

# Consultation

## SEC Variation Testing Approach Document for the Communications Hub and Network Arrangements

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**Classification: DCC Public**

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# 1. Background and context

The Network Evolution Programme (NEP) is a Data Communications Company (DCC) initiative geared towards defining and delivering the organisation's future operating capability. It comprises four sub-programmes, including a Communications Hubs & Networks programme, which is geared towards defining and delivering future-proof Communications Hubs & Networks (CH&N) with an efficient supply chain and a targeted longevity of at least 15 years.

Maintaining Smart functionality over the longer term will require the introduction of new CHs which use the newer 4G network. DCC has stood-up the CH&N Programme to assess options for and then implement a chosen solution to achieve this. On 29 January 2021 DCC was Directed in accordance with Condition 13B of the DCC Licence to produce an implementation plan for two elements of the 'Network Evolution Arrangements', including for CH&N. As part of the plan, the DCC needs to develop and define the testing arrangements for the programme, with support and input from stakeholders and testing experts.

## 2. Introduction

On 30 April, Pursuant to Section X11.4 (SEC Variation Testing Approach Document) of the Smart Energy Code (SEC), the Secretary of State directed the DCC to develop a draft SEC Variation Testing Approach Document (SVTAD) in respect of those variations to the SEC that are being considered to enable the introduction of the CH&N Arrangements – the 'CH&N SVTAD'.

General requirements for the contents and development of an SVTAD are set out in Section X11 of the SEC. These include testing objectives, the testing to be undertaken and the environments to be used.

The Direction from the Secretary of State requires that the SVTAD will need to provide for the detailed test approach that will apply to both the introduction of, and transition to, the CH&N Arrangements, and that these should be set out in associated documents to be developed by the DCC.

Accordingly, the Direction received from the Secretary of State further sets out that the SEC Variation Testing Approach Document for the CH&N Arrangements should:

- provide for the DCC to revise such associated documents (containing further detail on the DCC's testing approach) in accordance with any request to do so made by the Secretary of State in order to support the introduction of and transition to the CH&N Arrangements; and
- provide for these associated documents (and any subsequent revised version of them) to be submitted to the SEC Panel's Testing Advisory Group (TAG) for approval and for any disagreements between TAG and the DCC over the content of those documents to be submitted for a final and binding determination by the Secretary of State.

Any SEC Variation Testing Approach Document developed by the DCC needs to be submitted to the Secretary of State in accordance with the requirements of Section X11.6 of the SEC, following consultation with SEC Parties and the TAG. The DCC has been directed to complete this process by 3 July 2021.

This consultation is seeking views from SEC Parties on the DCC's draft CH&N SVTAD ahead of its submission to the Secretary of State for approval and designation into the SEC. It will be shared with TAG for comment during the consultation window. The consultation also seeks views, on behalf of the Secretary of State, on the date for designation of the SVTAD, which would bring it into legal effect. A draft Direction for such designation is attached to this consultation in Attachment 1.

The closing date for this consultation is **Friday 9 July 2021**.

## 3. Structure and content of the CH&N SVTAD

The CH&N SVTAD follows a similar format to other recent SVTADs developed for testing to support SEC change. Interpretations and definitions are set out in Section 1.

### 3.1. General Requirements and Modification of the SVTAD

Section 2 of the CH&N SVTAD sets out the scope of the document, including the framework for the testing of the CH&N Arrangements, the testing objective, the timetable for testing, test entry criteria and the arrangements that will apply for the development of lower level documents which sit below the CH&N SVTAD. These lower level documents will set out the testing approach and the coverage of testing and are detailed in Section 3.2 below.

The framework for testing and document development and approval has been designed to accommodate DCC's testing approach as set out in its recent consultation on the CH&N delivery plan. This proposes that the first testing activity undertaken in the plan will be to test any necessary DSP changes to manage new 4G WANs on top of those currently provided by DCC, which has a longer lead time than other testing activities.

Recognising that the exact nature and timing of the testing is dependent on the procurement process and final technical solutions selected, we have developed the SVTAD to accommodate the different scenarios that may play out. This includes providing DCC the ability to develop lower level testing documents which can apply for either or both of the two Lots being procured (one for Single Band Communications Hubs (SBCH) provision and one for Dual Band Communications Hubs (DBCH) – which we refer to as 'Releases' in the SVTAD.

It also enables the documentation to be combined or split for the different test phases (PIT and SIT). Finally, it allows for DCC to develop lower level test documents that relate solely to changes being delivered by a particular part of the DCC system (a 'Sub-System') if it is necessary and feasible to describe and complete this testing ahead of other testing undertaken.

Section 2 makes clear that testing should not commence until the corresponding lower level documents have been approved by the TAG, and testing undertaken by the DCC and other Testing Participants must be undertaken in accordance with good industry practice.

Section 3 describes how the CH&N SVTAD can be modified, including by the DCC:

- following any Direction from the Secretary of State; or
- following consultation with Parties and TAG and a submission to the Secretary of State; or
- without consultation to correct typos or where there are no material impacts on the rights or obligations of involved stakeholders.

### 3.2. Creation, governance and modification of associated, lower level test documents

Lower level documents covering three distinct areas have been described in the CH&N SVTAD in Sections 4 and 6. These are:

- CH&N Testing Approach Document(s);
- CH&N Test Coverage Document(s); and

- CH&N Mandated User Testing Document(s)

### **CH&N Testing Approach Documents (TADs)**

The CH&N STVAD requires the CH&N Testing Approach Documents (TADs) to include the approach to testing within PIT and SIT for each of the SBCH and DBCH programmes, including (amongst other things):

- the proposed amendments to the SEC that are the subject of the testing,
- the principles and approach to apply to PIT and SIT;
- the testing environments;
- the process to be followed in selecting devices for use in PIT and SIT;
- the process for resolving Testing Issue resolutions, exclusions and thresholds;
- exit criteria and completion report; and
- test assurance.

### **CH&N Test Coverage Documents**

CH&N Test Coverage Documents will set out the depth and breadth of testing required to validate the changes that comprise part of the CH&N Variations in each of PIT and SIT for each of the SBCH and DBCH programmes, and will include:

- the scope (breadth) and coverage (depth) of testing against requirements for each component of the CH&N Solution;
- the list of Devices selected to be utilised in PIT and SIT, and
- any perceived risks associated with the scope and coverage of testing and the proposed mitigations.

DCC is proposing to develop the testing arrangements across these two document types, in a way which is different to its previous testing document hierarchy, whereby only Testing Approach Documents were developed. This is due to the current status of DCC's procurement activities and the nature of the CH&N Programme. The principles for testing set out in the Testing Approach Document(s) can be written based on our specified procurement requirements and bidders' proposal and are required by the programme at the BAFO (best and final offer) stage of the procurement process.

The contents making up the Test Coverage Documents will include additional detail based on bidders' proposed solution which will be available during the final negotiation period. On this basis the Test Coverage Documents will build on the principles defined in Testing Approach Documents and the additional detail based on bidders' proposed solutions.

The CH&N SVTAD sets out the manner in which the TADs and Test Coverage Documents will be approved, through TAG, and where necessary revised. It also provides a route of escalation to the Secretary of State where agreement cannot be reached between TAG and the DCC on the TADs and/or Test Coverage Documents. DCC maintains a rolling forward plan of document and information sharing with TAG and we expect that draft TADs and Test Coverage Documents will be shared with TAG through

this process, starting in Q2 2021 and continuing in good time ahead of programme milestones, which will be finalised in the coming weeks.

### **CH&N Mandated User Testing Document(s)**

DCC considered, as part of its delivery plan for the CH&N Arrangements and in consultation with stakeholders, whether User Testing to support the CH&N Arrangements for either or both of the SBCH and DBCH programmes should be mandated or not. Whilst DCC's current proposal is that User Testing is not mandated, we have incorporated into the SVTAD the ability for DCC to develop and consult on CH&N Mandatory User Testing Document(s).

If required, the CH&N Mandatory User Testing Document(s) would set out:

- which Users should be required to participate in testing;
- the approach to testing and the arrangements and notification of test completion;
- the process for resolving testing disputes;

Given that such document(s) would impose principal obligations on other parties, the SVTAD requires that, in developing each CH&N Mandated User Testing Document, the DCC must consult with relevant stakeholders prior to the submission of the document to the Secretary of State for approval and that it only becomes binding on the parties referenced in it where the document is approved by the Secretary of State.

### **3.3. Test completion**

Section 5 of the SVTAD sets out the arrangements for test completion for the CH&N Arrangements.

Test completion for each of PIT and SIT for the SBCH and DBCH programmes will occur once the SEC Panel has determined that the relevant exit criteria has been met. This is a departure from previous programmes as it extends the role of the SEC Panel to PIT completion, as well as SIT. This was proposed in DCC's recent consultation on the delivery of the CH&N Programme and discussed with the TAG subcommittee. The proposals received strong support from stakeholders.

DCC will support this completion process through the provision of Test Completion Reports to the Panel. Where the Panel supports the report the test phase will be considered complete. Where it does not it will be necessary for DCC to update the report and continue testing or refer any disagreement to the Secretary of State for resolution

## 4. Next Steps and Approval of the CH&N SVTAD

Following the closure of this consultation, DCC will consider respondents' views, and subject to the consultation responses received, submit to BEIS the SVTAD for CH&N Arrangements that it considers suitable for designation into the SEC, including why DCC considers the draft to be fit for purpose; copies of the consultation's responses received; and any areas of disagreement that arose during the consultation process that have not been resolved.

DCC will conclude on this consultation, providing a report to BEIS no later than 23 July 2021.

DCC has discussed the designation of the SVTAD with BEIS and it is proposed that, subject to the timely receipt of DCC's conclusions report on this consultation, BEIS will designate the SVTAD on 30 July 2021 or as soon as reasonably practicable within one month thereafter. The draft Direction is presented in Attachment 1 of this consultation document for stakeholder consideration.

The DCC expects to identify further changes to the SEC needed to support the introduction of and transition to the CH&N Arrangements in accordance with the delivery plan for CH&N Arrangements which is currently being finalised by the DCC. In our consultation on this plan we set out proposed dates by which we would confirm any such changes as 8th November 2021 in the case of Single Band Communications Hubs and 3rd December 2021 in the case of Dual Band Communications Hubs. Whilst we do not consider it likely that there will be any material changes to the testing approach, it may consequently be necessary for DCC to propose updates to the SVTAD and supporting test documentation, in accordance with the process for the modification of those documents that are specified in the SVTAD.

## 5. Questions for Respondents

DCC would like stakeholders' views on the following consultation questions:

<b>Q1</b>	<b>Do you agree with the proposed SVTAD for the CH&amp;N Arrangements? Please indicate any areas of disagreement and the reasons for them.</b>
<b>Q2</b>	<b>Do you agree with the proposed designation date of 30 July 2021 for the SVTAD for the CH&amp;N Arrangements (or, if necessary, as soon as reasonably practicable within one month thereafter)?</b>



## 6. How to Respond

Please provide responses by **16:00 on Friday 9 July 2021** to DCC at [consultations@smartdcc.co.uk](mailto:consultations@smartdcc.co.uk).

Consultation responses may be published on our website [www.smartdcc.co.uk](http://www.smartdcc.co.uk). Please state clearly in writing whether you want all or any part, of your consultation to be treated as confidential. It would be helpful to us if you could explain to us why you regard the information you have provided as confidential. Please note that responses in their entirety (including any text marked as confidential) may be made available to the Department of Business, Energy and Industrial Strategy (BEIS) and the Gas and Electricity Markets Authority (the Authority). Information provided to BEIS or the Authority, including personal information, may be subject to publication or disclosure in accordance with the access to information legislation (primarily the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Regulations 2004). If BEIS or the Authority receive a request for disclosure of the information we/they will take full account of your explanation (to the extent provided to them), but we/they cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded by us as a confidentiality request.

If you have any questions about the consultation documents, please contact DCC via [consultations@smartdcc.co.uk](mailto:consultations@smartdcc.co.uk)

## 7. Attachment 1 - Draft legal text direction and designation for CH&N SVTAD

This direction is made for the purposes of the smart meter communication licences granted under the Electricity Act 1989 and the Gas Act 1986 (such licences being the "DCC Licence") and the Smart Energy Code designated by the Secretary of State pursuant to the DCC Licence (such code being the "SEC").

Words and expressions used in this direction shall be interpreted in accordance with Section A (Definitions and Interpretation) of the SEC.

Pursuant to Condition 22.27 of the DCC Licence and Section X5.4 of the SEC, the Secretary of State directs that the document set out at **Annex A** in this direction is hereby designated as the CH&N SEC Variation Testing Approach Document, and shall be incorporated into the SEC as Appendix [TBC] with effect from **[30 July 2021]**.

This direction is also being notified to the SEC Administrator and an updated version of the SEC to reflect these changes will be available on the SECAS website in due course.