



Smart Energy Code Panel Chair

Smart Energy Code Administrator and Secretariat  
8 Fenchurch Place  
London, EC3M 4AJ

Smart Metering Implementation Programme – Regulation  
Department of Energy & Climate Change  
Orchard 3, Lower Ground Floor  
1 Victoria Street  
London, SW1H 0ET

23<sup>rd</sup> February 2015

Dear Sir,

**Re: SEC Panel's response to DECC's consultation on New Smart Energy Code Content – January 2015 (URN 15D/014)**

The SEC Panel welcome the opportunity to respond to DECC's consultation on proposed SEC content arising from the previous SEC4 and 4A consultations. In providing this response, we have taken the perspective of the governance role of the Panel, and its Sub-Committees, on the basis that SEC Parties will provide their own views on the proposed SEC content and changes to the licence conditions.

Below, we set out our response to the consultation questions, which, for ease of reference, we present in the same order as the document.

**SEC testing phase commencement re-notification**

Question 1	Do you agree with our proposal and legal drafting to introduce into the SEC a mechanism for the Secretary of State to request from the DCC a new commencement date for SIT, IT, E2E or SRT Testing? Please provide a rationale for your response.
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We agree with the provision for the Secretary of State to direct the DCC to notify amended start dates for test stages, subject to appropriate consultation. However, we are unsure that the proposed wording '*Where so directed by the Secretary of State, the DCC shall give notice...of the revised date from which [name] Testing is to commence*' is correct for T3.13, T4.9 and T5.11. The consultation document notes that only the SIT commencement date has been notified to date and commencement of other test stages is described by reference to an advance period prior to commencement. It is therefore unclear at this stage that any revised date will be applicable, rather than a new date of '*x months in advance*' of a date determined by any new plan approved by DECC following the outcome of the DCC's November consultation. We therefore wonder whether this drafting would be better phrased as '*any revised date*' from that previously notified. By way of example, the Interface Testing stage in SEC T3.13 might therefore be:

Subject to Section T3.14, once the Interface Testing Approach Document has been approved by the Panel (or deemed to be approved by the Panel under Section T3.12(b)), the DCC shall publish the
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approved document on the DCC Website and give at least 6 months' (or such shorter period as the Secretary of State may direct) notice to the other Parties of the date on which Interface Testing is to commence. Where so directed by the Secretary of State, the DCC shall give notice to the other Parties of the any revised date from which Interface Testing is to commence.

*Suggested clarification of re-notification of SEC test stages*

## Informal Testing

**Question 3** Do you agree with the proposed SEC amendments for informal testing as set out in the letter of direction? Please provide a rationale for your views

The proposals regarding informal testing are principally a matter for impacted testing participants to provide their views. However, regarding question 3, whilst it is acknowledged that the proposed direction does not activate the provisions regarding test issues and escalation of any disagreements, we are mindful that the general SEC dispute provisions (Section M) are in force. We do not consider that the SEC Section M Dispute Resolution process would be appropriate for matters arising from informal testing, especially where systems and devices are described as simulations or prototypes. We would urge DECC to make it clear that raising a dispute is inappropriate and that the informal issue resolution process should link to formal issues only where appropriate. To this end we would actively support and participate in any issue resolution process for the purposes of this limited, informal testing.

## DCCKI PMA

**Question 4** Do you agree with our proposals and legal text in relation to the DCCKI PMA Function? Please provide a rationale for your response.

We recognise that, in incorporating SEC provisions regarding the governance of DCCKI and specifically the DCCKI PMA, DECC are seeking to provide consistency in the duties of that function with those of the SMKI PMA under the SEC. To this end, we would ask that DECC consider the following views:

- DCCKI PMA Composition – we support the intent of the SEC drafting to ensure that senior DCC resource supports the performance of the DCCKI PMA. For consistency, we recommend that the composition includes a seat for a SMKI PMA representative. This could mirror the existing SEC arrangements for a DCC representative attending the SMKI PMA, (as set out in SEC L1.14(a)); where we foresee that the representative could be nominated by the SMKI PMA Chair.

Consideration should also be given to the attendance of representatives from the SEC SSC or TSC, as relevant, from time to time. Again this would provide for consistency in proceedings of the DCCKI PMA with that under the SEC for attendance of other persons at a SMKI PMA meeting.

- Constitution of the DCCKI PMA – whilst the proposed SEC drafting describes the functions and performance of the DCCKI PMA, there are no provisions for associated terms of reference or the

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procedural framework. We are of the view that this requirement should be explicit so that the SMKI PMA and SEC Parties can be assured of the due process of proceedings of the DCCKI PMA. The terms of reference should include, if relevant, any duties delegated to the DCCKI PMA by the DCC. This suggestion is not intended to assume any management oversight by SMKI PMA or the SEC, rather that there is full transparency in the operation of the DCCKI PMA. It is envisaged that this provision could mirror the requirement in SEC C6.10 (Sub-Committees: ToR and Procedural Requirements), together with any relevant matters (such as quoracy, decision-making, meeting frequency etc.). We would be pleased to provide further detail around this area if that would be of assistance.

Question 5	Do you agree that, for the purposes of transition, any proposed modification to the SEC proposed by the DCC in the interest of continuing to comply with the SEC Objectives and its obligations under Section G (Security) should be directed to the Secretary of State? Please provide a rationale for your response.
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It is our view that this merits further consideration. Taking into account that the DCCKI PMA assurance falls under the DCC's obligations under SEC Section G, which falls within the responsibilities of the SSC, we do not consider that the DCC should have a particular right to submit Modifications relating to matters raised by the DCCKI PMA. It is our view that a more appropriate route is for the DCC (or DCCKI PMA) to prepare a paper for the SSC's consideration of a Modification (pursuant to SEC G 7.20). We have come to this view on the basis of consistency with SEC governance for the Security Obligations and Assurance Arrangements. We acknowledge that a Party may raise a Modification affecting these matters without first referring it to the SSC, however, we recommend that co-ordination between the DCC/DCCKI PMA and SSC/SMKI PMA is a more robust means of developing a Modification. This is commensurate with the intent of G7.19 to involve the SSC at the earliest point in Modifications related to SEC Sections falling under its governance ambit.

Notwithstanding the above suggestion, we support the DCC notifying DECC of any modification identified during Transition, subject to the respective powers available to the TSEG and SSC.

We welcome the opportunity to continue our engagement with DECC in the development of the SEC and to support the transition of governance from DECC to the SEC Panel. If you would like to discuss this response, please contact

Yours faithfully,

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