Consultation

On the delivery plan for Network Evolution – Data Service Provider (DSP) Programme

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1. Executive Summary

Context

The term 'Data Service Provider (DSP)' covers a collection of key services that sits at the centre of the Data Communications Company (DCC) service, facilitating the rollout of smart meters across Great Britain. Today these services are provided under contract by a single provider and will require re-procurement in time for replacement services to commence in October 2024.

DSP services are currently delivered by CGI and have been since 2013 when the DCC was first established. As such, this is a significant procurement exercise, and it is important that DCC manage the programme in a way that delivers the best outcome for our customers, with regard to our licence objectives to deliver an efficient and economical service. Section 2.2 provides an overview of what services are currently provided by the DSP contract.

On 29 January 2021 DCC was Directed by BEIS to produce a plan that ensures continuity in the provision of data services with respect to Smart Metering Systems and this document is our consultation on that plan. **The consultation closes on 8 October 2021**.

Desired Outcomes

There are three separate sub-programmes that will ensure continuity in the provision of DSP Services, these are the Data System Programme, the System Integration Programme and DSMS Programme. The DSP Procurement Programmes will deliver three key outcomes:

- Continuity of services as defined in the SEC.

- Enable delivery of future change more flexibly and cost effectively.

- A new DSP service which represents value for money to DCC's customers.

The programme will develop a business case in line with the Treasury Green Book process to ensure that the future DSP service will meet customers' business needs and be affordable. Delivery within the specified timeframes has been assumed for the purposes of this plan, however options will remain open and be informed by our forthcoming Request for Information (RFI) directed at potential future service providers. The DSP data systems plan is the most complex programme and that, whilst we have included milestones for the two other programmes, this document focuses on this element of the DSP programme

The plan

Data Systems Programme

The procurement and implementation of a new DSP data system (excluding the SI and DSMS service) is being planned to complete ahead of the current contract end date of October 2024. DCC have an option to extend the current contract by a further year (to October 2025) and there are a further 2 years of termination assistance available to transition to a new solution meaning that DCC can continue under the current contract until 2027 at the very latest (although DCC will seek to complete the programme well ahead of this date).

Currently, DCC is at the early stages of the programme delivery and is focussing on the definition of the new solution and the development of the outline business case in preparation for commencing an ITT in Q2 of 2022. Later stages will focus on procurement and then build, test and transition to the new service. DCC has included the option of further industry consultations on this plan, subject to Secretary of State requesting DCC to do so, as the later stages of the plan become more certain. The first will be ahead of issuing an ITT when DCC will have more certainty about the procurement and contracting approach and timescales, and the second will be ahead of contract award when DCC will have more certainty about the implementation and transition activities. Until this point, the later milestones in this (post issuing of the ITT)

are likely to be subject to change as the programme evolves. DCC have scheduled control points ahead of these milestones.

This consultation is intended to inform our customers and other stakeholders and provide for a clear understanding of DCC's planned activity that we will take in order to replace the existing DSP data service contract. We welcome input and comment in response to the questions within this consultation.

Following the evaluation and careful consideration of responses to the consultation questions, the milestones presented within this document will be presented to the Department for Business, Energy and Industrial Strategy (BEIS) for approval and will be added to the Smart Metering Joint Industry Plan (JIP). DCC will be monitored against delivery of these milestones.

DSMS Programme

The DCC Service Management System (DSMS) is based on BMC 'Remedy' and provides the back-office support software for DCC operations. The DSMS programme will address both the short-term software upgrade of Remedy and also establish a longer term strategic approach to replace this service, for which future milestones have been developed.

System Integration Programme

The System Integration (SI) programme has two deliverables. Firstly, to procure a transitional DSP Programme SI, which will need to be in place ahead of DSP data systems design, build & test. Secondly, the programme should deliver an enduring testing & operational integration capability, which replaces all SI activities to operate the DCC service which are not specific to a particular change programme. Separate milestones have been submitted for each SI activity.

2. Introduction and Context

2.1. The Network Evolution Programme

1. The Network Evolution Programme (NEP) is a Data Communications Company (DCC) initiative geared towards defining and delivering the organisation's future operating capability. It currently comprises four Programmes:

    1. **Network Evolution Communication Hubs & Networks:** Designing and procuring future-proof Communications Hubs & Networks (CH&N). We require a technology with a longevity of at least 15-20 years so that the full benefit of CH assets' operational life is realised from the point of installation;

    2. **Network Evolution Data Service Provider (DSP):** Designing and procuring data services which enable continuity of service beyond the lifetime of the existing services whilst meeting customers' evolving business needs and exploring use of new technology to deliver better value and itself made up of three sub-programmes (Data Systems Programme, DSMS Programme and SI Programme);

    3. **Network Evolution Trust Service Provider (TSP):** Procure a replacement or extension to the Smart Metering Key Infrastructure (SMKI) security service in a cost-effective way; and

    4. **Network Evolution Test Automation:** Designing and implementing automated testing of the SEC releases to achieve faster and lower-cost testing.

2.2. The Current Data Service Provider (DSP) Contract

2. The DSP services are currently delivered by CGI in line with a contract which was let in 2013 at the inception of the DCC. The initial term of the contract expires in 2021 and DCC have secured an extension to the term of the contract until October 2024 with an option to extend that for a further year until October 2025. The contract allows for a further two years of termination assistance to facilitate migration to a new service provider if required.

The DSP contract sets out a number of systems and services to be delivered:

A - DCC Data Systems including;

a.   Access & Security (including DCCKI & SMKI Certificate Repository)
b.   Management of industry asset / registration data
c.   Service Request Processing
d.   Service Response Processing
e.   Alerts Processing
f.   Anomaly Detection
g.   Audit Logs
h.   DCC Service User Administration
i.   Transitional Change of Supplier (CoS) process
j.   Interface and Gateway services
k.   Hosting, application management and service management of the DCC data systems

B - DCC Service Management System (DSMS) - An IT Service Management System for use by DCC to manage its SMETS services. Includes hosting, application management and service management of the DSMS, including provision of the Self Service Interface.

C - A Systems Integration (SI) Service – This includes:

a.   SI activities during the implementation phase of a project or programme.

b. SI activities in relation to the operational service.
c. SI activities supporting provision of an enduring testing service, including market entry testing and SMETS1 Pending Product Combination Testing (PPCT).
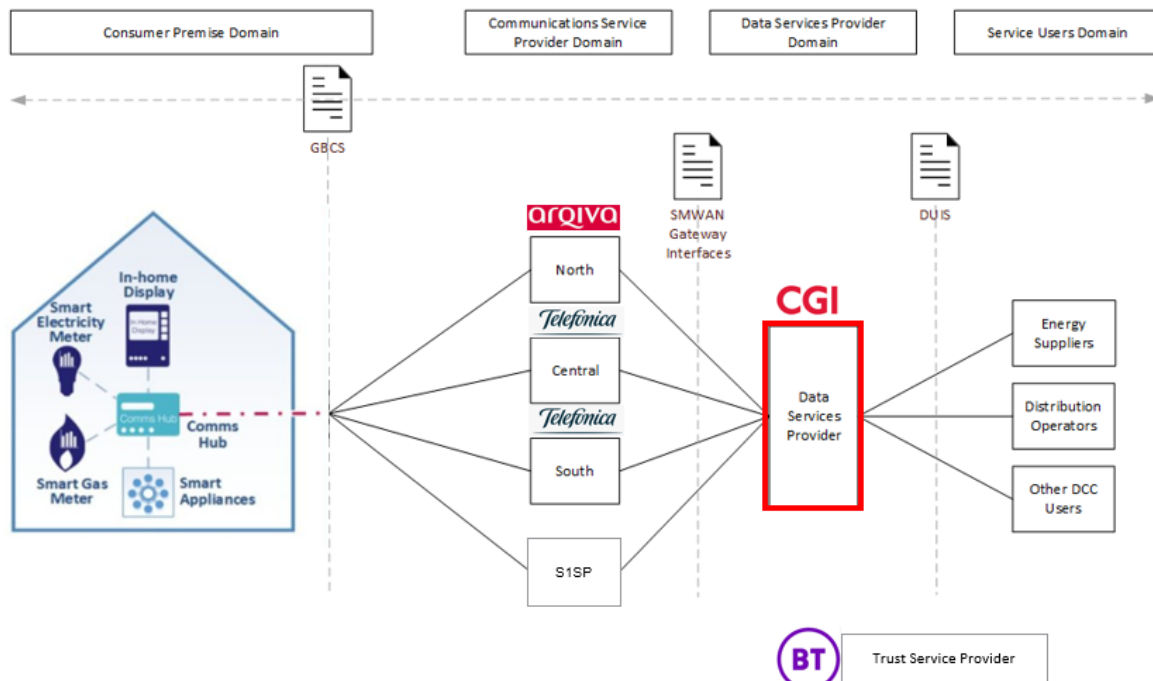
Figure 1. Role of Data Service Provider in DCC Total System

2.3.   Scope of this consultation

3.   This section explains the intended scope of this consultation. The LC13B direction for network evolution, referenced in Section 2.4 of this document, requires DCC to produce an implementation plan for submission to BEIS for approval, which robustly details how future DSP services will be implemented.

4.   This consultation is an opportunity for users of the DCC systems and other stakeholders to gain an understanding of, and provide comments on, DCC plans to implement a new DSP system in advance of existing DSP contract expiration in October 2024.

5.   The scope of this consultation will include the steps that DCC are taking to implement the future service for DSP.

6.   Plans for future delivery of all services that are contained within the existing DSP CGI contract and detailed within Section 2.2 are in scope for this consultation. All views provided in response to the questions contained within this consultation will be taken into consideration by DCC prior to submitting the DCC DSP implementation plan to BEIS for sign off.

2.4.   Secretary of State's Direction for the DSP Plan

7.   On 29 January 2021 the 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', one for Communications Hubs and Networks and one for DSP. A copy of the direction is included within

the earlier 'Consultation on the delivery plan for Network Evolution – Communications Hubs and Networks'[1].

8. The direction requires that DCC must submit a robust DSP delivery plan to BEIS for approval that includes each of the activities[2], milestones, customer engagement and associated timelines that DCC and its service providers will need to undertake. Interactions of the plan with other industry and DCC change programmes will need to be identified and accounted for and Assumptions, Risks, Dependencies and Opportunities of the plan explained.

9. DCC customers, SEC Panel (and Sub Committees) and other stakeholders will need to be engaged by the programme in a timely manner and consulted on the content of the plan, prior to submission to BEIS for approval.

10. Once approved, the plan will need to be regularly reported against submitted milestones.

This document is structured as follows:

Section 3 of this document explains how DCC is delivering the replacement DSMS and SI Services. These programmes are earlier in their development that the Data Systems programme, which is reflected in our approach and what DCC can share at this point in time.

Section 4 of this document sets out the longer-term detailed plans, objectives and key principles that relate to the future of DSP requirements and framework for full delivery of the Data Systems DCC DSP programme.

Section 5 of this document sets out lessons learned from similar programmes.

Section 6 considers the delivery of the Plan against DCC's other deliverables over the plan lifetime, as well as in the context of broader industry change (Data Systems Programme).

Section 7 considers the dependencies which must be met in order to deliver and the dates by which they can be met (Data Systems Programme).

Section 8 sets out the risks associated with the Plan and the opportunities that can be realised (Data Systems Programme).

Section 9 focuses on DCC's customers and their involvement in the plan, including the stakeholder engagement we have incorporated into the plan, as well as DCC's perspective on the key milestones and phases that will impact them over the lifetime of the programme (Data Systems Programme).

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[1] https://www.smartdcc.co.uk/customer-engagement/consultation-on-the-delivery-plan-for-network-evolution-communications-hubs-and-networks/
[2] Not limited to but including: Design, development, testing and build of software and hardware changes; User trialling and testing; device interoperability testing; changes to the Smart Energy Code; and DCC Commercial Strategy

2.5.   Timetable for consulting on and submitting the Plan

11.   BEIS have requested that the Plan is submitted to them by no later than 10 November 2021. In order to maximise stakeholder engagement, we will be developing the plan to the following timeline.

Date	Activity
10 September 2021	Consultation Opens
28 September 2021	DCC Hosted Webinar
8 October 2021	Consultation Closes
10 November 2021	Conclusion document issued and submission of plan to BEIS

3. SI and DSMS Programmes

12.   The DCC is operating through a complex commercial and industry change landscape with respect to its data services provision, not least including an extension to the existing DSP contract[1], the implementation of ECoS and the introduction of faster more reliable switching. We include here other specific DSP related activity that is separate to the Data Systems DCC DSP programme but within scope of the BEIS direction. Section 6 explains the DSP programme interactions with separate DCC, and other industry led change.

3.1.   Replacing the DCC Service Management System (DSMS)

13.   The existing version of the DCC Service Management System (DSMS) used by the DCC Service Centre (version 9.0) will no longer be supported by the software provider from the end of April 2022. The DCC programme is addressing this with an immediate software upgrade to the existing service, whilst also reviewing options for procuring a new solution once the DSP contract expires in October 2024.

Upgrade DSMS April 2022 – October 2024

14.   In order to maintain reliable service and address security vulnerabilities, the system must be upgraded. An "Upgrade" project is in progress and currently in the Shape stage of the [2]DCC Change Delivery Methodology (CDM) which requires DCC to define the detailed requirements of the upgrade and the delivery approach, including the work breakdown structure and resource plan.

15.   The outcome of the project will be a supported version of Remedy. The delivery approach is a technical upgrade, maximising opportunities without introducing risk to the core objective of a supported system by 20 April 2022. Guiding principles about the approach:

- Impact on customers is envisaged to be none to minimal.

- Customers will continue to access DCC services via the SSI (Self Service Interface) portal.

- Any changes will be to underlying Remedy architecture and processes.

16.   Current plans for delivery of the upgraded DSMS are aiming for a go-live in September 2022 but DCC are still in the early stages of this project and this may change. Extended support is currently being negotiated for the period between April 2022 and go-live to keep the product in support for this period. This upgrade and the associated plan is outside the scope of this consultation.

DSMS Procurement October 2024+

17.   The programme to deliver a new DSMS services will not be formally initiated by DCC until Q4 2021. To enable a timely transition from the upgrade of DSMS and allowing adequate contingency, the below indicative dates are being worked to by DCC.

18.   The current plan for delivery of the new DSMS are:

- [3]CDM Stage 0 – the Identify stage on 17 Dec 2021.

- [4]CDM Stage 1 – the Investigate stage on 25 Mar 2022.

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[1] DCC has utilised options to extend the Data Services Provider (DSP) contract with [CGI IT UK Limited (CGI)] for three years from the expiry of the initial term. This extension period will run through to 31 October 2024.
[2] Appendix C describes the DCC Change Delivery Methodology (CDM) Gates in greater detail.
[3] Stage 0 is the Identify stage and includes the identification of change, impacted business areas and justification of investment.
[4] Stage 1 is the Investigate stage and includes defining high-level requirements and development of the outline business case.

- [1]CDM Stage 2 – the Shape stage on 27 Jan 2023.
- [2]CDM Stage 3 – the Develop stage on 08 Mar 2024.
- Go live – 17 May 2024
- [3]CDM Stage 4 – the Deploy stage (including dual run) 31 Oct 2024

19.   These will be subject to change as the plan progresses and the new solution is developed. Milestones for the delivery of the new DSMS service are included in the milestone table and plan. A control point has been included at the point when DCC will be more certain about the delivery of this capability and the DCC will consider requesting that the Secretary of State directs DCC to update the plan.

3.2.   Systems Integration Service

20.   The Systems Integration (SI) Service is part of the existing DSP contract and sets out a number of transitional and enduring services in the role of the SI. The SI spans all of DCCs systems and service providers and has no particular affinity to the delivery of data systems.

DSP System Integrator (Transitional)

21.   The strategy is to procure a SI through the newly formed contract framework agreement, which already has five preferred suppliers. These suppliers are all currently working within DCC. The number of suppliers will be increased over the next six months to further enhance DCC's technical and delivery capability. Project teams, working with DCC support functions, will produce 'mini' RFPs for each required task / package of work to provide the SI service in relation to specific projects/programmes. The RFP's will subsequently be released to all framework suppliers to bid for, and a suitable supplier(s) will be selected based on their response(s).

22.   DCC recognises that the SI framework can greatly enhance its capability within the SI domain. Therefore, DCC will increase the membership of suppliers on the SI framework via a further RFP process to increase and enhance its overall technical capabilities and delivery within the SI arena. The aim from DCC is to add new suppliers onto the framework that will bring innovative ways of working and delivery into its technical and delivery ecosystem.

23.   The service will need to be in place and ready for DSP Design, Build & Test in Q2 2023. Milestones relating to the appointment of an SI for the DSP programme are included in the milestone table and plan.

DSP System Integrator (Enduring)

24.   This includes all SI activities to operate the DCC service which are not specific to a particular change programme; specifically, SI activities in relation to operations and in relating to enduring testing services. DCC are at the early stages of defining the plan to appoint suppliers to provide this capability. Milestones relating to the appointment of an enduring testing and operational SI are included in the milestone table and plan. A control point has been included at the point when DCC will be more certain about the delivery of this capability and the DCC will consider requesting that the Secretary of State directs DCC to update the plan.

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[1] Stage 2 is the Shape stage and includes defining detailed requirements, delivery approach and confirming the resource plan.
[2] Stage 3 is the Develop stage and includes DBT and ensuring business and deployment readiness.
[3] Stage 4 is the Deploy stage and includes the deployment of the solution into the live environment.

4. DSP Data Systems Programme Overview

4.1. Drivers for Change

25. The Network Evolution (NE) DSP programme has been established to identify, procure, develop, and deliver continuity in the provision of data services outlined in Section 2.2 above. In establishing this programme, the DCC is responding to three business and technical drivers as set out in this section.

Driver 1 – Continuity of Service

26. The Initial Term of the DSP contract with CGI will expires in 2021 after a period of eight years. DCC have reached an agreement with CGI to extend that to October 2024 with an option to extend by a further 12 months.

27. The primary driver for the NE DSP programme is to ensure that DCC Customers experience a continuity of service through this contract end date, with minimum service and performance levels meeting the current (As-Is) DSP provision.

28. Within the Smart Metering Communication Licence, 'data services' or anything under the DSP programmes are defined as a Fundamental Service Capability. Under Licence Condition LC16.4 DCC is required to procure Fundamental Service Capability (including replacements to existing Fundamental Service Capability) on a competitive basis.

Driver 2 – Effective Change Management

29. Since the DSP was initially designed and commissioned to support SMETS2 data services there have been regular updates made to the systems and services in response to evolving business needs. These updates range from changes in support of SEC Modifications to substantial changes to extend the DSP solution to support SMETS1 data services.

30. Evolving customer business models and technology continue to drive changes across DCC's systems and services, with work currently underway on significant upgrades to support the ECoS and Faster Switching programmes and as well as an ongoing portfolio of potential change driven by the SEC Modifications process. Within the term of the current contracts there have also been significant advances in technology which, if adopted, could contribute to a system that is more flexible to support future change.

31. Studies commissioned by DCC confirm that it is reasonable to anticipate that during the lifetime of the new DSP contract technology and business practices will continue to evolve leading to an ongoing pipeline of change as the industry continues to evolve for example in response to emissions targets, increased use of Distributed Energy Resources (DERs) and Electric Vehicle charging. While the DCC may not be driving the adoption of these capabilities, the DSP and other systems should be capable of effectively adopting changes to support their implementation as necessary.

32. DCC's customers have fed back that the cost and pace of change, particularly for the DSP, is a source of dissatisfaction.

33. Procuring a new DSP solution provides an opportunity to drive more effective change processes and potentially enhance testing and implementation approaches.

Driver 3 – Value for Money

34. DCC has a licence obligation when contracting for new services under mandatory business to ensure that best value for money for customers is achieved (Licence conditions 5.9 and 16.11). The DSP

solution should represent value for money to end customers both under normal operation and when undertaking change.

35. Procuring a new DSP solution provides the opportunity to drive enhanced value for money through adoption of new or improved technologies, streamlining change processes and tightening contractual controls enabling DCC to monitor and control costs of change on behalf of customers.

4.2. Desired Outcomes

36. The DSP procurement programme will procure new DSP services and aim to deliver the following outcomes for DCC's customers and key stakeholders:

- Continuity of DSP services to meet requirements set out in the Smart Energy Code (SEC)

- Deliver future change more flexibly and cost effectively

- Achieve value for money in delivery of DSP services

37. For planning purposes, the programme is working with an assumption of the latest possible contract end date of October 2025 under the current terms of the contract. Options will remain open and be informed by our forthcoming Request for Information (RFI), directed at potential future service providers.

4.3. Investment Objectives

38. As the NE DSP programme is delivering a replacement for a set of existing systems and services, the primary investment objective (in line with the primary driver) is to deliver the current requirements as set out in the SEC (unless otherwise modified by new requirements identified as part of the programme). During the development of the Strategic Outline Case (SOC) and Outline Business Case (OBC), DCC will engage with SEC Parties to establish their business needs and to identify any modifications to the SEC that will be incorporated into the requirements for the programme.

4.4. Delivery Approach

39. Whilst an end-end plan has been developed, some of the later stages are still subject to confirmation of the technical solution that is going to be procured as well as the approach to transition and transformation. For this reason, planning will take place in three phases:

40. Up to OBC Approval – this plan will define how the programme will determine the requirements and associated high-level designs which will feed into the procurement of the new solution. Until key decisions are made with regard to what will be procured and how procurement will be run, the subsequent phases cannot be planned with a high degree of confidence. OBC approval is the point that the preferred options for procurement will have been approved and the procurement phase can be properly planned and will be based only on Rough Order of Magnitude (ROM) estimates.

41. OBC Approval to Contract Signature – this plan will define how the procurement phase of the programme will be run. During this phase the delivery plans for the successful vendor(s) will be established that will allow firm planning of the final phase.

42. Contract Signature to Programme Completion – Once DCC has completed contractual negotiations, a full and firm plan to the end of the programme can be produced.

43. DCC has included the option of further consultations with industry on the plan ahead of each stage, subject to BEIS approval. DCC believes that milestones beyond the ITT are likely to be subject to change as the programme evolves. DCC have scheduled control points ahead of these milestones,

where DCC will consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.

4.5.   Programme Timescales

44. The base assumption for producing a programme plan is that a new solution will be implemented by October 2024, when the current contract with the incumbent service provider expires, followed by a period of transition. The current contract allows for up to two years of termination assistance beyond the contract end date to facilitate migration to a new service provider. During this period, the current incumbent service provider will continue to deliver services in line with the current contract.

45. DCC have an option to extend the current contract by a further year, until October 2025, which provides some planning contingency.

46. To deliver within the proposed timeline, Appendix A contains DCC's high-level 'Plan on a Page'. Appendix B contains the proposed LC13B milestones and milestone descriptions for delivery of the replacement DSP service.

4.6.   Programme Governance

47. The DSP procurement programme will adhere to DCC's Change Delivery Methodology (CDM) process which sets out a six stage process to ensure change is delivered across DCC in a consistent and controlled way. A more complete graphic is included as Appendix C.
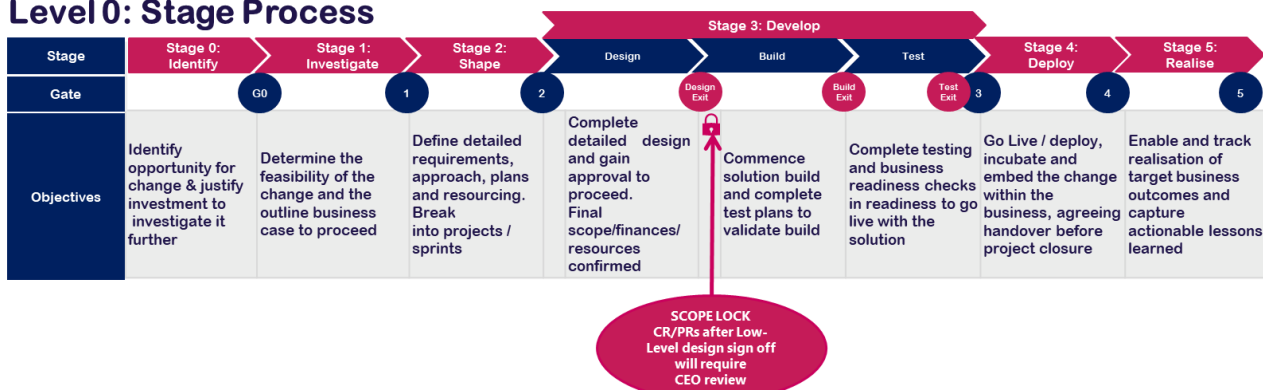
Figure 2. CDM Overview

48. The programme is currently in Stage 1. The remaining stage gates are included in the governance swim-lane on the level 0 plan. Progress through the various gates is governed by DCC's Operations and Delivery Exco Group (ODEG) forum which provides gate sign-off at the end of each stage.

49. To provide high quality assurance of the requirements and designs, DCC's Cross Functional Design Authority (CFDA) will oversee Design Assurance. The driver for cross functional governance is the reduction of siloed working practices and the improvement in common understanding of change for DCC and its Service Providers. This approach aims to de-risk programme delivery, ensuring the required business outcomes are delivered on time, in budget, right first time and are fit for purpose. The CFDA will provide governance over design change for the programme, to ensure that across all stakeholders there is a holistic understanding of the scope of change, its impact across DCC enterprise and that deliverables are correct, of quality, fit for purpose and meet the required customer and business outcomes. The CFDA will include representation from TABASC.

4.7.   Treasury Greenbook – Development of the Business Case

50.   In January 2020, BEIS undertook a consultation with industry that proposed changes to the DCC's licence requiring it to seek agreement from BEIS for certain future procurements. This condition, Licence Condition 16.6, has now been added to DCC's Licence and is applicable for all procurements for Relevant Service Capability over £10m, which includes the DSP programme. In order to seek agreement for these procurements, DCC is required to submit an HMT style business case updated at three decision points; prior to approaching the market with a Request For Information, prior to returning to the market with an Invitation to Tender and prior to Contract Signature. In developing the business case, the programme will be following the Treasury Green Book guidelines which gives guidance on options appraisal that concern public spending. The Green Book supports the 5-case model, which is the government's recommended framework for developing business cases and sets out the broad framework for the appraisal and evaluation of all policies, programmes, and projects. The five cases set out in the Green Book are:

- The Strategic Case – is it needed?

- The Economic Case – is it value for money?

- The Commercial Case – is it viable?

- The Financial Case – is it affordable?

- The Management Case – is it achievable?

51.   These will be set out in a Strategic Outline Business Case (SOBC), developed in an Outline Business Case (OBC), and then confirmed in a Full Business Case (FBC).

SEC Panel Recommendations

52.   From time-to-time BEIS may request a recommendation from SEC Panel in relation to key decision points in the programme. In these cases, DCC will work collaboratively with SEC Panel and its sub-committees to work towards the required outcome. This is in addition to the more general engagement that can be found in the customer engagement section of this document.

BEIS Decisions

53.   BEIS will make decisions in relation to the following points in the plan:

- SOBC approval (ahead of DCC engaging the market)

- OBC approval (ahead of DCC issuing an Invitation to Tender (ITT)

- FBC approval (ahead of DCC signing contracts and commencing the Develop stage)

- Go-live of the new service.

4.8.   Planning Considerations

End Date Assumption

54.   The proposed plan and milestones have a key assumption that a new DSP must be in place that delivers at least the existing functionality delivered by the current DSP contract by October 2024 (Assumption A1), however options will remain open and be informed by our forthcoming Request for Information (RFI), which is directed at potential future service providers

Selecting a Preferred Option

55. As part of the development of the Strategic Outline Case, DCC has developed a series of potential options for delivery of a new DSP solution. In order to identify and validate a preferred option through the next stage of the programme and in advance of procurement, the DCC will undertake the following activities:

- DCC SMEs will conduct a SWOT analysis of each of the potential options, including any new options that are suggested during the RFI stage, and identify the strongest candidates for delivery

- Further analysis of each option will be undertaken on the basis of potential providers' responses to the Request for Information (RFI), conducted in Q4 2021 which will include views on costs and achievability of the solution. At this stage a shortlist and preferred option(s) will be identified, which will subsequently be analysed through the OBC.

Question 1	**Is there anything further that you would like us to consider within our planning activities? Please provide any details.**

4.9.   Business Case Development

56. As set out in paragraph 50, DCC is following the HMT (Green Book) Business Case approach for the NE DSP programme. DCC is currently developing the SOBC, which will be finalised by DCC and submitted to BEIS for approval by BEIS on 03 September 2021, prior to the start of formal Market Engagement.

57. The purpose of the SOBC is to make the case for change and to establish clear business needs. Development of the SOBC started with consideration of the current DSP systems and services, working with DCC Customers and Stakeholders, together with Subject Matter Experts (SMEs) within DCC to identify where the current approach works well and where improvements could be made. From this investigative work, business drivers and a Case for Change have been established, business needs have been captured and a long list of potential delivery options will be identified and compared.

58. In the development of the SOBC, the DCC has consulted widely with DCC Customers and Stakeholders through established forums including the Quarterly Finance Forum and SEC Panel / Sub-Committees as well as wider engagement as part of the Business Development and Planning workshops and bilateral meetings with a cross-section of our customers. As part of the approval of the SOBC prior to the start of formal Market Engagement with potential future providers, BEIS has sought assurance from SEC Panel that customers' business needs have been accurately captured.

59. Following approval of the SOBC, the DCC will undertake a full economic and financial analysis of the shortlisted options drawing upon information captured in the Market Engagement as well as consideration of wider drivers of cost, quality and risk identified by the programme. This analysis will test assumptions made as part of the development of the SOBC and support the development of a Cost Benefit Analysis of a small short-list of options for comparison against a base 'Do Nothing' option which assumes a theoretical extension of CGI contract beyond current end date of October 2024 on same terms and costs.

60. The OBC is developed alongside the Invitation to Tender (ITT) pack and will include the outcomes of this analysis as well as details of how the DCC intend to procure the preferred option and plans for delivery, transition and operation of the NE DSP solution and systems. DCC will continue to consult with DCC Customers and Stakeholders throughout the development of the OBC, with BEIS seeking further assurance from SEC Panel prior to approval that business needs have been accurately captured within OBC. Approval of the OBC by BEIS is required before DCC is able to share the (ITT) with potential providers.

4.10.   Requirements Gathering

61. The approach to requirements gathering for both the SEC and non SEC service provision is to establish the 'as-is' requirements and then overlay the new / changed requirements. This approach is being taken in the assumption that there will be a comparatively small set of new/changed requirements and that the SEC represents the current, up-to-date requirements for the DSP. This assumption is made on the basis of initial engagement with SEC parties when establishing business needs.

62. Initially, High Level Requirements (HLRs) for Service Provider contracts will be established, and these will then be decomposed into Detailed Level Requirements (DLRs).

63. All Service Provider requirements will have acceptance criteria defined and will include traceability to the SEC and to the Service Provider contract schedules.

64. Any New/changed requirements will be derived in the following way:

- From internal DCC workshops to gather changes to requirements from operational and technical Subject Matter Experts (SMEs) based on DCC's experience of running the existing DSP and analysis of existing pain points, threats, and opportunities.

- From assessment of the industry defined business needs and proposed SEC changes discussed and agreed with SEC Parties through SEC Panel engagement and other industry workshops and consultations.

- From assessment of SEC changes that have been rejected as being too complicated or expensive to implement via the SEC Mod process.

65. Approval of Service Provider requirements will be via the CFDA and whilst DCC does not propose to engage with industry on these requirements, which may run to many thousands of detailed requirements, any proposed changes which impact the SEC and so any users of the DSP will be the subject of industry engagement.

66. We have assumed that any changes to the SEC will be made under BEIS' powers and will be subject to an industry consultation document.

Question 2	Are there any additional steps we need to take in relation to capturing proposed changes to the SEC that you would like us to consider?

4.11.   Market Engagement and Procurement

67.   In accordance with procurement best practice (and aligning to the NAO framework which will form part of the DCC OPR regime going forward), DCC will conduct market engagement before any formal procurement begins.

68.   In general, the objective of the market engagement activity is to provide intelligence from the marketplace to enable the DCC to make an informed assessment of the viable options to proceed to a full DSP re procurement tender process. In addition, it allows us to:

- Prepare and warm-up the market to the upcoming procurement opportunity.

- Identify and mitigate any barriers that may prevent potential service providers from bidding.

- Inform our delivery approach based on the market intelligence and de-risk the chance of entering into unachievable projects.

- Determine the assortment of solutions/options on offer from the market to feed into the programme specification

- Inform the sourcing strategy i.e., consideration of whether the contract should split into smaller lots.

69.   Such input from the market may be used in the planning and conduct of the programme and procurement with due consideration to not distorting competition and does not result in violation of the principles of non-discrimination and transparency which are obligations in our license.
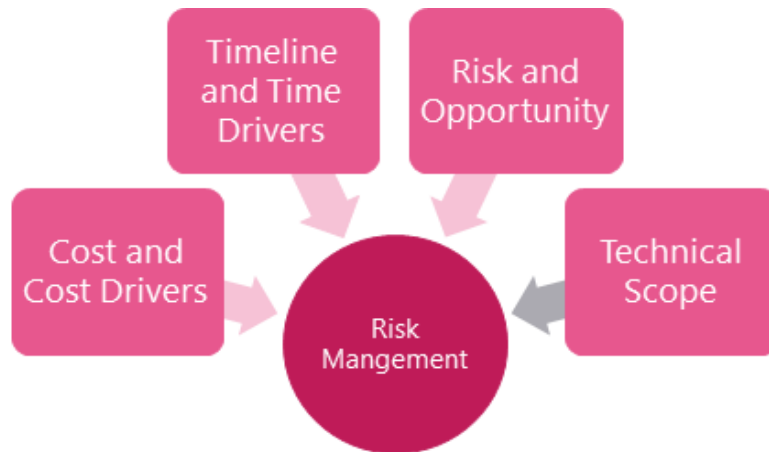
Figure 3. Focus of NEP DCC Market Engagement

70.   The market engagement for this programme will focus on the areas set out above, which will assist DCC in assessing the options for the new DSP service and agree on a preferred option to take to tender. . For this reason, it is considered prudent to seek this input as early as possible to that activity.

Approach to Market Engagement

71.   DCC intends to run market engagement of several forms to support the delivery of the NEP DSP programme.

72.   The DCC has begun conducting the market engagement and has split it into three phases. Early Market Engagement (Commissioned Market Reports), Market Engagement (RFI), Pre-Tender Market Engagement (Supplier Qualification Questionnaire). As the plan and delivery thinking develops, there may be additional layers of activity that fall under the market engagement banner.

73. The diagram below illustrates how the DCC is currently shaping the market engagement activity, how it is split into the phases and how it supports the programme activity.

Figure 4. Early Market Engagement – Delivered to Date

74. DCC commissioned specialist studies to be undertaken throughout 2020 by Gartner and Wipro, which have provided initial market intelligence to support the programme.

75. The outputs of the studies provided insight on the relevant marketplace, market trends and technology direction. Both reports provide information on various approaches to how the DSP service could be developed, including flexible and greenfield solutions.
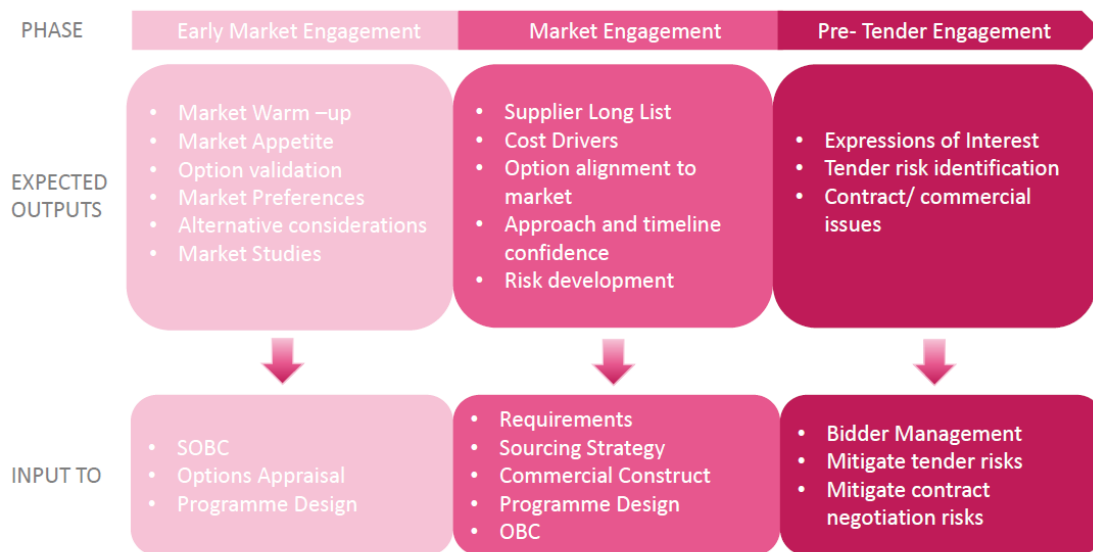
76. Overall, the two reports sought to:

   - Understand interest and capabilities within the market

   - Inform the sourcing approach

   - Provide guidance on how potential future requirements could be tailored according to the emerging trends within the technology market

   - Develop the scope of future market engagement sessions

77. The studies signify that there is a strong market for the DSP service which aligns with wider market analysis undertaken by DCC comparing the information found in the reports to other sources that included reviewing magic quadrants (market research reports that rely on proprietary qualitative data analysis methods to demonstrate market trends) of particular market areas, utilising market toolkits and databases to help determine the potential supplier base and market capabilities. This helped to give a more holistic picture of the market and the supplier chain.

78. The early market analysis was intended to provide information to DCC on the feasibility of the programme, identifying any potential issues or opportunities associated with programme timescales, technology and or delivery option. However, it did not provide the required information to the detail needed to assist the DCC in planning for the DSP service and therefore further Market Engagement was required.

79. DCC contacted the market to conduct a market warming exercise and establish points of contact, Mutual Confidentiality Agreements were then sent out to the suppliers to ensure that we can move forward with the next phase effectively.

Market Engagement - RFI

80. Following on from the Market Analysis, DCC has initiated the full market engagement activity. DCC has contacted a range of suppliers from the market and establish points of contact.

81. Mutual Confidentially Agreements have been issued and agreed with the suppliers, and the longlist confirmed.

82. A supplier briefing session will be set up, in order to provide information on the DSP service, the expectation of DCC and the potential solutions we are reviewing. There will be an opportunity for the suppliers to ask questions about the DSP service and RFI, and we will allow suppliers to send in any further questions or if they do not wish to ask on at the supplier briefing.

83. Following the supplier briefing, the RFI will be finalised and issued out the suppliers. The RFI will be constructed around a number of options defined by DCC.

84. Information will be provided to suppliers for each of the different options, providing technical information, diagrams, and questions in order to help the supplier understand the scope.

85. The suppliers will have an opportunity for further clarification questions to be asked during the RFI process, questions will be sent via email and reviewed by the relevant DCC representative, and once answered will be issued out to all suppliers.

86. The expected outcomes from the RFI will assist DCC in the cementing a decision around which option(s) are the most viable, establishing ROM costs for the different work packages, and to allow the market to provide alternative solutions to the service.

87. Below is a list of themes *(not exclusive) that will be used to construct the questions that are may be included in the RFI:

- Cost Drivers
- Timeframes
- Commercial – contract options, contract length, ways of working and cooperation
- High level Requirements
- Supply chain considerations
- Transition validation
- Key risks
- Alternative solutions

Pre-Tender Engagement

88. Prior to the tender activity being initiated there will be a third phase of market engagement activity which will seek to do the following:

- Establish formal expression of interest
- Socialise specific requirements that are considered unique to our context

- Familiarise the bidders with the terms and conditions especially mandatory flow downs and key commercial principles

- Ensure clarity in terms of the process to be followed

89. All of the above is to support an effective tender process and de-risk delay in getting to contract signature.

4.12. Test Strategy for DSP Replacement – 'Shift Left'

90. Testing forms the core of the DSP Plan, and it is vital that the testing undertaken is of a high standard, in keeping with the significance of the programme's objectives.

91. The DCC has been through several important testing cycles in different delivery programmes, and we seek constantly to learn from our experiences, building on our successes and making changes where improvements have been identified. The nature of the DSP programme, and the benefits gained from prompt delivery, must be balanced against the need for thorough testing that meets stakeholders' needs. To strike this balance we are adopting the 'shift-left' principle whereby we increase the breadth and depth of testing in PIT and SIT, using real devices to demonstrate fitness for purpose. We consider that this approach must be supported by robust external assurance of testing in PIT and SIT

4.13. Build and Pre-Integration Testing (PIT) and System Integration Testing (SIT)

92. At this stage, little is known about the detailed design, build, PIT and SIT stages of the programme as DCC are still assessing the various design options which will determine what a new DSP will look like and how it will be developed. DCC have included dates for these phases of the programme based on high level assumptions of timeframes. As DCC engages with potential vendors and moves through the market engagement, procurement and contracting activities, a clearer view on the build, PIT and SIT activities will emerge. DCC will update this part of the plan in subsequent plan consultations.

Question 3	Do you support DCC's shift-left strategy for testing, including that there are no obligations on DCC Users to undertake testing? If not, please explain why.

4.14. Transition

93. Transition deals with the physical implementation of the changes required to realise the new NEP DSP service and its operating model as well as the cutover from the current to the new service solution. At this relatively early stage in the NEP DSP programme, where conceptual solution options and architectures are being considered and evaluated, it is some time before logical and physical architectures will be defined for the target solution chosen and more specific transition strategies, approaches and detailed plans can be developed. DCC will set out more detail in relation to transition in subsequent plan consultations.

94. DCC will develop a transition approach during the investigate and shape stages of the project. The main consideration when developing this approach will be to minimise impact to DCC's customers and to prevent any detrimental impact to consumers. The transition approach is likely to require SEC changes so will be captured within the review of Regulatory Changes and therefore DCC will consult

with industry when developing the transition approach to ensure that customer views in relation to transition are taken into account.

95.   In determining the transition approach, we will consider the following things:

- Transition planning

- Release and deployment management including cutover arrangements

- System and service integration

- Likely impact to DCC's customers

- Transition risks, constraints and dependencies

- Data and service migration approach

- Support for transition / migration including early life support post transition / migration

Question 4	We would welcome any early views on important transition considerations from our Stakeholders? Please provide as much detail as possible.

4.15.   Regulatory Change

96.   It is the intent of the programme to deliver a replacement DSP service that is fully compliant with existing obligations within the SEC, the REC and Smart Metering Communication Licence. The requirements gathering section of this document details how these obligations have been identified.

97.   It is likely that as the programme evolves, some requirements will change, and new requirements will be identified. As with previous programmes implemented by DCC through Direction from Government, we expect that BEIS will use its Secretary of State powers to direct changes to the SEC, and DCC will manage consultations on these changes in the same way we have done for the SMETS1 Programme.

98.   Given the scale of change required to implement a new DSP service, it is likely that changes will need to be made to the SEC and possibly the Smart Metering Communication Licence. We plan to understand these at a high level in Q1 2022 with the drafting these changes confirmed in Q2 2023.

5. Lessons Learned

99.   DCC has delivered several large change programmes for Government, and on behalf of the energy sector. We always seek to apply lessons learned from this experience into our work moving forward. We have included in this section how we are factoring these into our plan for DSP delivery.

Business Case

100.   Working closely with BEIS in advance of each stage of business case approval to ensure alignment and that expectations are met and there is no delay to signing of contracts related to this approval process.

101.   DCC to define the commercials within the OBC/FBC as early as possible, alongside the economic case and not separately.

Procurement

102.   Increase market engagement to introduce market to DCC specific aspects such as flow down T&C's, which my help get a broader bidder pool overlay of governance framework.

Testing Governance

103.   To ensure stakeholders have assessed, understand, and support our approach to the whole testing process, we will seek TAG's involvement in PIT and all subsequent testing stages. We will also involve TAG & SMKI PMA in the development of our test approach documentation.

104.   Testing Governance requires time and in previous programmes it has been necessary to ask TAG and others to operate to compressed timetables. We will include sufficient windows for testing governance in this plan.

Programme Consultation

105.   Ensure sufficient time for consultation with SECAS sub committees and industry is built into the plan, ensuring complete alignment across what artefacts will be shared, when and why.

Requirements Capture

106.   Ensure that a consistent methodology (across DCC) on how requirements are documented for the procurement of services (in a quality and clear manner) is implemented.

Programme Governance & Delivery

107.   The programme shall work closely with SEC Sub-committee chairs in order to agree, upfront, all necessary artefacts that the committees want to review in order to endorse the business needs, especially those that are user impacting.

Question 5	We would welcome comments on DCC's lessons learned. Are there any we have not listed, or lessons in the list which should be discounted?

6. Plan Interactions with other DCC and Industry change

109. The delivery of the DSP Programme will take place during a period of significant change in the energy sector. In this section we assess the key changes in which DCC is involved and set out how we propose to manage contention across this portfolio of change.

6.1.   Smart Energy Code Releases

110. The SEC releases that will take place up to the DBT phase of the programme are being tracked within DCC. Whilst the content of each is not finalised, we can anticipate probable change and use this to develop our approach to manage contention. It will be important that testing requirements for DCC Users are understood for SEC releases and that impacts on the testing in the DSP plan (and vice versa) are understood.

111. It is assumed that a November 2023 baselined version of the SEC will be used during the DBT phase of the programme. Modifications to the SEC that have previously been approved for implementation will not be impacted by this baselining, however all new proposals during this change control period will need to be impact assessed against the more stringent criteria and cost of implementing in both systems during a period of transition. This is linked to Risk 5 in section 8.1.

6.2.   Faster Switching Programme

112. DCC plays an integral part in Ofgem's Faster Switching Programme, to design, build and test a central service that will deliver faster and more reliable switching and will go live in the summer of 2022. Switching testing will be complete well ahead of any testing for the DSP plan. As such we consider the risks of contention between the programmes to be low.

113. To further minimise risks, as we move towards live service provision for Switching, DCC has initiated a 'transition to live service' programme which ensures the readiness of all functions across DCC to support in-life switching and the REC, from Q1 2022 to 2025 and beyond. This includes a REC/SEC coordination project which will assess all new REC obligations against DCC's obligations in the SEC, to ensure that any contention is identified, and a management plan is in place to remove or mitigate risks. The project will assess all extant and planned change in the SEC, and we will factor in any SEC changes that are required as part of DSP delivery to ensure there are no impacts on the Switching Programme and vice versa.

6.3.   Market-Wide Half Hourly Settlement

114. As well as the Faster Switching Programme, Ofgem is currently overseeing a transition to market-wide half-hourly settlement (MHHS) for all energy consumers. This programme will require significant change across industry and will impact DCC. The Ofgem final decision on implementation of MHHS was released in April 2021. DCC requirements will be defined by modification DP162 and will be delivered to the following timetable.

- SEC Code change process completed – January 2022

- DCC Design Build Test completed – January 2023

- DCC go live - November 2023

115. These programme milestones will need to be taken into account when planning future DSP transitional arrangements. System integration planning has started for MHHS, however it is at an early stage and a final assessment on the processes and activities that comprise it has not yet been completed. This will become clearer following impact assessments undertaken by impacted Service

Providers as part of the modification process. This is scheduled for September 2021. UIT resources for MHHS will likely focus on the new 'Meter Data Retrieval' users, which is separate to existing Supplier roles and will only have access to a limited set of Service Requests.

116. It is anticipated that large volumes of Half-Hourly data will not be required until the migration of Energy Suppliers to the new MHHS processes from mid-2025 onwards.

6.4.   Transition of SMETS1 activities into Business-As-Usual

117. The SMETS1 Programme has been a significant element of DCC's change activity over the last 3 years. As the number of outstanding programme deliverables reduces, we are focussing on maintaining our successes in a smooth transition to Business as Usual for SMETS1 Services. There are several outstanding activities planned, including uplift projects to enhance the Final Operating Capability (FOC), we anticipate no contention between this activity and DSP.

118. The DCC has commenced a programme of work to replace the existing Transitional Change of Supplier (TCoS) arrangements with a more robust set of enduring arrangements – the Enduring Change of Supplier (ECoS) arrangements. This work is underpinned by a plan that was approved by BEIS on 30 March 2020, under Condition 13A of the DCC Licence.

119. At present Transitional Change of Supply (TCoS) functionality is provided by the Data Service Provider (DSP). TCoS will be decommissioned upon successful implementation of the Enduring Change of Supplier (ECoS) which will include ECoS interfaces with the DSP via the ECoS Party Interface Specification (EPIS) and SMKI repository interface.

120. The ECoS programme will define and implement the enduring arrangements for the changing of security credentials on SMETS devices. Enabling energy customers to change supplier securely and easily is one of the fundamental purposes of the smart metering rollout and is underpinned by DCC's change of supplier process.

121. When the new target DSP is procured, it is expected that the new DSP will interface with the ECoS via the ECoS Interface Specification (EIS) and Smart Metering Key Infrastructure (SMKI) repository interface only.

The primary assumptions are that:

- There are no further changes anticipated for the new DSP service apart from what is necessary to integrate a newly procured DSP and ECoS; and

- The present ECoS implementation, including the data migration from TCoS to ECoS, and TCoS decommission, is expected to be complete by Q1 2023.

122. The ECoS Programme is due for completion in April 2023. It is split into 3 distinct phases:

- Procurement Phase: January 2020 – May 2021

- Design, Build and Test: February 2021 – June 2022

- TCoS – ECoS Migration: July 2022 – April 2023.

123. There will then be a managed transition of the live service into operations from May 2023. ECoS will be implemented will in advance of the DSP Letters of Intent being signed and so we anticipate no contention between this activity and DSP.

6.5.   The broader Network Evolution Programme

124. DCC's Network Evolution Programme extends beyond the DSP programme, and DCC will need to ensure each sub-programme is managed efficiently and without contention as part of DCC's overall portfolio.

Trusted Service Provider (TSP) Programme

125. The Smart Metering Key Infrastructure (SMKI) and security services are currently provided under a contract from BT. DCC has taken the option to extend this contract by 1 year to April 2022. BT's existing DigiCert Symantec SMKI platform will be retired in April 2022. Having consulted industry forums including SSC, TABASC, and SMKI PMA, and key stakeholders including BEIS, Ofgem and the National Cyber Security Centre (NCSC), DCC has decided to migrate to a new BT platform from April 2022, extending BT's service until 2025.

126. BTs DigiCert DC1 TSP SMKI platform service expires in April 2025. A replacement service is required before this date. Failure to replace the service will have a critical impact on the DCC service availability, customer installs and consumers ability to switch supplier. Critical path activities have been initiated with a core objective to identify and implement a TSP replacement platform by April 2025, with no or minimal impacts to DCC business as usual activities and the time, cost, or quality of other DCC programmes. The CDM Gate 1 is scheduled for 31 March 2022.

Test Automation Framework (TAF)

127. DCC is currently implementing changes to its approach to testing to enable greater automation. The Test Automation Framework (TAF) is a platform agnostic tool which has the ability to be used 24/7 across multiple environments executing tests concurrently in multiple meter sets, whilst capturing device information and logs using robotics.

128. Use of this tool will result in enhanced testing throughput, increased scope and coverage and reduction in cost of testing DCC Motorway related changes.

129. Testing for the DSP programme will need to take into account any in opportunities provided by the implementation of TAF.

Communications Hubs and Networks Programme

130. In June 2021 BEIS approved DCC's plan for delivery of its Comms Hubs and Networks programme element of its Network Evolution Programme. DCC has resourced for and is executing its delivery plan for Comms Hubs and Networks Programme, and as we have been doing this concurrently with the early development of our DSP Programme, we do not expect contention. However, the CH&N Programme, like this one, is currently at an early stage and subject to some uncertainty as procurement processes and high-level designs are not concluded. DCC introduced control points into this plan, and we will use these to review CH&N delivery against all of DCC's and industry's programme activity. This will include the DSP Programme.

6.6.   Summary

131. There is a great deal of industry change being undertaken over the duration of the DSP plan and it is important that all dependencies and contentions are identified and managed. This role is performed by DCC's Portfolio management function. Our analysis indicates that there is overlap between other activities and the DSP Programme, and we consider this an unavoidable reality in the context of a sector undergoing significant change as part of government driven activity towards Net Zero ambitions for 2050.

132. DCC will use its experience of multiple programme delivery to coordinate this portfolio and ensure solutions are in place to manage the concurrent activity we expect now, and any overlap that arises from changes to this or other programme timelines. We will also ensure we engage extensively with stakeholders to update on delivery within DCC's control and take views on how to manage any external change which may impact the programme delivery.

133. New industry requirements through the SEC or elsewhere will be monitored and taken into account within the DSP programme. The changing SEC will be baselined and updated with each release.

134. The areas of concurrent activity in the plan we are actively managing are as follows:

- **ECoS** - The timing of the ECos programme means that its implementation is close to date of the proposed change control date of November 2023, changes to the timing of either program must be carefully managed. There are no TCoS requirements within the DSP Programme, therefore ECoS must be functional in advance of implementation. Requirements and interfaces for the ECoS service must be captured within the DSP Programme.

- **MHHS** - Implementation of the proposed, but yet to be approved SEC changes to implement MHHS requirements within the DCC are extremely close to the proposed change freeze date of November 2023, changes to the timing of either program must be carefully managed. It is DCCs expectation that all MHHS requirements will need to be replicated within the new DSP system(s). The change freeze itself will not impact the production and delivery of agreed modifications; therefore, we do not expect impacts to delivery for the wider MHHS programme.

- **TSP** - The next TSP service is scheduled to be implemented by April 2025. There will be significant overlap between the DSP and TSP programmes, which will need to be managed, not least from a timings and requirement gathering perspective to avoid issues. To support this management, both programmes will be reportable to the same DCC Executive Committee member.

Question 6	Do you agree with our assessment of external change which could impacted or be impacted by DSP delivery? Are there changes that we have not considered?

7. Dependencies and Assumptions

136. In this section we set out the external dependencies and assumptions – i.e., those over which the DCC does not have direct control – that underpin the plan up to OBC approval and issuing of the ITT. Dependencies and Assumption will be re-evaluated based on the outcome of the ITT and the options that are prioritised at that time. The tables below capture these.

7.1. External Dependencies (up to OBC approval)

Ref	Title	Who	Date/Duration	Description
D1	Review and approval of Outline Business Case	BEIS	Provide approval in line with the published plan.	DCC's Licence requires that DCC submits its proposals for DSP procurement to the Secretary of State and the procurement can only proceed where they do not object. We will do this through the submission of the DSP Business Cases to BEIS ahead of contract award. DCC will not progress to ITT/RFP without this dependency being met.
D2	SEC Panel to provide advice to DCC on meeting SEC party business needs	SEC Panel SEC Parties	Agree definition of information / artefacts required and to provide views in relation to these in line with the published plan (i.e., during Q1 2022 ahead of May SEC Panel)	SEC Panel to agree what data / artefacts they require from DCC and then to provide advice based on those. BEIS cannot complete approval of the OBC without this dependency being met.

7.2. Key Internal Dependencies

Ref	Title	Who	Date/Duration	Description
D3	Enduring Change of Supplier (ECoS) arrangements are implemented on time	DCC	February 2023	There is a dependency on the ECOS project to deliver a replacement for TCOS by February 2023. The new DSP will need to integrate and test with the ECOS system. This date represents the point at which exit from SIT-B must be achieved in order not to impact the DSP Procurement Programme's plans.
D4	Trusted Service Provider (TSP) arrangements are implemented on time	DCC	April 2023	There is a dependency on the TSP project to deliver a replacement by April 2022. The new DSP will need to integrate and test with the TSP system. This date represents the point at which exit from SIT-B must be achieved in order not to impact the DSP Procurement Programme's plans.

7.3.   Assumptions

Ref	Title	Description
A1	**There is sufficient time to complete procurement, design, build, test, and transition ahead of October 2024**	The plan has been built on the assumption that the time between OBC approval (June 2022) and October 2024 is sufficient to complete procurement, design, build, test, and transition to a new service provider. Some contingency against this date is available in the form of an option to extend the existing contract by a year as well as the facility in the current contract of 2 years termination assistance

Question 7	**Do you agree with our assessment of dependencies for DSP delivery? Are there any which are not been included but should have been?**
Question 8	**Do you agree with our assumptions for DSP delivery? Are there any which are not been included but should have been?**

8. Risks and Opportunities

137. In this section we set out the risks and opportunities which could impact or be impacted by the plan. Views from respondents on both of these will be integral to DCC's finalisation of the DSP plans.

8.1.   Risks

138. There are a number of risks associated with the delivery of the programme according to the plan. The table below sets these out along with their impact, and DCC's management of them.

Ref	Description	Impact	Mgt Strategy
R1	**There is a risk that timelines for procurement, design, build and test are longer than currently planned. Until DCC have selected a preferred option for transition to a new service, these phases cannot be planned with confidence.**	There may be insufficient time to complete the design, build and test activities ahead of October 2024 when the current contract comes to an end. This could result in an interruption to DSP service.	DCC have an option for an extra year to extend the CGI contract to October 2025.

DCC may need to request a change to its licence conditions in order to exercise the fourth year., should this be deemed necessary.

If further time is required beyond October 2025, DCC will explore options for further extension beyond October 2025.

Once DCC have established the preferred implementation option and completed market engagement, a better view as to the likelihood of this risk occurring will be established. |
| R2 | **Dependencies are delayed; There are a number of external dependencies in the plan where DCC does not have contractual levers to drive activity in accordance with the plan.** | Any delay in meeting these dependencies will have an impact on the plan and subsequent milestones with will delay delivery. | DCC will engage with all external parties we are dependent on to ensure that dependencies are understood and that risks to dates are identified early. |
| R3 | **Urgent SEC MOD releases or unplanned additional change are required to be implemented at short notice (especially for changes to DSP).** | Planned project timeline could be delayed and costs increase as a result of in-flight changes. | DCC have agreed to roll all future SECMods up to the November 2023 release into this programme.

Changes between this date and go-live of the new solution will have to be impact assessed by this programme and a decision taken by the appropriate body as to whether the change is urgent enough to require incorporation into the programme in-flight. |

Ref	Description	Impact	Mgt Strategy
R4	**Change control and baseline of changes to existing DSP.**	There is a risk that an extend change control period (section 6.1) may be required for the existing DSP which would present problems to SEC parties and/or DCC operations.	As the preferred option and the transition approach is developed, the programme will define the likely change control period required. The programme will work with stakeholders and seek to establish a plan which is acceptable.

8.2. Opportunities

Ref	Description	Impact	Mgt Strategy
EO 1	Reusable Components – there are a number of components in the existing DSP which may be made available for re-use by prospective vendors.	This may reduce costs/timelines for design, build and test of the new service.	DCC will make use of the Market Engagement and ITT activities to establish whether these components can be reused by prospective vendors to reduce costs/timelines.
EO 2	Use of Test Automation Framework	DCC's are developing a Test Automation Framework which may provide opportunities for shortened test cycles and phases.	As the plans for design, build and test are developed, the programme will assess whether the Testing Automation Framework Can deliver opportunities to minimise test durations.

Question 9	Do you agree with our assessment of risks for DSP delivery? Are there any which are not been included but should have been?
Question 10	**Do you agree with our assessment of opportunities for DSP delivery? Are there any which are not been included but should have been?**

9. Customer Engagement

9.1. Overview

139. The objective of the Programme is to build a platform which meets our user's needs now and in the future. To achieve this, the Network Evolution DSP Programme seeks to design and procure data services which are secure and sustainable, capable of rapid and cost-effective change in response to market and customer demand. It is therefore critical to our success to ensure that we listen to the feedback from our customers and stakeholders and use this feedback to help shape our design and approach.

140. A fundamental component of the Business Case Approval is ensuring that engagement activity must clearly evidence the needs of SEC Parties. BEIS have provided direction that this will need to include evidence that DCC has ascertained the views of Stakeholders on:

- whether there is a need for any change to service delivery in any new DSP contract or any extension(s) to the current contract;

- if so, what revisions to service delivery should be sought (including any increases or reductions in scope); and

- how the transition between DSP contracts (or between the initial term and any relevant extension period(s) under the existing DSP contract) should be managed with regards to any aspects that could materially impact service delivery (including consequential operational changes) or costs (including User costs).

The following sections summarise the engagements DCC are planning.

9.2. Engagement with SEC Panel & Sub-Committees

141. The DCC has already engaged with SEC Panel in relation to establishing the business needs as part of the development of the SOBC ahead of issuing an RFI as part of market engagement.

142. The DCC will continue to engage with SEC Panel in relation to the BEIS direction set out above ahead of OBC and FBC approval with particular reference to validating the business needs. The DCC and the SEC Panel will agree a more detailed engagement plan to facilitate this in line with the high-level plan and milestones set out in this document.

9.3. Wider Industry Engagement

143. The DCC is planning to engage more widely with industry through consultation on the transition approach (which is likely to have the biggest impact on SEC Parties) and on proposed changes to the SEC which will be amended under BEIS powers.

144. The DCC will also share updates on the DCC Website, partner newsletters, at the quarterly finance forum and at the small and independent suppliers' forums.

9.4. Industry Managers Forum (IMF) and Smart Metering Delivery Group (SMDG)

145. Once the plan is baselined, the DCC will provide regular updates on progress at the IMF and SMDG monthly meetings.

Question 11	Do you support DCC's proposals for engagement with stakeholders during the delivery of the plan? If not, please tell us why.

10. Next Steps

146. This consultation closes at **17:00 on 8 October 2021**. Please email your response to consultations@smartdcc.co.uk.

147. DCC reserves the right not to publish, or to delay publication of, referenced material or documents and/or respondent feedback for confidentiality, commercial, compliance and/or legal reasons.

**148. Subject to paragraph 147:**

- Consultation responses may be published on our website 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 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 confidential) may be made available to the Department of Business, Energy and Industrial Strategy (BEIS) and the Gas and Electricity Markets Authority (the Authority), who are subject to public law duties and obligations as regards such information and its publication, entirely separate to DCC.

149. If you have any questions in relation to this consultation, please contact DCC via consultations@smartdcc.co.uk.

11. List of Consultation Questions

Consultation Questions
1.   Is there anything further that you would like us to consider within our planning activities? Please provide any details.
2.   Are there any additional steps we need to take in relation to capturing proposed changes to the SEC that you would like us to consider?
3.   Do you support DCC's shift-left strategy for testing, including that there are no obligations on DCC Users to undertake testing? If not, please explain why.
4.   We would welcome any early views on important transition considerations from our Stakeholders. Please provide as much detail as possible
5.   We would welcome comments on DCC's lessons learned. Are there any we have not listed, or lessons in the list which should be discounted?
6.   Do you agree with our assessment of external change which could impacted or be impacted by DSP delivery? Are there changes that we have not considered?
7.   Do you agree with our assessment of dependencies for DSP delivery? Are there any which are not been included but should have been?
8.   Do you agree with our assumptions for DSP delivery? Are there any which are not been included but should have been?
9.   Do you agree with our assessment of risks for DSP delivery? Are there any which are not been included but should have been?
10.   Do you agree with our assessment of opportunities for DSP delivery? Are there any which are not been included but should have been?
11.   Do you support DCC's proposals for engagement with stakeholders during the delivery of the plan? Please tell us why.

12. Appendix A – Plan on a Page
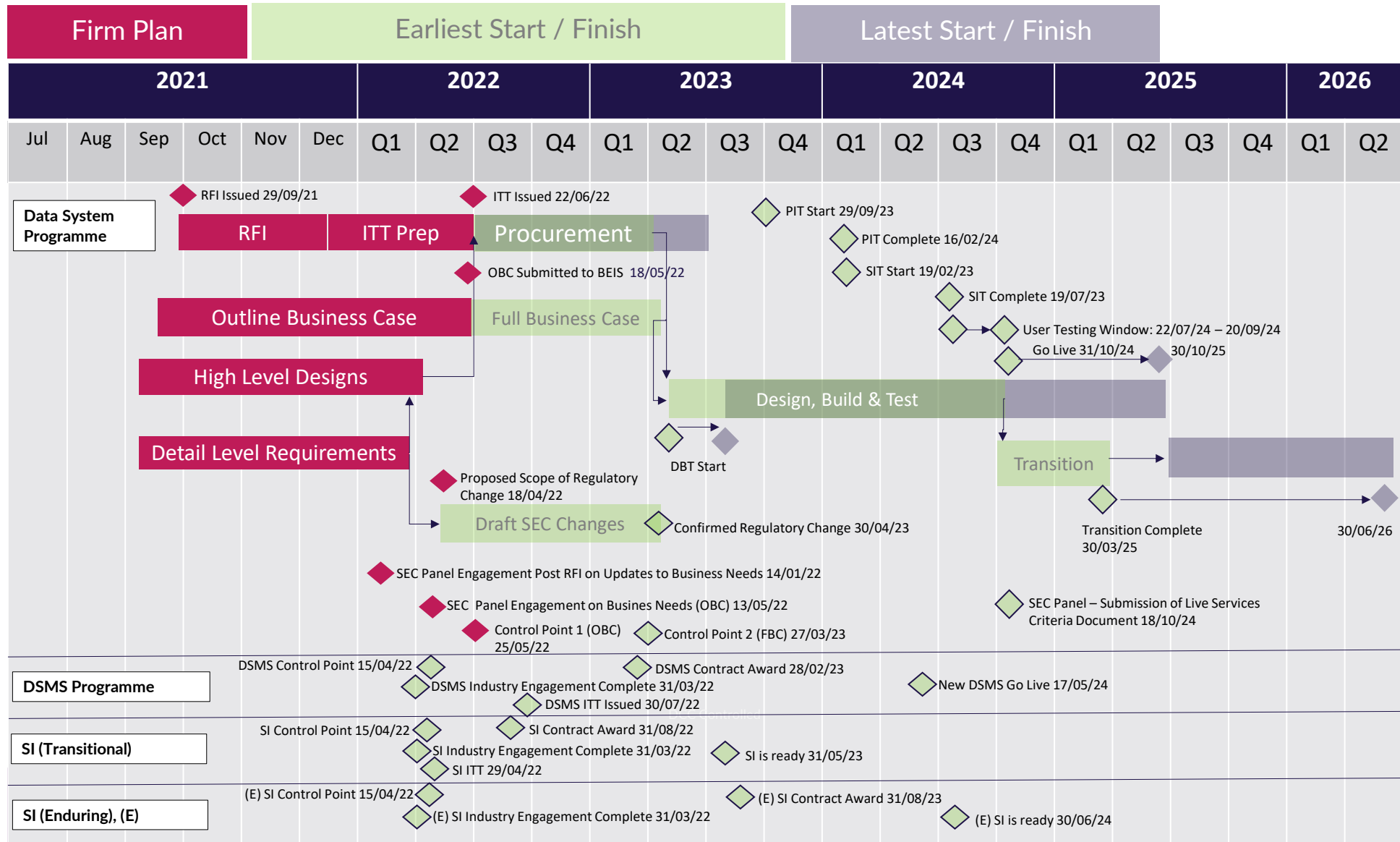
13. Appendix B – Milestone Table

Programme Key	
Data Systems Programme	The main programme that will deliver the replacement DSP data systems Service
DSMS Programme	The programme that will deliver the replacement DCC Service Management System (DSMS) (Section 3.1)
SI Programme (Transitional)	The programme that will appoint a Systems Integrator (SI) service for integrating the Data Systems Programme (Section 3.2)
SI Programme (Enduring)	The programme that will appoint a Systems Integrator (SI) service that provides the DCC Enduring Testing & Operational Integration Capability (Section 3.2)

#	Key Milestones	Description	Target Dates
1	SEC Panel Engagement Post RFI on Updates to Business Needs	Paper presented to SEC Panel, to share updated views on business needs and high-level possible changes to the SEC post RFI.	14 Jan 2022
2	DSMS – Industry Engagement Complete	DCC has completed the necessary engagement with stakeholders in relation to the new DSMS service.	31 Mar 2022
3	Programme SI – Industry Engagement Complete	DCC has completed the necessary engagement with stakeholders in relation to the new SI service.	31 Mar 2022
4	Enduring SI – Industry Engagement Complete	DCC has completed the necessary engagement with stakeholders in relation to the Enduring SI service.	31 Mar 2022
5	DSMS – Control Point	DCC to consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.	15 Apr 2022
6	Programme SI – Control Point	DCC to consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.	15 Apr 2022

7	Enduring SI – Control Point	DCC to consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.	15 Apr 2022
8	Proposed scope of regulatory change	DCC will issue a consultation conclusions document, that details the high-level regulatory change anticipated at this stage.	18 Apr 2022
9	Programme SI - Invitation To Tender (ITT) Pack Issued	Tender pack issued to bidders.	29 Apr 2022
10	SEC Panel engagement completed prior to OBC	SEC Panel updated views of Business needs are captured and taken into account within the OBC.	13 May 2022
11	Outline Business Case Submission	All DCC Internal approvals complete. Outline Business Case issued to BEIS for approval.	18 May 2022
12	Control Point 1 (OBC)	DCC to consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.	25 May 2022
13	Invitation To Tender (ITT) Pack Issued	Tender pack issued to short listed bidders.	22 Jun 2022
14	DSMS - Invitation To Tender (ITT) Pack Issued	Tender pack issued to bidders.	31 Jul 2022
15	Tender Submissions	Short listed bidders submit tenders to DCC.	19 Aug 2022
16	Programme SI - Award Contract	Contract signed and awarded, commence vendor onboarding and initiate design / build activities.	31 Aug 2022
17	Enduring SI - Invitation To Tender (ITT) Pack Issued	Tender pack issued to bidders.	30 Sep 2022
18	SEC Panel engagement completed prior to FBC	SEC Panel views of updated Business needs are captured and taken into account within the FBC.	17 Feb 2023
19	DSMS – Award Contract	Contract signed and awarded, commence vendor onboarding and initiate design / build activities.	28 Feb 2023
20	Full Business Case Submission	Delivery of Full Business Case to BEIS for approval.	15 Mar 2023
21	Control Point 2 (FBC)	DCC to consider whether a further LC13B consultation is required to update future milestones. If applicable, a request will be made to BEIS.	27 Mar 2023
22	Confirmation of regulatory change	DCC will confirm the final proposals for the regulatory drafting changes needed for the DSP programme along with plans for its delivery.	30 Apr 2023

23	Award Contract(s)	Contract(s) signed and awarded, commence vendor onboarding and initiate design / build activities.	30 May 2023
24	Programme SI – Systems Integrator for Data System Programme in place	Programme System Integrator service is ready for DSP Design, Build & Test.	31 May 2023
25	Enduring SI – Award Contract	Contract signed and awarded, commence vendor onboarding and initiate design / build activities.	31 Aug 2023
26	PIT Start	PIT entry criteria met.	29 Sep 2023
27	PIT Complete	PIT Governance complete.	16 Feb 2024
28	SIT Start	SIT entry gate complete.	19 Feb 2024
29	DSMS - New DSMS Go Live	New DCC Service Management System Go Live following outcome of Procurement.	17 May 2024
30	Enduring SI – Systems Integrator for Enduring Testing & Operational Integration in place	Enduring System Integrator service is ready.	30 Jun 2024
31	SIT Complete	SIT Governance complete.	19 Jul 2024
33	User Testing Start	Window for user testing open.	22 Jul 2024
34	User Testing Complete	Window for user testing closed.	20 Sep 2024
35	SEC Panel – Submission of Live Services Criteria Document	SEC Panel to consider the evidence submitted by DCC against live service criteria and make a recommendation to BEIS.	09 Oct 2024
36	Go Live	BEIS provide approval for the system to go live.	31 Oct 2024
37	Transition Start	Transition of service users from old system to new system starts.	04 Nov 2024
38	Transition Complete	Transition of service users from old system to new system complete.	30 Mar 2025

14. Appendix C – DCC Change Delivery Methodology

The Change Delivery Methodology (CDM)

Stage 3: Develop will allow for both Waterfall and Agile Delivery Methodologies

What will the CDM do for me?

The CDM provides a **defined method of delivering end-to-end change** across the wide and varied portfolio of change within DCC. It defines a **repeatable staged approach, standards, and governance** required to deliver Change for our customers and internally in a flexible, but controlled and auditable manner.

It ensure that the right **deliverables are produced at the right time and with the right level of stakeholder input** and approval in order to help deliver target outcomes within the planned time, quality and budget.

Level 0: Stage Process

PROJECT CHANGE REQUEST PROCESS

STAGE	Stage 0: Identify	G0	Stage 1: Investigate	G1	Stage 2: Shape	G2	Stage 3: Develop	G3	Stage 4: Deploy	G4	Stage 5: Realise	G5
Objectives	Identify opportunity for change & justify investment to investigate it further		Determine the feasibility of the change and the business case to proceed		Define detailed requirements, approach, plans and resourcing. Break into projects / sprints		Design, build, test solution (e.g. via Waterfall or Agile). Carry out business and deployment readiness		Deploy, incubate and embed the change within the business, agreeing handover before project closure		Enable and track realisation of target business outcomes and capture actionable lessons learned	
Key Activities	• Kick Off meeting with functions • Describe the opportunity and target outcomes • Identify the business areas impacted • Confirm strategic alignment and sponsorship • Confirm S1 costs		• Define high level business requirements (user stories) & customer journeys • Assess H-L impact (incl. PA & RFI if required) • Understand solution options • Develop an outline business case • Estimate S2-5 costs and confirm S2 costs • Forecast G1 – G5 dates, including resources and plans		• Specify detailed requirements (incl. service requirements) • Refine customer journeys • Assess detailed impact (e.g. IA) • Issue RFP if procuring • Define the delivery approach, work-breakdown structure and resource plan • Initiate benefits tracking • Develop a detailed business case • Confirm S3-5 costs		• Award contracts (if required) • Detailed Design (including Service Design), Build and Test (via Waterfall, Agile or Custom) • Plan deployment • Carry out business readiness • Manage 3rd parties • Control project		• Deploy solutions into live • Run pilot before ramp up • Incubation / post implementation support • Begin outcome realisation & tracking • Handover to BAU and close project • Review Project & capture lessons learned		• Ongoing outcome realisation & tracking • Post investment review • Update & share lessons learned • Celebrate successes • Remove programme from Portfolio Inventory	
Relative Effort	●○○○○		●●○○○		●●●●○		●●●●●		●●●●●		●○○○○	