final decision or recommendation on whether a modification should be approved or rejected.

This split results in fragmented and less efficient governance, with no single group having full end-to-end oversight of the process as change is passed between them. For example, the Panel is currently required to validate the CSC's recommendations on a Draft Proposal's onward progression, adding time into the framework. Also, the Change Board will often only see a modification when it reaches final vote, giving it no real opportunity, outside of a send-back, of raising any issues for consideration.

Respondents to the RFI indicated that each group involved in the modification framework needs a clearly defined role. They noted the large number of groups involved, and felt there could be benefit in consolidation, for example by the Panel delegating its role. Any group with oversight of modifications needs the time and expertise to devote to this. One Party queried whether, once the CSC has agreed the issue is clear, any further approval is needed to proceed to the Refine Stage.

We propose that the Panel's current responsibilities in overseeing modifications, as set out above, are delegated to the CSC, with the CSC's role in the framework being enhanced. This would include the responsibility for setting and managing progression timetables. This would allow modifications to be considered by a dedicated group who are closer to the detail of the issue and who can provide consistent oversight. The CSC would also take on related responsibilities, such as agreeing the next steps following a send-back. We also recommend that a Proposer would be able to refer a decision not to progress their modification to the next stage to the Panel if they disagreed with the CSC's conclusions.

For completeness, we would also then recommend that the Change Board's role in approving DCC Impact Assessment requests is moved across to the CSC. This would place all governance decisions relating to a modification's progression through the framework in one place, ensuring greater consistency.

Please note that subsequent sections in this report refer to powers being given, or decisions being made by the Panel – if the Panel was to delegate responsibility for modifications to the CSC, we consider these powers and decisions would be included in that delegation, except where stated otherwise.

All respondents to the industry consultation were supportive of the Panel delegating its responsibilities around modifications to the CSC. Respondents felt the Panel wasn't necessarily the right forum for making decisions on changes, and that delegating this to the CSC would reduce the amount of work that the Panel has to consider each month. One respondent noted that the membership may need to be reviewed in light of this change; we will assess if the current make-up remains appropriate as part of any updates to the Terms of Reference. This may also mean elections will need to be re-held.

Can the Panel delegate its modification responsibilities?

SEC Sections C6.4 and C6.5 allow the Panel to delegate any of its responsibilities to a Sub-Committee, other than those responsibilities directly attributed to the Working Group in SEC Section D. This would therefore allow the Panel to delegate its oversight of modifications. We are not aware of any restrictions in higher-level documentation (e.g. licences) that would prohibit this.

SEC Section C6.8 also requires Sub-Committees to act fully independently when fulfilling their roles, with members required to sign a declaration to this effect before taking up office. We would therefore expect the CSC members to remain independent when considering modifications and consider all the views provided by Parties when making decisions, as is currently the case for the Panel.

As with the other Sub-Committees, we would report on the CSC's discussions and decisions as part of the monthly Sub-Committee Report issued to the Panel. This would allow the Panel to have sight of these and provide any comments back to the CSC.

We recommend the Panel uses its existing powers to delegate its modification responsibilities to the CSC as soon as possible. We will review and update the CSC Terms of Reference to support this, as part of the separate Terms of Reference Review project. This will allow the approach to be trialled over the coming months. If this approach works, SEC Section D can be updated as part of a wider modification to make these arrangements enduring.

Should the CSC be allowed to approve high-cost changes?

SEC modifications that impact on the DCC Systems are very expensive, with costs often an order of magnitude higher than any other Code. We considered there may be concern over a Sub-Committee approving a Modification Report for a change that would incur significant costs if implemented.

We proposed that the Panel could, on a case-by-case basis, direct that the CSC refers a Modification Report to it for sign-off at the end of the Refine Stage. Alternatively, the Panel could set a 'value threshold' for any spend required to implement a modification. If the implementation cost for a modification exceeded this threshold, that Modification Report would need to be signed off by the Panel. In these cases, the CSC would provide the Panel with a recommendation that the Modification Report is ready to progress to the Opine Stage, which the Panel would be asked to approve.

One industry consultation respondent believed that if the Panel was to delegate responsibility to the CSC, this should be done fully. While the Proposer or the CSC could refer a Modification Report to the Panel, the Panel should not be able to pick and choose which modifications it approves. This would avoid the risk of the Panel undermining the CSC. Other respondents were also supportive of the ability for reports to be referred to the Panel if needed. We did not receive any notable concern over the CSC approving high-cost changes to proceed to the next stage of the framework.

Other Codes' approach to modification oversight

While most of the other Code Panels have retained oversight for modifications, there are examples where this role has been delegated to a sub-group. In particular, the MRA and the SPAA have separate sub-groups fully responsible for Change Proposals, a set-up being retained under the Retail Energy Code (REC) with the Change Panel. There is therefore precedent under other Codes for this delegation.

Who should make the final decision?

The Change Board's primary role is to vote on whether modifications should be approved or rejected. However, as noted above, this group is rarely involved in a modification prior to the final vote. In 2017, SECMP0041 'Amending the Change Board decision making rules for Modification Proposals' looked at whether SEC Parties should be given the power to vote instead. The modification was ultimately rejected on the basis its Proposed Solution was less efficient than the current arrangements.

We considered there would be benefit in revisiting this topic under this review and assessing if there is a more effective approach to voting on a modification. This would be considered holistically alongside any consolidation of management of the framework. Advances in technology may also allow for a more efficient, more digital voting mechanism to be introduced.

The feedback we received from Parties was strongly against making any changes to this step of the framework. Parties felt a decision-making body is required, and that it would be challenging to get enough input from Parties via consultation to form effective decisions. Respondents also noted that many Change Board members already engage with modifications at other points across the framework.

We therefore propose that no change is made to the Change Board's role in making the final decision or recommendation on a modification.

We did consider if this role could also be moved to sit with the CSC, which would align with most other Codes where the Panel or sub-group that oversees the governance also makes the final decision or recommendation. We concluded there is benefit in the Change Board being retained to make the final decision. It allows a larger number of people to be involved in forming the final vote, ensuring greater representation in the final decision, while allowing the group overseeing the governance to remain more compact, ensuring greater efficiency in a modification's progression. The larger membership of the Change Board also allows a greater range of perspectives when making the final decision, providing a more proportional representation of views across the different Party types.

We also considered whether the Panel should make the final decision or recommendation. This would remove the concerns over Sub-Committees making decisions on high-cost changes without Panel input, as the Panel would have the final say. However, as noted above, the current Change Board structure allows a larger number of people to be involved in forming the final vote, ensuring greater representation in the final decision. It also leaves the Panel free to act as an escalation point for any concerns raised against the Change Board or CSC decisions.

However, we recommend that if a Change Board decision under Self-Governance is appealed by a Party, the appeal is issued directly to the Authority. Currently, the Panel would be asked to review the Change Board's decision, and only after a further appeal on that decision would the Authority be asked to input. On both the previous occasions a Change Board decision has been appealed by a Party, the Panel's subsequent decision was also then appealed to the Authority. As well as enhancing

efficiency, issuing the referral directly to the Authority would better align the SEC with Ofgem's guidance on the Self-Governance Modification appeals process.

Alternate arrangements for members unable to attend a vote

We recommended that Change Board members be allowed to either appoint more than one alternate or appoint another member to cast a proxy vote with rationale on their behalf if they are unable to attend a meeting. This would better ensure a greater number of views can be accounted for when the final vote is cast, if members were unable to attend.

We initially proposed allowing members to cast a vote by writing in advance of the meeting. However, Parties were not in favour of this approach, noting that participation in Change Board discussions may have led to that member subsequently changing their mind. Submitting votes in advance could also allow absentee members to effectively veto changes by continually submitting votes to reject. There was also concern whether SECAS would know if the person submitting the vote had done so independently or had been influenced by their organisation. We therefore disregarded this option.

Industry consultation respondents' views were split, with several respondents noting Change Board quoracy has not been an issue recently. These respondents raised concerns over proxy voters, noting that the discussions during a meeting may have affected the original member's vote, and that one member could end up with several votes if acting as a proxy for others.

We also note that many Change Board members have not appointed the existing alternate member they are already entitled to; encouraging them to do so will adequately mitigate any risk of non-quoracy. Noting this and the views of respondents, we do not feel there is a strong case for amending these arrangements, and so do not propose to make any changes in this area.

Other Codes' approach to final decisions

Almost all other Codes keep the final decision on a modification with the Panel or a Sub-Committee, usually the same group tasked with overseeing modification governance. The only exception of note is the Distribution Connection and Use of System Agreement (DCUSA) which uses a Party voting system where DCUSA Parties have two weeks to submit their vote.

Recommendations

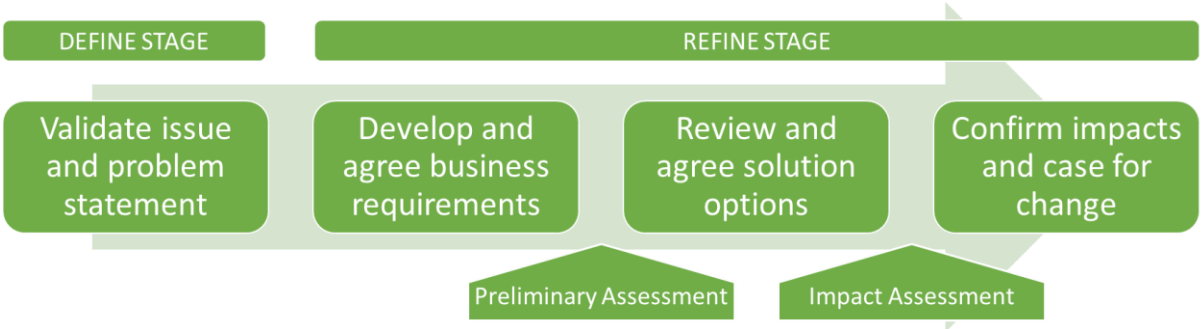
Recommendations – the modification framework
The overarching 'Define-Refine-Opine' stage structure for the SEC modification framework is fit-for-purpose and should remain unchanged. This flow is broadly consistent with other Codes' modification processes.
A clearer set of Stage Gate criteria should be introduced at the end of the Define and Refine Stages, which the Modification Report should be assessed against before the Panel agrees to the modification progressing to the next stage. We have set out our proposed criteria for each gate and the approach for where the Proposer disagrees with a CSC recommendation not to progress an issue further as a modification.

Recommendations – the modification framework
This change can be followed informally without changing SEC Section D. However, there may be benefit in adding the criteria into the SEC later as part of the follow-up modification once these have been trialled.
The Panel should fully delegate its responsibilities for overseeing modifications' progression and timetables to the CSC. For completeness, the CSC would also assume responsibility for approving Impact Assessment Requests (this currently sits with the Change Board). *Delegation of the Panel's responsibilities can be done immediately by using the existing provisions within the SEC. If this is successful, we recommend SEC Section D is updated as part of the follow-up modification to document this as the enduring set-up. Moving the Change Board's role in approving Impact Assessment requests will require a SEC change as there is no provision for Sub-Committees to pass responsibilities to each other. This can be picked up through the follow-up modification.*
The Change Board's role in making the final decision or recommendation on each modification should remain unchanged, as should the arrangements for members unable to attend a vote. Any appeal made on a Self-Governance Modification decision should be issued directly to the Authority. *Changing the Self-Governance decision appeal route will require a change to the SEC; this can be picked up through the follow-up modification.*

5. Business requirements and solution development

General flow of developing a solution

The diagram below summarises the core steps we would follow to develop a solution for a modification, noting the points where a DCC Assessment would usually be undertaken. A breakdown of the expected flow of activities under each core step can be found in Appendix 1.



The intent of the Define Stage, introduced following the 2018 review, is to ensure we are fully clear on the issue the Proposer has raised before we begin work on developing solutions. A key question to fully understand is what the business problem is that the Proposer has identified. We would also assess whether the issue may be a symptom of a wider core problem, may be resolvable without a change to the SEC, or may not be a material issue for Parties. This stage is intended to ensure we do not develop potentially complex and costly solutions for an unclear issue, and that any solution is

designed with the right issue in mind. As such, we had not envisioned discussing solutions until the modification had proceeded to the Refine Stage.

However, during discussions as part of the Collaborative Design Review, SECAS and the DCC considered there would be benefit in outlining possible solution options during the Define Stage where changes to the DCC Systems could be required. By understanding what options may be available, the Proposer can assess early if there is likely to be a cost-effective solution that would resolve their issue before time and effort is spent on detailed assessment. This would, in turn, inform if there is likely to be a business case for change when measured against the impact the issue is having. These discussions may also identify alternative options which may not require a Modification Proposal, allowing the Draft Proposal to be closed.

To be clear, we would not proceed to develop the detailed business requirements for a modification until it had been progressed to the Refine Stage. We would also not want any options discussed during the Define Stage to be 'locked in', but to be used to provide an indication of the likely options and outcomes when understanding the case for proceeding.

Developing the business requirements

Feedback from Parties noted there is not a 'one size fits all' solution to developing business requirements. For some changes, Parties will have a specific solution option in mind, while for other changes, Parties will want the DCC to define the most effective approach based on the stated requirements. Parties also had mixed views as to how detailed business requirements need to be. If the requirements are too precise, this may prevent the DCC from suggesting better solutions. However, if they are too flexible, this may not provide enough information or direction for Service Providers to carry out an effective assessment.

Parties have consistently noted that allowing for optional requirements to be assessed would be important, considering if the 'MoSCoW' prioritisation approach[6] should be applied. This would help Parties understand the most effective approach, and whether a 'nice-to-have' requirement would have a significant impact on the overall cost.

Noting this feedback, we will continue to evolve our business requirements document over the coming months, as the other enhancements set out in this report come to fruition. We will work with the DCC to introduce optional requirements into these documents where needed.

The Requirements Workshop

A key piece of feedback we received from many Parties is that earlier involvement and collaboration with the DCC and its Service Providers is needed. This was also raised in discussions with the DCC and its Service Providers, who sought the same.

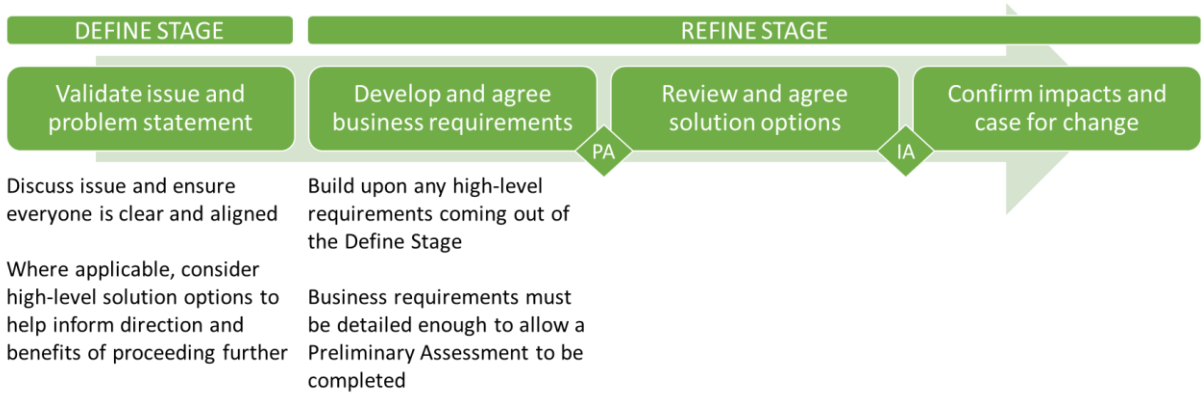
We have therefore developed a new workshop approach to allow for earlier, collaborative discussion between SECAS, the DCC, its Service Providers and Proposers. These will be initiated for any modification which may or will require changes to the DCC Systems. These sessions will allow for questions to be drawn out and clarity attained by all participants, and to understand what needs to be drilled into. Early discussions with the DCC and the Service Providers will also help filter out

[6] MoSCoW categorises a business requirement as either 'must have' (important and needed now), 'should have' (important but could be delivered later), 'could have' (nice to have if time and resource permits) or 'won't have' (not needed at this time).

unsuitable or unfeasible options up front. The Technical Architecture and Business Architecture Sub-Committee (TABASC) Chair will also be invited to these sessions.

We have already set up these workshops and feedback from those involved in the first couple of sessions has been positive. We will be refining how these workshops are run over the coming months as we bed in the new ways of working. Going forward, we will be asking Proposers of modifications that may impact the DCC to make themselves available for these workshops (which will typically be on a Monday afternoon).

The diagram below shows at which steps of a solution's development the workshop would input and the core outputs at each point:



The Parties that responded to the industry consultation were welcoming and supportive of involving the DCC and its Service Providers earlier, considering this will add value and help to dispel assumptions early on.

Greater TABASC input

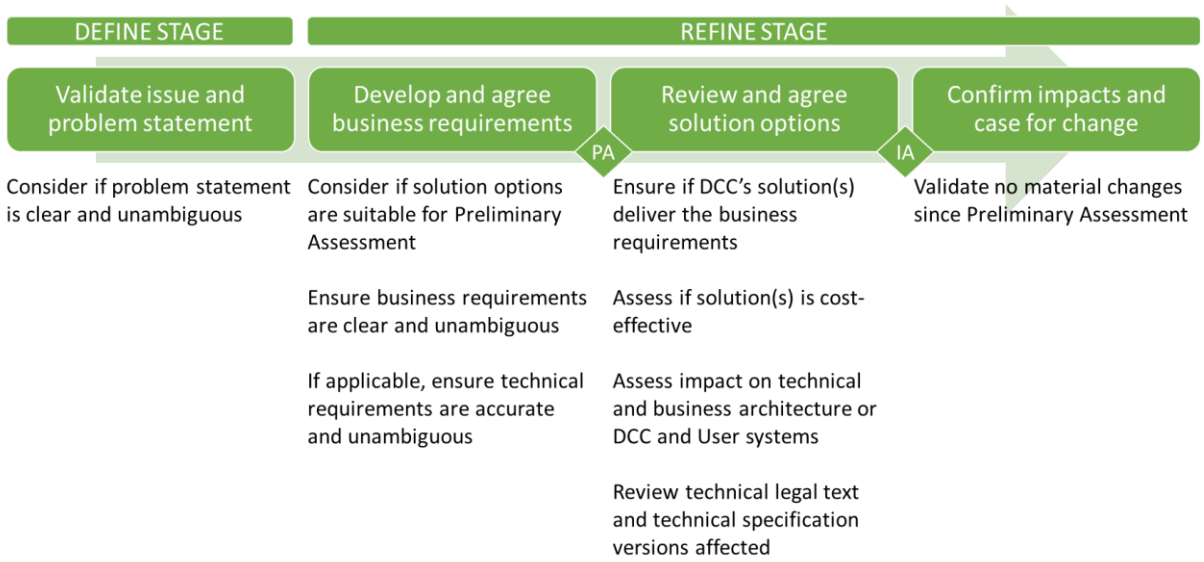
The Parties we sought feedback from considered greater input from the TABASC on relevant modifications is needed. The TABASC's terms of reference have also been updated under the Terms of Reference Review project to enhance its input on modifications. We have therefore looked to implement these changes holistically into the wider framework and have worked with the TABASC to agree the detail and implement this updated approach[7].

We are expecting that any modification that could have an impact on the DCC Systems, the Business Architecture Document or Model (BAD/BAM) or any other area within the TABASC's remit will be discussed with the TABASC. It will be able to review relevant modifications from a business and technical architecture perspective, reviewing its intent in this area, and support the CSC and the Working Group's assessments with its expertise. It will also help to ensure business requirements are clear and that the technical solution remains consistent throughout its development.

The TABASC will also act as a 'stage gate' to requesting the DCC Preliminary Assessment. We will not be requesting a Preliminary Assessment until the TABASC has confirmed the business requirements are clear and unambiguous, and that the solution options being considered are appropriate. This will mitigate the risk of inappropriate or unduly costly solutions being assessed.

[7] Please see TABASC paper TABASC_62_0402_04 for more information.

The diagram below sets out where TABASC input will be sought and the questions we will ask at each point. This is based on the expectation that a DCC Assessment is required; for a modification that won't require this, the latter two review stages will be reduced or skipped.



One industry consultation respondent queried the TABASC's expanded role, feeling there was no justification for this. They considered the TABASC should be an expert group providing detailed knowledge and understanding to support the decision-makers. They also disagreed with the TABASC having sign-off on any Preliminary Assessment, believing it should escalate any concerns with proceeding back to the CSC or Working Group for final decision.

We will be reviewing and refine this approach with the TABASC over the coming months as this new approach is bedded in. The TABASC's input could be scaled back once the process of providing earlier input has become more established and is demonstrating more effective solutions.

Seeking further Sub-Committee input

The various Panel Sub-Committees contain a wealth of expertise in their respective areas of responsibility. We have been working to bring this knowledge to bear in developing the most effective solution to an issue and will continue to investigate if this can be taken further. Obtaining this input early can avoid wasted effort later in the modification's assessment.

During the feedback gathering stage, we asked Parties for their thoughts on how other Sub-Committee input to modifications could be enhanced. Parties felt that involving more groups in the assessment of a change increases the overall timescales. At the same time though, their expert input is essential, especially if wider engagement on a change is low. Parties were concerned that Sub-Committees may not have the time to input on relevant modifications and were unsure how Sub-Committee feedback would be fed into the process.

Over the last 18 months, SECAS has sought to inform Sub-Committees of any new Draft Proposals raised and advise which of these may be of interest to the group. However, we were unclear what benefit this was having with some groups, and some groups have limited time in which to initially consider these proposals.

We have now revised our approach. Going forward, we will triage up-front which Sub-Committee(s) we expect would need to look at a new Draft Proposal, engaging the Independent Chairs in this. We

will then focus on bringing that modification to only the relevant groups for input. When we do seek input from a Sub-Committee, we will be ensuring we are asking clear, constructive, and concise questions in the paper, and we are working to develop a similar set of core questions as has been done with the TABASC.

Industry consultation respondents were broadly supportive of our work in this area. However, one respondent disagreed, feeling this approach would add further delays. They see the necessity in involving Sub-Committees but believe this should be done by exception; more engagement adds time and complexity to a modification's progression. There must be a balance struck between taking the time to develop a modification via expert input from Sub-Committees, and the speed needed for some changes, and SECAS should be project managing to strike that balance.

We have also looked at other forums that discuss issues which could result in a modification being raised. The main two we have identified are the Department for Business, Energy and Industrial Strategy (BEIS) led Technical Specification Issues Resolution Sub-group (TSIRS) and the DCC's Top Issues Forum. In both cases, Parties we spoke to have highlighted that Parties are currently going to the wrong forums to raise issues requiring SEC changes. They considered that these other forums need to direct such issues towards SECAS much earlier. We will work with these forums to implement a more streamlined approach to feeding potential issues into the modification framework sooner, and for the assessment of the issue to be done as part of the Define Stage.

SSI changes linked to a modification

SECMP0058 'Changes to the governance of the Self-Service Interface', implemented in June 2019, introduced a streamlined process for progressing changes to the Self-Service Interface (SSI) outside the modification framework. This was intended to allow for these small changes to be batched, assessed, and implemented more efficiently, without needing the full rigour of a modification each time. For standalone SSI changes, this has worked well. However, recent modifications have highlighted a lack of clarity over how such SSI changes should be progressed when required as part of that modification's wider solution. The current approach taken by the DCC is to split these changes out from the modification and progress them separately as an SSI change.

We believe that where a modification requires changes to the SSI, these elements should be included within the relevant modification. We would assess and cost the SSI changes holistically as part of the DCC Assessment for that modification, prepare the documentation changes as part of the legal text, and consult on a single holistic solution as part of the modification's consultations. This would prevent the two parts of the overall solution becoming disjointed.

The Parties we engaged with have expressed support for this approach, and this support was further shown in the industry consultation responses. Parties have noted this will need a change to the DCC's internal workings, as the DCC's SSI team appear to be detached from the modification framework. A Party did stress that any SSI change must be progressed either as part of a modification as outlined above, or under an SSI change request, and considered that the DCC should not progress an SSI change via any other route, and that more guidance should be provided.

Recommendations

Recommendations – business requirements and solution development
A new Requirements Workshop has been established to allow for collaborative discussion between the Proposer, SECAS, the DCC and the Service Providers, with the TABASC Chair also invited. These sessions will enable the issue to be validated and for business requirements to be clarified ahead of any DCC Assessments. *These workshops have been set up and are being actively used.*
The TABASC will be engaged earlier and more frequently on any modification that could have an impact on the DCC Systems, the BAD or BAM, or any other area within the TABASC's remit. This approach has been agreed separately with the TABASC. *The approach agreed with the TABASC has now been implemented. It will be kept under review over the coming months, and any further changes identified will be agreed with the TABASC.*
We will proactively triage which modifications need the input of other Sub-Committees and focus on bringing only these for discussion. The Independent Chairs are involved in this triaging. When we present a modification to a Sub-Committee, we will ask clear, constructive, and concise questions for the Sub-Committee to input to. *We have implemented this approach.*
We will work with other forums discussing SEC issues and request that any issues requiring SEC changes are directed into the SEC modification framework for discussion earlier. *We will reach out to these forums during the first quarter of 2021/22.*
We will work with the DCC to ensure that for any modifications with an SSI impact, the SSI changes are assessed holistically as part of the modification, and not split off into a separate SSI change request. *The DCC is initiating a consultation to update the SSI governance to reflect that SSI changes for modifications should be progressed under that modification.*

6. The Working Group

The role of the Proposer

When we sought feedback from Parties, some raised the issue that the role of the Proposer isn't fully defined, and that there is inconsistency in how Proposers engage with their modifications.

We consider a Proposer's responsibilities to include:

- Owning the Proposed Solution[8], confirming their preferred solution if multiple options are presented;
- Providing clarification and prioritisation of requirements throughout the design phase, supporting the management of scope to avoid scope creep;
- Attending Requirements Workshop and Working Group meetings to support the modification and the solution design and make decisions based on feedback; and
- Continual engagement with SECAS and providing pragmatic and timely decisions to support the effective progression of the modification.

Participants who have raised modifications before broadly agreed with these points, although did acknowledge that this places a lot of onus on a Proposer. They were concerned that this leads to people not raising modifications as they are unable or unwilling to subsequently engage in its progression. They also felt the issue is that not all Proposers are aware of the requirements on them, and that this leads to some Proposers raising modifications then 'walking away', leaving the industry to manage the solution. Despite this, participants are clear that Proposer ownership should not be changed or removed.

A Small Supplier representative noted smaller participants often have a "we'll manage with this issue unless it is critical" ideology, which is why they rarely raise changes. To be a Proposer, an individual needs a certain degree of knowledge, which some smaller Parties don't have. They acknowledged the 'critical friend' support provided by SECAS makes it easier.

Parties also highlighted Proposers who are asked to raise modifications on behalf of groups or organisations that cannot. That Proposer is then held responsible for the change, even though they may have no knowledge or interest in the change. Modifications progressing Issue Resolution Proposals (IRPs) were cited as a prime example, with BEIS requiring the industry to raise modifications to correct a fault, which the Proposer must then justify to the industry. MP149 'Effecting Changes to the Smart Energy Code efficiently' has already been raised to look at this issue.

Industry consultation respondents all agreed with the responsibilities set out, believing this will help to clarify the Proposer's role. One respondent agreed it was not sensible to ask others to raise a change that they don't understand, due to the time and expertise required. Another respondent noted the responsibilities are often time consuming and encouraged SECAS to continue to liaise with and support Proposers throughout the process.

SECAS will develop a guidance note setting out the expectations on a Proposer when raising a modification, and the support that SECAS will provide to them as Code manager and a critical friend. This will be published on the SEC website and shared with prospective Proposers.

The role of the Working Group

We asked Parties for their views as to the role of the Working Group, and their responses are available in Annex A. We have summarised these as follows (not all points will be relevant to all modifications):

- Providing a sounding board to the Proposer;

[8] CACoP Principle 6 'A proposer of a Modification will retain ownership of the detail of their solution' – please refer to the CACoP for more details.

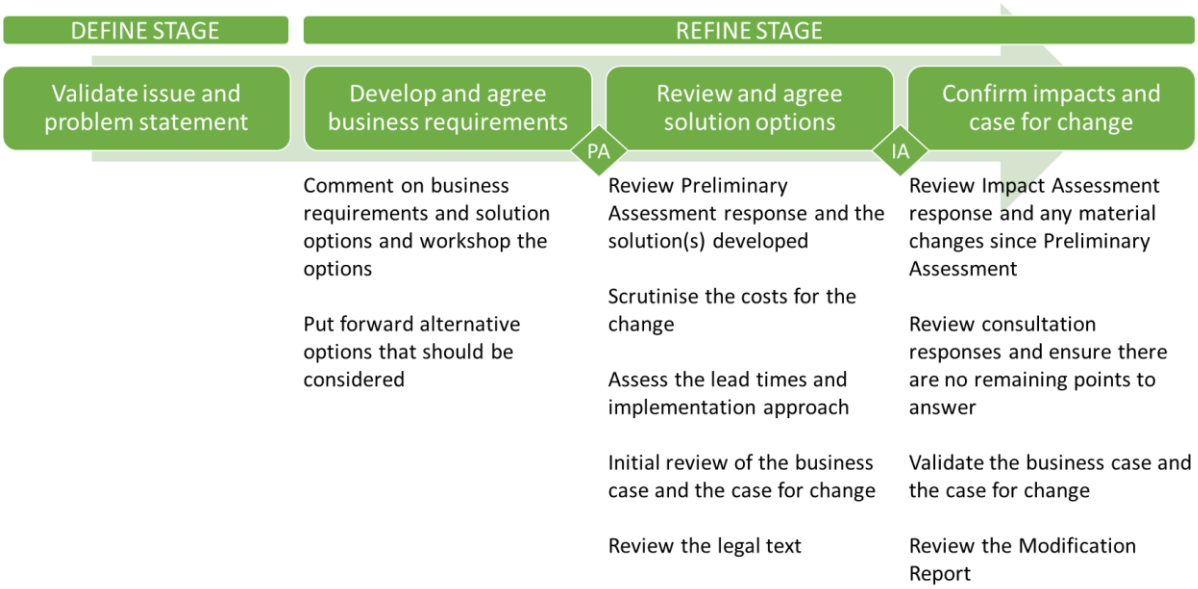
- Developing, refining and reviewing solutions to the issue;
- Reviewing the business requirements and proposed solution options, and putting forward alternative options for consideration (see below);
- Reviewing DCC Assessment responses and commenting on the developed solution;
- Scrutinising the costs of delivery and the costs to complete a DCC Impact Assessment;
- Assessing the lead time to deliver the solution and recommending the potential implementation approach and targeted SEC Release;
- Providing input to any cost-benefit analysis and the business case for change;
- Providing views against the Applicable SEC Objectives and the benefits to consumers; and
- Reviewing consultation responses and ensuring the points raised have been answered.

Following the 2018 review, we introduced monthly Working Group meetings where we discuss multiple modifications in one session. This replaced the previous approach of forming a separate Working Group for each modification. We considered that batching changes in this way meant Parties could schedule their time more effectively and would be aware when SEC change will be discussed. These sessions were introduced in April 2019 and have continued since, being scheduled for the first Wednesday of each month. Ad-hoc sessions are still held as needed for specific modifications (for example complex changes or those that require joint Working Group sessions with other Codes). Attendees have been consistently positive of this approach, and we do not propose to change this.

The approach we have taken to Working Groups means there is no 'fixed membership'. This allows participants to attend as they wish, depending on which modifications they are interested in. However, it can also result in inconsistent input on a proposal as it is progressed. We are keen not to return to having formal Working Group membership linked to specific modifications and instead retaining the 'discussion forum' approach to developing solutions. That said, we acknowledge that with the Working Group being responsible for reviewing the above, we need to capture more clearly who has been involved in each modification's discussions across its development.

We did seek to streamline the Working Group input by fully developing solutions and completing a DCC Preliminary Assessment (where needed) before bringing the resulting straw man solution to the Working Group. However, we have concluded that not seeking more Working Group input in the earlier stages of a solution development has been detrimental, resulting in more discussion and more work being re-done. Working Group attendees have also noted that having people 'in the room' discussing options is helpful for bigger modifications.

We have therefore reviewed the input the Working Group should have at each step in a solution's development. We will ensure the Working Group is better consulted on the business requirements and potential solution options for a modification prior to requesting a Preliminary Assessment, to prevent having to repeat work later. We will also consult the Working Group at the end of the Refine Stage, following the Impact Assessment, to ensure all areas have been assessed and there are no outstanding questions. The input points going forward are summarised below:



We did consider seeking the Working Group's input on the issue during the Define Stage, as a form of 'issues group'. However, we concluded that this would place additional burden on the attendees and would result in agendas being overpacked.

Industry consultation respondents all agreed with the role of the Working Group set out above. One respondent noted the overlap with the TABASC's input and queried the process if there was a conflict or disagreement between the groups. We note that the Working Group will review and agree the business requirements and solutions holistically, looking at the impact across all participants. The TABASC, and any other relevant Sub-Committees, will provide expert input based on their areas of expertise to support in developing these. Ultimately, the Proposer would have the final say on what solution elements are to be taken forward. If there was any conflict around the way forward, we would ask the Panel, as the group responsible for setting the timetable, to agree the appropriate steps and timeline to follow.

Following this review, we will update the Working Group Terms of Reference document to reflect the revised approach and any governance linked to this. We will discuss these changes with those who regularly attend the monthly Working Group sessions and will consult on these with Parties. We will then present these to the Panel for approval.

Workgroups under the other Codes

Most other Codes also have Workgroups involved in the assessment of modifications, with these groups responsible for producing the Modification Report to the respective Code Panel. The Uniform Network Code (UNC) has standing Workgroups based on topics like distribution, transmission and charging, and modifications are assigned to the respective group to be assessed. The Independent Gas Transporters Uniform Network Code (IGT UNC) has a single monthly meeting that considers all live modifications. The other Codes with Workgroups tend to have a dedicated group established for each modification, which meets as required to progress that change. The MRA and the SPAA rarely convene Workgroups due to the large amount of work done prior to a Change Proposal being raised. The REC will not have Workgroups at all, with solution development being led by the Code Manager.

Alternative Solutions

Any Code modification process is required to allow for alternative solutions to be raised and progressed alongside the Proposer's solution[9]. Currently under the SEC, only the Working Group can raise Alternative Solutions, which are then assessed and progressed in parallel with the Proposed Solution.

The Parties we received feedback from highlighted that it needs to be clearer that these can be raised, and who owns these. They also said these need to be drawn out and discussed more clearly with the Working Group. One respondent did query if the nature of the SEC lent itself to assessing multiple technical solution options.

Due to the previous changes in the Working Group noted above, and that attendance for a given modification is not 'fixed', we consider the current approach to raising Alternative Solutions does not work as envisioned. Raising an Alternative Solution requires agreement from the group, as would any subsequent decision to amend the option later or withdraw it from consideration. As the group would need to be convened each time we needed input, with the potential for different people to be in attendance, this leads to inconsistent and inefficient progression. In turn, this holds up progression of the whole modification, as Alternative Solutions need to be presented for decision alongside the Proposed Solution within the same Modification Report.

We therefore recommend that the SEC allows any participant eligible to raise modifications to be able to raise an Alternative Solution under an existing modification. As now, any Alternative Solution would need to be fully developed and assessed (i.e. discussion with the Working Group and the Requirements Workshop, completing DCC Assessments, consulting Sub-Committees and the industry etc.). The Proposer of that solution would also need to demonstrate how their option would be a better solution than the Proposed Solution in resolving the identified issue (e.g. better facilitating the Applicable SEC Objectives, greater benefits for consumers, more cost-effective for Parties etc.).

Placing responsibility for an Alternative Solution on an individual allows for more efficiency in progressing the option. We would only need them to provide the input we set out under the 'Role of the Proposer' section above, rather than the whole group, and would only need their decision on how to proceed. However, we do acknowledge the potential for a Party to raise Alternative Solutions as a delaying tactic to progressing the Proposed Solution to decision. We therefore propose the Panel has the power to close down an Alternative Solution if it concludes that its Proposer is frustrating the progression of the modification.

Most of the industry consultation respondents supported this proposal. One respondent noted a concern if no-one was to come forward to sponsor an Alternative Solution supported by the Working Group. We note this is a risk, and believe there is an opportunity for SECAS to take responsibility for any such options on the Working Group's behalf – we will explore this further under MP149.

Another respondent stressed clear boundaries are needed around the Panel's power to close down Alternative Solutions; we will ensure these are defined in the SEC as part of any modification to update the Alternative Solution arrangements in SEC Section D. The respondent also queried what level of support would be needed to progress an Alternative Solution. Under this approach, no consensus is required, though we would expect any Party seeking to put forward an Alternative Solution to discuss this at the Working Group before formally raising the option. This will allow the level of support to be gauged first.

[9] CACoP Principle 7 'Code Administrators will facilitate alternative solutions to issues being developed to the same degree as an original solution' – please refer to the CACoP for more details.

One respondent was not fully comfortable, noting several questions. They sought a guarantee that if an Alternative Solution is raised, the Proposed Solution would be paused whilst the analysis and investigation catch up. We would expect the Panel to agree to an amended timetable to allow the Alternative Solution to catch up; to do otherwise without good reason would go against the CACoP Principle. They also queried whether Alternative Solutions should form part of the original proposal. While Alternative Solutions would ideally be flagged as early as possible, we don't believe they need to be included from the beginning. Parties may need time to consider the issue and Proposed Solution before concluding whether there is any viable Alternative Solution. We can also confirm that all the information about all potential solutions considered will be captured in the Modification Reports.

Recommendations

Recommendations – the Working Group
We have set out the expectations on any modification Proposer and will publish guidance on this on the SEC website. *This guidance will be prepared during the first quarter of 2021/22.*
The current monthly Working Group sessions will be retained. We have set out the expected areas for the Working Group to assess as part of a modification's Refine Stage. We will update the Working Group Terms of Reference document to reflect these and consult on these changes. *We will prepare the updated terms of reference and consult on these during the first quarter of 2021/22.*
Any individual eligible to raise modifications should be able to raise an Alternative Solution to a modification. These would be progressed in parallel with the Proposed Solution, assessed to the same level of detail, and presented in a single Modification Report alongside the Proposed Solution. *Changes to the Alternative Solution arrangements will require a change to SEC Section D; this can be picked up through the follow-up modification.*

7. DCC Assessments

The DCC's assessment process currently requires two stages of assessment:

- A Preliminary Assessment is first completed to obtain a high-level view of the DCC solution and its impacts and costs, and a cost to carry out a full assessment of the change.
- An Impact Assessment is then completed to obtain the full details of the DCC solution and the associated impacts and costs.

SECMP0034 'Changes to the SEC Section D for DCC analysis provisions', implemented in November 2018, added into the SEC a requirement for the DCC to complete a Preliminary Assessment within 15 Working Days of accepting the request, and an Impact Assessment within 40 Working Days. Parties

note that the DCC often doesn't achieve these timescales and are concerned there is no incentive for the DCC to do so.

For simple modifications, this two-stage approach can be excessive and add unnecessary time and cost into the process. Parties asked in their feedback whether the Preliminary Assessment is always needed.

Parties have highlighted the Preliminary Assessment only provides the costs and lead time up to the end of Pre-Integration Testing (PIT); subsequent costs, including the ongoing 'Application Support' costs, are not assessed until the Impact Assessment. As a result, the Preliminary Assessment only provides a ballpark cost, which will often increase following the Impact Assessment. They have noted this makes their assessment of the merits of a change difficult. The Panel, the Change Board and Parties have also repeatedly expressed their frustration over the high DCC costs for impact assessing and delivering SEC modifications, and how this is creating a blocker to delivering change. Furthermore, the SEC is the only Code that requires specific industry expenditure to complete the full impact assessment on a solution being developed. High costs to complete this can and do create a blocker to completing the assessment of a proposed solution.

The DCC's Collaborative Design Review and outcomes

The DCC commissioned a Collaborative Design Review looking at improving the DCC's input to modifications during the solution design phases. This review was initiated to find ways to reduce the costs and timescales associated with assessing DCC System changes. This work has focused on solution development, better quality, and more timely Assessments. Key outputs from this review include:

- Establishing the Requirements Workshop set out in section 5, enhancing collaboration, and increasing the information Service Providers receive ahead of any DCC Assessment. These will ensure Service Providers are clear on assumptions and are unified, and that any dependencies are called out early. The DCC will also be introducing more review checkpoints with its Service Providers during a DCC Assessment to ensure it remains on track. There has been positive commitment from Service Providers to provide standard commercial input and to be involved in the Requirements Workshop. There is a strong belief from Service Providers that working collaboratively with SECAS, the DCC and Proposers will be beneficial.
- The DCC is looking at the historic costs to complete an Impact Assessment to see if it can form a standardised cost. This will allow a fixed figure to be agreed annually upfront at the beginning of the financial year based on the expected number of Impact Assessments in the coming year. The DCC would then pay Service Providers monthly. This approach, which would need to be fully transparent to Parties, would remove the need for the costs for individual Impact Assessments to be identified and approved.
- The DCC is recommending that the service level agreement (SLA) for delivering a Preliminary Assessment is increased to 25 Working Days, a target it believes it will be able to achieve. It also wishes to explore introducing a formal process into the SEC for 'stopping the clock' during an Impact Assessment if defined circumstances arise that need external input to resolve.
- The DCC will also be working with SECAS to better understand the release landscape and managing expectations with industry. It will be asking its Service Providers to make more recommendations around this.

The DCC also highlighted that its design team has been under-resourced, an issue acknowledged by the Working Group. The DCC is working to remedy this, with more technical and project management support also being built into the DCC's team. The DCC now has a much more defined business process and organisational structure.

The final report from the DCC's review was presented to the SEC Panel in March 2021 along with the DCC's assessment of how it will implement the recommended changes[10]. The DCC provided the SEC Panel with an update on progress at the January 2021 Panel meeting, which included a conclusion that DCC Assessment timescales have reduced by 10% over 2020[11].

Parties' views on the proposals

Industry consultation respondents were generally supportive of the DCC's approach to greater Service Provider collaboration.

One respondent highlighted that the industry would need to see a detailed review and proposal for the fixed Impact Assessment costs to ensure this offered good value for money. They also queried who would monitor these costs and how any changes to these costs would be agreed and signed off.

Several respondents were disappointed with the DCC's proposal to extend the Preliminary Assessment SLA to 25 Working Days. One respondent was unclear what the barriers were preventing the existing SLA being met and felt the main point of this was to obtain the cost to complete the full Impact Assessment. Another respondent queried if the increased design team resource would allow the DCC to meet the current SLAs. They felt these timescales did not need to be reviewed again following their assessment under SECMP0034.

Several respondents queried how the 'stop the clock' process would work, including the criteria that would be used to initiate it, and how it would be monitored and managed. Respondents felt the existing provisions allowed the DCC to ensure all the information was available prior to the DCC Assessment beginning, and would not expect this to be initiated because a Service Provider was not providing the information asked of it.

We have raised these comments with the DCC and will work with it to provide responses and clarifications on the points raised. Changing the Preliminary Assessment SLA and introducing a 'stop the clock' process will require a modification to progress; we will ensure the DCC has taken on board the queries raised by respondents before such changes are initiated.

[10] Please see SEC Panel paper SECP_90_1203_22 (Green) for more information.

[11] This was presented under SEC Panel paper SECP_88_1501_15 (Red) – a non-confidential (White) version was made available after the meeting and can be downloaded here.

Recommendations

Recommendations – DCC Assessments
The outcomes from the DCC's Collaborative Design Review were provided in a separate report provided by the DCC. Key recommendations arising from this work include: • Introducing greater collaboration with Service Providers before and during a DCC Assessment; • Identifying a fixed cost for Impact Assessments charged separately as part of the DCC's annual budget; and • Reviewing the Preliminary Assessment SLA and introducing a 'stop the clock' process for active Assessments. *Greater collaboration is already in place. Changes to the Preliminary Assessment SLA and the introduction of a 'stop the clock' process will require changes to Section D; these can be picked up as part of the follow-up modification. The other changes will continue to be progressed by the DCC separately.*

8. Seeking wider input

Enhancing Party engagement

Party input into the process is key, to understand whether and how the issue affects them, their views on any proposed solution(s), and the impacts, costs and lead times for them to implement any proposed changes. SECAS encourages Parties to provide comments at any time. However, a significant amount of industry input continues to come via either the Working Group sessions or the formal consultations, and often from the same subset of Parties.

The Parties we received feedback from felt that the Working Group sessions and the consultations offer enough opportunities for Parties to input to modifications. They did acknowledge that we would need to talk to the Parties that don't engage to understand why this is. One RFI respondent did note that there is only so much that can be done to improve this.

At the industry workshop, one attendee suggested SECAS could provide further support services for smaller Parties, though recognised this would be a big undertaking. Another attendee suggested quantifying the benefit for smaller Parties of being involved. They also noted other subscription services that disseminate information to Parties, and whether something similar could be done by SECAS for modifications. A further attendee noted adapter providers represent small Parties and help on their behalf. These organisations themselves will flag modifications and issues to the smaller Parties and feed responses back into the process.

SECAS is currently working on digital innovations that could allow for greater Party engagement outside meetings and will update Parties on this in due course. Alongside this, we are monitoring the REC Portal being set up under the REC. We are keen to understand how well this works and whether this can be leveraged.

One industry consultation respondent noted benefits in not waiting for formal meetings to approve decisions such as signing off on the stage gate criteria, querying if these could be done offline. We

agree this would be beneficial. SECAS is rolling out Microsoft Teams spaces for each of the Sub-Committees, with the Change Board and the CSC spaces planned to be set up ahead of the May 2021 meetings. Once these are in place, we intend to explore whether these will allow for appropriate decisions to be made offline, particularly with the CSC, to improve efficiency with progressing change.

We also hold monthly sessions for members of different Party Categories to receive an update on developments. These include an update on any modifications likely to be of interest to those Parties. If you would like to attend one of these sessions, please email secas@gemserv.com.

Streamlining modification consultations

The SEC currently requires the following consultations to be carried out:

- **Refinement Consultation:** The Working Group is required to issue at least one consultation during the Refine Stage to seek Parties' views on the solution being developed. SECAS prepares and issues this on the Working Group's behalf. During this consultation, we seek views on the solution(s) developed, its implementation approach and the draft legal text. We ask Parties to assess the impacts, costs and lead times for them to implement the solution(s), if it was approved. We also ask for views on the merits of the change and to provide input to the business case.
- **Modification Report Consultation:** The MRC is issued in the Opine Stage after the Panel has finalised the Modification Report. This simply asks respondents whether they believe the modification should be approved or rejected, to assist the Change Board in making its decision.

In line with the CACoP, we aim to issue consultations for a 15 Working Day period[12].

Streamlining the final consultation

Parties have queried the value of the MRC, and how much attention it receives from the Change Board. This consultation provides very little new information but adds an extra month to the process and requires additional effort from those Parties who do respond. One RFI respondent considered the timescales for consultations could be reduced if the change was straightforward.

We have developed two proposals for how this step could be streamlined:

- **Proposal A: The MRC could be made optional for any modification that undergoes the Refine Stage**

  Under this proposal, the Panel would be able to direct that the MRC could be skipped if it feels there is no benefit to re-consulting the industry prior to Change Board vote. This could be because there has been no change to the solution or any material issues raised since the Refinement Consultation was issued, meaning the industry would be being re-consulted on a largely identical report. This could not happen for any modification that progressed directly from the Define Stage to the Opine Stage.

[12] CACoP Principle 10 'Modifications will be consulted upon and easily accessible to users, who will be given reasonable time to respond' – please refer to the CACoP for more details.

- **Proposal B: All modifications undergo the Refine Stage for industry consultation before the Modification Report is finalised and issued for vote**

  Under this proposal, all modifications would undergo the Refine Stage, even if the only activity to be completed is for an industry consultation to be carried out. Currently, any material comments raised in the MRC could not be resolved without the Change Board sending the Modification Report back to the Working Group. This revised approach would allow for any such comments raised to be resolved much more efficiently before the Modification Report is finalised. A modification would only progress to Opine Stage when ready to be issued straight to the Change Board for the vote. This would be akin to moving the MRC to the end of the Refine Stage and removing the differential between it and the Refinement Consultation.

We sought views on these as part of the industry consultation. Respondents' views were mixed, with no clear consensus emerging. Proposal A would reduce the time needed, but some respondents felt this would risk change not being consulted upon beyond the initial stages. Proposal B would ensure all options raised are addressed and resolved, though one respondent queried if this would duplicate the CSC's initial discussions if the modification went straight to consultation.

One respondent noted flexibility in any approach to engagement is important and felt it isn't clear-cut around when and what consultations should be sent to SEC Parties or not. They considered that as long as the MRC remains optional for SEC Parties to respond to, consultations should continue to be sent at the same level as now, or more often if necessary. They also supported more opportunity to feed comments in verbally.

Noting there is some support for change here, we believe further discussion should be held with Parties before taking forward any proposal. As the MRC arrangements are written into the SEC, a modification will be required to change them; this will present an opportunity for further debate.

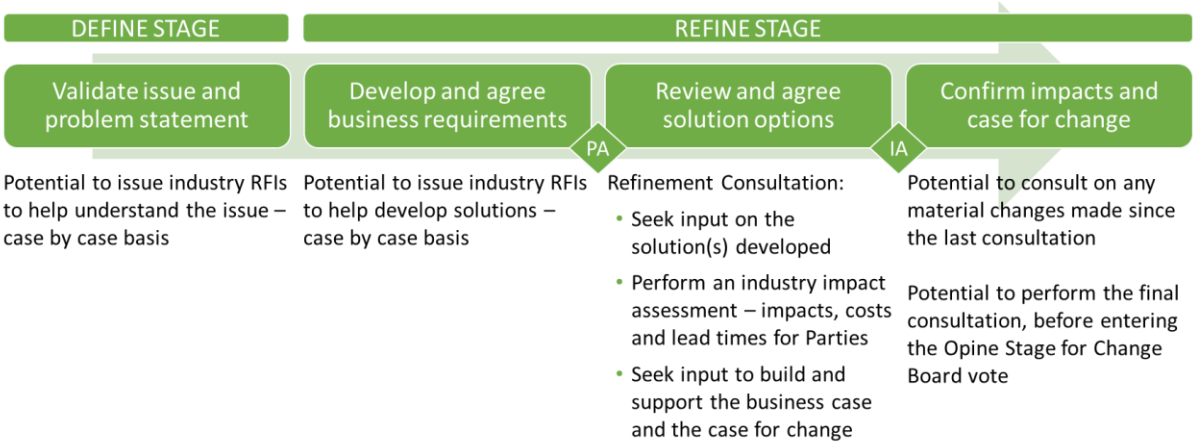
Consulting earlier in the framework

The Parties we have spoken to have also highlighted more flexibility is needed around consultations. While the SEC only requires one consultation to be carried out during the Refine Stage, some modifications may need more, particularly for complex modifications with evolving solutions. That said, clear rationale and value is needed before issuing a consultation.

We agree that more flexibility is needed. For some larger or more complex modifications, this may take the form of less formal RFIs being issued in the earlier stages, for example to help understand the scale of the issue or to feed into the development of business requirements.

For modifications requiring DCC Assessments, we would normally aim to issue the Refinement Consultation between the Preliminary Assessment and the Impact Assessment. We will consider on a case-by-case basis whether this is the right point for each modification, and whether issuing this at another point, or issuing more than one, would be more beneficial for the assessment of that change.

Our view on likely consultation points is shown below:



Responding to comments raised

Several Parties have highlighted the need for greater transparency over how comments and queries raised in Working Groups and consultations are handled. They stress that SECAS should be feeding back to Parties on any points raised.

We aim to highlight and close off all points raised within the Modification Reports, although we acknowledge this isn't always the clearest means of showing this. We also respond directly to the respondents with answers to their comments and queries. For consultation responses, we will review our collated responses template and add in an additional column providing a clear response to any points or queries raised. As noted in section 6 above, we will also ask the Working Group to confirm it is content that all the points and queries raised have been highlighted and answered within the Modification Report before we take it to the Panel.

Recommendations

Recommendations – seeking wider input
We will continue to review how we can support smaller participants to engage with and input to modifications. We hold regular sessions with members of different Party Categories where relevant modifications are highlighted. We are also developing digital solutions which will facilitate this.
We have identified two potential options for streamlining the final Modification Report Consultation. However, there is no clear consensus on which approach, if either, should be taken forward. *Changing the MRC approach will require changing SEC Section D; we recommend this topic is discussed further as part of the follow-up modification.*
We will be taking a more flexible approach to seeking Party input across the framework, including issuing more than one Refinement Consultation if required and making better use of RFIs. Any additional consultations issued will need to have a clear purpose and benefit. *We have already made use of RFIs for some new Draft Proposals and will continue to do so where beneficial.*

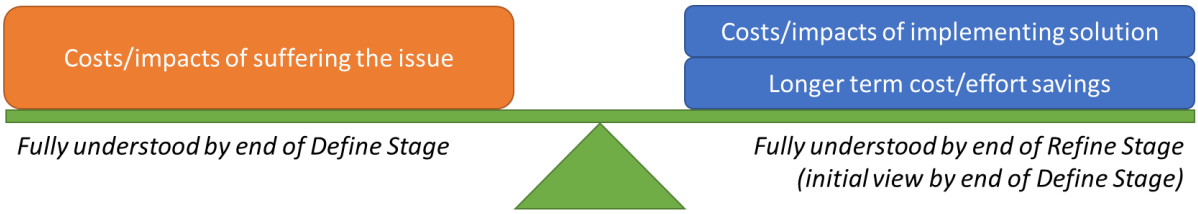
Recommendations – seeking wider input
We will provide specific responses to points and questions raised in consultations within our collated responses documents, as well as continuing to ensure these are highlighted in the Modification Report. *We have updated our collated responses documents to include this new column, which will be used for all future consultations.*

9. Developing the case for change

Authority decisions on recent modifications have highlighted the importance that a full and robust business case for change is presented in the Modification Reports. The costs and benefits of the proposed solution(s) need to be fully drawn out, weighed up, and compared against the 'do nothing' scenario. However, obtaining the information needed to assess the benefits of a change, particularly from SEC Parties, has proven difficult. This issue is further heightened by needing to justify the benefits against significant implementation costs.

RFI respondents noted that greater engagement is needed early on to better understand the scale of the impacts, and that clearer discussion on the business case is needed at the Working Group. SECAS needs to provide greater challenge where no case for change has been presented. Parties highlight that modifications impacting the DCC Systems would not be expected to be implemented as a standalone release, and so the DCC costs need to be assessed on the basis it will form part of a bigger release. However, we note previous views from Ofgem that each modification needs to be assessed on its own merits, and we have been providing a standalone implementation cost to support this.

At the root of any business case for change is an assessment of the costs and impacts of doing nothing versus the costs and impacts of implementing the solution plus the longer-term cost and effort savings this would bring. We have assessed the input needed to help gather information for this, which is summarised below:



Fully understood by end of Define Stage

Proposer required to highlight impacts of the issue on them

Further input can be sought from relevant Sub-Committees and other industry forums

SECAS can further investigate the impacts on other Parties (direct contact, issue RFIs etc.)

Fully understood by end of Refine Stage (initial view by end of Define Stage)

Proposer required to highlight benefits of change on them

Working Group will discuss the benefits to Parties

Parties asked to provide benefits to them via consultations

Further input can be sought from relevant Sub-Committees and other industry forums

SECAS can further investigate the impacts on other Parties

Parties suggested that when seeking views on Party implementation costs and cost benefits, SECAS should provide a set of cost ranges which respondents can select from. This will allow respondents to provide a rough order of magnitude assessment of their costs more easily, to feed into any assessment. We will implement this approach in our consultation response forms.

One workshop attendee suggested scales could be provided for scoring the magnitude of impacts, for example by scoring each on a scale of one to ten. A single scale could be defined for all modifications or this could be defined specifically for each modification. Where there are multiple solution options, a weighted options appraisal could be used to assess which is best. As with the costs, this approach would allow us to perform a rough order of magnitude assessment of the impact and severity of doing nothing and of making the change. We will explore this proposal further.

A modification also needs to look at unquantifiable costs and impacts outside the DCC, including on non-SEC Parties, for example any contractual costs that organisations will incur. SEC Party costs need to be better factored into the Modification Report and therefore the final decision. Any cross-Code changes impacting on the smart arrangements also need better assessment, with Parties concerned that the smart arrangements don't consider the impact on other parts of the industry, or vice versa.

One industry consultation respondent stressed that every Party works differently and so would have different costs to implement change. The Party costs need to be fairly weighted against the overall customer benefit to help understand the route to take. Where Parties do provide cost estimates, evidence to validate the impact is needed to help understand the cost drivers.

Another industry consultation respondent noted that DCC change is very expensive. The DCC costs will often far exceed any benefits that can possibly be achieved. This stifles innovation and even stops issues from being resolved. They also noted no change would be made in isolation, and there are several drivers to consider when calculating the costs or the benefits. The costs of updating systems and technical documents, including manufacturers needing to be engaged, need to be considered even if a User has no intention of using the new capabilities in the near future. Added to this is the cost of the User cutting over to the new versions.

We will take these comments on board for current and future assessments. One industry consultation respondent suggested developing a standardised set of benefit areas to consider each time to

improve consistency in calculating the benefits of change; we agree this could provide benefit and will explore this further. We will also work with the other Code Administrators via the CACoP Forum to enhance cross-Code assessment, and this has been added to the Forum's 2021 Forward Work Plan.

A workshop attendee asked whether there would be any assessment from the DCC or Parties at the Define Stage, to provide an indication of costs and benefits and where that would be coming from. They also asked how a Proposer could understand the costs and impacts on other Parties of the issue. We will ensure we support the Proposer to fill in any gaps to build a fuller understanding of the scale of the issue, which may include issuing an industry RFI. We also ask Parties to raise with us early any options they may have thought of that wouldn't impact the SEC, so these can be assessed in the Define Stage.

An industry consultation respondent noted a clear and tangible reason for change needed to be provided up front. Due to the complexity of the smart metering arrangements, this is not always possible, especially when some changes may require DCC Service Providers to input, though the additional workshops will help with this. There are also changes to fix issues and defects sent down the SEC modification route; it is not easy to establish a benefits case when these changes are needed primarily to ensure the systems work as intended. It is then on the Proposer to justify and quantify the benefits of this.

Recommendations

Recommendations – developing the case for change
We will be enhancing the points and sources from where we obtain information to use in developing the business case. This will include the Proposer, the Working Group, other Sub-Committees, industry consultations and directly reaching out to Parties. *We have added this to our ways of working and will continue to work on this going forward.*
For consultation questions relating to costs or cost benefits, we will list a set of cost ranges in the response forms. Respondents can then tick which range they expect their costs to fall into. We will further explore how a similar approach can be used to measure the magnitude of the impacts on Parties. *We will be adding in cost brackets the relevant questions in the response form for future Refinement Consultations.*
We will enhance the Modification Report to better draw out the costs and impacts on Parties and for any corresponding changes required to other Codes. *We will enhance the information we provide in any future Modification Reports prepared.*

10. After the decision

Should the legal text be amendable after the final decision?

For each modification, we develop the changes needed to the SEC to give rise to the solution. The expectation is that this legal text is finalised when the modification is approved. Any subsequent corrections or clarifications post-decision would then require a separate modification. Prior to the review, some Parties had raised this with us as an area that could be improved.

In addition, there may be changes needed to the detailed technical specifications that cannot be confirmed until the solution has been fully designed by the DCC. Obtaining this precision pre-decision has contributed to the high cost and duration of DCC Assessments, as the DCC needs to complete a lot of this detailed design ahead of time. Allowing some of the low-level detail to be developed and agreed post-decision could allow modifications to reach decision faster.

When we spoke to Parties, some could see benefits in being able to make minor amendments as the DCC progresses with the detailed design and build stages during implementation. However, Parties were clear any approvals process for these needed to be transparent, and that this should be used by exception and not become the rule. One RFI respondent raised a concern that changing the legal text could affect the costs upon which the final decision had been based.

We note that the Fast-Track Modification process was introduced to allow typographical and other minor errors to be quickly resolved. In the event such a change is needed to the legal text after the modification has been approved, we will streamline how the modification would be raised and progressed. If more material clarification is needed, for example to align design details not originally identified, a standard Modification Proposal would need to be raised; these would likely be able to proceed directly to the Opine Stage.

We asked the workshop attendees if there was any benefit in seeking post-decision approval of any low-level detail in the legal text. Fully scrutinising the legal text during the Refine Stage could delay the modification's implementation if it then misses a decision cut-off point. Service Providers may not have enough time in their Impact Assessment SLA to deliver the fully detailed legal text, for example schema changes, up-front. Additional clarifications may also be identified as the DCC enters the detailed design and build phases of implementation, as were identified under MP124 'Consequential changes to DUIS and MMC' as part of the November 2020 SEC Release.

Our proposed approach for progressing such changes is:

- We would first need to clearly identify which documents or parts of documents this approach could be applied to.
- Where this approach is needed, the elements requiring post-decision approval would need to be agreed during the modification's refinement and called out clearly in the Modification Report.
- A nominated Sub-Committee would then be given the responsibility to review and approve the changes during the modification's implementation, with an industry consultation on the proposed text issued beforehand.

Workshop attendees were not supportive of introducing such an approach and considered this should be managed the same as under other Codes. The DCC also confirmed it would seek to ensure all details, including schema changes, were developed prior to the Change Board's vote on a

modification. The consensus was that a post-decision approvals process for legal text would not be beneficial.

Most industry consultation respondents shared this view. They noted their expectations that the legal text needed to be fully and accurately prepared ahead of decision. While it may add time, scrutinising the text ahead of decision ensures it delivers what Parties want, and changing the text post-decision could affect the costs of the change. There was some support for taking the proposed mechanism further, but only for minor changes under specific circumstances. One respondent noted this mechanism would be more efficient than currently on the occasion minor legal text changes are identified during the DCC's detailed solution design and build phases post-decision.

Noting these views, we do not propose to progress this proposed mechanism further. We will increase the time assigned to legal text review during the Refine Stage to ensure it is fully comprehensive, reflecting this in modification timetables presented to the Panel. Where appropriate, we will also seek views from the relevant Sub-Committees as part of their input on the modification.

Release management and implementation dates

In 2019, we reviewed and updated the SEC Release Management Policy to document the procedures around SEC Releases[13]. This approach, which was largely based on theory, has now been tested out on recent SEC Releases.

Setting flexible implementation dates

A key question we sought to examine was around setting implementation dates. The current expectation for setting implementation dates, consistent with other Codes, is that a specific implementation date is needed for a modification when the Modification Report is approved; approved change should not be given a vague or open-ended date (except for an 'X Working Days after decision' approach). This provides Parties with certainty on when change will be implemented. Should the date need to change post-decision, the Panel is required to write to the Authority to request approval for this.

The development of minor technical specification changes has also shown that while a change may be supported, the best time to implement it may not be known at the point of decision. One example is MP143 'Incorporating IRPs into GBCS v3 series', which proposed that a set of minor clarifications are made to the Great Britain Companion Specification (GBCS) v3.x series. These changes would be beneficial to implement, but on their own would not be material enough to warrant an uplift to GBCS v3.3. However, it was not clear when, or if, a material change to the GBCS v3.x series would next be implemented that MP143 could be aligned with.

As things stand, we could have moved to approve the modification with an assumed date and ask the Panel to write to the Authority as needed to amend the implementation date over subsequent months. Alternatively, the modification could have been left on hold in the Refine Stage until another change to the GBCS v3.x series was approved that it can be aligned with.

Parties could see some benefit to more flexibility but stressed strict governance and a clear benefits case was needed each time it was used. Changing the go-live date of a change could materially affect

[13] Please see Panel paper SECP_72_1309_15 for details. The current SEC Release Management Policy can be downloaded here.

the cost-benefits case and have a knock-on impact to Users. Noting this, we are not recommending any changes to allow for greater flexibility with setting a go-live date for a change.

Targeting modifications to releases

Parties also noted greater benefits could be realised with smarter targeting of modifications to releases, and ensuring Users are given enough lead time to implement their changes. They considered that the current release strategy focuses on implementing piecemeal changes, whereas releases could be better aligned to how smart metering technology is expected to evolve over time. Parties have noted there is often a lag time between a technical change going live and Parties deploying the changes to their Devices, with Users not required to uplift their systems on the same day. The release strategy could be better optimised to deploy changes based on when they will be able to be used, rather than base deployment on a fixed release calendar. Wider changes from BEIS and Ofgem also need to be factored in, as these will take up release space.

One Party considered that release management doesn't work or does not seem to be considered by the DCC, noting that the DCC's pipeline of change may not align with when Parties want changes to be implemented. Parties have also highlighted the need to ensure cross-Code changes are appropriately co-ordinated and noted that the DCC Systems and the Central Switching Service (CSS) will be more closely reliant on each other in future.

One industry consultation respondent felt it could be beneficial to implement minor changes sooner rather than wait for the next Release. While we acknowledge this view, we highlight this would result in a larger number of new SEC versions issued across a year, increasing both SECAS's and Parties' effort in keeping documentation and processes up to date. Aligning changes to Releases allows for more efficient release of a batch of changes at known dates, rather than releasing piecemeal updates at ad-hoc intervals.

We are working with the DCC to develop a smarter approach to release planning. This may include considering possible releases for a modification as early as the Define Stage, and batching changes targeted for a given SEC Release accordingly. The other enhancements set out across this document will help to make the overall timetables for modifications more predictable, which will in turn help with release planning. We believe that the SEC Release Management Policy does not need changing now but should be reviewed again once a smarter approach to release management is better evolved and understood.

Should the scheduled SEC Release dates be changed?

The SEC Release Management Policy sets out that the scheduled releases go live on a Thursday (specifically the last Thursday in February, the last Thursday in June and the first Thursday in November). This approach was originally adopted under the SEC to align with most other Codes, who follow the same set of dates, facilitating parallel implementation of cross-Code changes.

The DCC has highlighted that its usual policy is to deploy system changes over a weekend, usually Saturday night into Sunday morning. This provides contingency should the deployment take longer than expected or if issues arise. However, the DCC is content to deploy mid-week (Wednesday night into Thursday morning) to align with the current scheduled if required.

Industry consultation respondents were split on whether a change to the scheduled dates was needed. One respondent believed the scheduled releases should remain aligned with the other Codes, while another felt it was favourable to align the dates but should not preclude flexibility where

needed. A third was minded to agree with moving the dates to a weekend, but would like these to remain close to the other Codes' dates. Other respondents noted there is enough flexibility in the current approach to manage any change of dates that may be needed.

Noting this, we believe there is no material need to change the scheduled release dates at this time. We may revisit this following the work on a smarter approach for allocating modifications to releases.

Changing the implementation date post-decision

An industry consultation respondent considered that changing the implementation date for a modification post-decision should be a last resort. They believe SECAS should allow the appropriate lead time in preparation for each decision, which should be realistic but not overly long. They noted a recent Change Board decision where deferring the vote to seek clarity on a point would have resulted in the cut-off for the next release being missed.

They also felt that where an implementation date change is needed, a Fast-Track Modification should be used to swiftly progress and change this under clear governance. We highlight that a change to the implementation date does not require a change to SEC documentation and so would not require a further modification being raised. SEC Sections D10.5 and D10.6 set out the provisions where the Panel can request a change of implementation date from the Authority. This approach does not prevent the Panel consulting Parties on the proposed revised date first if it feels that would be beneficial. We consider this approach could be made clearer and more transparent to Parties but does not need to fundamentally change.

Recommendations

Recommendations – after the decision
A process for amending modification legal text following final approval will not be created. Instead, we will increase the time assigned to legal text review during the Refine Stage to ensure it is fully comprehensive; this will be reflected in modification timetables. We will also further streamline how Fast-Track Modifications are managed in the event an error does need correcting during implementation. *We have implemented these enhancements to our processes.*
We proposed a mechanism that could be adopted for developing parts of the low-level detail in the legal text post-decision. However, there was little support from Parties for this to be taken forward, so we will not take this further.
We considered introducing greater flexibility with setting implementation dates for a modification. Any flexibility introduced would need strict governance and a clear benefits case. However, we are not recommending any changes to how we set implementation dates at this time.
We will work with the DCC to develop a smarter approach to release planning. At this time, we do not believe the SEC Release Management Policy document needs amending. *We will continue to work with the DCC on this and will keep the Panel informed of progress.*

11. Next steps

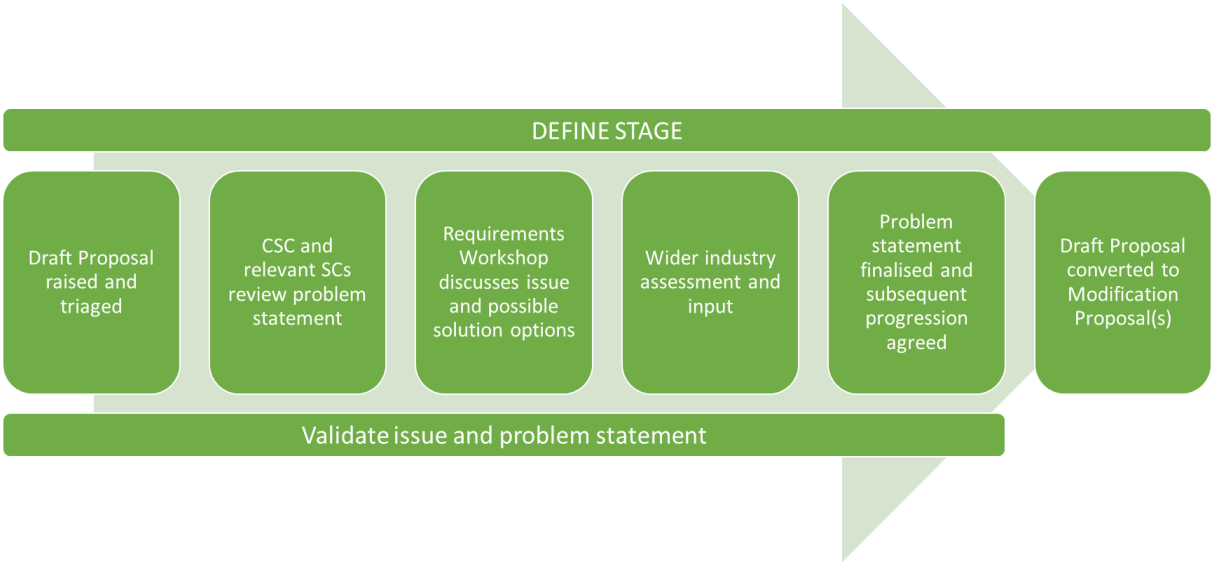
Many of the changes we have set out in this report can be done within the existing SEC wording. As noted under the relevant recommendations, we either have or are in the process of rolling these out.

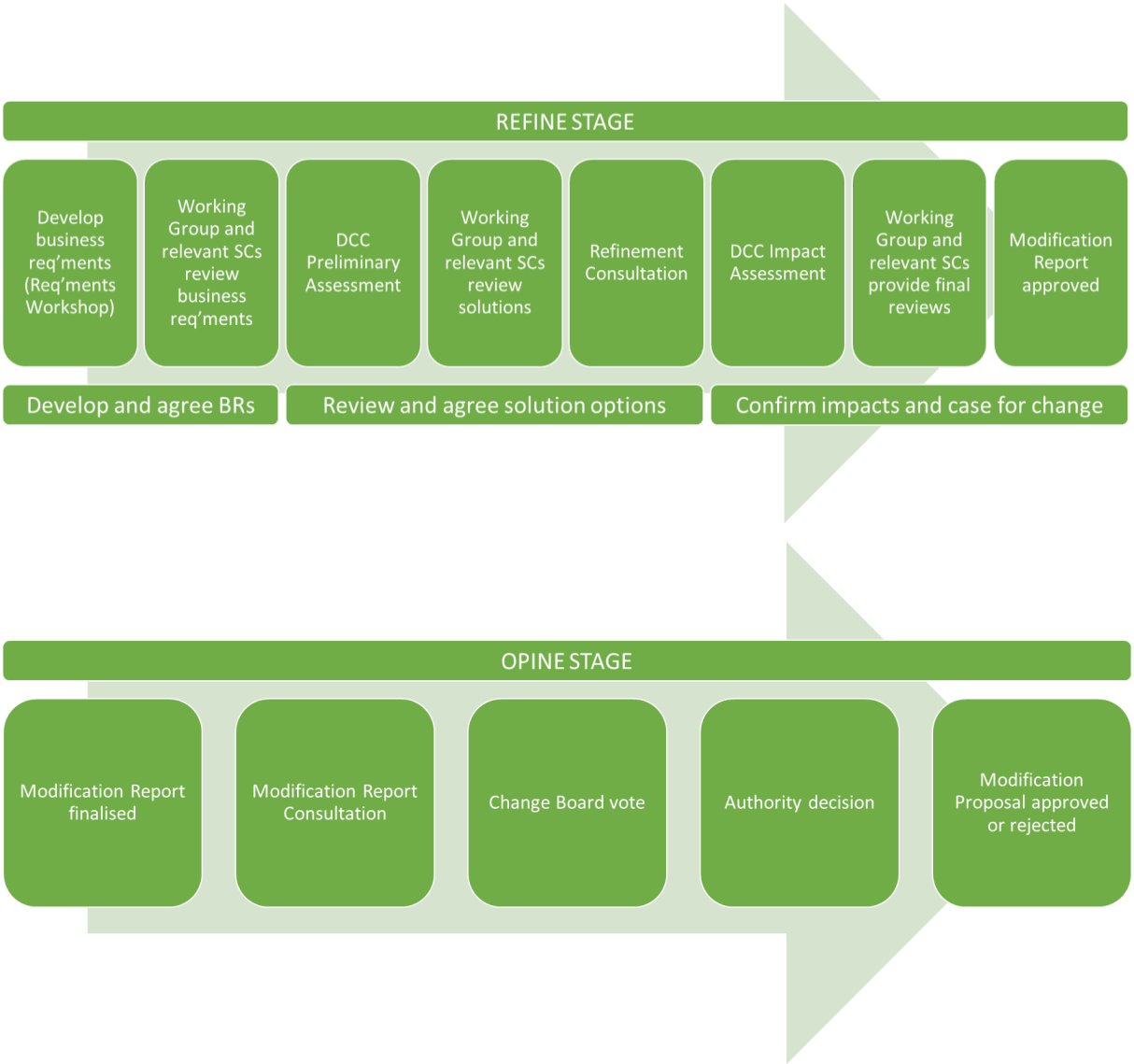
We will seek to launch a Draft Proposal in the first quarter of 2021/22 to take forward the recommendations that will require a change to the SEC – these have been noted under the corresponding recommendations.

As part of this modification, we intend to carry out an end-to-end redraft of SEC Section D to ensure it is fully clear and structured in the most effective manner. We intend for Section D to lay out the framework for progressing modifications and any key governance procedures. However, given the extremely varied nature of modifications, we are keen for it not to be overly prescriptive on processes, as this can have unintended consequences should an unforeseen scenario arise in the future that the detail did not cater for.

Appendix 1: Milestone activities during each stage

The diagrams below illustrate the general flow of steps within each stage of the framework. Not every modification will need every step (e.g. modifications that do not impact the DCC Systems will not usually be discussed at the Requirements Workshop or undergo DCC Assessment).





Appendix 2: Glossary

This table lists all the acronyms used in this document and the full term they are an abbreviation for.

Glossary	
Acronym	**Full term**
BAD	Business Architecture Document
BAM	Business Architecture Model
BEIS	Department for Business, Energy and Industrial Strategy
CACoP	Code Administration Code of Practice
CSC	Change Sub-Committee

Glossary	
Acronym	**Full term**
CSS	Central Switching Service
DCC	Data Communications Company
DCUSA	Distribution Connection and Use of System Agreement
GBCS	Great Britain Companion Specification
IGT UNC	Independent Gas Transporters Uniform Network Code
MRA	Master Registration Agreement
MRC	Modification Report Consultation
PIT	Pre-Integration Testing
REC	Retail Energy Code
RFI	request for information
SEC	Smart Energy Code
SECAS	Smart Energy Code Administrator and Secretariat
SLA	service level agreement
SPAA	Supply Point Administration Agreement
SSI	Self-Service Interface
TABASC	Technical Architecture and Business Architecture Sub-Committee
TSIRS	Technical Specification Issues Resolution Sub-group
UNC	Uniform Network Code

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

SEC Section D Review

Annex A

Request for information responses

About this document

This document contains the full collated responses received to the Smart Energy Code (SEC) Section D Review request for information (RFI).

Question 1: Do you believe the previous Section D review's enhancements are working as expected?

Question 1			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	-	We view that there have been elements of the enhancements that have delivered a benefit, however some of these are limited in terms of the original intent. Therefore, the response field has been left blank as the options do not reflect our comments. Development Stage: We view this stage has a limited benefit as it is not able to complete a cost benefit analysis to determine if this should proceed to working group stage. We think this will be difficult to achieve given the reliance on DCC and Industry inputs and these come with cost and lengthen the timescales. We question the benefit of this stage in its current form – we think this needs further consideration of how to get wider engagement and input from Industry to ensure that there is validation of the potential issue, its proliferation and support.
Waters Wye Associates	N/A	No	Processes brought in to require organisation to sign documents to attend meeting is restricting attendance.
Western Power Distribution	Network Party	Yes	We believe that the introduction of the Change Sub-Committee has been successful, with them pushing back modifications that aren't yet ready to enter the refinement phase or are proposing changes that don't actually impact the SEC. They are also ensuring there is a clear understanding of the issue that is trying to be resolved before the change progresses from a draft proposal. We also believe that the Change Board has been beneficial in ensuring there is a clearer and more controlled manner for signing off DCC IA costs and also challenging these where

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			appropriate. It also ensures a consistent view and expectation of what is acceptable and required.
E.ON Energy Solutions Limited	Large Supplier	-	It is difficult to judge the degree to which the current process' strengths and weaknesses are due to the previous enhancements as opposed to the natural progression of the modification process as it becomes more mature. However, using the specific example of SECMP0015, the costs included not just the development and systems testing costs, but also all the SIT, UIT and implementation costs as if the change was implemented on it's own as a main DCC release. Clearly this is not appropriate as the change would be tested and implemented as part of a release containing additional changes. Therefore, the cost estimate should be clearly broken down into costs which are directly associated with the change (e.g. design, development, system test) and a clear sub-total of these provided, before additional "shared costs" are added. When the costs for SECMP0015 were questioned and reviewed, it became apparent that the two CSP's were working to very different models in terms of testing and implementation and there should be clear guidance provided in these areas to seek to achieve consistent approaches and aligned cost estimates. This is also an excellent example of the need to streamline processes as this has taken over four years to get to the current costs/benefits analysis stage. Consideration of benefits would definitely be helped by a workshop approach – to help align areas of benefits and method of assessment across DCC users.
EDF Energy Customers Ltd	Large Supplier	Yes	• The current change process is working better than the previous process, but there are opportunities for it to be improved further.

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			• The CSC process is resulting in better quality changes going to the working group – and has stopped some changes from being progressed that would otherwise have taken up time and resource unnecessarily. • However, some changes seem to hang around in the development phase for a while, which brings into question whether they should have been raised in the first place – or if they should progress to the Working Group phase for further development with a wider audience. • In principle it is right that an IA is approved by the Change Board given the level of cost for some IAs, but it is not clear this is required for all IAs - there should be a threshold for Change Board approval. • It is not clear whether the the Change Board feels it can reject an IA – they can seek clarification on the costs of the IA and challenge the business requirements, but it is not clear whether they feel that they can reject the cost entirely as not being cost-effective based on the benefits.
ScottishPower Energy Retail Ltd	Large Supplier	Yes	They are working as expected.
Utilita	Large Supplier	No	The previous review fell short of providing enhancements to deliver a better SEC change process. The enhancements were only minor amendments to the process compared to the fundamental changes required to deliver the improvements needed. Significant gaps remain that could have worked along with the enhancements after Section D review in 2018, such as: • Improvement in overall efficiencies in implementing/progressing modifications in a timely manner, • A clearer understanding of the costs behind each Impact Assessment, and

Question 1			
Respondent	**Category**	**Response**	**Rationale**
			• Structured meetings to prevent overlap of conversations and outputs across forums, streamlining the modification process. Assessing the success or failings of modifications is important to all change processes, but Utilita would be keen to see a wider review of the change process as a whole. Only by having a broad scope will we identify and address the weaknesses in the SEC mod process and deliver the change needed to achieve an efficient and flexible modification process. As an overview, we suggest enhancement of SEC Section D can be best achieved by bringing attention to these 3 suggestions which we have highlighted throughout this review: 1. Creation of a project management tool to help guide modifications through each stage within SECAS under a set of criteria 2. Working on a solution for incentivising progress and good management of modifications 3. Comparing against other industry codes to develop good governance

Question 2: Do you believe the management of the Modification Process framework could be better consolidated?

Question 2			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	-	We refer you to our response to question 1 regarding the efficacy of the Development Stage and CSC. The response has been left blank as the options did not seem appropriate. We view that the work carried out by the SEC Panel could be re-assessed with a view to delegating to the SEC Change Board. With the SEC Panel being utilised for escalation and oversight of key concerns and Modifications with material impact.
Waters Wye Associates	N/A	-	-
Western Power Distribution	Network Party	Possibly	We understand that there are now numerous groups involved in the change process. We feel that there is potential that the Change Board and the Change Sub-Committee could become amalgamated to be one group, and also the potential for the SEC Panel to delegate their role. We question whether the SEC Panel has the expertise and time to get into the detail of modifications in the same way that the designated change sub-committees do. An example of this is SECMP0015 which was converted to an MRC by the SEC Panel but the cost increase of £4 million was not highlighted and challenged.
E.ON Energy Solutions Limited	Large Supplier	Yes	Given the length of time taken to manage modifications a consolidated approach to oversight and governance would appear sensible – it could help speed up priority activities and avoid wasted time. That said, it would be important to ensure that any group which is to have consolidated oversight of the modifications has the time and expertise to devote to this.

Question 2			
Respondent	**Category**	**Response**	**Rationale**
EDF Energy Customers Ltd	Large Supplier	Yes	• It is not clear that the Panel needs to be so involved in the process or what value that they add to the progression of changes – they should delegate their powers to the Change Board and/or the CSC. • If more powers were delegated to the Change Board, they would have a better view of the progress of changes before they come to the Change Board for decision. This would mean that the Change Board would know why the Change was raised and what the intent was – which might help when it comes to them for a vote. • The approval of a Draft Proposal into the change process could be done by the Change Board or even the CSC – and could be done outside of the meetings by reviewing and approving the document. Once the CSC is happy that a change proposal is fit for purpose and recommends a change path, is any further approval required? • Change Board members (or their organisations) can also participate in the Working Group meetings if they want to be directly involved in discussions regarding a change – they don't have to wait to the end of the process to make themselves aware of a change.
ScottishPower Energy Retail Ltd	Large Supplier	No	We also believe that input from different committees (e.g. TABASC) should feed into the process, as this will help with transparency and oversight. It will also help to inform the Working Group's efforts.
Utilita	Large Supplier	Yes	In recent months, many modification reports have been missing key pieces of information. In some cases, this has led to delays to modifications being implemented and modifications being rejected based on missing information. Attention should be given to why this is only being identified at late stages of the Reporting Phase. SECAS needs to ascertain how these issues recur alongside reviewing further consolidation. On other occasions, there have been duplications of conversations across committees. Arrangements should be in place for SECAS and the proposer to collaborate and discuss in

Question 2			
Respondent	**Category**	**Response**	**Rationale**
			advance what requirements are needed from each sub-committee's involvement to help guide conversations in a constructive manner. This should help to better manage and plan overall timelines of a modification. All framework committees should have distinct and valuable roles in the modification process with reduced overlap. Utilita would like to see a clear and unambiguous division of responsibilities, as there needs to be a clearly delineated division for all committees to succeed in their role. Where or if committees are unable to deliver on management of the framework, alternative options should be investigated to improve and consolidate this process. For example: assessing other codes' frameworks -for instance, the REC has been designed with Code Managers and a dedicated REC Change Panel. The Code Managers are then able to take responsibility and lead the discussions to progress modifications through the framework whilst the REC Change Panel has delegated responsibility from the RECCo Board for all change related decisions.

Question 3: How do you think the development of business requirements could be enhanced?

Question 3		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We think that this area would be improved by calling upon the sub-committees and TBEC that have expertise and knowledge of requirements development. We view that it should be possible to include additional requirements that could be optional and to request Impact Assessments on these. We believe that the IA breakdown should then support solution options to enable Industry to consider the appropriate option to take forward that balances benefits with cost and provides potential flexibility.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	We think that there could be some improvement in the area of business requirements, however we don't feel that there can be a 'one size fits all' solution. There are occasions when the business requirements appear to be more of a solution, when actually we believe that the business requirements should be as high a level statement as possible, and then the Preliminary Assessment should provide different solutions available. We appreciate that there are occasions where the DCC might require some specific details but we feel that this should be the exception rather than the normal. We question if there is a possibility that the Proposer and Change Sub-Committee should develop the initial business requirement statement that could then be developed/expanded on by the Working Group if necessary. Sometimes, when the requirements are clear, the IA is returned with a different solution to the requirements specified. If the Working Group ask for specific requirements then the IA should provide that although happy for it to highlight alternatives where applicable.

Question 3		
Respondent	**Category**	**Response and rationale**
E.ON Energy Solutions Limited	Large Supplier	Ensuring DCC is involved early on is useful, as it helps promote a sense of pragmatism among proposers as they better understand what it is feasible to deliver. At the same time, it ensures that DCC is fully aware of the reasons why a change is being proposed. In addition, discussions between the proposer and DCC outside of the formal working group sessions could be used to good effect to try to bring a potential solution for others to review – at the moment the group has to look at requirements and then SECAS takes it away for analysis with DCC without proposer involvement. More direct communication between DCC and other interested parties could happen with SECAS acting in a light-touch, facilitation role.
EDF Energy Customers Ltd	Large Supplier	• It must be possible to get costs for optional or 'nice to have requirements' as these options help to shape the final solution by understanding the most cost-effective approach to a problem. SECMP0077 is a good example of a 'nice to have requirement' (including the Suspended status) that was only worth doing if the cost was low enough. • Costing options for solutions might also be useful if someone wants to raise an alternative solution with those optional elements in. • If you don't enable options to be costed you could have two similar changes which need to be fully costed instead – and you could in theory end up in the position where a proposer might need to raise an alternative to their own change in order to get both options costed. • An example is MP121 – the solution (whether or not to use the DCC's SSI or to use e-mail) is dependent on the costs of those two options; they both address the problem. • There needs to be clarity on the process for agreeing business requirements and the level of granularity required in those requirements – especially when it comes to DCC system impacting changes. • More atomic requirements and a MOSCOW analysis of those requirements might help in developing better quality solutions.

Question 3		
Respondent	**Category**	**Response and rationale**
		• Are business requirements captured for every change or just for DCC system impacting changes – as part of the change process is there a check that a SEC only change delivers the business requirements for that change?
ScottishPower Energy Retail Ltd	Large Supplier	The basic process is working in a satisfactory manner, but we also think an ongoing risk of scope creep and cost inflation exists.
Utilita	Large Supplier	The development of business requirements could be better enhanced by: • Use of Business Analyst (BA) skills for SECAS to facilitate and lead • Review of the consistency and efficacy of BA work done • Highlighting the Minimum Viable Product (MVP) for the business requirements • Highlighting 'optional' requirements impact on the DCC's IA Through relaying our own experience, business requirements have been developed by the proposer with little input from SECAS. The current approach does not deliver a robust business requirement specification due to missing technical experience and project management skills that are often displayed best through a BA role. The Proposer needs added support from SECAS to best define fully developed business requirements that are consistent for all modifications. Flagging the MVP and 'optional' business requirements is necessary to understand possible viable options for choosing a solution. If the inclusion of such requirements is a significant driver of the delays, then perhaps restricting the scope of proposals to baseline requirements is the only solution. While accurate costs may not be possible at this stage, if an indication is possible, that is helpful. For example, using external research sources or previous mod costs as some evidence base against which to estimate costs of the options.

Question 4: How do you believe Sub-Committees could better input to solution development?

Question 4		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We think that this area would be improved by calling upon the Sub-Committees and TBEC that have expertise and knowledge of requirements and solution development. We would like to understand the movement of work from under the Transitional Governance (TBDG and TSIRS) across to the Sub-Committees aligned to these groups. We would welcome more information on how this is progressing and what that will look like in relation to Section D. Noting the Terms of Reference for those Sub-Committees and TBEC are different.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	We question whether all the Sub-Committees give appropriate time and thought into the necessary change proposals, or whether in meetings they are just given an update. We wonder if the agenda item might need to be extended in some instances, with clear aims and objectives given ahead of the meeting for what questions the Sub-Committee need to answer.
E.ON Energy Solutions Limited	Large Supplier	Sub-committees could be used to identify subject matter experts from different organisations and highlight particular modifications where they could provide input – it is noted that often the number of people at a working group meeting contributing on a particular modification is lower than would be expect (e.g. one or two energy suppliers where it is something that would affect all suppliers).
EDF Energy Customers Ltd	Large Supplier	• There needs to be further clarity on the role of Sub-Committees and how they feed into the development of a change – especially regarding how comments get formally fed back and incorporated into a solution. • Sub-Committees often have comments or may be interested in a change, but it is not clear what weight these comments have, or what powers Sub-Committees have to influence a change,

Question 4		
Respondent	**Category**	**Response and rationale**
		• What powers (if any) do or should sub-committees have in relation to a change – for example could the SSC stop a change if they felt it compromised security – or can they just express concern and hope that parties take their view on board when voting? • There needs to be further clarity on how and when the sub-committees are involved in the change process. • We need clarity on the role of TABASC in the change process and what say they have in shaping a change; maybe they should they be involved at the start of the process to help shape requirements and solutions and ensure they are aligned to the Technical and Business Architectures.
ScottishPower Energy Retail Ltd	Large Supplier	We believe it is essential for the various sub-committees to input to the process through their insight and advice; especially important where there may be little evidence of wider industry engagement in the process. SECAS needs to ensure that all feedback from the sub-committees is fed back to both the Working Group and the Change Board.
Utilita	Large Supplier	The more Sub-Committees are involved in each case, the more complex this process will become. By simply involving other committees in the process this will further elongate the process for raising and progressing modifications. In our experience, sub-committee involvement has done little to develop solutions efficiently and, in some cases, has created further delays for modifications. Ultimately, when it comes to finding a solution, it is even more important to make sure SECAS focuses on asking concise and constructive questions. Often SECAS provides the summary of a modification to a sub-committee but often without directing the questions appropriately to best assess the solution that is most cost effective and benefits the customer and Industry.

Question 5: What do you consider the role of the Working Group should be?

Question 5		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We view the Working Group should be an independent forum of experts who are able to input and shape potential solutions to meet the problem statement. This also relates to our response to question 4, and the movement from Transitional to Enduring governance under the SEC. We believe this has benefits from the elimination of potential double handling and overlap between the different fora.
Waters Wye Associates	N/A	• Allow all parties (SEC and non-SEC parties) to attend meetings and provide their input to the modification to allow it to be developed as much as possible • To allow parties to challenge assumptions and assertions in the modification.
Western Power Distribution	Network Party	We believe that the role of the Working Group is to discuss problems and how these might be addressed, refining the solution(s) until they are at a point where industry can be asked their views. We feel that they should provide cost benefit analysis and answer queries from the DCC as well as challenging the DCC where appropriate on solution designs and costs.
E.ON Energy Solutions Limited	Large Supplier	The working group should be a place where solutions are discussed but also developed using the expertise of the people present. On early modifications (when there were specific working groups) having people in the room, discussing the different options and coming up with ideas was very helpful in shaping the work DCC had to go away and consider. Clearly this isn't relevant for every change, but for some I think that having workshops for interested parties to brainstorm and develop ideas would be useful.
EDF Energy Customers Ltd	Large Supplier	• The new Working Group process largely seems to be working well – certainly one meeting per month is much easier to manage and there are is still a good level of detailed debate about the changes that are discussed.

Question 5		
Respondent	**Category**	**Response and rationale**
		• The role of the Working Group should be to help define the business requirements and make sure that they fully address the problem the change was raised to address – that is where the problem statement is so important. • The Working Group should be responsible for making sure the change solution is fit for purpose and meets the requirements – whether they agree with it being approved or not. • The role of the Proposer in the Working Group could be clearer – are the proposers always on the call, do they need to accept the feedback from the working group or at least state why they aren't?
ScottishPower Energy Retail Ltd	Large Supplier	We believe the role of the Working Group, in meeting monthly, has enhanced its input to the process. It is essential for the Working Group to have the role of developing, refining and reviewing solution(s) prior to Change Board.
Utilita	Large Supplier	The role of the Working Group is ultimately to collaborate and challenge on the construction of a modification amongst SEC Parties, SECAS and DCC. This can cover a range of discussions such as; • developing part or whole solutions • commenting on a developed solution • developing alternate solutions • interrogation of costs behind the modification • a sounding board for feedback and opinion on a raised mod from SEC Parties' perspective • provides balance for perspective on both industry and SECAS • to hold work conducted by SECAS, DCC and Service Providers into account In recent months, SEC Parties have contributed to modification processes that go beyond the Working Group's responsibilities, and which should have rather been covered by SECAS. An example is MP109 where Working Group members were drawn into discussing and concluding how a modification should be

Question 5		
Respondent	**Category**	**Response and rationale**
		handled by SECAS. This distracts the Working Group from focusing on its more fundamental role as described above. The expectation of the Working Group should be to work on issues that have been thoroughly prepared at the initial development stages by the proposer and SECAS. The Working Group enables each SEC Party's thoughts and opinions of modifications to be heard. In the past, this has been restricted by incomplete and inflexible meeting agendas. For example, MP0067 Working Group members raised a concern over a lack of information on DCC's capacity and a need to prioritise prepayment services, neither issue was addressed before the vote. The Working Group should be more than a committee that gathers monthly, therefore further input during this stage should be welcomed. To encourage wider engagement, options for participation from SEC Parties should be broadened. A solution to this could be the opportunity for members to feed in their opinions by email (or similar) before the Working Group each month, for the chair to include.

Question 6: How do you believe Alternative Solutions should be raised and owned?

Question 6		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We think that Alternative Solutions should be able to be facilitated alongside the Proposed Solutions and be incorporated in association to the original Modification. This will enable these discussions to continue in parallel. We believe there is further work to be done to establish the matter of ownership. The current Modification process does not seem to encourage evaluation of alternative solutions, even if these are viewed by the Working Group to be sensible and pragmatic.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	We believe that all solutions for the same issue should be included and detailed within the initial modification and owned by the Proposer. This way all potential solutions can be consulted upon in one go to gain a full understanding of the industry views and impacts for each proposed solution.
E.ON Energy Solutions Limited	Large Supplier	As above, where there is a potential alternative solution SECAS organised workshops would be a great way of developing these. There are arguments for and against the working group or individual parties being able to raise and own alternative solutions and having both options could offer flexibility.
EDF Energy Customers Ltd	Large Supplier	• It needs to be drawn out more clearly in the Working Group meetings where suggested changes that the Proposer does not accept might result in alternative solutions – right now the process relies on someone in the group actively identifying where an alternative might be raised. • It is not clear whether the SEC change process really lends itself to multiple ways of addressing the same problem and the raising of alternatives – especially where the change is a technical one that requires DCC system or Technical Specification changes that only the DCC or SECAS can really determine the detailed solution for.

Question 6		
Respondent	**Category**	**Response and rationale**
		• Will the DCC highlight alternative approaches in a PIA that could then be raised as alternatives or always pick the 'best' way of resolving an issue even if there are options`? • Should it be possible for the Proposer to suggest an alternative solution to their own change – put two options to SEC Parties and let them decide?
ScottishPower Energy Retail Ltd	Large Supplier	Where it identifies an alternative solution when examining matters arising from a Modification Proposal, or where it considers that the DCC impact assessed solution will not be reflective of the business requirements in terms of technical coverage and/or cost, the Working Group should have the right to raise, discuss and offer its recommendation on alternative solution(s). We also broadly think that any of the sub-committees should be able to raise alternative solutions for the Working Group to consider. The Change Board should also have the right to send a Modification Proposal back to the Working Group for additional work on an alternative solution where it believes this to be necessary and where such alternative solution was previously identified by a relevant sub-committee or the Working Group itself. While the Proposer owns the original Change, there may be a strong case for vesting 'ownership' of an alternative solution in the Working Group; however, as the proposer has the right to withdraw, it would seem incongruous if such right did not also extend to the alternative.
Utilita	Large Supplier	Utilita would support the development of clearer guidelines for Alternative Solutions in the Modification Process. This includes creating awareness for SEC Parties on when and how Alternative solutions can be raised. We believe an Alternative Solution can and should be raised at any point before the modification is in the voting process, as long as it provides a solution to the proposed issue and aligns with one or more of the SEC Objectives. Alternative Solutions should be owned and managed separately by the Alternative Proposer and be voted upon separately by Working Group members before advancing.

Question 6		
Respondent	**Category**	**Response and rationale**
		Finally, the Alternative Solutions process needs SECAS to support Parties in knowing that option is available and also in raising and managing alternates.

Question 7: Do you believe the DCC Assessment process could be streamlined?

Question 7			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	Yes	We think that the process could be streamlined by meeting the SLA set out currently in SEC, with financial repercussions in the event of failure. This could be tied to OPR. There could be a mechanism to request specific extensions with rationale to the SEC Panel, if this is required.
Waters Wye Associates	N/A	-	-
Western Power Distribution	Network Party	Yes	We feel that the DCC Assessment process could definitely be improved as it still feels that there are occasions when getting a suitable impact assessment takes too long. We wonder if there might be instances where the change could progress straight to an IA, if it met certain requirements for being straight forward and would be under a certain cost.
E.ON Energy Solutions Limited	Large Supplier	Yes	The process needs to be flexible to the needs of different modifications. Often parties simply want a view of whether a solution is feasible and a rough order of magnitude cost so that they can decide whether it is worth progressing, so getting a view of the full cost (even if it is a rough cost for later stages) early on is worthwhile.
EDF Energy Customers Ltd	Large Supplier	Yes	• The timescales seem to be far too long and the quality of the estimate in a PIA is very poor – a range of £150k to £350k as seen in a recent PIA is almost meaningless when it comes to assessing business cases as the range is so broad relative to the cost. • The main value of a PIA seems to be getting the estimated cost of an IA – which is then far too high in proportion to the cost of a change; in many cases up to 10% of the development cost.

Question 7			
Respondent	**Category**	**Response**	**Rationale**
			• One problem is that there seems to be no such thing as a simple change when it comes to the DCC systems – even small changes cost tens of thousands of pounds and so need some scrutiny. • It is not always clear what the actual costs will be even following an IA as the DCC will assume the change is standalone for costing purposes, which is not reflective of reality – in which case the high cost of an IA isn't actually resulting in better decision making based on accurate cost information. • Industry parties need to have robust cost information to be able to make decisions on changes – and shouldn't have to pay so much or wait so long to get that information.
ScottishPower Energy Retail Ltd	Large Supplier	Yes	On occasion we have seen a huge cost inflation between PIA and FIA, as well as initial large PIA costs, which has led to significant further rounds of discussion. There is an appeal process at Change Board, but typically these large costs get fed through Working Group back to Change Board, to Panel and Ofgem, then back to Working Group. This is inefficient. We believe that additional oversight is needed where large, possibly unwarranted, costs are involved, for example a "pre-Change Board" or ad hoc Change Board. If costs are considered unwarranted, then the matter could be deferred to the Authority for an early determination as to whether the proposal should be permitted to progress any further.
Utilita	Large Supplier	Yes	Lately, the DCC Assessment process has been under a lot of scrutiny for reasons connected to IA cost and internal delays. Utilita considers some of the issues to be that: • there are currently no incentives for DCC for keeping deadlines, nor any repercussions for the DCC when deadlines are not kept

Question 7			
Respondent	**Category**	**Response**	**Rationale**
			• DCC Service Provider prices are not inspected and challenged - it appears there is no mechanism to formally do so • There are further reviews of costing for PIA and IA on IRPs that have already gone under DCC analysis through TSIRS which duplicates the costs DCC charge for conducting and undertaking an IA with little additional benefit to industry • DCC provides only a single quote - there should be a detailed breakdown of full IA costs for transparency and to ensure the best information is provided to make a fully informed decision, including, for example, the options for scaling back a solution based on the breakdown of the costs. PIA and IA timelines are too long, such that modifications on system changes can take years to complete. This means that by the time implementation comes about (and therefore the time when industry has to pay for the mod/change in question), the pricing is no longer accurate because there have been many other changes since that time of initial IA and PIA which impact the price.

Question 8: How do you believe Parties can most effectively input to the development of a modification across the framework?

Question 8		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We agree that it is important to continue with the consultations from the Working Group to present the proposed solution(s). We believe that there would be greater engagement by Industry if there was greater transparency on how responses were considered by the Working Group and specific feedback provided.
Waters Wye Associates	N/A	Be allowed to attend and send representatives who may not be Party employees. By default there should be no restriction on who can attend a meeting unless the discussion has security implications.
Western Power Distribution	Network Party	As it currently stands with Working Groups and consultations we feel that it allows opportunity for industry to have an input into the modification.
E.ON Energy Solutions Limited	Large Supplier	As a supplier that is particularly heavily involved in modifications, it is difficult to say how more parties can get involved. However, the comments above on solution development and the use of workshops to develop potential solutions may be a better way of eliciting input than a more formal process.
EDF Energy Customers Ltd	Large Supplier	• The best way for parties to engage in the development of a modification is through the Working Group as this is where requirements should be discussed and agreed. • The Working Group seems to be well attended whereas most refinement consultations seem to have poor response rates; this may be because people feel they have expressed their opinions in the Working Group meetings. • The SEC has many Parties, but most don't seem to be directly engaged in the change process, and we need to understand why that is. • We need to get other parties engaged, especially those with technical expertise – otherwise the burden of progressing change tends to fall on the more engaged parties (often large suppliers and

Question 8		
Respondent	**Category**	**Response and rationale**
		some Network Operators) which results in a cost to those parties, and might not result in optimum solutions. • It is not clear what value report consultations really have – especially for those Parties that have a vote at the Change Board. • It is also not clear how much attention Change Board members pay to the Report consultation responses – are they adding anything to the process and informing decision making? The response rates from small suppliers and Other SEC Parties tend to be low, how do the representatives of those constituencies device how they will vote in the interests of their constituents if not via the report phase.
ScottishPower Energy Retail Ltd	Large Supplier	Working Group, consultation process and the sub-committees have provided the main methods by which Parties have engaged with the Change process. The recent travel restrictions have resulted in most meetings being held online, so would appear to have provided a good opportunity to engage more widely across industry without the attendant travel costs being incurred. We believe that further engagement should have been possible more widely using the online platforms, especially with smaller suppliers.
Utilita	Large Supplier	We agree with the points raised by SECAS. Firstly, on the lack of value in the short second consultation in the Report Phase, but we believe this needs to be treated case by case, as a second consultation may be necessary. For example, SECMP0015 going out for consultation (for a third time) due to implementation date change and a clearer breakdown in costs. In general, the most important aspect of the process is to constructively involve all Parties. This should come in the form of ensuring they are prompted where appropriate and that information is pushed to them as conveniently as possible. The most efficient way of doing this appears to be digital, portal type solutions may also be worth exploring. Alternate solutions may bring extra benefits such as easier measurement of Party engagement (i.e. tracking who has seen specific prompts, pushing alerts to them when time frames are expiring, encouraging engagement through automated reporting etc.)

Question 8		
Respondent	**Category**	**Response and rationale**
		Expanding the options as to how a SEC Party inputs their feedback on a mod is important. Some SEC Parties require a solid paper trail and others are able to feed in through other digital methods. Broadening the scope may encourage more parties to feed into the process. Ultimately, SECAS can only do so much in ensuring Parties provide feedback. If SECAS ensure that Parties are made aware of where opportunities exist to give feedback, it is then up to individual Parties to ensure they engage with the process. This is about ensuring SECAS do as much as they can to ensure themselves that Parties are aware that their feedback is expected. This should both lead to increased levels of feedback, but it should also shift some of the burden of responsibility away from SECAS and on to Parties.

Question 9: Should the number of and/or timescales for consultations be reduced?

Question 9			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	-	By the time the Modification Report Consultation stage is reached, we view this to be less of a consultation and more of an indicative vote. This relates to our response to question 8 that the working group consultation is key to developing and refining the solution.
Waters Wye Associates	N/A	-	-
Western Power Distribution	Network Party	Possibly	Due to the wide variety of changes that can be raised under the SEC we believe that there needs to be flexibility with consultations, with some modifications benefiting from several refinement consultations prior to proceeding to vote. We feel that there could be a request for information type consultation used more in the initial stages of some of the more complicated changes. We wonder if the refinement consultations could also ask questions around whether it is felt that the change is ready for vote and what your vote might be so that the Working Group can gain a clear understanding of industry views and complete additional development work prior to issuing the Modification Report Consultation.
E.ON Energy Solutions Limited	Large Supplier	-	The second consultation could perhaps be replaced by a meeting people can attend and indicate their support for the proposal and provide detail of any challenges they have. This would allow for real-time feedback and provide the opportunity for comments to be resolved straight away rather than delaying things further.
EDF Energy Customers Ltd	Large Supplier	Yes	• The amount of time allowed for a report consultation could be reduced – especially where a change appears straightforward. • The timescales for refinement consultation could probably be reduced as well.

Question 9			
Respondent	**Category**	**Response**	**Rationale**
			• There needs to be a clear rationale for issuing a consultation and it must be ensured that it will add value to the decision-making process – there is no point in issuing a refinement consultation just because the SEC says you must.
ScottishPower Energy Retail Ltd	Large Supplier	No	We do not feel the need to respond to all refinement consultations, so perhaps there is scope for some reduction. However, we realise this may not allow all parties not attending Working Group to feed their views into the process.
Utilita	Large Supplier	Yes	Reducing the number of consultations is preferable. The number of modifications dealt with by a single consultation could be weighted according to its impact. For example, modifications that result in DCC system changes could require two consultations (an initial one and a second one in the Report Phase), while less impactful ones could be dealt with more swiftly in a single consultation. Instead of only looking to reduce number and timescales, it would be preferable to look at the quality of questions asked to SEC Parties. This could mean to replace the ten standard questions that are commonly asked (e.g. “Do you approve of the implementation approach?” etc) with questions that are more refined and aimed at the issue at hand. Greater attention could then be given toward a single consultation in order to generate a wider response from SEC Parties, potentially obligating SEC parties to respond where appropriate. The timescale for consultations is fair as there are often many stakeholders that a respondent needs to engage with before responding. Increasing this to more than 15 days seems to be unnecessary, however, only in extremely urgent circumstances should respondents be given less than 2 working weeks to work on a response. In addition to addressing the number and timescales of consultations, higher participation and therefore relevance could be achieved by a formally managed process for Parties’ responses. While we sometimes receive feedback on our responses, there appears to be

Question 9			
Respondent	**Category**	**Response**	**Rationale**
			no provision for how consultations responses are processed and taken forward. This leaves SEC Parties with no knowledge if their opinions have been heard and taken into account. There could be added value in adopting a similar process to that of the MRA code, for example by ensuring that comments from consultation responses are answered by the proposer or SECAS before a Change Board vote. This will help prevent misunderstandings or highlight where further investigation or discussion is still needed (see for comparison MRA code MAP17).

Question 10: How do you believe the business case for changes could be better developed?

Question 10		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We think that the earlier stages should have greater engagement across Industry to start to understand the extent of the impact. We suggest that based on our own experience with other Codes, wider discussion aids the ability to assess the scale and articulate the benefits and implications of no action. We believe that potentially providing Parties with impact sizing scales will assist with providing indicative impact and aid a fuller business case. This could be a standard set of criteria that can be selected, and we propose this could be requested as part of the working group consultation.
Waters Wye Associates	N/A	Ensure thorough examination of the solution occurs at workgroups meetings to allowing attendance by all interested parties.
Western Power Distribution	Network Party	We believe that the business cases in a lot of instances do not demonstrate a clear cost benefit analysis, and that where there are significant costs, details of the benefits need to be drawn out to justify the change. We appreciate that there is currently some work happening in this area and that it is a difficult area. We wonder whether having different ranges for costs and benefits would help encourage people to detail the impact on them without having to provide some specific values. Or possible this could be something that the Working Group need to consider and agree on. We agree that this is an area that definitely needs improving.
E.ON Energy Solutions Limited	Large Supplier	The business case discussion should be a key part of the working group meeting – on a par with requirements development when it comes to importance. Again, a workshop approach to developing this with all parties involved could be helpful. Where some costs and benefits are commercially sensitive, the categories could be agreed in the group and then parties could share the figures individually with SECAS which can then feed them into the CBA. This has worked well in the past.

Question 10		
Respondent	**Category**	**Response and rationale**
EDF Energy Customers Ltd	Large Supplier	• It feels like it is almost impossible to construct a robust business case for any technical change, especially one that impacts the DCC, based on an assessment of the costs and benefits. • It is almost impossible to get an accurate assessment of the costs from the DCC or from SEC Parties as we don't usually incur costs on a per change basis – we incur costs for developing and implementing a new version of DUIS/SMETS, which we would never bother to do for a single change. • It is not only hard to quantify the costs of making any change, but also the benefits; it is often hard to quantify the impact of a problem (such as a risk to data privacy or data on a GPF going out of date as seen in recent changes) in a quantifiable way that justifies the cost of change. • Constructing a business case is made harder by the usually high DCC costs for any change – the bar for benefits tends to be set quite high which means that it can be hard to justify changes that would probably have a benefit if they were implemented. • There is a risk that we will be learned to live with suboptimal device and system functionality because it is too expensive to make them work properly.
ScottishPower Energy Retail Ltd	Large Supplier	We feel that costs and benefits are not always held up to scrutiny, especially for the more expensive Modification Proposals. It is not always clear whether the benefits to Parties are in any way reflective of their contribution to the costs of change. We note that other industry codes have adopted a User Pays approach. While we do not advocate for such an approach here, there needs to be some consideration as to whether the benefits fall to those organisations being asked to fund them. Therefore, some independent scrutiny of the cost/benefits case may, at times, be desirable.
Utilita	Large Supplier	Utilita agrees with the feedback from the Authority in MP0067, specifically, the business case for change needing to provide a clear narrative and understanding of the weight of each modification. Therefore, it is vital that no modification is raised without having a well-constructed case for change against which the IA can be assessed. Without a clear case for change, SECAS should challenge why a modification is proposed.

Question 10		
Respondent	**Category**	**Response and rationale**
		Based on these concerns raised by the Authority, we support efforts to improve the business case for change. A solution is needed to prevent modifications progressing where there is a lack of fundamental detail. This could be better managed by SECAS developing a project management solution (mentioned in Q1). A project management tool should better define each stage that needs to be completed before a modification progresses along the framework. This could help to draw out a step by step plan for SECAS to measure against. For Example: • Stage 1: Initiation – define goals • Stage 2: Plan – develop business requirements, cost/benefit and timelines • Stage 3: Execution – action plans made (e.g. sub-committee with clear agenda) • Stage 4: Closure – analyse results, summarize key findings and learning and plan next steps. Building a strong business case for change should be under the supervision and support of SECAS so that each framework can do their role effectively, without delay or pushback.

Question 11: How do you believe DCC cost governance could be improved

Question 11		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We support continued and increased transparency of DCC costs. We view this has interdependencies with the approach outlined in our responses to the development of alternative solutions, greater breakdown of costs and increased engagement across Industry. We would be interested to understand the costs for Self-governance Modifications that have been previously approved, to form a view on re-assigning to Authority Determination where it could exceed a threshold.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	The SEC is like no other code given the relationship with the DCC and the costs of changes to their systems. We feel that the IAs still lack some transparency with costs. We are also concerned with the difference in costs detailed between the PIA and the FIA which can almost render the PIA pointless. Perhaps there should be a threshold whereby the FIA costs need to be within a tolerance of the PIA costs and if it exceeds this, another consultation is required to ensure that industry still feel that it is acceptable. We also wonder if it is appropriate to sign off on Self Governance changes irrespective of the costs associated to it or if there should be a threshold above which would turn it to an Authority determined change. Whilst we understand the requirement for changes to be costed as if they are going into a standalone release, we question if this is the most appropriate method or whether the DCC should also provide a more realistic cost based on other changes being within the same release.
E.ON Energy Solutions Limited	Large Supplier	We support the review of DCC costs for impact assessing and for delivering SEC modifications and recognise the impact DCC costs have had on the delivery of SECMP0015 (see answer to question 1). Improving DCC cost governance needs to be an essential outcome of this review. The Review should also

Question 11		
Respondent	**Category**	**Response and rationale**
		include whether further detail and justifications the DCC should provide on costs should be added to the SEC.
EDF Energy Customers Ltd	Large Supplier	• In our view the detail isn't the biggest problem – it is the level of the costs that is the issue; we only really need a breakdown to try and find out why the costs are so high in the first place. • High DCC costs are becoming a barrier a change as it makes it hard to create business cases for changes that appear quite sensible – like SECMP0015 or SECMP0056 (and many others). • Requiring high cost changes to be Authority Determined isn't going to address the root problem of being able to justify costs, it is likely to add further delays to a change process that is already too long in most instances.
ScottishPower Energy Retail Ltd	Large Supplier	We believe that costs that are being voted on in Change Board should be reflective of the costs that Parties will bear for the change. This is not always true of the current process. Large costs also have a commercial impact on individual Parties, so we believe there is a case for a threshold beyond which any change should be Authority determined.
Utilita	Large Supplier	This question should be broadened to look at DCC and SECAS governance regarding cost, as both set of costs must be accounted for in the modification process. Currently, there is little motivation or clear governance to work towards improving cost benefit for Parties. The reason why costs are so high has never been completely clear and DCC internal costs receive little challenge. The scale of DCC costs is significantly higher than that resulting from modifications made under other energy codes. We question whether this is due to the lack of genuine competition or intervention. Possible ways to improve this could be: • to incentivise SECAS, this could encourage SECAS to further progress the delivery of each mod, or where issues arise SECAS are acknowledged for fairly challenging the DCC in cost and effectiveness.

Question 11		
Respondent	**Category**	**Response and rationale**
		• to create of a process for contract procurement of the SEC, similar to the structure behind the REC Code Manger Services. • Introduce checkpoints into the modification process whereby the costs are scrutinised i.e. as a specific 'agenda' item at a Working Group. • Require DCC to provide Minimum Viable Product (MVP) costs plus additional costed options (albeit these may be caveated and estimated) at each stage of cost request. • Require SECAS scrutiny of DCC costs, challenging DCC and DCC Service Provider costs, and working with DCC to understand parameters of Business Requirement interpretation and shifts, e.g. if another similar solution could deliver the same benefits at a lower cost but was not explicitly requested by industry, SECAS should take the initiative and lead on representing industry to come up with other ways to achieve the solution.

Question 12: How do you believe final decisions on modifications should be made?

Question 12		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We think that there be merit in reviewing the decision process however we think this cannot be done in isolation without considering charging methodology for example.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	We don't necessarily believe with the statement 'this group is rarely involved in a modification prior to the final vote' as we are aware that Change Board members have been actively involved changes, or possibly a colleague has and therefore they have had some sight of the development. We believe that the Change Board members are representative of industry and would expect certain members to gain feedback from their constituents if they are representing a number of Parties in one category. We feel, based on the previous SEC Section D review that trying to gain enough feedback from enough industry participants to vote in another way, via consultation for example, would be challenging, especially as some might be minded to not respond if the change didn't impact them.
E.ON Energy Solutions Limited	Large Supplier	We believe final decisions on modifications should be made by the existing Change Board. However, having the Working Group specialists for each SEC MOD may allow for further clarification and debate.
EDF Energy Customers Ltd	Large Supplier	• We do not believe that that there are any material issues with the way decisions are made currently. • However, we would have no issue with every party getting a vote within their constituencies – but the weighting across the constituencies should be retained to avoid undue influence by a large number of small parties. • Digital voting could be used but would remove the debates that take place and which can influence decision making – in some cases we have changed our mind on how to vote (or have supported referring back to the Working Group) as a result of Change Board discussions.

Question 12		
Respondent	**Category**	**Response and rationale**
		• It is not clear what the role of the Change Board would be in everyone had a digital vote.
ScottishPower Energy Retail Ltd	Large Supplier	We believe that a decision making authority is required, and by and large the Change Board functions in that respect. Some additional reflection of smaller Parties' views is desirable, but difficult to see how the voting process could be made fairer or more transparent.
Utilita	Large Supplier	Keeping the final decision within the Change Board alone is a straightforward solution. This should not be extended to any other committee or delegates as this diminishes the value of having a clear framework in place. Including other methods to voting, such as digital voting, may be worth pursuing in the future. However, digital voting will only work if all the necessary information is accessible for the Change Board to make an informed decision. At present we do not believe all modifications are fully developed before reaching Change Board therefore other voting option may not highlight the missing gaps in the modifications during voting process.

Question 13: Should the legal text for a modification be amendable after the final decision?

Question 13			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	-	The legal text can be amendable however this needs to follow due diligence and there must be transparency to industry to enable comment and agreement. This is to ensure that the intent remains as developed and previously agreed and that this does not introduce material impacts.
Waters Wye Associates	N/A	-	-
Western Power Distribution	Network Party	Possibly	This is a difficult question to answer. Our initial view is no, once it has been approved that should be the final decision. However, we appreciate that as the DCC get into the technicalities of the design and build there might be minor amendments required to technical documentation. We are open to suggestions around a strict governance process that would allow for minor changes to be made, approved appropriately and distributed to industry, in a timely way that will not negatively impact industry. However we believe that this should certainly be by exception rather than expected behaviour.
E.ON Energy Solutions Limited	Large Supplier	Yes	This feels like a sensible approach which should save time and effort. To avoid any undesirable changes, the amended legal text should have to be approved by an appropriate governance group (e.g. CSC or SEC Panel).
EDF Energy Customers Ltd	Large Supplier	Yes	• Needing to raise further changes to correct non-material errors is inefficient and unnecessary – a process to enable such changes to be made and for parties to highlight any impacts would be preferable.

Question 13			
Respondent	**Category**	**Response**	**Rationale**
ScottishPower Energy Retail Ltd	Large Supplier	No	The legal text and solution carry a cost and the Change Board votes on that cost. Any legal text changes could lead to a cost reduction, which requires to be reviewed by the change process. In at least one recent Modification Proposal we believe that a post decision scope change potentially carried a cost reduction, but we are unsure of how that was dealt with.
Utilita	Large Supplier	Only in correcting typos	Modifications should not need amending after final decision, as we expect SECAS to have examined the legal text carefully, before reaching Change Board for final decision. However, SECAS should use common sense to make nonmaterial changes (such as, typographical errors) if needed that saves additional change and unnecessary effort. A record of these changes must be kept as a reference in case this creates further issues that may need explaining.

Question 14: Should a more flexible approach to setting the implementation date for a modification be allowed?

Question 14			
Respondent	**Category**	**Response**	**Rationale**
OVO Energy	Large Supplier	-	We can see there could be benefit however this would need to be transparent and carefully managed. We think this would need to follow a defined process with governance for engagement and agreement from affected Parties.
Waters Wye Associates	N/A	-	-
Western Power Distribution	Network Party	Possibly	We agree that there might be some benefit to this proposal, potentially allowing some cost savings where the DCC can group modifications together, however there needs to be strict rules around this, allowing for impact to users. There also needs to be a better understanding, particularly from the DCC, as to what is User impacting as whilst it might not appear to directly impact a User or their systems, if a user feels that they need to make changes internally then there still needs to be enough lead time to allow this.
E.ON Energy Solutions Limited	Large Supplier	Yes	To be more efficient, a flexible approach to setting the implementation date would be preferred.
EDF Energy Customers Ltd	Large Supplier	Yes	• We agree that the implementation process needs to be more flexible to enable changes to be implemented in the most efficient manner, and at the lowest possible cost. • The current process of targeting changes for the next available release is not really aligned with the way that the Technical Specifications and the DCC systems should change in the future.

Question 14			
Respondent	**Category**	**Response**	**Rationale**
			• This approach is likely to lead to releases which contain small number of relatively immaterial changes – if this is the case then parties (and especially suppliers) are unlikely to see a benefit to upgrading to those new versions. • There is almost always a significant time lag between a technical SEC change being implemented, and SEC Parties actually implementing those changes, for example in the form of new devices. • Upgrading to a new version of SMETS or DUIS is a complex and costly undertaking that takes a lot of time and effort – suppliers will only undertake those upgrades if there is a very significant benefit to doing so, or if they are mandated to. Any mandate would then need to be supported by a clear business case.
ScottishPower Energy Retail Ltd	Large Supplier	No	We agree some flexibility should be afforded to the implementation of a Modification, provided it is only by a week or two, as this will mitigate against any unexpected issues discovered during build and test. However, we do not agree, for example, that a change planned for a November Release should be delayed, without consultation and broad agreement, to the June Release as the costs could be significantly different and require review. It is also worth noting that any significant change to an implementation date could also affect Party costs and plans, which may have factored in the original Change Board vote.
Utilita	Large Supplier	Yes, if it is required and determined by industry	We recognise there are occasionally delays that are beyond control. Therefore, a process needs to be created before setting up a flexible approach for implementation dates. This process should only be required and determined by industry. A clear business case for each change should be provided to help industry understand the reason/benefit for change. This process should consider the timely need for a solution, the changes in cost, the impact this will have on the Energy Consumer and clear reasoning for moving for the

Question 14			
Respondent	**Category**	**Response**	**Rationale**
			implementation date. SECAS should present a recommendation based on feedback and assessment done and then put it to the Change Board for final decision. We are hesitant to agree to this implementation date approach where the DCC or Service Providers are steering the change, as this will only encourage delays in reaching targets at a cost to DCC Users. Where this is the case rationale should be given for assessment and/or potentially feeding into the Operational Performance Regime.

Question 15: How can SEC Release governance be improved?

Question 15		
Respondent	**Category**	**Response and rationale**
OVO Energy	Large Supplier	We support increased engagement in determining the scope of a release and any changes to the inclusion or delivery elements in that. We view that there needs to be increased communication from DCC for the deliverables within a specific release that is separate to the SEC Panel Release Implementation Document i.e. a DCC Release Note.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	Generally we find the SEC documentation easy to find and navigate. It would be really helpful if under the SEC documentation on the website there was the option to sort by date under each of the tabs so that you can locate all the newly updated documents easier. We do feel that final legal text for a modification could be easier to identify as it is not always clear if it is as per the wording in the MRC of if there have been changes so a final redlined legal text document on the modification pages would be useful.
E.ON Energy Solutions Limited	Large Supplier	No comments on SEC Release Governance.
EDF Energy Customers Ltd	Large Supplier	• The SEC change process, including the process for including changes in SEC releases, needs to be better aligned to the way that smart metering technology evolves over time, and should be looking at how new capabilities and services can be delivered in the future. The current process seems to focus on piecemeal changes that address issues in the current specifications rather than creating new capabilities that would benefit consumers. • The SEC release strategy could be better optimised to deliver changes when people will actually want to or be able to use them, rather than being driven by a fixed release calendar.

Question 15		
Respondent	**Category**	**Response and rationale**
ScottishPower Energy Retail Ltd	Large Supplier	We believe the gating steps set by the change governance should be followed without exception. Changes in scope or implementation after Change Board vote should always be referred back to the Change Board. By this token we do not believe costs should be recovered through the Modification process after they have already been incurred.
Utilita	Large Supplier	No further comments

Question 16: Please provide any further comments you may have

Question 16		
Respondent	**Category**	**Comments**
OVO Energy	Large Supplier	We would welcome further work to establish how changes DCC make, such as those to the SSI, that then have a requirement to update a clause of wording can be achieved without the need to invoke the full SEC Modification process. A current example of this is MP109 ADT and Exit Quarantine file delivery mechanism. The purpose of allowing the DCC to drive forward SSI changes was to better facilitate the speed around these changes, however the Modification process then increases the timescale for delivery.
Waters Wye Associates	N/A	-
Western Power Distribution	Network Party	There is one other area that has come to light that we feel needs addressing and that is changes that impact both the SEC and the SSI. Whilst pulling the detail of the SSI out of the SEC allows for a more flexible change process to the SSI, where a change impacts both the SEC and the SSI this change needs to go through two change processes simultaneously which can be challenging. Therefore whilst we don't agree with needing a SEC modification for every SSI change, we wonder if SSI changes that also need a SEC modification should just have those changes addressed though the SEC modification process.
E.ON Energy Solutions Limited	Large Supplier	None.
EDF Energy Customers Ltd	Large Supplier	• As previously noted, the SEC change process has improved over time, however further improvements could be made to reduce the administrative burden on SEC Parties and improve the timeliness of the process. • Further discussion is required around how business cases for changes can be constructed in an accurate and robust manner given the challenges we have detailed above – the nature of the way technical changes are developed and implemented makes assessing the costs very difficult, a way

Question 16		
Respondent	**Category**	**Comments**
		needs to be found to ensure that changes can be progressed with the confidence that consumers will benefit as a result. • The SEC change process is still largely based on the way that industry code changes have been developed and implemented for many years, which is not optimal given the technical nature of the code and the devices it covers. The need to manage changes to millions on meters, as well as the central systems that communicate with them, and to manage a complex ecosystem of device types and versions, probably requires a different way of thinking about change while still rerating the core principles of change being driven and agreed by industry parties.
ScottishPower Energy Retail Ltd	Large Supplier	-
Utilita	Large Supplier	Utilita welcomes the opportunity to review the overall approach to and development of the Modification Process. In hosting a review of this size, it is important to also include broader questions so that change at all levels of impact can be noted and examined with diligence. The Smart Energy Code both supports and facilitates the industry to become effective and cost efficient as possible. Fundamentally, general management and administration of the SEC can be further improved. As detailed in some of our answers above (Q1 and Q10), a more robust and standardised project management style approach should be undertaken. Specifically: 1. Creating developed objective /goals, 2. Defining scope or what is not in scope in the SEC Modification process 3. Highlighting priorities, risks and assumption made, 4. Outline the task (who's involved or not involved), and appropriate timelines 5. Maintaining strong communication with stakeholders

Question 16		
Respondent	**Category**	**Comments**
		6. Challenge the cost-effectiveness of the solution Following on the theme of improving general management, there is capacity for delivering a modification process that offers appropriate timescales and creation of fully developed modifications. We believe that this could be taken forward effectively by developing an incentive mechanism for SECAS in delivering the modification process. Incentives emphasize where improvements can be made and helps demonstrate clearly where any delays or process benefits arise. Incentives can take many forms such as bringing the administrative role of SECAS under a contract renewal or a simple monetary bonus. Throughout our response above, and in our recent submission to the REC consultation we have made comparisons with other codes, to deliver best in class across the piece. This is important in order to develop best practice and maintain good governance. We reflect, for example, on the requirements under the BSC for a three-year limitation to be placed on the term of key industry 'officers'. We believe that as with corporate auditors, a regular refreshment of outlook brings benefits to the quality of governance and oversight of key processes, which are essential to industry. These comments are not in any way intended to reflect on any current incumbents under the SEC, but instead are proposed as reasonable checks and balances, that should properly be in place wherever monopoly services are received. These are good and robust practices to avoid the equivalent of 'regulatory capture' for the networks. We strongly encourage considering arrangements that work well under other codes to reduce the barriers to change and innovation which we believe exists today.

Question 16		
Respondent	**Category**	**Comments**
		We would be happy to talk through our suggestions with SECAS as we believe this is a vital opportunity to take a completely fresh and more efficient approach to change management and issue resolution under the code.

This document is classified as **White** in accordance with the Panel Information Policy. Information can be shared with the public, and any members may publish the information, subject to copyright.

SEC Section D Review

Annex B

Industry Consultation responses

About this document

This document contains the full collated responses received to the Smart Energy Code (SEC) Section D Review Industry Consultation.

Question 1: Do you agree with the proposed Stage Gate criteria at the end of the Define and Refine Stages?

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	It seems reasonable that all changes are fully understood during the Define. We do agree with the list of criteria described though we still have concerns about any level of costing that are proposed especially where the change is technical. The recent changes and introduction of the Change Sub Committee (CSC) have improved the quality of modifications taken forward. The fundamental problem that remains is understanding costs for individual changes because of the way they are implemented when there is a change to either the DUIS or one of the technical specifications. When implemented as part of a release it is very hard to understand the real cost for each component change. Can it even be done? For example; What is the cost of changing 1 Service Request. Its very unlikely that a change like this would be implemented on its own due to the associated fixed costs. Any change requiring an update to SMETS is equally difficult to cost. They maybe a change require to hardware or firmware and those manufacturers may be required to	We note the comments about costs and will continue to work with the DCC to improve the cost information provided for modifications.

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			make changes, yet it's possible that no user will ever be required to use or incorporate the change.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	The proposed criteria allow SEC parties to identify how far a modification has progressed at a glance by the stage. Defining the criteria for the progression between stages ensures that the modifications are scrutinised to an appropriate level before advancing as well as identifying what a SEC party should be assessing at each stage of the modification process.	
OVO	Large Supplier	Yes	The criteria seems to improve the process and addresses the issues being faced.	
Utilita Energy Limited	Large Supplier	No	No, there is a risk of making the process more complex and elongated While we agree with the principle of making sure modifications are fully developed and clearly defined/refined before moving along each modification process stage, the proposals do not achieve the principle. Rather, the proposals are likely to add further delays to an already long process. Stage Gate criteria can cause delays, where; • Extra processes can lead to a lack of engagement Adding more steps can be helpful to understand the responsibilities and roles of the chair, sub-committees, the SEC Panel, the proposer, and SEC Parties but in doing	We stress that the stage gates are not intended to be new steps in the process but are intended to provide a more structured 'checklist' to support the existing decisions made by the Panel on modification progression. We are working to implement Microsoft Teams channels for each Sub-Committee, with the Change Board and CSC expected to be added in May 2021. We will explore whether this can allow for more offline/ad-hoc decisions to support faster and more flexible decision-making.

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			so this could negatively impact engagement towards raising and adding further input into SEC Modifications. • Sign-off is not done on an Adhoc basis Any Stage Gate activities should be completed at the appropriate time interval, not waiting for the next standing meeting to occur, but instead signed off offline or in Adhoc meetings. • There is a lack of program management to process these modifications SECAS should have the power to project manage, by tracking and chasing modifications consistently through ad-hoc meetings and offline meetings where changes are minor. We believe it is SECAS's responsibility to apply stricter restrictions to streamline this process and not complicate the Modification Process further. • Where there are no timelines for the Stage Gate criteria SECAS should put together rough timelines of how long this process between each Stage Gate is expected to take. SECAS should have a better understanding of where and how this process is to become more streamlined due to these new Stage Gate criteria being put in place.	The enhancements from this review are intended to allow for a more 'predictable' progression for modifications than has been seen in recent times. This, in turn, will allow us to better prepare and subsequently manage the onward timetables for modifications, including when change will reach the key milestones in the framework. We will endeavour to make our work in this area as visible as possible.

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Therefore, without knowing the full impact of these Stage Gates and how this will be implemented in detail, we cannot support this approach.	
Western Power Distribution	Network Party	No	Whilst we agree with the intention we have a few comments/concerns over the proposal. Proceed beyond the Define Stage – it states identifying whether the solution is solving a root issue or a symptom, but there is no guidance as to whether both would be allowed to proceed? Arguably we should be looking to solve the root issue, however SECMP0062 is an example of a modification that was progressed to address a symptom. We feel that there will be similar challenges around quantifying the cost and impact of doing nothing in the same way that currently quantifying costs and benefits is challenging. Whilst we understand that the SEC Modification can only change SEC documentation, we feel that 'the relevant parts of the SEC' could be expanded to include DCC associated documents and SSI requirements so that a solution in its entirety is progressed as one holistically. Proceed beyond the Refine Stage – we feel that the implementation and ongoing costs need to be clearly detailed, with DCC's views on any changes or variables clearly set out, i.e. standalone vs. SEC Release, potential savings or increases, why SP costs vary, etc. Again, we	While we would want to look to resolve the root cause, we agree there will be times where this is not practical, and that we can only resolve the symptom. We will ensure it is clear where this is the case, but acknowledge such changes will need to be allowed, and would not look to block them. We note the comments about expanding legal text to encompass non-SEC documentation and agree it would be beneficial to prepare these changes as part of the modification wherever practical. We will work to draw out the implementation and ongoing costs more clearly in our reports. We would expect each modification to include a cost-benefit analysis in proportion to the scale of the change.

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			feel that 'the SEC documentation' could be expanded to include DCC associated documents and SSI requirements so that a solution in its entirety is progressed as one. Is the expectation that the business case definition will clearly show a full cost benefit analysis?	
DCC	DCC	Yes	DCC support the proposed introduction of Stage Gate Criteria. We have offered further comment on the proposed criteria as follows **Define Stage:** DCC are content with the phasing of all criteria for the Define Stage though would like to comment on the following: *Where applicable, potential high-level solution options for resolving the issue have been identified (including, where possible, very rough order of magnitude costs to inform the benefits case of proceeding).* SECAS should work with the Proposer through the Define Stage to set out the outputs required rather than the solution options for resolution. DCC are reluctant to commit to providing a ROM cost for a Draft Proposal – though it could be possible to identify the DP as High/Medium/Low Complexity/Cost – DCC	We appreciate the reluctance to providing costs and consider a high/medium/low estimate would be sufficient at this stage. This can be refined as we gain practical experience of this assessment. We note the comments about costs provided during the Refine Stage. We acknowledge and agree with the comments about standalone costs and will engage with the Authority to further understand its expectations around this. We are already providing some apportioned Release costs for post-PIT activities, and will work further with the DCC to enhance these as much as possible to provide the clearest estimates to support the final decision.

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			would support creating some cost bandings around H/M/L categories. **Refine Stage:** DCC support the criteria as presented for the Refine stage. DCC would like to make it clear that the Refine Stage presents and expects agreement of the costs of the change to the end of PIT only, as well as any on-going costs. DCC also believe that presenting the Standalone costs for the Modification are of no benefit and that it would be better for DCC to provide an indication of the total costs as they would be apportioned based upon the Release which the change is targeted for. Expecting solution options and/or costs might prevent innovation and/or delay process Taking out the need to include Standalone costs prevents SECAS/DCC presenting abnormally high costs to Industry DCC considers that the proposed Stage Gate criteria will promote a fair and consistent approach to defining and refining SEC Modifications Proposals. We agree that this will also allow Proposers to better understand what	

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			information they need to provide to support the effective progression of their proposal. We also note that on occasions modifications have been "sent back" by SEC Panel, SEC Change Board or Ofgem at various decision stages. By ensuring the Stage Gate criteria has been met for each modification, this should prevent this from occurring in the future and delaying the progression of modifications.	

Question 2: Do you agree that the Panel's responsibilities in overseeing modifications' progression through the framework should be fully delegated to the CSC?

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	We agree that the CSC should take responsibility for overseeing modifications progression as we don't believe that the Panel is necessarily the right forum for making chasing changes. However, the attendance of the CSC means that not all Users will be proportionately represented, and we would we need to look at the makeup and role of the sub-committee. This may require the re-election of the current participant and the addition of others to ensure parties that pay for the changes are able to agree or disagree with any spend. This would be important for the approval of Impact Assessments.	We note the comments about the membership. The current membership mimics the Panel's membership, but we agree it would be prudent to reassess if this this would remain the right setup moving forward.
Northern Powergrid Metering Limited	Other SEC Party	Yes	NPML agrees that the delegation of responsibilities to the CSC is a logical choice to ensure that the decisions related to a SEC modification are made by people who are fully informed of the modification and what it entails. We also strongly believe that the modification proposer has the right to refer any decision made by the CSC to the panel as the CSC is heavily weighted in favour of supplier groups, this will restrict the impact of any bias, either intentional or unconscious.	

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
OVO	Large Supplier	Yes	Yes, this makes more sense and, although increases the remit of the CSC, it removes the huge overhead of work being pushed to the Panel to wade though.	
Utilita Energy Limited	Large Supplier	Yes	Yes, but full delegation should be completely given to Change Sub Committee (CSC) without the SEC Panel retaining the choice to handle certain modifications. Allowing the CSC to oversee modifications progress through the Define to Refine Stage-Gate is sensible, as these members should have the ability to; • Examine the proposed modification in further detail, at a level that cannot practically be achieved through SEC Panel. • Offer experience to make sure the level of detail needed to progress the modification is included. • Understand the challenges that SEC Parties have when it comes to costs for Final Impact Assessments (FIA) and timescales. We understand that a monthly report for SEC Panel will help with transparency and give a clear overview of the modification process, but we would argue that the SEC Panel should not have the ability to choose case-by-case Modification Reports to sign-off. By retaining any level of responsibility, the SEC Panel could risk undermining the	

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			CSC if the SEC Panel chooses to take over a modification. If the CSC can refer Modification Reports to the SEC Panel, then that is acceptable. Full delegation should mean CSC can choose the best process in place of the SEC Panel. By creating clear and defined lines of responsibility this should also help create a modification process that is as efficient as possible.	
Western Power Distribution	Network Party	Yes	We feel that having a dedicated 'Change' committee is appropriate as we don't feel that the SEC Panel have the depth of knowledge required and often not the time on a busy agenda to give Modifications the attention that is required. We seek clarification as to whether this would also include the setting of the timetable being delegate to the CSC.	Yes, we would expect the CSC to be setting the progression timetables as well.
DCC	DCC	Yes	The Panel should fully delegate responsibility to the CSC We also agree with the proposal that high value Modifications may need to come to Panel for review. We consider that the CSC has the appropriate representation, industry expertise and dedicated time to oversee modifications' progression through the framework. This would allow one industry group to remain close to the detail of each modification and provide consistent oversight. DCC also considers that this would	

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			save considerable time in progressing modifications as multiple meetings would not be required to convert or progress modifications once Stage Gate criteria has been met. DCC already attends CSC and will continue to provide representation. We note that this change may allow further flexibility to invite Subject Matter Experts to consider specific modifications.	

Question 3: Do you agree that Change Board members should be allowed to appoint more than one alternate and/or appoint another member to cast a proxy vote in their absence?

Question 3				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	We do agree that the Change Board members should be able to appoint alternates or another member to cast a proxy vote. The Change Board is now generally a Forum where members just turn up and vote and this is not really what it is intended the role to be.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	NPML agrees with the option to designate a proxy voter.	
OVO	Large Supplier	Yes	Yes we agree with more alternates being able to provide a proxy vote as long as that is done in the session at the time of the vote itself.	
Utilita Energy Limited	Large Supplier	No	Attendance to Change Board meetings has never been a known issue, therefore we would question what need is there to make this change now. If attendance is likely to become an issue, then a SEC Party should be allowed to have an alternate from the same organisation. At many Change Board meetings, there have been helpful discussions prior to the vote. Introducing the concept of a proxy vote will almost certainly hamper the value of these discussions. For example, new information or	

Question 3				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			ideas/opinions may come to light during pre-vote discussions which can impact the final decision of the Change Board.	
Western Power Distribution	Network Party	No	The consultation states 'we concluded there is benefit in a separate group making the final decision, to provide a separate perspective on the change'. However we don't feel that this is being met by the proposal. The voting parties are usually the same, i.e. the large supplier members will be consistent on both groups, even if the individual is different. Should there be a requirement that the same individual cannot sit on the CSC and CB? If so do you run the risk that those sat on the CB don't have the knowledge of the modification that is required to scrutinise it fully? Whilst we would support naming alternates we would not support the casting of proxy votes. This is for the same reason that we do not support votes being made in advance. You don't know how the discussion on the day would influence an individual. If proxy votes were to be allowed, would there be a restriction to ensure a certain number of individuals are actually present at the meeting to avoid the risk of losing individual views?	Although there are a few members that sit on both groups, the Change Board's much larger membership allows for more representatives to feed into the final decision, allowing for a more proportional representation of views. We note the concerns over proxy votes, and would explore this further should this proposal proceed further – this is likely to require a SEC change as a lot of the Change Board's provisions are currently 'hard-wired' into the SEC.
DCC	DCC	No	DCC do not agree that another person can vote for an absent Change Board member. It would be better if the member were able to submit their vote, securely by	Submitting votes ahead of the meeting was initially considered. However, the Parties at the industry workshop were

Question 3				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			another method ahead of the meeting should they not be able to attend the actual meeting. This proposal adds unnecessary risk to the process.	strongly opposed to this proposal, so we are not looking to consider this further.

Question 4: Do you agree with the proposed approach to developing business requirements?

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	The development of business requirements is vitally important, and it is important that best practice is considered for how they are gathered. These requirements should describe exactly what is trying to be achieved. Each requirement should stand alone and be able to be tested and verified. We would prefer to see more atomic requirements and a MOSCOW analysis of those requirements might help in developing better quality solutions. It is a good idea to have DCC and Service Provider meeting/workshop to discuss detailed business requirements as it will allow the proposer to describe exactly what is required and for the DCC to confirm they understand. We also agree that the TABASC chair should be invited to the meeting to identify any impact to the BAD or BAM.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	NPML believes this increase the efficiency of the process.	
OVO	Large Supplier	Yes	This is a pragmatic change to the current process and should add value. It is appreciated that this will be constantly worked on, especially in relation to DCC	

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			impacting changes as these are the most problematic and subject to costs. Having more up front on this, and having DCC providing potential solutions to problems faced will add value to the process and a channel not currently available to SEC Parties.	
Utilita Energy Limited	Large Supplier	Yes	We welcome further work to continue in this area, specifically involving the proposer in all these business requirement workshops is essential. There are benefits in involving the DCC and, especially, Service Providers in early discussions in the business requirements, and the possible inclusion of optional business requirements to help develop these modifications towards the Refinement Process. Our experience from having these discussions have really helped us understand the process and dispel some of the long-held, incorrect assumptions.	
Western Power Distribution	Network Party	Yes	We largely agree with the proposal. As mentioned in previous answers, along with the SSI, we believe that DCC documents that sit alongside any process or system that is being modified should also be included an update simultaneously. Also whilst we don't disagree with outlining possible solutions at this stage, we are cautious of the DCC	We agree that any solutions discussed in the early stages should not be 'locked in', but should be used to inform likely options and outcomes.

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			'locking these in' and then not being flexible as the modification develops and additional input is made. We feel there is some conflict in this part of the consultation, with DCC providing some idea of costs, when they have consistently said that they can't do this without clear business requirements. We agree with optional requirements being allowed with a clearly identified DCC cost allocated to fully understand the costs and benefits associated with that specific requirement.	
DCC	DCC	Yes	Yes - DCC has already done a lot of work with SECAS in exploring the benefits of developing the business requirements and support the proposed approach DCC firstly considers that there would be benefit in outlining possible solution options during the Define Stage where changes to the DCC Systems could be required. This would allow the Proposer to assess whether there is likely to be a cost-effective solution and there is likely to be a business case for change. In our Collaboration Design Review, we noted that we have not always had the capability and capacity to own and drive the solution design, with support from the Service Providers and the end- to- end supply chain. We also noted that Service Providers initially don't always have a good understanding of the requirements of a SEC	We welcome the DCC's support and enhancements in rolling out these improvements.

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Modification, and work largely in isolation during the process, leading to a misalignment of assumptions which in turn impacts costs and durations. The introduction of the Requirements Workshop and extending the invite to Service Providers will help to refine a solution quicker and will give Service Providers earlier input into the process. DCC also considers it beneficial for the Proposer to attend these workshops in order to ensure they are fully engaged in developing the business requirements for their modification. DCC has also introduced a “Solution Design Lead” and a dedicated design lead from the Service Providers who will work alongside the Solution Design Lead to increase the capability, capacity and ownership of the solution design for each modification.	

Question 5: Do you agree with the proposed approach for seeking Sub-Committee input on modifications?

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	It is essential that the TABASC and SSC are engaged at all stages of a modification to ensure that their additional expertise is considered. We note this is starting to happen already. However, there needs to be further clarity on the role of Sub-Committees and how they feed into the development of a change – especially regarding how comments get formally fed back and incorporated into a solution. It is also important to understand the power that each sub-committee has and whether they would be able to stop a modification if it doesn't meet their requirements or does not align to technical or business architecture. Care also needs to be taken such that any sub-committee advice doesn't unduly delay the modification process.	We do not intend for Sub-Committees to be able to 'stop' a modification from progressing. Ultimately, the Sub-Committee's input should be used to support the Working Group's overall assessment. Any concerns or issues raised by Sub-Committees should be taken into consideration by the Proposer and the Working Group.
Northern Powergrid Metering Limited	Other SEC Party	Yes	NPML believes this increase the efficiency of the process.	
OVO	Large Supplier	Yes	Fully agree with tis proposed approach although it may require ad hoc meetings to be held depending on the amount of input required. It may also require ex-committee views to be provided depending on alignment	

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			of calendars. The more different parties being asked for input adds value but can also add time to the process on something that already isn't very quick. Workload for those sub-committees also need to be considered but should not be a reason to not do this.	
Utilita Energy Limited	Large Supplier	No	No – As also mentioned in November 2020 SEC Section D Review, the implementation of the proposed approach does not streamline the Modification Process and risks adding further delays. Where there is a clear level of complexity in a proposed modification, we understand the necessity to involve Sub-Committees, but this should be the exception rather than the rule. The more involvement from other Sub-Committees, the longer and more complex each modification proposed will become, which is likely not to be necessary for each modification. Therefore, we do not believe this level of involvement is the best route for SEC Modification processes. To better manage Sub-Committees involvement, SECAS should project manage a change appropriately. Where there is a clear level of complexity in a proposed modification, we understand the necessity to involve Sub-Committees. There must be a balance struck between taking the time to develop a mod via expert Sub-Committees, and the speed needed for some changes.	We agree that Sub-Committee input should be targeted and appropriate. We are now working with the Independent Chairs as soon as a new proposal is raised to assess which Sub-Committee(s) will need to provide expert input. This will allow for any required input to be factored into the modification's progression from the beginning. We acknowledge the views on the TABASC's involvement. When the TABASC discussed this input, it agreed its involvement will be reviewed and refined as the new steps bed in. We agree the TABASC should not have sole control of whether a proposal proceeds to DCC Assessment. However, as the expert group for the technical and business architecture, it's concerns should be reviewed and actioned before proceeding. We would consider that the Working

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			SECAS should be managing these mods in such a way to best strike that balance. There could also be more done 'behind the scenes' by SECAS to work with Sub-Committees 'off-line' to help further develop mods between meetings, to support a faster mod journey while still ensuring input from expert Sub-Committees. The role of the Technical Architecture and Business Architecture Sub-Committee (TABASC) is proposed to be expanded as part of these proposals. However, there does not appear to be justification/a case for changing the scope of the role. Instead; • TABASC should be an expert group, providing detailed knowledge and understanding, able to help decision-makers • SECAS should represent the concern/opinion of all Sub-Committees including TABASC, across the relevant Sub-Committees and CSC. SECAS should act as the 'glue' between all the relevant Sub-Committees to replay the messages so an informed discussion and decisions can be made at each opportunity, • TABASC should not have the sole control of preventing Preliminary Impact Assessments (PIAs), but this should be escalated back to the CSC for the final decision. We believe this	Group and/or the CSC should be allowed to overrule where necessary. The TABASC's input in the Define Stage is intended to help independently assess if the issue is one that sits within, or would require changes to, the DCC architecture or if an alternative route to resolving the issue could be followed. We are working to implement Microsoft Teams channels for each Sub-Committee. We will explore whether this can allow for more offline/ad-hoc decisions to support faster and more flexible decision-making.

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			decision to stop a PIA from being produced is best kept to those paying for the modification and those in closer detail of a modification benefits. • Any 'stage gate' activities should be completed at the appropriate time interval, not waiting for the next standing meeting to occur, i.e. can be signed off 'off-line' or via an ad-hoc meeting. This SEC Modification Process consultation, highlights TABASCs involvement as the business requirements are developed. It is unclear as to why TABASC input is needed at the Define Stage. We expect that SECAS should be managing the interest of TABASC throughout the modification process, rather than creating added dependency from Sub-Committees outside their Terms of Reference.	
Western Power Distribution	Network Party	Yes	We support the proposal. We feel that the Sub Committees need to ensure there is appropriate time allocated to discuss and answer clear and concise questions regarding modifications.	
DCC	DCC	Yes	Yes - should be done on a case by case basis rather than for every Modification Need to ensure it does not significantly extend the time to progress Modifications for limited benefit, or even risk	We are now working with the Independent Chairs as soon as a new proposal is raised to assess which Sub-Committee(s) will need to provide expert input.

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			creating complexity, especially for less complex Modifications DCC welcomes the proposed input from TABASC at the Define Stage as this may filter out modifications that do not require DCC/Service Provider input. This will save time to discuss Draft Proposals that do not need DCC involvement and will also help to direct discussions on modifications that do, avoiding the need for multiple reiteration of the Requirements Workshop. DCC also considers it beneficial for TABASC to review the business requirements prior to requesting a DCC Preliminary Assessment. This will ensure that business requirements are clear, remain consistent throughout its development, and the solutions being considered are appropriate to resolve the issue identified. We also agree with the sentiment that not all modifications need to be considered by all the SEC Sub-Committees and consider that SECAS should have a role in triaging modifications for discussion. This should save time and effort for all parties involved. DCC would welcome further information on how SECAS plan to streamline information from other industry forums such as TSIRS to ensure issues are identified sooner and assessed under the Define Stage.	

Question 6: Do you agree that any SSI changes required to deliver a modification are assessed and delivered as part of that modification?

Question 6				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	Originally changes to the SSI were taken out of the main modification process so that it could be changed more efficiently. However, it is clear that is a SEC Mod is raised that consequentially requires an SSI change, then it must be considered as a single change otherwise we risk 2 changes that need coordination – i.e. 2 process under same code.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	The change proposed will improve industry change processes. NPML do not currently use the SSI and are not a DCC user and therefore will not benefit directly from changes proposed, however NPML's customers will.	
OVO	Large Supplier	Yes	Having the SSI outside the Mod change process is causing issues for Mods that have a requirement that impacts that system. The Mod to remove the SSI from the Change process was based on a very specific set of Use Cases that did not then factor SEC Mod driven changes. The current process is disjointed and not aligned. It will be interesting to see how SEC Mod driven SSI changes are prioritised and managed.	

Question 6				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita Energy Limited	Large Supplier	Yes	We welcome further work to improve the transparency of SSI updates as well as making the process for raising SSI changes as consolidated and streamlined as possible. The SSI process within the SEC modification needs to be swift and not suffer the same levels of delays as other modifications tend to follow.	
Western Power Distribution	Network Party	Yes	We believe that this is sensible and should also be extended to other documentation that sits outside the SEC, but compliments the process/system being changed. With regards to the SSI there needs to be clear guidance with regards to exactly which methods can be used to make changes so that it is only changed via a SEC Modification or the formal consultation process agreed under SECMP0058.	We will work with the DCC to provide further guidance around the SSI change process and the methods that can be used.
DCC	DCC	Yes	DCC agrees with this approach and will be consulting on changes to the SSI Change Governance Process document in April 2021. The changes proposed are that where an SSI Improvement Proposal is generated from a SEC Modification that proposal will not need to follow the existing change governance process. That proposal, including refinement, development and implementation, will be superseded with actions taken during the Modification Process. Parties will have the opportunity to comment on the proposal through the standard	We welcome the DCC proceeding with these changes and will be happy to support on this wherever we can.

Question 6				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Modification Process including Refinement Consultations. Impact Assessments for these SSI changes will be combined with the wider modification Impact Assessment. This approach will ensure that the parts of the overall solution will not become disjointed and there are no delays to the progression of modifications due to SSI changes being required.	

Question 7: Do you agree with the role of the Proposer?

Question 7				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	All changes require the proposer to be expert and engaged in the process. However, due to the time it takes to implement a change through its lifecycle is a risk. Proposers can leave a role or an organisation as the process takes so much time. If proposer is not fully engaged, then a change can die. Therefore, we do not think it is not sensible to ask others to raise changes for mods they do not fully understand.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	The role of the proposer suggested in the documentation will clarify the responsibilities of SEC Parties raising modifications that have not previously done so, this will hopefully lead to more Parties requesting the changes they want to see in industry.	
OVO	Large Supplier	Yes	Ensuring the role of the Proposer is fully understood will address some of the challenges currently being faced. Looking to provide more assistance and guidance up front will benefit both those looking to raise a Change and also ensuring a Mods is supported through all the gates to Approval (or rejection).	
Utilita Energy Limited	Large Supplier	Yes	This consultation provides further clarity of the role of the proposer. As these responsibilities are extensive and often time-consuming, we expect SECAS, as	

Question 7				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			administrators, to notify and prompt the proposer of their roles throughout the modification process. As mentioned throughout this consultation response and in previous responses, SECAS should be the project manager and have the appropriate empowerment to drive contact and move the process forward in a timely manner. For example, we expect SECAS to liaise regularly between the proposer and the relevant inputters such as the DCC, experts, and Sub-Committees to best develop a modification, to the right level of detail and in the right timeframe.	
Western Power Distribution	Network Party	Yes	We agree with the role of the Proposer as detailed in the consultation.	
DCC	DCC	Yes	As Proposers of modifications, we agree with the responsibilities outlined in the consultation document as this aligns to the CACoP principle. Proactive Proposers should provide a further level of scrutiny to ensure the quality of documents and drive the Modification through at forums and SEC Committees DCC welcomes guidance being published and being shared with prospective Proposers. Though the organisation responsible needs to take ownership as well as their nominated individual. If that person leaves the organisation must nominate a	

Question 7				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			replacement to support the progress of the Modification through Governance.	

Question 8: Do you agree with the role of the Working Group?

Question 8				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	We agree with recommendations proposed. The new Working Group has improved the process.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	NPML believes this will benefit the change process.	
OVO	Large Supplier	Yes	Clear calling out the input points and the responsibilities of the Attendees of the Working Group is long overdue and fully welcomed. There have been several instances where it has been stated the Working Group should have completed an action that is not currently in the Terms of Reference, or purview, of the Working Group but has been assumed as being done. Having this clear articulated and known will stop that from happening and clear up confusion elsewhere. The inclusion of Alternative Options being a key item that was previously assumed as always being done (see Question 9).	
Utilita Energy Limited	Large Supplier	Yes	This is a thorough list and we believe covers the core roles expected from the Working Group.	
Western Power Distribution	Network Party	Yes	Whilst we largely agree with the role of the Working Group we have the following comments/concerns:	We are not proposing the Working Group sets the implementation date/approach, only that it provides an assessment to

Question 8				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			The consultation states that the Working Group will assess the lead time and the potential SEC Release to target, we are just seeking clarification that the proposal is to move this away from the SEC Panel, if so what happens if a modification doesn't go to Refinement? Also the Working Group does not have oversight of all the modifications as they are only looking at the specific modification and so we wonder if this better sits with the CSC. Looking at the input stages, some appear similar to TABASC, we seek clarification as to the process if there is a conflict or disagreement in views between the two groups.	support the Panel (or CSC) in setting the date/approach when approving the Modification Report. The Working Group will review and agree the business requirements and solutions holistically, looking at the impact across all participants. The TABASC, and any other relevant Sub-Committees, will provide expert input based on their areas of expertise to support in developing these. Ultimately, the Proposer would have the final say on what solution elements are to be taken forward. If there was any conflict around the way forward, we would ask the Panel to agree the appropriate timeline to follow.
DCC	DCC	Yes	Though we agree with the concerns about lack of continuity for more complicated modifications where the attendance varies. It might be worth considering setting attendance at working group for particular modifications from the members who attend the first workshop, or who express an interest in attending and then proactively invite this group going forward as the Modification progresses. There should be a requirement that any person choosing to attend a Working Group should familiarise themselves	We note the points about membership and attendees familiarising themselves with previous discussions. For a few modifications, we have had separate Working Group sessions with members dedicated to those discussions (e.g. MP122). We will do the same for future modifications where appropriate.

Question 8				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			with historic papers published on the Modifications to be presented – links to these should be sent with the agenda. It should also be made clear what specific areas of each Modification are being brought for discussion or focus so as not to go back over the same discussion/decision points. DCC considers that the Working Group should be consulted on Business Requirements and potential solution options prior to requesting a DCC PA to prevent having to repeat further work later on in the process. The Working Group will also be key to ensuring the Stage Gate criteria has been met for each modification, therefore consulting the Working Group at the end of the Refine Stage is necessary. With regards to DCC's involvement in Working Groups, there is a need for increased input and preparation for the meetings. DCC and SECAS have therefore improved the approach to the monthly 'Working Groups', collaborating with SECAS to set the agenda, ensuring there is appropriate DCC, Service Provider, and Industry representation, providing sufficient notice of discussion topics to ensure appropriate attendance.	

Question 9: Do you agree with the proposed approach to Alternative Solutions?

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	Alternative solutions should be allowed to be raised and should be drawn out more clearly during the Working Group meetings especially where Proposer rejects a potential solution that might result in viable alternative. Any alternative should be drawn out as early in the process as possible so that they can form part of the same DCC Impact Assessment. With a completed IA, members would be able to then choose their preferred option. It should also be possible to tease out options (at DCC level). Could the DCC highlight alternative approaches in a PIA that could then be raised as alternatives, or do they always pick their 'best' way of resolving an issue even if there are options? We do not want the CUSC model with multiple variations on same mod.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	Restricting the ability to raise alterative solutions to modifications to the working group could negatively impact a modification as the ideal solution may not be raised due to attendance. This change will mean that this would be prevented.	

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
OVO	Large Supplier	Yes	We welcome the inclusion and clarity on how Alternative Solutions can be raised and managed but have the same concerns called out in the Modification Report which do not seem to be addressed. The Proposer of the Modification has no requirement to accept an Alternative and gaining a 'new' Proposer will face issues if none is forthcoming even if the Working Group all agree there is a different / better way of doing something. How will that be covered off?	We note the Proposer does not need to 'accept' an Alternative Solution being raised; the requirement from the CACoP is they have sole control over the Proposed Solution. Alternative Solutions allow other Parties to propose additional options that can also be determined upon as part of the final decision. We note the concerns over on 'Alternate Proposer' stepping forward. We will explore this further as part of any modification to update the Alternative Solutions approach within the SEC. This may include allowing SECAS to own an Alternative Solution on the group's behalf.
Utilita Energy Limited	Large Supplier	Yes	Yes, with caveats A balance is needed to not overcomplicate the Alternative Solution approach in the SEC Modification Process, but allowance for clear instruction is needed on those who are making decisions. Aspects of the proposed approach need to be better defined for clarity, for instance; • There must be defined boundaries for the SEC Panel when deciding to stop an Alternative	We agree clear boundaries are needed as part of any Panel decision to close down an Alternative Solution, and will develop these when progressing the corresponding modification. Under our proposed approach, Working Group consensus would not be required to progress an Alternative Solution. However, we would expect the Party looking to raise the alternative approach to discuss this

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Solution from progressing. If this is not clearly set, we run the risk of Alternative Solutions being closed before a solution is fully developed. • the level of agreement needed within the Working Group to progress an Alternative Solution, e.g. via unanimous vote, has not been clearly defined.	with the Working Group before formally raising it as an Alternative Solution, to gauge wider support for it.
Western Power Distribution	Network Party	No	We are not completely comfortable on the proposal for Alternative Solutions. Would there be guarantee that if an Alternative Solution is raised that the Proposed Solution is paused whilst the analysis and investigation catches up? With all the new workshops in the define stage should Alternative Solutions actually form part of the Modification in the first instance? Can the same proposer raise the Alternative Solution? Would all the information about all potential solutions then form part of the Refinement and/or Modification Report consultations?	We would expect the Panel (or CSC) to agree to an amended timetable to allow the Alternative Solution to 'catch up' – to do otherwise without good reason would go against the relevant CACoP Principle. Alternative Solutions would ideally be flagged as early as possible, but do not need to be included from the beginning. Parties may need time to consider the issue and Proposed Solution before considering if there is any viable Alternative Solution. We would not expect the original Proposer to raise Alternative Solutions. If they supported another approach over their original solution, we'd expect them to adopt this as the Proposed Solution. Yes, all information on Alternative Solutions, including any considered and

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
				subsequently discarded, will be included in the same Modification Report as the Proposed Solution and consulted upon at the same time.
DCC	DCC	Yes	However, for an Alternative Solution to be accepted it must fulfil the criteria that it is actually an alternative solution being proposed that delivers the same outputs/outcomes and not a change to the Proposers outputs/ outcomes. If the above criteria are met, then the solution(s) needs to be raised with DCC's SP and Impact Assessed as quickly as possible to provide evidence that it is a viable option. It would be wise to get the Alternative Solution Proposal endorsed by TABASC before requesting a PIA. If the output/outcomes are different or compromised, then a new Modification needs to be raised. It might be necessary to propose that the current Modification is closed and replaced by the new Modification Allowing any SEC Party to raise an Alternative Solution rather than the Working Group enables for more efficiency in progressing the option by following the same principles as Proposer ownership. DCC also agrees that an Alternative Solution should not be used as a delaying tactic to progress the modification to decision and that the	We agree that any Alternative Solution must be shown to resolve the issue defined by the modification; if it does not, we would expect it to be raised under a separate modification. We will ensure all discussions on alternative options, including those not taken forward, are fully captured in the Modification Report.

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			CSC should be able to close down an Alternative Solution if necessary. DCC also expects that any Alternative Solution would be subject to the same Stage Gate Criteria and DCC Assessments for Alternative Solutions will be requested and subject to the same SLAs as the original Proposed Solution. As part of the Collaboration Design Review, DCC proposed that 'stop the clock' is introduced to enable the DCC and Service Providers to formally stop the time taken for Preliminary and Full Impact Assessments. This will only be permitted for specific and agreed reasons and must be accepted by SECAS. This approach could be used when Alternative Solutions are raised to ensure multiple solutions are assessed in parallel. DCC also expects that SECAS will also capture Alternatives Solutions discussed at Working Groups. For example, in SECMP67, additional motorways were an Alternative Solution considered at Working Group discussions. This should have been captured in the modification report and majority agreement to discount as option should have also been captured in the modification report.	

Question 10: Do you have any comments on the proposed enhancements to delivering DCC Assessments?

Question 10			
Respondent	**Category**	**Comments**	**SECAS Response**
EDF	Large Supplier	We fully support the introduction of more collaboration with the DCC. We also agree that the introduction of fixed cost IA is a sensible progression. The timescales for the PIA at 25 working days is far too long and the quality of the estimate in a PIA is very poor. What is the barrier to DCC achieving a PIA within the 15 working days and what is the point of adding more time into the process? The main value of a PIA seems to be getting the estimated cost of an IA – which is then far too high in proportion to the cost of a change; in many cases up to 10% of the development cost.	
Northern Powergrid Metering Limited	Other SEC Party	The changes proposed are positive, NPML looks forward to seeing the DCC delivering on the proposals.	
OVO	Large Supplier	It is disappointing that the recommendation is to allow more time for DCC to provide a Preliminary Assessment although the recommended changes to the process should make this of more value. We would like to understand the criteria to be used to 'stop the clock' and how this will be managed and monitored. How long will the 'clock' be stopped for and under what circumstances? We would not expect this to be used because a DCC Service Provider is not providing the information asked	

Question 10			
Respondent	**Category**	**Comments**	**SECAS Response**
		of them as we'd expect DCC to have the appropriate and adequate provisions in the agreements with them to provide them with responses in the timescales defined. Failures in that respect should not impeded the PA progression.	
Utilita Energy Limited	Large Supplier	We are supportive of any improvements in the DCC's communication with Service providers (SP) but it is unclear how it is different from the current approaches. Again, we would like to see SECAS improving on Project Management skills and managing the relationships and steps of the process all the way through. This includes ensuring SECAS have the data and info back from DCC re DCC SPs at the right time, and the right level of detail needed, to progress the mod appropriately. This could mean a quick response or could mean a detailed info pack. Regardless, SECAS should be accountable for eliciting pressure, obtaining action plans, taking any necessary remedial action, and proactively informing SEC Panel and SEC Parties. They should also make sure to make it clear when the DCC have failed to provide information within agreed timelines. This level of engagement should provide greater transparency into why and how delays occur in the SEC Process.	
Western Power Distribution	Network Party	We note that output from the DCC's Collaborative Design Review is still to be provided. We support greater collaboration with Service Providers and the idea of the Requirements Workshops sounds	

Question 10			
Respondent	**Category**	**Comments**	**SECAS Response**
		sensible. Are there going to be additional DCC costs associated with these meetings? Before we make comment on the idea of a fixed fee for Impact Assessments we would need to see a detailed review and proposal to ensure it offers good value for money. Who will monitor these costs? How will changes to these costs be agreed and signed off? The Preliminary Assessment is due within 15 Working Days (as per the SEC although the consultation states 10). The DCC has asked to extend this to 25 Working Days as it feels this is achievable, however the consultation then says the DCC design team has been under-resourced and more technical and project management support is being built into this team, which feels like a conflict message. SECMP0034 has already been through the SEC Modification process to agree timelines for DCC assessments and we don't believe that these need to be reviewed again. With regards to 'stop the clock', SECMP0034 included a process to enable ensuring enough and correct information was received before starting the impact assessment timeframe, what 'external input' is this referring to? Who will monitor and approve such 'stops'? Will they be reported on?	
DCC	DCC	DCC is also recommending that the SLA for delivering a Preliminary Assessment is increased to 25 Working Days, a target it believes it will be able to achieve. DCC have raised this with SECAS with a desire that this is explored with industry through the Section D Review.	

Question 10			
Respondent	**Category**	**Comments**	**SECAS Response**
		DCC believe there should be enough flexibility built in to delivering the Assessments so that DCC can work with SECAS on improving and evolve the process without the need to formally change Section D. SECAS need the authority to be able to tailor the process for individual Modifications as 'one size does not fit all.' For example, this could include allowing DCC to carry out a single stage process. (FIA only). 'Stopping-the-clock' would be especially useful on single-stage process so that clarifications could be gained halfway through the 40days. In this case a series of presentations and workshops could be carried out before SPs complete their response.	

Question 11: Do you agree with the proposals for streamlining the final Modification Report Consultation?

Question 11				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	Yes	More representatives attend Change Board than respond to the MRC, so it does beg the question, why is it always needed? Our preference is for Proposal A: The MRC could be made optional for any modification that undergoes the Refine Stage. Perhaps the amount of time allowed for an MRC could be reduced – especially where a change appears straightforward. There needs to be a clear rationale for issuing a consultation and it must be ensured that it will add value to the decision-making process – there is no point in issuing a refinement consultation just because the SEC says you must. Ultimately, the better quality the Refine stage, the easier the Modification Report phase will be.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	Proposal B is NPML's preference, this would show that every change proposed has the chance to be scrutinised by SEC Parties. Proposal A opens a route for a proposed solution to not be consulted on beyond the initial assessment of the problem.	

Question 11				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
OVO	Large Supplier	Yes	The MRC seems to add little value and adds time to the overall process as called out in the Consultation document. Although Proposal A seems favourable, there are elements under Proposal B, such as ensuring all comments raised are addressed and resolved that lead us to prefer this option more.	
Utilita Energy Limited	Large Supplier	It depends	It depends on the modification, A flexible approach is important to maintain to gather necessary industry feedback, but also to streamline where a modification has low impacting changes to SEC Parties or DCC Systems. The number of consultations sent to SEC Parties cannot easily be defined, SECAS should be empowered to program manage this process and decide the most practicable course for consultation, depending on the impact of change and the feedback already provided from Industry. A flexible approach should be maintained for any industry engagement as industry input is always important. Therefore, you cannot make a clear-cut opinion of when and what consultations should be sent to SEC Parties or not. As long as Modification Report Consultations remain optional for SEC Parties to respond, consultations should continue to be sent at the same level as currently done, or more often if necessary.	We agree a flexible approach to consultations should be adopted across the framework. This is especially so for larger modifications where additional information earlier in the framework would be beneficial to understanding the issue or developing an effective solution. We are closely monitoring the REC Portal and how this enhances input from Parties outside of formal meetings or consultations. We will learn from this and seek to adopt any beneficial changes under the SEC.

Question 11				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Using a more flexible approach should allow for SEC Parties to feed into SEC Modifications comments verbally and not just within the confinements of the Working Group, RFI, and formal Consultation responses.	
Western Power Distribution	Network Party	No	We agree that there could be streamlining, however, we don't feel that either proposal is completely suitable. Proposal A states that the Panel would direct an MRC could be skipped if it feels there is no benefit on re-consulting. However we feel that the Panel do not have enough input or knowledge on the Modifications to make an informed decision on this. Proposal B states that all proposals enter refinement and have an industry consultation ahead of the MRC, even if this consultation is all that is to be completed. Would the discussions in the Working Group to decide this not duplicate the conversation held at the CSC initially? Would it not be better for the CSC to decide if it should go straight to consultation and perhaps the MRC have a condition that if issues are raised in the response (rather than simple accept/reject responses), such as questions around clarity, guidance, legal text, etc. that the MRC is sent to a Working Group to address, rather than to Change Board for vote? Also we wonder if there should be a clear document recording all the questions asked throughout the process,	We clarify that option B is largely equivalent to moving the current MRC from the Opine Stage to the Refine Stage, and subsequently mandating that it be undertaken. However, your third approach also has merits, and we would be happy to explore this further. Any change to the MRC arrangements will require a modification, and so any approach can be worked up in more detail should this be taken further.

Question 11				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			either in response to an RFI or consultation or at a Working Group with details of either the response, or what section of the Modification Report now addresses that concern.	
DCC	DCC	Yes	Yes - especially if the Refinement stage is extended and Industry has more opportunity earlier in the process to provide feedback and raise their concerns. It will negate the need to carry out a lengthy detailed consultation at the end of process. DCC supports SECAS approach in streamlining the final MRC. DCC sees benefits to both proposals. Proposal A could save time where a report has had no material changes since the Refinement Consultation. However, DCC notes that costs are subject to change between the DCC PA and IA and this may have an impact. Whereas Proposal B could allow for material comments raised through consultation to be resolved prior to the finalisation of the Modification Report. However, DCC is unclear on who would decide that Working Group meetings are not required and to proceed straight to consultation. Whilst DCC occasionally responds to consultations, we think it would be more appropriate for SEC Parties to decide. We also support SECAS' approach to adding in a column that provides a clear response to any points or queries raised in the consultation. DCC would welcome	

Question 11				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			collaboration with SECAS to assist in responding to comments received.	

Question 12: Do you have any further views or comments on how the benefits case for a change can be better developed?

Question 12			
Respondent	**Category**	**Comments**	**SECAS Response**
EDF	Large Supplier	Every DCC impacted change is expensive. No change is done in isolation and there are many drivers to consider when calculating any costs of benefits; How do you identify costs if DUIS or SMETS are changed? Would we have to upgrade our systems and manage exceptions e.g. a dataflow? Would we be required to engage manufacturers of assets due to the update of a technical specification even though we may have no intention of using a capability in the near future? Then cost of cutting over to new versions of SMETS and GBCS. If everything is over a million then how useful is it? Equally, can we calculate any benefits? They are often soft consumer benefits that its hard to value irrespective of any ranges provided.	We acknowledge that further work is needed to make these points clearer for Parties in our reports. We will be working to enhance these parts of the Modification Report, and will take these questions into account as part of this.
Northern Powergrid Metering Limited	Other SEC Party	NPML does not currently hold views on how the case for change can be further developed.	
OVO	Large Supplier	Improvement in enhancing the processes for establishing a clear benefits case are welcomed but the over arching ability for any DCC impacting change to be quantified up front still needs sorting out and tackling. The need for a clear and tangible reason for change is needed	The enhancements to the Define Stage will help to draw out the need for change up-front in the framework.

Question 12			
Respondent	**Category**	**Comments**	**SECAS Response**
		up front and, due to the complexity of the SMiP, it is not always possible, especially when some changes may be in areas subject to needing a DCC Service Provider to input. The added steps and involvement of workshops should improve this. There are also changes driven down the SEC Mod route that means some are to fix issues and defects and these are not simple to establish a benefits case when they are to make it work as intended. It is then on the Proposer to justify and quantify that.	
Utilita Energy Limited	Large Supplier	Any means for collecting a robust benefit case within the modification process is important. But in developing the business case for change, SECAS needs to fairly represent how much the Industry responses (both in RFIs and consultation cost scaling) weighs against the overall customer benefit to best influence the direction of a modification. It is up to SECAS as acting program managers to help provide impartial views of the consultation responses and observations about the benefits case. It's important to keep in mind that every SEC Party operates differently and therefore will have cost differences in how they implement change. It is therefore imperative that SECAS clearly defines the information available to parties and the relevant consultation questions to ensure a robust cost assessment can be undertaken by each organisation. It is also critical that where cost estimates are provided by SEC Parties, detailed evidence is also provided to validate the impact assessment undertaken by a Party and to gain a reliable insight of the cost drivers of each Modification.	We acknowledge your points around ensuring Party costs and impacts are more fairly represented, and will continue to ensure we draw this out in our assessments. We will review if our consultation questions can be enhanced to help with this, and follow-up with respondents where needed, but we are ultimately dependent on Parties providing this information to feed into assessment.

Question 12			
Respondent	**Category**	**Comments**	**SECAS Response**
Western Power Distribution	Network Party	We believe that in order to build the benefits case we need clear and more accurate costs from the DCC, therefore, should the DCC provide a standalone implementation cost as per Ofgem's requirements and a cost for a targeted SEC Release? We support the other recommendations in the consultation.	
DCC	DCC	DCC agrees with the approach as set out in the consultation document. We have also provided input to the business case through the DCC PAs and IAs and will continue to do so where possible. It would be good if SECAS developed a standard set of benefits which were considered every time. This will ensure a consistent approach for calculating benefits cases, DCC have proposed some principles which could be used as follows: • **Recurring benefit timeframes** – benefits of a recurring nature • **People cost savings** – benefits associated with headcount savings • **Capital cost savings** – includes equipment, premises etc. no longer needed • **Revenue protection** – increases/protects revenue • **Cost avoidance** – e.g. cost of work arounds	We agree that standardising the assessment to provide consistency will provide benefits, and we will take this suggestion into consideration.

Question 13: Do you believe the mechanism for developing parts of the low-level detail in the legal text post-decision should be taken forward?

Question 13				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	No	We need to try to get the legal text right first time. We question how many people actually read legal text prior to making a decision? We should be aiming to get stuff done for decision but if that is not possible then we should be able to easily fix it.	
Northern Powergrid Metering Limited	Other SEC Party	No	The fast track modification for correcting typographical errors was designed to look at issues that may have been missed. However without seeing what is editable under this change it is hard to identify whether or not this is something that could lead to misunderstanding that may need more than the fast track modification to fix as it has changed the legal context. Whilst not time effective, scrutinising the legal text prior to the decision ensures that what has changed is what Parties actually want.	
OVO	Large Supplier	Yes	We can see the reason for doing this and support it being done, but ONLY under specific instances for MINOR changes not affecting the solution already agreed and where it is the right thing to do to ensure timely delivery. It should be closely monitored and manged and not become a route to bypass the processes.	

Question 13				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita Energy Limited	Large Supplier	No	Similar to our response in the November SEC Section D review, Modifications should not need amending after the final decision, as we expect SECAS to have examined the legal text carefully, before reaching Change Board for a final decision. We welcome DCC's assurance to make sure the legal text (including schemas) are fully developed before the vote. SECAS should continue to program manage each modification through peer reviews to ensure no typographical errors occur and legal text represents the intent. Where there is a need to correct non-material minor errors after the final decision, we agree that the Fast-Track Modification process should be sufficient.	We are already enhancing our legal text review processes. We will also be providing opportunity for relevant Sub-Committees to review legal text where we have agreed to engage them on a modification.
Western Power Distribution	Network Party	No	We are still against the idea of legal text changing after approval. We would expect the DCC to know what changes are required when they conduct the full impact assessment. Changes to legal text could be further reaching than anticipated and impact others and also change costs without thorough scrutiny.	
DCC	DCC	Yes	Yes – provided that this has no impact on the agreed final solution. As highlighted in the consultation document, DCC Service Providers may not have enough time in their Impact Assessment SLA to deliver the fully detailed legal text, for example schema changes, up-front. Additional clarifications may also be identified as the DCC enters the	

Question 13				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			detailed design and build phases of implementation, which may require changes to the legal text following approval of a modification. Whilst DCC can confirm it would endeavour to ensure all details, including schema changes, are developed prior to the Change Board's vote on a modification there are still possibilities changes would be required retrospectively. DCC therefore considers that SECAS' proposal is a more efficient and effective way to make such changes, whilst allowing for appropriate industry engagement.	

Question 14: Do you believe the dates for the scheduled SEC Release should be revised?

Question 14				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
EDF	Large Supplier	No	Release dates should remain aligned with the other Codes.	
Northern Powergrid Metering Limited	Other SEC Party	Yes	Where a change can be implemented sooner by affected Parties there should be the option to change the SEC wording to reflect this, instead of waiting for the next scheduled release.	
OVO	Large Supplier	Yes	We agree with the work set out in the Consultation document and the reason for the changes. The overall SEC Release and implementation strategy needs reviewing and it will be good to see the outcome of the work being carried out. Alignment with other Codes is favourable from a system change perspective but it does need to factor the change itself and if it needs to align. It should not be aligned for the sake of alignment over being able to deliver earlier. It should be flexible and pragmatic.	
Utilita Energy Limited	Large Supplier	No	Changing implementation dates post-decision should be a last resort, SECAS should do their utmost to allow appropriate lead time in preparation for each vote outcome – these need to be realistic but not overly long. Recently, Change Board members have had to make decisions based on SEC change release dates. All modifications should be allowed the room for deferring the	

Question 14				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			vote without implementation dates hanging in the balance for this deferral. This is where we expect to see SECAS project management work effectively to prevent these issues from arising again. Where an implementation date change is needed SECAS should enable the use of a Fast-Track Modification to swiftly progress and change to an implementation date under clear governance.	
Western Power Distribution	Network Party	Yes	The example given relates to an IRP modification which we don't feel should be used as a 'Business as Usual' process as IRPs are unique in their nature, are there other examples? It would be good to have an understanding of the REC change process to help ensure alignment between the two. We have seen issues with cross code management and releases, where other code implementation processes and dates are not considered and addressed fully. Due to Users not being required to uplift systems on the same day as a DCC Release we are minded to agree that a weekend release date is sensible, however we would still like releases to be in close proximity of other code releases.	We are engaging with our REC colleagues to learn lessons from each other's processes. We will review the REC's approach to releases and understand if there is anything we can beneficially adopt under the SEC.

Question 14				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
DCC	DCC	No	DCC considers that there is already appropriate flexibility via SEC Panel and Ofgem engagement on Releases i.e. June 2020 Release was released in May 2020. DCC also notes that there is flexibility with the possibility of ad-hoc Releases.	

Question 15: Do you have any further views or comments on SEC Release management?

Question 15			
Respondent	**Category**	**Comments**	**SECAS Response**
EDF	Large Supplier	No.	
Northern Powergrid Metering Limited	Other SEC Party	NPML has no further comments on release management.	
OVO	Large Supplier	All covered in Question 14.	
Utilita Energy Limited	Large Supplier	Please see our comments in Question 14	
Western Power Distribution	Network Party	Release Management and cross code changes need some serious consideration with a full understanding on how system components relate to each other to understand order of release if they are not simultaneous. For example SECMP077 has been approved for November 2021, however there is no MPRS change raised so as it stands, if the DCC try to send a new flag, it would, rightly, be rejected. However in this example, the release dates don't have to be simultaneous, however the MPRS change would need to have occurred first. The SEC release management needs to consider this going forward, especially in a world where the Smart DCC and CSS will be more closely reliant on each other.	
DCC	DCC	No.	

Question 16: Please provide any further comments you may have

Question 16			
Respondent	**Category**	**Comments**	**SECAS Response**
EDF	Large Supplier	The cost of SEC change is so high. The DCC costs barely touched by any benefits that can possible be achieved. This stifles innovation and even stops issue being resolved. Everything else is minor in comparison.	
Northern Powergrid Metering Limited	Other SEC Party	NPML has no further comments.	
OVO	Large Supplier	None that haven't been raised against the appropriate question.	
Utilita Energy Limited	Large Supplier	No further comments	
Western Power Distribution	Network Party	-	
DCC	DCC	Consultation treats non-system impacting and system impacting modifications in the same way. DCC considers it would be useful to illustrate different paths. Also, the modification reports should clearly capture agreements and decisions made at Working Groups. This was a major problem with SECMP67 reporting.	We note our diagrams were focused too much on DC System modifications, and will refine these in the final report.