



Smart Energy Code

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

28th August 2015

Dear DECC,

**RE: A Consultation on New Smart Energy Code Content and Related Supply Licence
Amendments – July 2015 - URN 15D/340**

The SEC Panel welcomes the opportunity to respond to DECC's July 2015 consultation on new Smart Energy Code (SEC) content and related supply licence amendments. This response from the SEC Panel is from the perspective of the governance role of the SEC Panel and SEC Sub-Committees and assumes that SEC Parties will provide their own views on the specific requirements set out in the consultation document.

The SEC Panel note the potential proposals to activate the non-urgent Path 2 and Path 3 Modifications that could fall to the SEC Panel and SEC Sub-Committees. Accordingly, the Panel would like to engage with DECC further on the clear boundaries on what can and cannot be raised under the SEC Modification Process and how these arrangements will work in practice. DECC are no doubt aware of the potential influx of Modification Proposals that could arise and careful consideration needs to take place of the appropriate candidates for inclusion especially in light of any potential DCC release timescales.

The consultation also proposes that the SMKI PMA should produce a SMKI Recovery Procedure Guidance document and considers whether it should be managed as a SEC Subsidiary Document. Whilst the SEC Panel is supportive of the proposals to produce this guidance document, we would like to further discuss with DECC the level of content within the document and whether the SEC Modification Process is the most appropriate vehicle for managing change. The Panel support the SMKI PMA's view that the SMKI PMA should have editorial control as it will be bound by the obligations set out within the SEC. The SMKI PMA has also responded to the consultation and outlined its plan to consult with stakeholders on the initial drafting and any subsequent reviews of the document to ensure that stakeholder views are considered.

The Panel also support the SMKI PMA's views on the nomination of custodians for recovery in that it may be more prudent for the obligation to be on Parties to nominate Key Custodians. There are a number of considerations in relation to the nomination of key custodians that must be considered within individual Parties such as remuneration and availability of Key Custodians that would be greatly assisted by the inclusion of an obligation on Parties. As previously highlighted, the SMKI PMA will be submitting a separate response on this matter as it will be responsible for the day to day operation of this document.

We welcome the opportunity for engagement with DECC on the arrangements for activating the SEC Modification Process and to support its development going forwards.

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If you would like to discuss how the Panel may further contribute towards the development of these proposals, please contact

Yours sincerely,