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SEC Panel Meeting 42

Meeting SECP_42_1003, 10th March 2017

10:00 – 13:00, Gemserv, 8 Fenchurch Place, London, EC3M 4AJ

Final Minutes

Attendees:

Category	SEC Panel Members
SEC Panel Chair	Peter Davies
Large Suppliers	Simon Trivella
	Adam Carden (Teleconference)
Small Suppliers	Andrew Green
	Mike Gibson
Electricity Networks	David Lane
Gas Networks	Hilary Chapman
Other SEC Parties	Mike Woodhall
	Hugh Mullens
Consumer Member	Morgan Wild (Observer)
DCC	Paul Hawkins
	Carmen Strickland (Observer)
	Angus Flett (Part)
	Dave Broady (Part)
	Ian Marshall (Part)

Representing	Other Participants
BEIS (Secretary of State)	Duncan Stone
	Patrick De Nijs
Ofgem (the Authority)	Michael Walls
SSC Chair and SMKI PMA Chair	Gordon Hextall (part) (via teleconference)
Meeting Secretary	Mertcan Agir

SECAS	Sarah Gratte
	Jill Ashby
	Adam Lattimore
	David Barber
	Alys Garrett
	Selin Ergiden (Observer)
	Joana Esgalhado (Observer)

Apologies:

Category	SEC Panel Members
Large Suppliers	David Ross Scott
Small Suppliers	Eric Graham

1. Minutes and Actions Outstanding - SECP_42_1003_01

The minutes from the February 2017 Panel meeting were approved via ex-committee decision, noting that suggested changes were included in the final minutes.

SECAS provided the Panel with an update on the Actions Outstanding from previous meetings, noting that the majority of the actions had been closed, with the outstanding actions on target for completion and/or updates to be provided under respective agenda items. A brief update was provided on the following action:

Action reference	Update
SECP40/07	The Panel were informed that a workshop for the User Testing Principles has been scheduled on 21 st March 2017 which will include discussions with the Testing Advisory Group (TAG) and Technical Architecture and Business Architecture Sub-Committee (TABASC). A further update will be provided at the April Panel meeting.

2. Angus Flett (New Managing Director) Introduction and Welcome

Angus Flett introduced himself to the Panel as the new DCC Managing Director. He provided an overview of his background and his initial thoughts on the current capability of the DCC and what is required moving forwards to support the industry. He discussed the changes that are required to enable the DCC to improve the quality and stability of service, whilst managing changes to requirements in an efficient manner.

A Panel Member raised concerns around the ongoing delay for Impact Assessments (IAs), the progress of a number of Modifications, and Change Requests (CRs) which has led to consequential costs and has had an effect on the relationship between the Panel and the DCC. Angus Flett highlighted that the ongoing focus on the DCC's supply chain structure will improve the quality of service in handling the demands and will offer consistency to industry.

A Panel Member asked for his thoughts on SMETS1 enrolment and the work ongoing by the DCC to support this. It was highlighted that the DCC will aim to find the balance of undertaking its SEC requirements as well as providing the solution that adds most value to the industry. The new DCC CEO highlighted that he aimed to take forward lessons learnt from SMETS1 into SMETS2. The Panel were informed that the DCC is also currently co-operating with Ofgem as part of the Faster Switching Programme.

The Panel raised a query on the ongoing issues with the ordering and delivery of Communications Hubs. Angus Flett highlighted that this was an area of focus and solutions to the issues are currently being considered.

The Panel thanked Angus for his introduction and thoughts on DCC matters.

3. Release 1.3 Maintenance Duration - SECP_42_1003_03

Ian Marshall (DCC) provided the Panel with an overview of the maintenance requirements for the uplift of new Release 1.3 functionality into the test environment. The DCC informed the Panel that the major update from Release 1.2 (R1.2) to R1.3 will not be achievable within the standard timeframes and requested the Panel's approval of the maintenance timetable for R1.3.

The DCC noted that this will include:

- Planned Maintenance of a 10-day outage in the testing environment from 8pm on Sunday 26th March 2017; and
- Planned Maintenance of 60 hours in the production environment between 18:00 Sunday 26th March 2017 and 06:00 on Wednesday 29th March 2017. The Panel were informed that any changes to the specific dates provided will be brought back to the Panel for consideration.

The Panel raised concern regarding the length of the outage window required for the release and whether it is envisaged that a similar outage window would be required for all releases going forward. It was noted that this could have a big impact on Users and consumers. The DCC highlighted that the length of the window required was due to the size complexity of Release 1.3 which affects all DCC Systems. It was further highlighted that they recognise this as a concern for enduring releases and that solutions would be identified to ensure minimum disruption. For example, release code could be fragmented and uplifted requiring smaller outage periods. The Panel also mentioned the potential for the Disaster Recovery back-up sites to be utilised during periods of outage.

The Panel agreed the proposed outage windows and noted that any change to these timescales should be brought back to the Panel for further approval.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that the DCC may undertake the proposed Planned Maintenance as set out in the paper required to uplift R1.3.

4. SMKI Disaster Recovery Exercise - Additional Maintenance - SECP_42_1003_04

Dave Broady (DCC) presented the Panel with a paper to request additional maintenance outages in relation to the Smart Metering Key Infrastructure (SMKI) failover test. The Panel were informed that to

improve failover performance, the DCC are automating a number of routines which were previously manual tasks. This replacement requires a period of Planned Maintenance. The Panel were informed of the DCC proposal to undertake the Planned Maintenance between 09:00 and 23:00 on 25th March 2017, resulting in a 14 hour outage period in the production environment.

The SMKI Policy Management Authority (PMA) Chair noted that the proposal seemed sensible and had been discussed by the SMKI PMA. The Panel approved the Planned Maintenance proposal, and noted that SMKI related topics should be progressed through the SMKI PMA before they are referred to the Panel.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** that the DCC may undertake the proposed Planned Maintenance required to improve SMKI failover performance.

5. Security Process Update - SECP_42_1003_05

The Security Sub-Committee (SSC) Chair was invited to the Panel to provide an overview of the process followed by the SSC for the Parties' User Security Assessments in accordance with SEC Section G, due to previous discussions on the process being onerous.

The SSC Chair highlighted that the User Security Assessment Process has been followed as set out within Section G, with the assessment covering Parties' compliance with the requirements set out in Sections G3 – G6. It was noted that where the User Competent Independent Organisation (CIO) are required to make an interpretation of the obligations, they would bring any areas of ambiguity to the SSC for them to decide. In order that all assessments are carried out in the same manner, a set of Agreed Interpretations had been developed and provided as an appendix to the Security Controls Framework (SCF) to allow visibility to Parties.

The SSC Chair also highlighted that the Large Supplier user mandate is on 25th May 2017 with several parties still required to undertake further actions as part of the Security Assessment process prior to the mandate. It was noted that there may be additional SSC meetings to support the relevant Parties in meeting the mandate and the Panel may also be required to hold a meeting (via teleconference) outside of their normal meeting schedule.

The Panel also discussed the Small Supplier user mandate and steps that should be taken to ensure the Panel and SECAS can support Parties getting through the security assessment process in the time available. SECAS noted that a Request For Information (RFI) had been issued to the Small Suppliers as discussed at the February Panel meeting. However this only requested timelines of when Parties were thinking of undertaking their assessment. SECAS noted that they would follow up with respondents to ensure they were aware of the formal booking process.

The Panel discussed action they could take to ensure all Small Suppliers were aware of the user mandate and the processes that had to be completed by that date as part of DCC User Entry. They requested that SECAS draft a letter on the Panel's behalf, to send out to all Small Suppliers setting out the Licence Condition and SEC requirements regarding the user mandate and User Entry Process with a specific emphasis on the timescales of undertaking a security assessment. Ofgem stated that it will provide input to the letter prior to circulation. SECAS further indicated that they are holding ongoing discussions with the User Competent Independent Organisation (CIO) to ensure they have the necessary capacity to support Parties with meeting the necessary mandates. Following a query raised around the timing of the User Security Assessments, the Panel were informed that the process

takes on average 20 weeks and Small Suppliers are advised to arrange an assessment with the User CIO by 4th July 2017. It was also noted that the use of Shared Service Providers may speed up the process, due to the ability to place a certain amount of reliance on previous assessments, however Small Suppliers should be aware that the requirements still sit with them.

The Panel **NOTED** the contents of the update.

ACTION SECP42/01: SECAS to draft a letter to ensure that all Small Suppliers are aware of their obligations.

6. Draft Budget 2017 – 2020 Consultation Responses - SECP_42_1003_06

The Panel were presented with the responses received from the Draft Budget Consultation 2017 – 2020 that closed on Tuesday 14th February 2017. The two responses from Large Suppliers were included within the paper alongside initial SECAS comments on each of the areas raised. The paper highlighted specific areas of consideration for the Panel along with discussions and outcomes set out below.

Effectiveness of the End-to-End Technical Architecture Review

SECAS highlighted the proposal to reduce the provision for the Effectiveness Review of the End-to-End (E2E) Technical Architecture from £560,000 to £100,000. This was due to the Technical Architecture and Business Architecture Sub-Committee (TABASC) agreeing a revised approach after the initial drafting of the budget. The Panel agreed to the revised provision of £100,000 to cover technical expertise to analyse the results from the first questionnaire stage of the review and to cover any potential procurement required for the detailed second stage of the review.

Sub-Committee Expenses

The Panel considered reducing the provision for Sub-Committee Expenses based on the consultation comments provided. SECAS clarified that the current provision of £60,000 was based on £1,000 per meeting. It was agreed to halve the provision to £30,000, based on the number of Sub-Committee expense claims submitted to date.

Contingency

The Panel discussed the feedback received on whether to reduce the 10% contingency provision to 5%. The Panel discussed how further cost would be recovered if the Panel were to exceed the budget within the year. It was noted that the costs being recovered through the DCC would be based on the DCC Charging Statement for 2017/2018 which included the Draft Budget figure as of December 2016, due to the publication timings required by the SEC. Unless additional funds were required above the December 2016 figure, no change to the costs recovered from Parties would be required within the year. Following this clarification, the Panel agreed for the contingency provision to be reduced to 5%. However, it was noted that when the budget consultation responses and revised budget are issued, it should be highlighted that the changes to the budget would not be reflected in the DCC's Charging Statement.

Smarter Markets

The Panel discussed the provision for the Smarter Markets support to Ofgem. It was highlighted that due to the decision from Ofgem to move away from using Casewise as the modelling tool to support the Detailed Level Specification (DLS) stage of the programme, the modelling resource support

initially set out in the Draft Budget should be removed. It was highlighted that a budget provision would still be required to cover the expert support provided to the programme including industry and regulatory expertise. It is envisaged that this support would be front-loaded with a high level of effort required over the next 20 weeks. The Panel agreed for a reduction in the Smarter Markets project provision from £480,000 to £350,000.

In addition to the areas considered above, the Panel agreed that the response to comment reference 5 should include further detail on the additional activities undertaken by the Independent Chairs in support of the relevant Sub-Committees.

The Panel discussed the timing of setting the budget and whether it could be aligned with when the DCC issue their Charging Statement. It was noted that the SEC requirement states that the Panel should consult on the Draft Budget in January of each year. It was also noted that the earlier the budgets are finalised, the less certainty they hold.

The Panel:

- **NOTED** the contents of the paper; and
- **APPROVED** the following amendments prior to publication on 13th March 2017:
 - A reduction in the Sub-Committee Expenses provision based on drawdown to date;
 - A reduction in the Project line for the Review of the Effectiveness of the E2E Technical Architecture, due to a change in approach and timescales to undertake the review agreed by the TABASC;
 - A reduction in the Smarter Markets modelling resource provision due to an Ofgem decision to move away from using Casewise as the modelling tool for the programme; and
 - A contingency provision of 5% instead of 10%.

7. SEC Panel Risk and Issue Register Update - SECP_42_1003_07

The Panel were provided with a monthly update on Panel risks and their associated ratings. SECAS highlighted a new risk had been raised following the Testing Advisory Group (TAG) considerations of the decision-making activities required for R1.3.

SECAS highlighted that this new risk (Risk 30) raised by TAG had been split into three parts including the following:

- 30(a): unchanged Systems Integration Testing Approach (SITA) between R1.2 and R1.3.;
- 30(b): emulator assurance; and
- 30(c): sufficient confidence in the capabilities of DCC devices.

The Panel were informed that similar concerns were highlighted across transitional groups, and noted further details relating to the Systems Integration Testing (SIT) progress and general testing activities can be found under SECP_42_1003_21. The Panel were also informed that trilateral discussions were continuing between SECAS, BEIS and the DCC, to discuss these risk areas.

The Panel discussed each of the risk areas and the mitigations that were in place. With regard to the SITA, the Panel discussed the scope of R1.3 and whether the document remained appropriate. SECAS noted that a key area of concern was regarding the defect threshold which has not changed from R1.2 to R1.3. BEIS noted that the exit criteria set out in the SITA were generic and noted the Panel and the TAG should assess against the criteria taking into account the context of the release. It

was noted that the DCC had been directed to set out a SEC Variation Testing Approach Document (SVTAD) for Release 2.0.

SECAS also highlighted that regarding Risk 30(b), the TAG would not accept the emulator specification as sufficient assurance and the DCC and BEIS had both been made aware of this. It was noted that the DCC had not yet provided confirmation that they would be able to provide an assurance report.

The Panel discussed the End-to-End Entry Criteria that they will require to decide on and raised concern over the development process. The Panel noted that they would be assessing against criteria that they had not developed or agreed. SECAS highlighted to the Panel that the TAG would, as part of their considerations, look at whether the E2E Testing Environment is usable.

The Panel discussed the DCC Live Services Criteria Report that will be provided to the BEIS as part of its live decision making process. BEIS indicated that the assessment against the live criteria should provide comfort to Users that the necessary level of assurance is available that R1.3 is ready to go live. It was noted that there is no formal route for the Panel to feed comments to BEIS on the assessment criteria report. However if there were areas of concern raised by the TAG and/or Panel these should be taken into consideration by BEIS.

Following further discussions around the TAG's observations and concerns, the Panel agreed for the amendments to be made to the SEC Panel Risk Register and SEC Panel Issues Log.

The Panel:

- **NOTED** the contents of the paper; and
- **AGREED** the amendments to the SEC Panel Risk Register and SEC Panel Issues Log.

8. Release Management Update - SECP_42_1003_08

The Panel were provided with an update on the development of the Panel's Release Management Policy. SECAS highlighted that following discussions at the panel and through other meetings, there has been a focus on the enduring Release Management. The paper covers five key principle areas that the Panel were requested to comment on to help inform the development of the documentation to aid the management of enduring releases.

SECAS advised the Panel that Modification Proposals SECMP0004, SECMP0008, and SECMP0011 contain some draft legal text to capture supporting provisions for the development of the Release Implementation Document, noting that the requirements would not take effect until the Modification Proposal were implemented in June 2018, if approved. Therefore there may be a need to make revisions to Section D10 of the SEC before then to support the Release Implementation Documentation. The Panel questioned the need to change Section D10, and whether the expanded release management documentation could not be included as part of the Panel Release Management Policy, in light of the provisions already contained in Section D10.3 and D10.4. SECAS advised that the need for the SEC to be amended to support the Release Implementation Document, was based on a steer from BEIS. The main driver being to ensure that the DCC was required to provide documentation on testing and to undertake enduring release testing. The DCC Member commented that the DCC is committed to engaging and providing release testing and associated documentation if they Panel requires it.

Based on these discussions the Panel agreed the principles set out in the paper and to proceed in the interim with including the necessary changes into the Panel Release Management Policy, until it

becomes apparent that changes to the SEC are required. The Panel also reiterated its agreement to use Release 1.4 (the November 2017 Release) as a working example of what will be included in the release documentation. The Panel also agreed to utilise the TAG to aid the formation of any testing documentation for Release 1.4, noting that the Terms of Reference will need to be reviewed and updated to cover this involvement.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** the release implementation principles; and
- **AGREED** to utilise the TAG to review testing approach documentation for the November 2017 Release.

9. **Modification and Release Management Thought Piece Update - SECP_42_1003_09**

The Panel were provided with an update on the progress of the agreed action areas previously considered from the Modification and Release Management Thought Piece at the August 2016 SEC Panel meeting.

Action Area 3 – Additional Initial Consideration Powers

The Panel were advised of the circumstances, per SEC Section D3.8, when they can refuse a Modification Proposal. However, there may be instances where a modification does not meet the criteria to be refused while at the same time not being viable as pointed out by Sub-Committees or if it seeks to change prior SMIP Policy decisions. The ability to pause or stop a change may be beneficial in certain circumstances to ensure that industry's time and effort is not spent fully developing a modification that is likely to be rejected.

A Panel Member queried the timing of modifications and the gap between the same Modification Proposal being resubmitted. SECAS clarified that a Party may raise the same modification again after two months of a previous decision.

The Panel agreed that there may be a benefit in such a mechanism that could be applied at various points in the modification process, not solely when the Panel considers the Initial Modification Report. The Panel discussed which body should be authorised to pause or suspend the process. The Change Board was suggested. However, a Panel Member observed that this may be difficult due to the role of the Change Board which is to vote on fully developed Modification Proposals. Another Panel Member expressed a view that the Panel should make the decision in these instances, subject to appropriate appeal routes. The Panel queried whether such a mechanism existed under any other Industry Codes. The Ofgem representative and a Panel Member confirmed that no such provisions existed. However there are provisions in the Uniform Network Code (UNC) to seek provisional thinking from the Authority on modifications.

The Panel agreed to seek views from the Department for Business, Energy and Industrial Strategy (BEIS) and Ofgem on this matter. This aims to inform whether additional steps and provisions should be included into the SEC to pause or stop changes that have not gone through the entire Modification Process. If the changes were to be taken forward, they would go through the Modification Process as set out currently within the SEC.

Action Area 11 – DCC Timescales for Analysis

SECAS updated the Panel on further considerations around amending the SEC provisions on the DCC's analysis of Modification Proposals, in light of the DCC not meeting expected timescales. The Panel were informed of the potential approaches that could be taken to amend the SEC including recognition of the DCC two-step process of a Preliminary Assessment (PA) and Impact Assessment (IA) (together 'DCC assessments'). The DCC Member highlighted that the DCC continues to look at improving the timeliness of PAs by potentially removing the DCC Service Providers from the PA stage on the basis that there is sufficient knowledge within the DCC to be able to provide a Rough order of Magnitude assessment within the PA.

The Panel agreed that a draft Modification Proposal should be prepared for a SEC Party to raise.

Action Area 12 - Provisional Thinking – 'pause point'

In light of the discussions on Action Area 3 and the agreement to seek provisional thinking from BEIS and Ofgem, the Panel agreed that the considerations under Action Area 12 should also be factored in.

The Panel:

- **NOTED** the contents of the paper;
- **AGREED** that Action Area 11 should be progressed further and a draft Modification Proposal be prepared for an interested SEC Party to raise; and
- **AGREED** to seek provisional thinking for Action Areas 3 and 12 from BEIS and Ofgem based on the Panel discussions.

10. R1.3 Governance Approach - SECP_42_1003_ 10

SECAS presented the Panel with the meeting dates required for the governance approach for R1.3. This included the potential extraordinary SEC Panel meeting via teleconference on 7th April 2017 to make a determination on SIT exit following the TAG meetings to be held on 30th & 31st March 2017. The SIT Auditor would attend the TAG meeting to provide input and support the discussions. It was noted that the DCC would continue the uplift to the E2E environment at risk whilst the governance activities were taking place.

The E2E environment is expected to be available on 6th April 2017. TAG will meet on 12th April 2017 to provide a recommendation to the Panel on the entry criteria. It was noted that a Testing Development and Execution Group (TDEG) meeting is scheduled to take place on 18th April 2017 which will allow any further discussions / clarifications to take place before the next Panel meeting on 21st April 2017.

SECAS agreed to send out placeholder invitations for the relevant meetings, noting that the timescales were based on the DCC submitting the relevant documentation on 27th March 2017 as planned.

The Panel **NOTED** the contents of the update.

11. SEC Modifications – DCC Assessments - SECP_42_1003_11

The DCC provided the Panel with an update on the progress with the production of PAs and IAs for SEC Modification Proposals currently in the Refinement Process.

The Panel were informed that the DCC were currently developing a list of all impact assessments ongoing by the DCC including for Modification Proposals and any other change routes, as requested by the TABASC. This would aim to provide transparency on the changes going through the DCC.

The Panel **NOTED** the contents of the paper.

12. Modification Status Report – March 2017- SECP_42_1003_12

The Panel were provided with an update on the status and progress of Modification Proposals going through the Modification Process.

SECAS highlighted that SECMP0026 “Changes to the Security Sub-Committee Nomination Process” was approved by the Change Board on 22nd February 2017, and will be implemented on 15th March 2017. The Panel were also informed that following the feedback received from the Panel, SECAS have included a narrative to highlight any changes to the Release Contents in Section 4 of the Modification Status Report.

The Panel **NOTED** the contents of the paper.

13. Modification Proposals – Initial Modification Reports - SECP_42_1003_13

SECMP0031: Adding UTRN Functionality to SMETS

SECAS informed the Panel that SECMP0031 was raised by Utilita and seeks to introduce wider Unique Transaction Reference Number (UTRN) functionality into SMETS2 meters that is currently available in some SMETS1 meters.

The Panel were advised that as part of the critical friend feedback, it was suggested that the Proposer discuss the modification with the Security Sub-Committee before submission. This took place prior to submission, with the feedback and commentary provided as part of the Critical Friend review and SSC discussions were captured in the IMR.

The Panel discussed that the focus of this modification looked at areas that were previously considered and ruled out as part of concluded Smart Metering Implementation Programme (SMIP) policy, which underwent consultation. The Panel were concerned that the SSC and Critical Friend feedback by SECAS highlighted several concerns that were not given due consideration prior to formal submission of the Modification proposal, notwithstanding that acceptance of such feedback is up to the Proposer.

The Panel also commented that the Modification Proposal indicated that all SMETS1 meters have the Unique Transaction Reference Number (UTRN) functionality that the Proposer is looking to apply to SMETS2 metering, which is not necessarily the case. The Consumer representative raised concerns that the assertion in the Modification Proposal that consumers will be comfortable with entering long UTRN numbers will not be the case. The Consumer representative also noted that entering a long number would likely be detrimental to Consumer experience of using Smart Meters. In addition, the Modification Proposal could bring in material cost implications that will have limited consumer benefit. Finally, concerns were raised that the Modification Proposal is unlikely to reverse the previous policy position and that it has raised no new evidence or further considerations than those available at the time of the Government conclusion on the matter. This may in turn mean that a lot of time and effort could be invested in refining and developing the modification, with the outcome being the same.

SECMP0032: Prioritising Prepayment Customers in no WAN Situations

SECAS informed the Panel that SECMP0032 was raised by Utilita and seeks to prioritise the establishment of WAN in no Smart Meter (SM) Wide Area Network (WAN) situations, when an area has one or more prepayment customers within it. The modification seeks to reduce the timescale for establishing coverage in a no SM WAN situation, from 90 days to 30 days in the case of prepayment customers. It was noted that the proposal would need to bring in a process whereby suppliers notified the DCC when an area had one or more prepayment customers to help inform the prioritisation of resolving the no SM WAN coverage as per the proposed timescale reduction.

The Panel commented that while the focus of the Modification Proposal is on prepayment customers, in no SM WAN areas, the effect of the Modification Proposal will impact the whole of Great Britain as prepayment mode on a smart meter can be deployed in any geographical location. As a result, the Panel believed that the impacts of such a change are more significant than initially indicated by the Proposer.

The DCC Member highlighted that the current 90 day timescales for resolving no SM WAN coverage situations was set and developed over a long period involving contractual negotiations between DECC (now BEIS) and the DCC Communications Service Providers. The Panel noted that while the Modification Proposal is seeking to reduce the timescale to 30 days, considerable time and effort would be needed to refine the modification in order to identify if such change was achievable. No new information was included in the Modification Proposal to indicate that the timescale can be practically reduced.

A Panel member commented that guidance has been produced around Install and Leave in different no SM WAN situations, which has been developed through transitional governance. The Modification Proposal could go against the approaches agreed as part of the development of this guidance.

Panel Decision on SECMP0031 and SECMP0032

Following the discussion of the concerns and observations on both SECMP0031 and SECMP0032 it was noted that the Panel's powers to refuse a Modification Proposal, set out in Section D3.8, cannot be applied to these two Modification Proposals and therefore both would need to proceed into the Modification Process.

However, due to the nature of the changes, and the current Secretary of State transitional powers set out in Section X2.3(d), the Panel agreed to seek input from BEIS on how these two Modification Proposals should proceed. Therefore, the Panel agreed to request BEIS to consider these two Modification Proposals alongside the observations made by the Panel and advise on whether the transitional powers set out in Section X2.3(d) are likely to be utilised by the Secretary of State to cancel or suspend either or both Modification Proposals.

SECMP0033: Update to CH Handover Supporting Materials

SECAS informed the Panel this Modification Proposal has been raised by the DCC, and seeks to align the Communications Hub (CH) Handover Support Materials document with the implemented DCC Solution. The Panel were informed the proposal also covers and contains draft legal text to bring the SEC in line with current DCC process relating to Service Management Service Requests when dealing with no SM WAN coverage requests, through the introduction of clearer definitions with Section A.

Panel Decision

Following consideration, the Panel agreed with the recommendations set out in Section 6 of the Initial Modification Report in that it should proceed to Modification Report Consultation and confirmed for SECMP0033 to be progressed as Path 3 – Self Governance.

The Panel:

- **NOTED** the contents of the paper;
- **APPROVED** the determinations for the Modification Proposals, as set out in the IMRs for SECMP0033; and
- **AGREED** for SECMP0031 and SECMP0032 to be referred to BEIS for consideration on whether the transitional provisions in SEC Section X 2.3 (d) should be applied.

ACTION SECP42/02: SECAS to draft a letter on behalf of the Panel for BEIS to consider utilisation of Section X2.3(d) in regards to SECMP0031 and SECMP0032.

14. Modification Proposals – Draft Modification Reports - SECP_42_1003_14

SECAS provided the Panel with presentation slides for the consideration of the Draft Modification Reports (DMRs) as listed below. The Panel were informed that SECMP0004, SECMP0008 and SECMP0011 were previously sent back by the Panel in December 2016 requesting addition details on the DCC cost granularity, greater detail on User testing and an enhance case for change, which has now been included in the three DMRs.

SECMP0004 – Inclusion of Device Serial Number data item in the Smart Metering Inventory

The Panel were informed that the legacy systems rely on serial numbers as the unique asset identifier Meter Serial Number (MSN), the Smart Metering Inventory (SMI) uniquely recognises each Gas and Electricity Smart Meter by its Globally Unique Identifier (GUID). It was noted to ensure that the correct data is used during a Change of Supplier (CoS) event, the mapping of the Device Serial Number (DSN) for meters and the GUID is required. The proposed solution for SECMP0004 will include the Device Serial DSN in the SMI and bring in associated changes to the relevant Service Requests that would pre-notify, update and read the SMI.

Following a query, the Panel were informed that the timetable for obtaining a decision from the Authority of approximately 25 Working Days was taken into account in the timetable set out in the Modification Report. SECAS confirmed that the 30 WDs was factored in, and the BEIS representative indicated that they should be able to provide a decision in the same time an Ofgem decision would take.

The Panel agreed with the recommendations set out in the paper and confirmed the DMR to proceed to Modification Report Consultation.

SECMP0008 – Provision of a DCC Alert (formerly Service Request Error Response) for Quarantined Service Requests

SECAS presented the Panel that the change was proposed for the Modification Proposal, as with the current mechanism Service Requests and Signed Pre-commands are quarantined when an Anomaly Detection Threshold (ADT) has been exceeded. Further challenges were highlighted including the

possibility of excessive network traffic that may lead to network availability problems and Users may face an increase in operating costs given the service management function to manage e-mails.

The Panel were informed that the proposed solution would create three new DCC Alerts including User Threshold Breach a DCC Alert. For this, once a specific ADT is exceeded, Users will be notified by the DCC via the DCC User Interface. SECAS provided further clarification that this Draft Modification Report proposes an additional DCC Alert functionality and not a replacement to the existing system in place. The Panel were also informed that the Working Group (WG) Consultation will take place on 7th April 2017.

A Panel Member raised a query on the impact of SECMP0008. SECAS clarified that SECMP0004, SECMP0008 and SECMP0011 have an impact on the DCC User Interface Specification (DUIS) and does not impact the Technical Specifications.

The Panel were informed following the feedback received from the SSC and the WG, SECMP0008 does not have a material impact and, therefore, recommended that this DMR could be progressed as Path 3 – Self Governance Modification. However, the Panel agreed that due to the indication of implementation synergies with SECMP0004 and SECMP0011 that SECMP0008 should continue to progress as a Path 2 'Authority Determination' Modification Proposal.

The Panel then agreed the other recommendations set out in the paper and confirmed that SECMP0008 should be progressed to Modification Report Consultation.

SECMP0011 – Including the MAP ID in the Smart Metering Inventory

Before discussions took place, a Panel member – Hugh Mullens declared conflict of interest. SECAS highlighted that the proposed solution seeks to extend the scope of the Smart Metering Inventory by capturing the Meter Asset Provider (MAP) Identifier, in the SMI to help with asset tracking. The impact of the changes are similar to SECMP0004.

The Panel agreed the recommendations set out in the Paper and confirmed that SECMP0011 should proceed to Modification Report Consultation.

SECMP0021 – Increase the representation of the “Other SEC Party” category on the SSC and TABASC

The Panel were informed that SECMP0021 seeks to expand the existing membership for the SSC and TABASC membership by adding in the case of SSC and increasing (in the case of TABASC) the membership from the Other SEC Party category. In the case of the SSC it was noted that the changes would not replace the existing Other User Member seat.

The Proposed solution would add two Other SEC Party Member seats to the SSC, increase the number of Other SEC Party members on the TABASC from two to four and will add the TABASC membership structure to SEC Section F1 to be consistent with how the other SEC required Panel Sub-Committee membership structures are captured.

The Panel agreed with the recommendations set out in the Paper and confirmed that SECMP0021 should proceed to the Modification Report Consultation.

The Panel:

- **NOTED** the contents of the paper;
- **APPROVED** the determinations for the Modification Report Consultation, as set out in the DMRs for SECMP0004, SECMP0011, SECMP0021; and

- **AGREED** for SECMP0008 to continue to progress as a Path 2 'Authority Determination' Modification Proposal.

15. DCC Update - SECP_42_1003_15

The DCC presented the Panel with an operational update on the activities undertaken by the DCC since the last Panel meeting.

For R1.3, the DCC confirmed that progress remains on track, however noted that defect management is ongoing. The Panel were provided with the R1.4 plan on page which the DCC seeks to share with various forums. The Release delivery for R1.4 (Red, Amber, Green) status was set at green. SECAS also requested the DCC to keep the Panel updated on the dependency in the R1.4 plan for the testing environment to be made available for SIT Testing.

As a general update, the DCC is developing a detailed proposal to address the concerns raised by customers on the Communication Hubs, which will focus on the firmware to be delivered. The DCC are also hosting an independent Suppliers day on 30th March 2017 and will work co-operatively with SECAS to focus on the process independent suppliers must take to become a DCC User.

The DCC provided the Panel with an update from the Smart Meter Design Group (SMDG) meeting held on 9th March 2017, which provided an update on the progress of E2E Testing. This included the activity of User Entry Process Testing (UEPT) in the North, Central and South Regions. This update further focused on the open and closed defects across all three regions and stated a total of 275 E2E closed defects up to date. The DCC also informed the Panel that Testing with Meters continues to track towards completion in line with SIT completion.

Following a query into the Initial Enrolment Project Feasibility Report (IEPFR) the DCC confirmed that the report is due for submission to BEIS before the end of April 2017.

The Panel **NOTED** the contents of the update.

16. DCC Reporting - SECP_42_1003_16

The Panel were provided with a paper that includes any reports issued to the Panel from the DCC as required by the SEC. This also included the new report – DCC Responsible Communications Hubs Returns Report which will be released on a quarterly basis.

The Panel **NOTED** the contents of the paper.

17. BEIS Update - SECP_42_1003_17

BEIS presented the Panel with an update on their recent publications. This included the Smart Metering Energy Efficiency Advice Project (SMEEAP) and the Local Consumer Access Device (CAD) Pairing, which were published on 1st February 2017 and the 13th February 2017 respectively.

BEIS also highlighted the key upcoming publications. These included the Consultation on SEC changes required for R1.3 expected on 10th March 2017 and Government response to the further consultation on the DCC opt-out approximately for Q2 2017.

The Panel **NOTED** the contents of the update.

18. Operations Report – February 2017 - SECP_42_1003_18

The Panel were presented with the Operations Report for February 2017. The report provided an outline of the SECAS activities undertaken in support of the SEC. This included headlines from the Sub-Committee meetings held in the previous month and an update on configuration management of the SEC. The contents of the paper also included a breakdown of days by driver, product and grade, and provides commentary related to the activities undertaken by SECAS.

The Panel **NOTED** the contents of the paper.

19. Privacy Assessment Process - SECP_42_1003_19

The Panel were provided with an overview of the process which is expected to be utilised for the first time in Q2 2017 for the Privacy Assessment process. SECAS highlighted that lessons learnt from the Security Assessment Process will be applied to the Privacy Assessment process. This will include issuing an RFI to Parties in order to get a view of how many wish to become an 'Other User' for the upcoming 12 months, and to give the User CIO an indication of the level of resourcing and capacity required to manage the process of Privacy Assessments.

The Panel were also informed that SECAS have Privacy Experts within its Community of Experts that they can call upon to support the Panel through the Privacy Assessment process. SECAS highlighted that the process to be followed is demonstrated in Appendix A of the Paper.

The Panel **NOTED** the contents of the paper.

20. Smarter Markets Project Update - SECP_42_1003_20

SECAS provided the Panel with the monthly overview on activities undertaken in support of the Smarter Markets project. This included an update of ongoing efforts from the Regulatory Design Team (RDT) to prepare material for the planned Detail Level Specification (DLS) outputs.

The Panel **NOTED** the contents of the paper.

21. Testing Update - SECP_42_1003_21

SECAS presented the Panel with an overview of matters in relation to testing that have occurred within the last month. This included a focus on the DCC's weekly Systems Integration Testing (SIT) progress reports.

The Panel **NOTED** the contents of the paper.

22. Transitional Governance Update - SECP_42_1003_22

The Panel were provided with an update on the transition governance entities and other smart metering related meetings and workshops attended by SECAS and the Panel Chair in the last month.

The Panel **NOTED** the contents of the paper.

23. SEC Panel Activity Planner - SECP_42_1003_23

The Panel were provided with the SEC Activity Planner as a standing agenda item providing a high level overview of the forthcoming SEC Panel activities and a forward look at Panel agenda items for the next three months, based on the latest information available.

The Panel **NOTED** the contents of the two appendices to this paper.

24. SEC Party Update - SECP_42_1003_24

SECAS informed the Panel of the Parties who have officially completed the User Entry Process as described in SEC Section H1.10 and confirmation of Parties that have completed various testing activities as required by the SEC.

The Panel **NOTED** that the following organisations would be admitted as Parties to the SEC following countersignature of their Accession Agreement by the SECCo Board:

- Eversmart Energy Ltd (Small Supplier).
- Switched Energy Ltd (Other SEC Party); and
- Utility Distribution Networks Limited (Electricity Network Party).

The Panel **NOTED** the contents of the paper

25. Any Other Business (AOB)

A Panel Member informed the Panel that there has been ongoing effort in testing Project Nexus with the DCC and with current progress, derogations to the SEC may be required in relation to some obligations. However, further information would be provided to the Panel if required.

The Panel were also informed that Arik Dondi had attended the BSC Panel to provide an update on the Smarter Markets programme and that the Panel may wish to invite him a long to a future meeting. SECAS noted that they would include an agenda item at the April Panel meeting and send out the relevant invitations.

SECAS informed the Panel of a request from a Smart Metering Device Assurance Scheme (SMDA) Test House to be provided with a second range of EUI-64 Identifiers to support the testing regime. SECAS noted that the DCC were provided with two ranges for the same reason. The Panel **APPROVED** the issuance of the second range to the requesting Party.