



Smart Energy Code Company Limited
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London
EC3M 3BE

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

29th November 2013

Re: Consultation on New Smart Energy Code Content (Stage 2) ref: URN 13D/273

Dear Sir,

The SEC Panel is pleased to have the opportunity to provide a response to the recent consultation on stage two of the Smart Energy Code (SEC). As the enduring governance entity of the SEC, we welcome the inclusion of the additional content and the rationale for any changes from DECC and look forward to reviewing the responses from stakeholders on the content and drafting once published.

There are a couple of areas of particular note to the SEC Panel to which we will formally respond and envisage that SEC Parties will provide additional comments based on the views of individual Parties and organisations.

Firstly, in relation to the establishment of the Technical Sub-Committee, the SEC Panel supports the creation of the Sub-Committee to provide support and undertake duties on behalf of the Panel. We note the consultation outlines an estimate of running costs of £0.5m per annum but does not provide any further breakdown of these costs. It is noted that the Panel will decide upon the size and composition of the Technical Sub-Committee and therefore will have the discretion to include its projected running costs within the Panel three year budget which will be consulted upon in January 2014. In order to understand the factors which led to the proposed running costs, the Panel requests that DECC provides additional information to our code administrator, SECAS, so that we can review the background to these indicative costs in our process for establishing the budget for the next three regulatory years. This information will also be useful for our forecasting and budgeting of the running costs of the additional Sub-Committees which have been signalled for inclusion in future SEC stages, i.e. the Security Sub-Committee and the Policy Management Authority. As DECC will already be aware, the preparation of the three year budget is currently underway and we are looking to finalise the budget in early January, so any assistance that can be provided in December would be greatly appreciated.

Secondly, we note the proposal that disputes regarding compliance with the SEC obligations regarding registration data will be heard by the SEC Panel, whose determination will be final and binding. Whilst we appreciate that there needs to be a clearly defined disputes process, we are mindful that other codes such as the Uniform Network Code, the Master Registration Agreement and



the Independent Uniform Network Code all contain provisions relating to disputes, duties and rights relating to registration data. Consequently, whilst the Panel acknowledges its role in disputes, it may be prudent to recognise that such matters may need to be resolved through cross-code liaison/joint Code working in order to secure that an efficient resolution is achieved.

The SEC Panel supports working with DECC in managing the SEC baseline, including Code Subsidiary Documents, to ensure a smooth transition between DECC and Panel at the appropriate time. The SEC Panel therefore requests that DECC liaise directly with SECAS to discuss these items which will allow information to be shared with Panel Members at future SEC Panel meetings.

If DECC require any additional information, please do not hesitate to contact the
Gemserv on _____ who will then provide any clarification or
detail.

Yours faithfully,