Smart Energy Code

SEC
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Stage 02: Working Group Consultation Responses

What stage is this document in the process?

- 01 Initial Modification Report
- 02 Refinement Process
- 03 Report Phase
- 04 Final Modification Report

SECMP0051: Section D Review: Amendments to the Fast Track Modification process

About this document

This document contains the collated responses to the SECMP0050 Working Group Consultation (WGC). The Working Group will review these responses and consider them as part of the solution development for this modification.

If you would like any further information, or to discuss any questions you may have, please do not hesitate to contact Harry Jones on 020 7081 3345 or email SEC.Change@gemserv.com.

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Gemserv

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Question 1

Q1: Do you agree that the proposed solution better facilitates the SEC Objectives?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	Yes	We agree that SECMP0051 better facilitates General SEC Objective (g) and should be approved. This change will make the fast track modifications process more efficient and timely, and will align the SEC with the same process under the energy codes which simplifies market governance.
E.ON Energy Solutions	Large Supplier	No	We do not believe that the proposed changes to Fast-Track Modifications bring any worthwhile benefit, but they do raise concern; as such we are not supportive of this proposal. In a 'business as usual' world, this process may provide some value, but we are nowhere near that point today. With so much change and congestion within the Smart Industry the consequences of the concerns raised by this proposal are felt too great to warrant the change. It would not take much at this scale of stretch across the Industry for a change to be implemented where it should not have been, simply because materiality was not noticed within the single meeting at which a Fast-Track Modification was raised and approved, or because Parties did not have time within 15 WDs of approval publication to assess and object to such a modification. Especially when considering that all of the standing monthly Industry meetings are held within said 15 WDs, alongside other consultations that require a response. In our experience, establishing materiality or more importantly non-materiality, requires time because of the various areas of expertise

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			which may be required in reviewing the proposed changes. The current arrangements allow for this time because of the requirement for two Panel meetings, it is therefore felt that the current arrangements are more robust and secure than are those being proposed.
SSE	Large Supplier	Yes	
SSEN	Network Operator	Yes	
Npower	Large Supplier	Yes	*Yes,* We agree that any party should be able to propose a fast track modification, not just the Panel. We agree that the process used in the SEC should be aligned with that in other industry codes, governed by CACoP and therefore this would met SEC objective G
Western Power Distribution	Network Operator	Yes	We believe that this modification better facilitates SEC Objective (g) by aiding the efficient administration of the code and aligning the process with other codes.
Utilita	Large Supplier	Yes	We agree with the Working Groups view that SECMP0051 better facilitates SEC Objective G and should be approved. We believe the Modification will lead to time being saved in the case of raising and progressing a fast-track Modification.

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Question 2

Q2: Will your organisation be impacted due the implementation of this modification?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	No	We do not believe that we will be impacted as a result of the implementation of this modification.
E.ON Energy Solutions	Large Supplier	Yes	All SEC Parties will be impacted by the implementation of this Modification, the scale of said impact will depend upon the success of the amended process.
SSE	Large Supplier	No	Only in so far as awareness of the new process.
SSEN	Network Operator	No	
Npower	Large Supplier	Yes	Yes, this has a positive impact
Western Power Distribution	Network Operator	No	
Utilita	Large Supplier	No	We do not believe we will be impacted directly by the Modification.

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Question 3

Q3: Will your organisation incur any costs due to the implementation of this modification?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	No	We will not incur any costs as a result of the implementation of this modification.
E.ON Energy Solutions	Large Supplier	Yes	Our proportion of the SECAS fees.
SSE	Large Supplier	No	
SSEN	Network Operator	No	
Npower	Large Supplier	No	
Western Power Distribution	Network Operator	No	
Utilita	Large Supplier	No	Aside from the minimal SECAS costs being quoted for implementing this Modification we do not foresee any costs being incur by our organisation.

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Question 4

Q4: Having considered the potential impacts and costs to your organisation, as well as the cost to deliver the modification, do you agreed that SECMP0051 should be approved?

Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	Yes	As previously noted this change will make the fast track modifications process more efficient and timely, and will align the SEC with the same process under the energy codes which simplifies market governance.
E.ON Energy Solutions	Large Supplier	No	As noted in our response to question 1, we are not supportive of this proposal at this point in time. We would further note that in other Codes (DCUSA, SPAA, SMICoP) these are referred to as Housekeeping changes/Housekeeping Modifications and there tends to be a housekeeping log underpinning said Modifications which are overseen by the equivalent of the Change Board. Given the concerns raised over the potential lack of transparency and inherent difficulty of establishing non-materiality it may be a viable alternative to the current proposal.
SSE	Large Supplier	Yes	We agree that SECMP0051 should be approved as it aligns the Fast-Track Modification process with other Energy Codes, and provides greater efficiencies to the process.
SSEN	Network Operator	Yes	

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Npower	Large Supplier	Yes	
Western Power Distribution	Network Operator	Yes	We believe that this modification should be approved as it will align the process with other industry codes as. Well as making the process more efficient.
Utilita	Large Supplier	Yes	We are supportive of the Modification and believe where a fast-track Modification is raised it can be progressed and implemented in shorter timescales. Since however there has been very few fast-track Modifications to date we don't believe the Modification will have a major impact to improving the efficiency of the SEC Change Process overall.

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Question 5

Q5: Do you believe that the draft legal text changes deliver the intention of the modification?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	Yes	We have not identified any issues with the legal text.
E.ON Energy Solutions	Large Supplier	No	D1.3 (e) (iii) – we do not understand the rationale for removing the passage in brackets. Readers need to understand what qualifies as a Fast-Track Modification so to remove the reference permitting this understanding seems inefficient and unhelpful, and it appears to contravene the intent of the Working Group. We have the following additional comments concerning the draft legal text provided for SECMP0051: D2.8 – We believe this ought to read either “A Modification Proposal” or “Modification Proposals” D2.8 – We believe that this ought to be amended to reflect the materiality requirement i.e. ‘in this Code that do not constitute material changes, shall have the status of’. D3.5(b) – We do not believe that this passage ought to be removed where Proposers can request that their Modification Proposals be considered Fast-Track Modifications. We do not believe that six days provides assurance that adequate legal text can be provided and/or assessed for a Modification

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			Proposal such that grammatical amendments can be legally assured as presenting no material change. D3.6(d) – We believe that the last iteration of Fast-Track Modification within this passage ought to be hyphenated. D9.5 – We believe this requires further consideration: if publication of the decision on a Fast-Track Modification occurs on the same day as such a decision is made, for seven months of the year the 15WD objection window does not close at least 5WDs prior to the next Panel meeting. Consequently, Panel will receive late papers for any Fast-Track Modifications that have been objected to. Further consideration also ought to be given to whether or not Fast-Track Modifications are permitted in December when the objection window would cover the Christmas break. D9.5(b) – We believe this ought to read "Section D3.6 as though the Modification Proposal is not a Fast-Track"
SSE	Large Supplier	Yes	We note that there are inconsistencies in spelling for Fast-Track. Examples are D6.3(d) and D9.5(a) and (b). In D9.5(b), there is a typo in the last sentence 'thought' and this should be 'though',
SSEN	Network Operator	Yes	
Npower	Large Supplier	Yes	

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Western Power Distribution	Network Operator	Yes	We agree that the draft legal text changes deliver the intent of this modification, however under 9.5(b) it states 'D3.6 as thought' when it should read 'D3.6 as though'.
Utilita	Large Supplier	Yes	Although largely supportive, we have a comment on D.9.5b. Should an implementation date of a fast track modification really be before the end of the party objection window? We feel best practice which is adopted in other codes is that Modifications implementation dates should at least be at the end of an appeal window to stop unnecessary administration and complications with changes being reverted.

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Question 6

Q6: Do you agree with the recommended implementation date?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	Yes	We agree with the recommended implementation date.
E.ON Energy Solutions	Large Supplier	Neutral	If Industry are supportive of this change we have no objection to the proposed implementation date.
SSE	Large Supplier	Yes	We note that there are 2 deadlines being cited by which a decision needs to be made. In the WG Consultation document, 1st November 2018, if a decision to approve is made by 28th September 2018. In the DMR, 1st November 2018, if a decision to approve is made by 18th October 2018. Please can this be rectified and confirmed as to the correct decision date.
SSEN	Network Operator	Yes	
Npower	Large Supplier	Yes	
Western Power Distribution	Network Operator	Yes	

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Utilita	Large Supplier	Yes	We believe this Modification should be implemented as soon as possible and we are comfortable with the November release window.

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Question 7

Q7: Do you believe the criteria provided for a modification to be Fast Track is sufficient?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	No	We would suggest that the reference to minor errors or inconsistencies could be subject to interpretation, especially in regards to the definition of an error. It might be useful to refer to these as factual inaccuracies rather than errors for clarity.
E.ON Energy Solutions	Large Supplier	No	As noted above we believe that explicit mention of the requirement to ensure that typographical amendments do not introduce material changes is required.
SSE	Large Supplier	Yes	
SSEN	Network Operator	Yes	
Npower	Large Supplier	Yes	
Western Power Distribution	Network Operator	Yes	
Utilita	Large Supplier	Yes	Yes, we do not believe any further changes are required.

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Question 8

Q8: Do you have any further comments?			
Party Name	Party Category	Yes/No	Comments
EDF Energy	Large Supplier	No	
E.ON Energy Solutions	Large Supplier	Yes	In addition to the points raised above we would request consideration of the following: The current draft legal text means that any Fast-Track Modification that is objected to must be routed through an alternative Modification Path (D9.5 (b)), there is however no process to ensure that objections to Fast-Track Modifications are valid. Panel need to be held to account for any inappropriate use of the Fast-Modification Procedure and there is currently no way to ensure that this is possible. Cost-benefit case: it would be good to understand how many 'typographical' amendments have been made to drafted legal text as a direct result of Working Group or consultation responses, so as to ensure that the £1,200 of this Modification is not outweighed by multiples of £1,200 for additional Fast-Track Modifications required to re-do legal text of Fast-Track Modifications inadvertently approved in accordance with our response to question 1.
SSE	Large Supplier	Yes	We would expect the Panel to take into consideration the grouping of these types of Modification to minimise costs and the frequency of SEC publications.

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SSEN	Network Operator	No	
Npower	Large Supplier	No	
Western Power Distribution	Network Operator	No	
Utilita	Large Supplier	No	

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