

Peter Davies
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Dear Peter,

SEC Modification Proposal (SECMP)0066 'Advanced Shipment Notifications (ASN) for Consignment of Communications Hubs' – Request for Urgency

On 20 October 2018, Scottish Power Energy Retail Limited (the Proposer) raised SECMP0066.¹ The Proposer requested that the modification should be treated as urgent.

On 9 November 2018 we received a request from the Chair of the SEC Panel asking whether SECMP0066 should be progressed urgently as per the Proposer's request. We have decided not to direct that SECMP0066 be treated as urgent.

Background

SECMP0066 seeks to amend the SEC to increase the minimum notice period that the Data and Communications Company (DCC) must offer a Party about Advanced Shipment Notifications (ASN) for the Consignment of Communication Hubs.

Currently, the DCC must offer a Party that has ordered a Consignment of Communications Hubs a minimum of two working days' notice that an ASN for that Consignment is available via the Order Management System (OMS). However, the Proposer suggests that 48 hours' notice is too narrow a window for installation and logistics partners, which could increase the risk of delivery refusals. SECMP0066 looks to amend Appendix H² Section 5³ of the SEC to stipulate that a minimum of 10 working days' notice is provided. The Proposer considers this modification should follow an urgent timetable because the existing minimum 48-hour window is having a significant operational impact on their smart meter deployment.

Panel View

The SEC Panel met on 9 November 2018 and discussed SECMP0066 and the request for it to be progressed urgently. The Panel did not agree with the Proposer's rationale that SECMP0066 should be progressed as an Urgent Modification Proposal. It was the lack of clear evidence of how this modification proposal met the urgency criteria that ultimately led to the Panel's view. The Panel also explained that the current situation has existed for some time, and also that the Proposer had delayed raising the modification under the transitional governance arrangements. This indicates that, while the proposal does merit discussion, it

¹ <https://smartenergycodecompany.co.uk/modifications/advanced-shipment-notifications-asn-for-consignment-of-communications-hubs/>

² CH Handover Support Materials

³ Delivery Documentation and Packaging

doesn't demonstrate urgency. The Panel recommended to the Authority that this status not be granted.

Our Decision on Urgency

In reaching our decision on the urgency of the Modification Proposal we have considered the details within the Proposal, the Proposer's justification for urgency and the views of the Panel. We have also assessed the request against the urgency criteria set out in Ofgem's published guidance.⁴

Our current view is that an urgent modification should be linked to an imminent issue or a current issue, that if not urgently addressed, may cause:

- a significant commercial impact on parties, consumers or other stakeholder(s); or
- a significant impact on the safety and security of the electricity and/or gas systems;
- Or, a party to be in breach of any relevant legal requirements.

In assessing whether to grant SECMP0066 urgent status, we have considered the Proposer's rationale that the existing minimum 48-hour window is having a significant operational impact on their smart meter deployment. It was explained that modifying the code with Urgent status was needed as existing arrangements could result in significant commercial impacts on the proposing party. However, we did not receive sufficient evidence to substantiate these claims which would have supported the case for urgency as defined in our urgency criteria. We acknowledge that this area would benefit from being reviewed, and this should be progressed via the standard modification process.

For the avoidance of doubt, in not granting the request for urgency, we have made no assessment of the merits of the proposal and nothing in this letter in any way fetters the discretion of the Authority in respect of SECMP0066.

If you have any queries or comments in relation to the issues raised in this letter, please contact michael.walls@ofgem.gov.uk in the first instance.

Yours Faithfully,

Jacqui Russell
Head of Metering and Market Operations
Signed on behalf of the Authority and authorised for that purpose

⁴ https://www.ofgem.gov.uk/system/files/docs/2016/02/urgency_criteria.pdf