

DCG Subgroup 3 Meeting 6 Minutes

Minutes of the sixth meeting of
DCG Subgroup 3.

From DCG_SG3_RC
Date and time of Meeting 30 November 2010
10am
Location Conference Room 9

30 November 2010

1. Present

Name	Company
Richard Hall	Consumer Focus
Alan Knight-Scott	EDF Energy
Alex Travell (via dial-in)	Eon Energy
Andy Miller (via dial-in)	Xoserve
Chris Hill (via dial-in)	First Utility
Chris Rowell	Elexon
Claire Hemmens	SSE
David Jones	Elexon
David Thorne	GemServ
Dora Ianora	Ofgem
Elizabeth Lawlor	Electralink
James Nixon (via dial-in)	Scottish Power
Jason Stevens (via dial-in)	ERA
Jenny Boothe	Ofgem
Joanna Ferguson (via dial-in)	NGN
Joel Stark	Stark/ESTA
John Stewart	Npower
Martin Hewitt	UK Power
Mattias Bjornfors	Ofgem
Richard Street	ICOSS (Corona Energy)
Sajna Talukdar	Ofgem

2. Review minutes of previous meeting

2.1. No changes were made to the previous minutes.

3. Minutes from SG3 Meeting 4 (02/11)

- 3.1. The subgroup reviewed draft minutes for meeting 4.
- 3.2. It was expressed that the list in paragraph 3.12 of the minutes needs to be amended to show that it is an indicative list and was not intended to be exhaustive.
- 3.3. Elexon had provided some correction and amendments on other aspects of the minutes. Ofgem agreed to circulate these to the group.
- 3.4. It was agreed that subgroup would have an opportunity to email Ofgem further review comments by Friday 03 December, at which point a Final version of the Minutes will be published to the subgroup.

4. Criteria for the Smart Energy Code

- 4.1. Ofgem outlined the areas to focus on during this meeting:
 - Some of the high level aspects of the Smart Energy Code,
 - Work on what should/could be in the code thinking about the 'boiler plate elements, on day 1 and its evolutionary path.
 - Consider the structure of the code.
- 4.2. Ofgem provided an update from the last SMDG Subgroup 2 meeting. It was explained that the SMDG subgroup was asked to carefully consider what issues they believe they need to be governed by a smart energy code. The SMDG subgroup said they will consider the issues that they will require assurance and will get back to the programme at a future date.
- 4.3. The subgroup raised a question around whether the Smart Metering Programme will get down to a level of detail needed for the Ministerial Decision at the end of Jan 2011. Ofgem informed the group that the programme is proposing to publish a consultation document at the time of the government decision or soon after on the DCC regulatory framework. A question was asked on how the appropriate level of detail can be attained to make the consultation effective and for effort to be focused on topics where more than one view exist or that may be controversial. Ofgem informed the group that a number of meetings are being planned to help develop this level of detail for the consultation. These meetings will aim to get more granular detail to inform the consultation process.
- 4.4. A proposal was made for the subgroup to prioritise drafting up a Smart Energy Code document covering the majority of topics where there is relatively strong agreement by most parties and highlight areas where alternative views exist. In this way the consultation can focus on those aspects of the code where there is disagreement.
- 4.5. It was clarified that the Code will be baselined, not frozen, as it would be necessary to have a version of the code prior to embarking on the competitive licence award process for the DCC.

5. Consideration of the 'boiler plate' elements of the SEC

- 5.1. Ofgem ran through an proposed indicative SEC documentation suite. It was explained that the items on the top row are the broader elements that need to be included in the code irrespective of the what functions the DCC would be undertaking initially. The

middle section are elements under the SEC procedures could be part of various Code of Practices subsidiary to the code or part of the SEC itself.

- 5.2. The group identified a number of omissions including liquidated damages, force majeure, failure of a party, and termination of contract
- 5.3. The subgroup considered that accession arrangements to the Code, as well as a Framework contract are needed to give the code contractual force.
- 5.4. It was mentioned that business processes will be predicated on the high level elements of the SEC which will set out the functions of the DCC. The SEC documentation suite is proposed as a starting point to give a view of what the architecture of the code will look like. It was noted that the development of the SEC would be an iterative process as it will be dependent on the agreed functions of the DCC. The subgroup confirmed that they are clear on what the boiler plate standard elements are.
- 5.5. A point was made that some parts of the code may be relevant to one party class eg suppliers.
- 5.6. It was considered that based on the proposed SEC documentation suite that:
 - (i) The high level elements of the SEC documentation suite will be elements relevant to the SEC irrespective of the DCC functionality
 - (ii) The middle part of the SEC documentation suite may be better placed as supplementary documents to the code
 - (iii) The Code itself should be segmented depending on participating model (who is obliged and impacted by that part of the code).
- 5.7. There was a concern that it may be difficult for small parties to engage with the code process if the structure of the code was too overwhelming and that this could pose a barrier to entry for these participants. It was suggested that the code may be segmented so that parties only sign-up to the sections of the code that are relevant to them. It was noted that the outputs of the code governance review obliged the code secretariats to act as a critical friend to assist smaller participants' engagement with the code.
- 5.8. There was no consistent view held by the group as to whether a segmented code and/or the critical friend role of the code secretariat would be sufficient to support small parties involvement with the SEC governance processes.

6. Any other business

Potential future activities between now and end Jan 2011.

- 6.1. Ofgem explained to the subgroup that it would like to continue with this subgroup to end of Jan 2011 and if possible, to early February 2011. This would be needed to get the next level of detail required to input to the consultation document.
- 6.2. Subgroup 1 will also continue in terms of the structure of DCC to look at the next level of detail of what the DCC must do. Subgroup 1 and subgroup 3 will continue in parallel.
- 6.3. Ofgem informed the subgroup of the provisional meeting dates scheduled:
 - (i) Meeting dates for subgroup 1 (all on Thursdays): 09/12, 23/12, 13/01, 27/01.

- (ii) Meeting dates for subgroup 3 (all on Tuesdays): 07/12, 21/12, 11/01, 25/01. The intent is to consider the next level of detail on the areas of the code. In particular the group will identify areas where there are differing views on issues, to record those views and the underlying concerns and the impact. Everything will need to be circulated to the group and wider group.

6.4. The six areas of the SEC were assigned to parties to work up a paper on:

Topics	Subgroup member to facilitate drafting of this via a conference call meeting	Subgroup meeting to discuss topic at
1. Governance	Gemserv. Conference call meeting scheduled for Friday 03/12, 12pm-3pm.	07/12
3. Installisation/ Maintenance	Gemserv	21/12
6. Service Lines	Gemserv	21/12
2. Interoperability	ERA	11/01
4. Service Descriptions	ERA	11/01
5. DCC Management	ERA	11/01
Washup meeting and any other points not covered off.		25/01

6.5. The meeting facilitators for the above 6 topics will be responsible for collating the view of the attendees and sending the draft paper to Ofgem two days before the corresponding subgroup meeting. Ofgem will then collate these and distribute to the subgroup and wider group.

6.6. ACTION: Ofgem to email the meeting facilitators the the members list of the subgroup for them to use the email addresses, by Wednesday 01 December.

7. Date of next meeting

7.1. Tuesday 07 December 2010.