SEC Consequential Changes

1. Summary

The consequential changes to the SEC are relatively minor. Obligations for Network Parties to ensure Registration Data Providers (RDPs) send registration data to the Data Communications Company (DCC) Data Service Provider (DSP) will be removed. These will be replaced with obligations on the DCC in their licenced capacity as provider of the Centralised Registration Service (CRS) to ensure the Centralised Switching Service (CSS) send the required registration data to the DSP. The reason for the obligations resting on the CRS are set out in 2.1 below. Only Network Parties will be impacted by these changes. Suppliers and Other SEC Parties remain unaffected.

Changes will also be required to the SEC appendices that detail the new interface between the DSP and CSS systems. The DSP and the CSS systems service provider are currently discussing the detailed design for the interfaces between the two systems. Once this is complete, we will be able to draft the required legal text changes.

References to flows and information currently contained in the MRA, SPAA and UNC will also be updated.

Below we have provided a summary of these changes and highlighted the documents impacted.

2. Obligations on Networks/RDPs and the DCC/CRS/CSS

2.1 CRS not CSS

The obligation to provide the relevant registration data, and to comply with the SEC requirements, will be placed on the DCC/CRS (hereinafter referred to simply as CRS) as the licenced entity that has been created to deliver the CSS and its systems as part of their licensed objectives. The CRS is also the only body (related to centralised switching) bound to comply to the SEC due to the changes to the Smart Meter Communication licence. Therefore, whilst it will be the CSS systems that interface with the DSP, the obligations to ensure these systems comply with the SEC must be placed on the CRS.

The reason the obligations cannot be placed on the CSS, its systems or its service provider is that there is no “tie” back to the SEC. Obligations cannot be placed on CSS systems since they are just that, systems. It would be the equivalent of placing obligations on ECOES under the current arrangements. Equally, placing objectives on the CSS or its service provider would not be binding either. The CSS service provider has no obligation to comply with the SEC as it is not a signatory to the SEC. It will have contractual arrangements with the CRS to deliver the CSS service, but nothing linking it back to SEC compliance. It reflects the current SEC arrangements regarding RDPs and Network Parties, or the Supplier Hub principle in settlement. The RDPs are not bound by the SEC, in the same way that Supplier Agents are not bound by the Balancing and Settlement Code (BSC). Instead the SEC places obligations on Network Parties to ensure their RDPs comply with the SEC requirements, and the BSC places obligations on Suppliers to make sure their agents comply BSC requirements. This is the same approach to be taken with CSS. The CRS will have the obligation to ensure that the SEC requirements are met since they are the entity that is bound to comply with the SEC.

The CRS must comply with the SEC due to its licence obligations. The Smart Meter Communication Licence was amended to make the holder of that licence both the DCC and CRS. Since the Smart Communications License places obligations on the licensee to comply with the SEC there is no need for the CRS to become a separate signatory to the SEC at this stage since they are already obligated to follow SEC requirements.

It also seems prudent to create the CRS as an entity within the SEC since Ofgem have stated that in the future there is no guarantee that the Smart Communication Licensee will provide services for both the DCC and CRS. Distinguishing their obligations at this stage makes any potential future transition easier to manage. We assume that if the CRS were to be separated from the Smart Meter Communications License in the future then a new license would be created for this entity and such a new licence would contain provisions to comply with the SEC.

2.2 CRS Obligations

Currently, the SEC obligates Network Parties to ensure that their RDPs send the required MPAN and Supply Meter Point data to the DSP. The introduction of the CSS removes this requirement from the RDPs and instead places responsibility on the CRS to ensure the CSS sends the relevant registration data directly to the DSP. As such, the most substantial changes to the SEC will be in recognising the CRS as an entity and transferring responsibility for sending MPAN/Supplier Meter Point data from the Networks/RDPs to the CRS/CSS.

The CSS will be treated as though it is a new RDP and as such the security obligations and entry process requirements for the CSS will mirror that of the current requirements for RDPs.

Additionally, a new obligation will be placed on the DCC to send Comms Hub ID and MPXN to the CSS to help with establishing the Retail Energy Location (REL).

2.3 RDPs and Network Parties

The current obligation on Networks to ensure their RDP sends the correct registration data to the DSP will be removed. It is assumed that Networks will be obligated under their license and the REC to ensure that the CSS Is provided with the required MPAN/Supply Meter Point data. Therefore, no additional requirement of this nature will sit in the SEC.

Although the obligations for RDPs to send registration data to the DSP have been removed, the current obligations for the DSP to issue smart metering information to RDPs will remain unchanged. As such the existing SEC provisions will need to be separated so that the correct obligations and rules apply to the CSS for sending data, and to the RDPs for receiving data only. It is not intended to alter the existing rules and obligations, merely assign the current provisions as required between the CSS and RDPs. The areas of the SEC impacted by this change are SEC Section E – Registration Data, Appendix X – Registration Data Interface Spec (REGIS), Appendix Y – Registration Data Interface Spec Code of Connection and Appendix AG - Incident Management Policy.

3. DSP and CSS interfaces

In addition to clarifying the obligations in the SEC, changes will need to be made to the reflect the new interfaces between the DSP and the CSS systems.

Currently, the detail of the interfaces between the DSP and RDPs are contained within SEC Appendix X – Registration Data Interface Spec (REGIS) and Appendix Y – Registration Data Interface Spec

Code of Connection. As noted above these will need to be amended to reflect that RDPs no longer send data to the DSP.

These appendices will also have to be updated to reflect how the DCC and CSS will interface with each other. These appendices contain very granular detail on the flows that will be sent back and forth and therefore, whilst we have identified the changes, we cannot complete the drafting of the legal text until detail of how the interfaces will work is clarified and finalised.

However, these sections will not impact SEC Parties since the detail in the document Is limited to setting out interfaces between DCC and CSS systems only. There is no interaction with SEC Party systems.

Appendix AG – Incident Management Policy will also need to be amended to reflect the CRS as an entity and to ensure that the correct incident protocols are in place. The actions that will need to be documented in the Incident Management Policy are being discussed as part of the work in finalising the interface design.

4. Cross references

There are a number of references to flows and information currently contained within the MRA, SPAA and UNC. These references will need to be updated to reflect that the information sits within the REC.

Whilst we have identified the cross references within the SEC, we cannot amend them until detail of the final design is confirmed to ensure that the cross referencing is correct.

5. SEC Impacts

The following table sets out the impacted areas pf the SEC:

SEC Section	Required Changes
Section A -Definitions	• Definitions of CRS, CSS and the REC will need to be added. • References to the MRA and the SPAA need to be replaced with references to the REC.
Section B - Registration	• Updated to reflect RDP signifier and RDP ID issued to the CSS.
Section E – Registration Data	• Transferring obligation from Networks to the CRS regarding sending of electricity and gas registration data to the DCC. • Remove obligation on Network Parties to ensure required data issued to the DSP. • Creating the CRS as a recognised entity and replicating the provisions of RDP security and entry processes that will apply. • Add obligation for DCC to send Comms Hub ID and MPXN to the CSS in addition to currently specified information.

Section F – Smart Metering Systems Requirements	• Reference to CRS/CSS when considering impacts
Section G - Security	• Introduce CRS/CSS as an entity that needs to comply with security obligations.
Section H – DCC Services	• Reference to CRS/CSS when considering impacts • Obligation on CRS to raise incidents where they become aware • Recognise CRS during emergency suspension services and ability for DCC to control gateway if compromised.
Section K – Charging Methodology	• References to the MRA and the SPAA need to be replaced with references to the REC.
Section L – SMKI and DCCKI	• Introduce CRS/CSS as having same obligations as RDPs.
Appendix X - Registration Data Interface Spec	• Introduce CRS/CSS as an entity • Separate obligations for RDPs to receive data and CSS to send data to DCC • Detail file formats and interface design used by DSP and CSS • Update flow cross references
Appendix Y - Registration Data Interface Spec Code of Connection	• Introduce CRS/CSS as an entity • Transferring obligation from RDPs to the CSS regarding sending of electricity and gas registration data to the DSP.
Appendix AG – Incident Management Policy	• Mirror current RDP procedures for the CSS • Ensure Incident Policy fit for purpose
Schedule 1 – Framework Agreement	• Update reference to MRA and replace with REC
Schedule 5 – Accession Information	• Update reference to MRA and replace with REC

6. Approach and Next steps

In order to identity the required changes to the SEC we have worked with the DCC to capture the areas we believe will need to be amended. We are continuing to work with the DCC to review the latest version of the REC to ensure there are no conflicts with the SEC and that we have captured all consequential changes.

The DCC and the CSS provider have begun to meet to discuss the detailed design of the interface between the two systems. It is anticipated that the design will be available by the end of June. Once the design is clear, the intended approach will be presented to the Technical Architecture Business Architecture Sub Committee (TABASC), SMKI PMA and the Security Sub Committee (SSC) to ensure that there are no unintended consequences, and that any issues are captured and addressed.

Following review of the design by the SEC Panel sub committees in June/July we will draft the required legal text changes to the SEC and present these to the SEC Panel alongside the proposed design. It is intended to do this at the August 2019 SEC Panel meeting. However, this date is dependent on receiving the final design in June. Following any comments from the SEC Panel the consequential changes will be ready to progress as part of the SCR.