



Smart Metering Implementation Programme
Regulation Team
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Consultation on New Smart Energy Code content: January 2015

We are pleased to provide comments on the above consultation on behalf of the following licensees:

- SSE Energy Supply Limited
- Southern Electric Gas Limited
- South Wales Electricity Limited
- SWALEC Gas Limited
- Scottish Hydro Electric Power Distribution plc
- Southern Electric Power Distribution plc

We welcome the ongoing engagement with the Smart Metering Implementation Team and have provided answers to the specific questions posed by DECC in the attached annex.

We look forward to the timely conclusion and designation of content for the SEC Stage 4 Part B.

Please call me if you have any questions.

Yours sincerely



Annex – Consultation Questions

Consultation on SEC Legal Drafting and Timing of Communications Hub activities

Notifying new commencement dates for SEC testing phases

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.

We are in general agreement with the principle that it is necessary for the Secretary of State to be able to notify test participants of changes. However, we seek clarification on the governance arrangements to ensure that the new commencement dates proposed by the DCC will be ratified, and that concerns raised by test participants can be addressed.

Furthermore, the proposals do not seem to prohibit multiple notifications of date change, nor introduce a “notice period” for them. Therefore, we have concerns that without such provisions, the dates for each test phase could be moved without restriction a number of times and at short notice.

It should be possible to add such dates to the relevant Test Approach documents, and these could be approved by SEC Panel. This would enable test participants to evaluate existing governance arrangements and gain assurance of the feasibility of the proposed changes.

Informal Testing

2. Do you agree with the proposed provisions for informal testing in the SEC? Please provide a rationale for your views.

- a) Whether you agree with the strength of the obligation on DCC to offer the service.**
- b) Whether you agree that DCC can determine the detailed rules to apply to use of the service.**

We are in general agreement with the approach and proposed legal drafting however, we have a concern that the functionality being provided in the Pre-UIT environment is expanding and becoming richer. We see this as moving beyond the purpose originally envisaged for informal testing.

This expanded scope will have implications on cost and timescales and we seek clarification on the governance process to approve this additional expenditure. In the event of approval, we seek clarification on how the costs would be recovered and the proportionality of such cost recovery against SEC Parties.

Given that only a limited number of Service Requests will be made available in pre-UIT, it is important that the Service Requests chosen meet the requirements for all SEC Party categories.

It needs to be recognised that the use of a “reasonable steps” obligation does introduce additional risk in terms of a potential for redundant effort by SEC Parties. The work to provide informal testing should not commence unless the DCC is certain that it is sufficiently



resourced to provide all aspects of its licensed activities and the clearly defined requirements of any informal testing activity.

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

We are in agreement with the approach and legal drafting, as set out in the letter of direction.

DCC Key Infrastructure Policy Management Authority (DCCKI PMA)

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 are in agreement with the approach and proposed legal drafting.

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.

We are in agreement with the approach and proposed legal drafting.

Changes to when Communications Hubs can be ordered and associated forecasts are required to be submitted

6. Do you agree that the period for the submission of the first forecasts of communications hubs orders by SEC Parties should be aligned with those for subsequent forecasts, such that the initial forecast is submitted during the month ending 10 months in advance of the relevant delivery month?

We are in agreement with the approach and proposed legal drafting, as this will standardise the forecasting process and will be more efficient for Parties.

Minor Consequential change to the electricity and gas supply licence conditions

7. Do you agree with the consequential changes we are proposing to electricity and gas supply licence conditions on information requirements by Ofgem for monitoring and evaluation?

We are in agreement with the approach and proposed legal drafting.