

# OPR Consultation

## Consultation on Operational Performance Regime (OPR) Potential Measures

# Document control heading

## Revision history

Revision date	Summary of changes	Changes marked	Version number

## Reviews

Name	Title / Responsibility	Release Date	Version number

## Approvals

Name	Title / Responsibility	Release Date	Version number

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# 1. Background

The Operational Performance Regime (OPR) is in place in order to ensure that the performance of DCC as a monopoly company under licence is managed in certain areas of particular interest.

Early this year, Ofgem introduced a new OPR for DCC. As well as continuing to incentivise operational performance (by putting margin at risk), the new regime also aims to incentivise improvements in DCC's contract management and customer engagement. Whilst the customer engagement and contract management incentives went live this regulatory year, DCC made the case that it could not report on the measures set out in Ofgem's January 2021 guidance consultation<sup>1</sup> for systems performance.

## 1.1. Why Could DCC Not Report on the Measures Set Out in the Guidance?

One of the main challenges presented by the new measures for Systems Performance, is that DCC do not have a mechanism or contractual provisions in place to require the supply chain to measure, report on (or meet) Target Response Times (TRTs) at an individual SRV level (and this is not currently technically possible without significant development).

It was widely believed by those involved in discussion about the OPR measures that the Smart Energy Code Modification Proposal 0122A (SECMP0122A) had delivered this capability. There was therefore an expectation that no additional work (or spend) was required to implement a reporting solution to support the new OPR Measures. However, the measurement and reporting solution introduced by SECMP0122A was based on Round Trip Times (RTTs) which are different to TRTs as they include elements outside of the control of DCC.

The solution delivered by SECMP0122A provides an accurate view of the end-to-end performance that customers are experiencing and provides insights and data that will be of significant value to both DCC and Customers in our collective drive to improve operational performance. However, it does not support the measurement of TRTs.

## 1.2. The OPR Working Group

Ofgem therefore provided a 12-month grace period and provided the following guidance<sup>2</sup> to DCC:

***“On System Performance, we expect DCC to use the 12-month grace period to work transparently with its customers to find a reporting solution for the OPR measures, as set out in the Smart Energy Code (SEC), which could be based on service provider data, DCC Technical Operations Centre (TOC) data, or other reporting arrangements. Once DCC has analysed its performance, we encourage DCC to engage with their customers on improvements to its service that, where additional costs are required, represent value for money. Potentially these discussions may also involve changes to the performance levels as defined in the SEC. We note that this could require a further SEC modification as part of implementation, and in this case we would expect DCC to engage formally with the SEC committees”***

<sup>1</sup> <https://www.ofgem.gov.uk/publications/opr-guidance-consultation-january-2021>

<sup>2</sup> <https://www.ofgem.gov.uk/publications/decision-opr-guidance-march-2021>

In order to work transparently with customers, following discussions with Ofgem, DCC created a Working Group focussing specifically on the Systems Performance aspects of the OPR. DCC wrote to 70 individuals from across the industry inviting them to participate in this activity. Those customers who expressed an interest were invited to attend a series of four Working Group Meetings along with representatives from Ofgem, BEIS, and SECAS. The Working Group had an independent industry chair.

The Terms of Reference for the Working Group stated that members should be authorised to represent the interests of their own organisation and the interests of customers who pay for DCC's services, including large and small energy suppliers, DNOs and other SEC parties.

The four Working Group Meetings focussed on the following items (with several of the items being discussed iteratively at more than one meeting):

- The Terms of Reference for the Working Group
- Reporting solutions and options
- Current systems performance and potential enhancements
- Alternative measures for the OPR
- The approach to target setting under the OPR for proposed measures

Preliminary recommendations, based on feedback from the working group, were provided to Ofgem in August 2021.<sup>1</sup>

The main conclusions of the OPR Working Group were:

- That members of the OPR Working Group did not consider that the investment required of c.£3.5-5m (based on rough order of magnitude (ROM) costs) in a reporting solution for the new OPR measures should be progressed. The Working Group's view was that if any such investment were to be justified, it should be progressed via enduring SEC Governance and supported by an appropriate business case.
- That members of the OPR Working Group did not support DCC spending £8-9m (based on ROM costs) on systems enhancements that would have enabled DCC systems to meet the targets proposed in the OPR guidance, purely on the basis of discussions in the ad-hoc OPR Working Group and to the timelines dictated by the OPR.

Members of the OPR Working Group expressed a view that such an investment may be justified at some point in the future, but that this should be progressed via enduring SEC Governance as appropriate.

- That it was understood that DCC was unable to report on TRTs and that some TRTs are not achievable due to messages sizes that have increased since the original targets were defined in the SEC, and that therefore a set of alternative measures should be proposed for use by Ofgem in the OPR, for which DCC has an existing reporting capability and can achieve the required performance with minimal investment.

### 1.3. SEC Operations Group

<sup>1</sup> <https://www.smartdcc.co.uk/media/6459/opr-systems-performance-recommendations-to-ofgem-final.pdf>

Following the work with the OPR Working Group, DCC discussed proposals on alternative measures and targets with the SEC Operations Group. The SEC Operations Group:

- Agreed with DCC that a modification proposal should be raised to incorporate RTT Targets and Target Success Rates into the SEC<sup>1</sup>. This will not affect the OPR as these measures are not within the sole control of DCC, but this will provide valuable and transparent reporting in line with customer expectations and will encourage all parties to work together to improve end-to-end performance, leveraging the data and insights from SECMP0122A.
- Reviewed the principles in section 2.1 below, and the methodology for identifying alternative measures, providing useful input and challenge.
- Made it clear that any proposal should reflect Ofgem's desire to maintain alignment between measures and targets in the OPR and the PMR.
- Took the view that the measures to be used in the OPR was mainly a matter for DCC and Ofgem, but nonetheless supported the process and provided helpful feedback on the proposed measures and targets. We provide some further information on measures suggested for consideration by members of the SEC Operations Group in Appendix A to this document.
- Expressed support for DCC to undertake this wider public consultation.

We would like to thank the Chairman and members of the SEC Operations Group for constructive comments and their support in developing these proposals.

## 1.4. Reporting on Measures and Incentivisation under the OPR

A common theme in our discussions with customers has been that customers value seeing reports on a broad range of measures in order to gain a clear view of systems performance and the factors that affect it. For the avoidance of doubt, this consultation and the principles (section 2.1.) do not affect DCC's preparedness to report on the many indicators in the reports that are already regularly made available, particularly under the SEC<sup>2</sup>.

This consultation and the principles (section 2.1.) are focussed on identifying appropriate measures for use in incentivising or penalising DCC performance. Appendix B contains more information on current work to improve reporting.

## 1.5. Future Development of Measures and Decisions on Investment in Systems

As mentioned above, members of the OPR Working Group expressed a view that an ad-hoc working group did not provide the appropriate governance to approve or reject any spend on behalf of industry and stated that any such approval should be progressed via enduring SEC governance.

Whilst the OPR Working Group expressed disappointment that reporting capability did not already exist, members expressed a clear view that the investment in systems to both report and meet the Target Response Times at an individual SRV level should not be progressed based purely on the OPR and should instead be progressed via enduring SEC Governance in the future if supported by customers.

<sup>1</sup> <https://smartenergycodecompany.co.uk/modifications/incorporation-of-target-round-trip-times-and-target-success-rates-into-the-sec/>

<sup>2</sup> <https://smartenergycodecompany.co.uk/dcc-reporting/>

A significant number of DCC's Fundamental Service Provider (FSP) contracts were signed during the start-up phase of Smart DCC. The contract terms are usually fixed and are not re-negotiated on a frequent basis. Therefore, the only opportunity to implement new requirements into our FSP contracts is either when the contracts are re-negotiated or via a formal Change Request (CR).

All new requirements will represent additional functionality that the FSP will need to provide, and in most instances, there will be a cost associated with the change. There may be opportunities to demote some existing requirements and replace them with new requirements, but the overall risk level must remain the same for the FSP for this to be zero cost. The opportunity to replace old functionality with new is limited and on a bespoke basis. Therefore, the predominant mechanism to change our contracts is via a CR.

SEC Modifications may or may not involve a CR and the costs associated with a CR is ultimately approved via the SEC Modification process.

Outside of the OPR, there is an option to progress a formal business case (potentially linked to a SEC Modification if appropriate) to implement functionality in the DCC network that could enable the accurate reporting of TRTs of every SRV across our network.

DCC would be supportive of this increased level of reporting and is interested to understand if industry wish to progress this further.

### Question 1

Do you agree that DCC should progress a business case that would formally assess the costs and benefits of implementing disaggregated SRV TRT reporting, working with SECAS and SEC governance to bring this under enduring governance?

## 2. The Proposed Alternative Measures

### 2.1. Principles for Alternative Measures

Following discussion with multiple parties, DCC identified the following principles to identify measures that could be used in the OPR:

- Performance Measures must align to our current contracts. Only if there is demand / support from industry (and agreement to the associated costs) can new performance measures be added to contracts and therefore accepted by DCC.
- We can only be held accountable (and therefore be incentivised) for the performance of DCC controlled elements of the smart meter system (i.e. only within DCC systems boundaries).
- Reporting against Measures needs to be robust and as much as possible owned by the supply chain. Measures should be simple and transparent, avoiding complex aggregation, combination or averaging out of data.
- Measures should incentivise DCC to improve the overall service delivered to customers and the end-consumer experience, not penalise for events outside of our control.
- Targets should be consistent across all regions, but Measures should be disaggregated by region where possible and appropriate.

## 2.2. Areas for Alternative Measures

In its March 2021 Decision<sup>1</sup> on the OPR, Ofgem stated that “DCC will be financially incentivised initially using three performance measures: Service Availability, Prepayment and Install and Commission.” In developing alternative measures, we have looked to align to these areas of activity wherever possible.

We are not proposing any changes to the Service Availability Measures and so are proposing to adopt the Service Availability measures from the 2021 Guidance.

We are proposing a set of time-based metrics that will provide an appropriate indicator of the performance of Prepayment vends, but we should be clear that these are not directly related to Prepayment. In the area of install and commission, we are proposing five new metrics.

We have looked further at the proposed dormant firmware measure and found that it would not at current meet the principles that performance is fully under DCC control and that targets can be met with existing systems as they are. We are therefore proposing to work with customers on ways to deliver a firmware-related measure for the OPR in the future

The alternative measures (and the associated targets) we are proposing are measures (and targets) within the existing reporting under the SEC<sup>2</sup> and the PMR. In the interests of clarity, we can confirm that no changes to the SEC are required to implement the measures we are proposing, and we are not proposing any changes to existing targets.

## 2.3. High-level weighting

DCC are not proposing a change to the high-level weightings set out in Ofgem’s March 2021 guidance. We propose that Weightings for Install & Commission and Service Availability should be unchanged, and we propose that the high-level group of time-based metrics maintain the same weighting as proposed by Ofgem guidance for Prepayment.

## 2.4. Sub-level weighting

DCC does not want to stray too far from the Ofgem Guidance, so in that respect we propose to follow the same sub-weighting as Ofgem have proposed. Where any metric that is reported regionally, Ofgem’s Guidance states that these will first be aggregated using Mechanism B.

Subsequently, Ofgem’s guidance weights each sub-level metric, within the business processes, equally and then aggregates these into one high-level business process metric using a straight mean average. DCC does not propose to change the weightings. However, we are proposing that the aggregation methodology is given further consideration, as outlined below (section 2.5).

## 2.5. Regional reporting and incentive mechanisms

<sup>1</sup> <https://www.ofgem.gov.uk/publications/decision-opr-guidance-march-2021>

<sup>2</sup> <https://smartenergycodecompany.co.uk/dcc-reporting/>



In Ofgem’s OPR Guidance, and in the current OPR, a metric that is reported regionally is then aggregated into an overall metric. There are various options but at present Mechanism B is identified in the Ofgem Guidance, and in the current OPR the regional metrics are averaged.

The result of both methods is that each region contributes to the overall, sometimes in a way that improves the overall percentage and sometimes in a way that reduces the overall percentage.

DCC are proposing that each region is incentivised on an independent basis to provide an equal incentive to ensure performance in each Region.

We recognise that this would mean a change to the proposed methodology but believe there is merit in considering this alternative as it provides a direct correlation between the performance in each region and the margin attached, and acknowledges the move away from aggregated measurement, with failure/success proportionately penalised/incentivised.

## Question 2

Do you agree that regional metrics should be measured and incentivised on an independent basis rather than being aggregated?

## 2.6. Service Availability

DCC has historically been incentivised against three Service Availability measures within the OPR, this was increased to five measures for RY21/22. The same five measures feature in the new Ofgem OPR Guidance issued in March 2021.

DCC is not proposing any changes to these measures.

## 2.7. Install and Commission

The Ofgem OPR March Guidance had a significant emphasis on the Install & Commission process, we therefore looked to include measures directly relating to Install and Commission in our proposal. We are proposing three measures relating to Comms Hubs and two measures relating to Connectivity.

### Install and Commission Measure 1

Install & Commission (Comms Hubs)		
<b>Measure</b>	PM1.1 Comms Hubs Delivered on Time	
<b>Summary Description</b>	Comms Hubs delivered within the agreed delivery slot.	
<b>PMR Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.00%	95.00%

<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric (Reported List of Service Provider Measures)</li> <li>Incentives DCC to maintain performance levels</li> <li>Critical success factor for rollout targets being met</li> <li>Included in the current OPR (RY21/22)</li> <li>Reporting Capability already exists</li> </ul>
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## Install and Commission Measure 2

Install & Commission (Comms Hubs)		
<b>Measure</b>	PM1.2 Comms Hubs Accepted by Customers	
<b>Summary Description</b>	Percentage of Comms Hubs Accepted by Customers.	
<b>PMR Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.90%	99.00%
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric (Reported List of Service Provider Measures)</li> <li>Incentives DCC to maintain performance levels</li> <li>Critical success factor for rollout targets being met</li> <li>Reporting Capability already exists</li> </ul>	

## Install and Commission Measure 3

Install & Commission (Comms Hubs)		
<b>Measure</b>	PM1.3 Comms Hubs not Faulty	
<b>Summary Description</b>	Percentage of Communications Hubs determined not to be faulty following attempted installation.	
<b>Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.90%	99.50%
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric (Reported List of Service Provider Measures)</li> <li>Incentives DCC to maintain performance levels</li> <li>Faulty Comms Hubs during I&amp;C impact Customers and end-consumers</li> <li>Included in the current OPR (RY21/22)</li> <li>Reporting Capability already exists</li> </ul>	

## Install and Commission Measure 4

Install & Commission (Connectivity)		
<b>Measure</b>	PM1.1 First time SMWAN connectivity at Install	
<b>Summary Description</b>	The percentage of Comms Hubs that connect to the WAN at install.	
<b>PMR Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	90.00% (CSP.CS) / 80% (CSP.N)	80.00% (CSP.CS) / 70% (CSP.N)
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric (Reported List of Service Provider Measures)</li> <li>Importance of this measure highlighted in discussions with customers</li> <li>Reporting Capability already exists</li> </ul>	

## Install and Commission Measure 5

Install & Commission (Connectivity)		
<b>Measure</b>	PM1.3 SMWAN Connectivity Level	
<b>Summary Description</b>	Percentage of commissioned Comms Hubs that are connected. One of the Test SRVs is continually sent (keep alive check).	
<b>PMR Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.90%	99.00%
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric (Reported List of Service Provider Measures)</li> <li>Importance of this measure highlighted in discussions with customers</li> <li>Reporting Capability already exists</li> </ul>	

### Question 3

Do you agree that these are appropriate measures to incentivise performance on “Install and Commission”? Are there other measures that should be proposed for inclusion under the OPR? If you would like to propose alternative or additional measures, please provide evidence that they are in line with the principles in section 2.1. of this document.

## 2.8. Time-based Measures (Prepayment)

In the Ofgem OPR Guidance issued in March there was a clear emphasis on the timely delivery of Service Requests Variants (SRVs) which was reflected in the Firmware, Install & Commission, and Prepayment measures.

Due to technical and reporting limitations it has not been possible to include all the time-based metrics proposed by Ofgem, but where possible DCC is proposing the retention of some of these metrics and is proposing the inclusion of an additional time-based metric.

The Test HAN Interface Command is not specific to Prepayment, but the command size is similar to a Prepayment Vend and as such is expected to provide a reasonable indication of performance. (See further information on this in Annex C.)

Outside of the OPR, based on feedback from the OPR Working Group and the SEC Operations Group, DCC have raised a SEC Modification to have Round Trip Time Targets and Target Success Rates added to the SEC and the PMR to provide increased transparency for the key business processes, including Prepayment.

### Time-based Measure 1

Time-based Measure 1		
<b>Measure</b>	PM4.3 CSP Test HAN Interface Command	
<b>Summary Description</b>	<p>Test commands are used to test if the CSP networks are delivering a range of message types within associated target response times. The Performance Measurement Methodology (PMM) defines how many messages of each type should be sent over the measurement period.</p> <p>On average each hour of every day must be covered, and on average a message that requires a response time of 25 seconds is sent approximately once every 5 seconds.</p> <p><i>Please refer to Appendix C for additional detail on this metric.</i></p>	
<b>Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	85.00% CSP.N / 96.00 CSP.SC	80.00% CSP.N / 90.00 CSP.SC
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric - supports Code Performance Measure 1</li> <li>Offered as a proxy for Prepayment</li> <li>Included in the current OPR (RY21/22) under SDM2</li> <li>Reporting Capability already exists</li> </ul>	

### Time-based Measure 2

Time-based Measure 2	
<b>Measure</b>	PM1.1 and PM1.4 DSP Real Time TRTs
<b>Summary Description</b>	Percentage of DSP Service Request Times within relevant TRT and Percentage of DCC Service Request Times within relevant TRT. DSP Only.

<b>Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.00%	96.00%
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing metric – supports Code Performance Measure 1</li> <li>Complies with desire of Ofgem and Customers to include time-based metrics</li> <li>Included in the current OPR (RY21/22) under SDM2</li> </ul>	

### Time-based Measure 3

Time-based Measure 3		
<b>Measure</b>	PM1.1 S1SP Real-time TRTs	
<b>Summary Description</b>	<p>Percentage S1SP Countersigned Service Request Times within relevant Target Response Time.</p> <p>Measurement of the time taken from the ingress to the DCC to the S1SP WAN interface. The TRT is 16 seconds. This metric is an average across four Service Providers (SIE, Capgemini, Secure, DXC).</p> <p>DCC are currently working with DXC to address early in-life issues. We are therefore proposing that measures for this particular S1SP do not become active as an OPR measure in RY22/23.</p>	
<b>Performance Targets</b>	<b>Target Performance Level (TPL)</b>	<b>Minimum Performance Level (MPL)</b>
	99.00%	96.00%
<b>Rationale for Inclusion</b>	<ul style="list-style-type: none"> <li>Existing Code Performance Measure</li> <li>Included in the current OPR (RY21/22) under SDM2</li> <li>Complies with desire of Ofgem and Customers to include time-based metrics</li> <li>One of a limited number of Measures that can be applied to SMETS1</li> </ul>	

### Question 4

Do you agree that these are appropriate measures to incentivise performance on the basis that the Prepayment metric in the Ofgem Guidance cannot be adopted? Are there other measures that should be proposed for inclusion under the OPR? If you would like to propose other measures, please provide evidence that they are in line with the principles in section 2.1. of this document.

## 2.9. Firmware

DCC is committed to having an OPR measure on firmware as we recognise the importance of this to customers. We have carefully considered the dormant Firmware measure proposed in Ofgem's March 2021 Guidance (expected to become active in RY24/25 following the delivery of two SEC Modifications) and have found that it would not currently meet the principles set out in Section 2.1. of this consultation document (in that the required performance level is not achievable with the systems as they currently are, and performance is to some extent reliant on systems use outside of DCC's control).

It is very apparent from discussions with customers over the past six months that there is a clear appetite for the future inclusion of a Firmware measure in the OPR, and we are therefore proposing to work with customers and Ofgem on an appropriate SEC Modification and measure for future inclusion, targeting RY24/25 (when the dormant measure would have been due to become active) or sooner if possible.

### Question 5

Do you agree that there is an appetite to agree a firmware measure for future inclusion in the OPR, and that DCC should work with customers to agree the most appropriate measure to meet customer priorities?

## 3. Further Improvements of Measures and the Framework

DCC has set out to align the proposed measures to the priorities of our customers. We recognise that in some areas we are currently unable to meet all of the requirements and are proposing to continue to work with our customers to address these gaps.

In other areas too, systems capability for reporting and/or performance can be changed if DCC customers are supportive. The OPR Working Group made clear that future investment in systems enhancement that would enable an improvement in measures and targets might be desirable but must be pursued under existing and enduring governance (e.g. through SEC modifications).

DCC is very open to working with customers on such proposals and it is expected that this would enable the OPR framework to be updated to reflect new capability over future regulatory years.

Additionally, it became clear in the OPR Working Group sessions that customers are seeking greater transparency of performance and are very keen to see reporting that reflects their experience. We recognise this and would be happy to work further with customers to consider enhancements to the PMR Annex such as identifying proxy TRT reporting.

## 4. Next Steps

Following the consultation closure on 21 January 2022;

- DCC will review and collate consultation responses and consider any relevant refinements to the final OPR recommendation to be submitted to Ofgem.

- DCC will publish its conclusions from the consultation and validate any decisions taken in response to them with the SEC Operations Group. It is then expected that DCC and OPSG will provide a summary to SEC Panel for comment.
- The refined recommendations and collated consultation responses will be provided to Ofgem for consideration.

## 5. How to respond

Please provide responses by 17:00 on 21 January 2022 to DCC at: [consultations@smartdcc.co.uk](mailto:consultations@smartdcc.co.uk)

DCC will complete a summary of questions, comments and responses to be shared with SEC Operations Group and to be added to the documentation of the consultation.

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 response 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). 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 Information 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.

# Appendix A – Alternative Measures Considered

## SRV 8.14 (Install & Commission)

Customers have suggested SRV 8.14 as a possible SRV measure that could be included in the metrics associated with the Install & Commission business process. SRVs 8.14.1 to 4 are the SRVs sent by the installation engineer at the end of Install & Commission process to indicate that the Coms Hub has been successfully installed, failed installation, returned to supplier with a known fault, or returned to supplier with no fault identified.

This metric is already a sub-metric for both the Coms Hub metrics (SRV 8.14.3&4) and the First Time Connectivity (SRV 8.14.1 & 2) metric. Therefore, this SRV is incorporated in DCC's proposal.

## SRV 8.11 (Install & Commission)

It has been suggested that SRV 8.11 may be a candidate for inclusion in the set of metrics supporting the Install & Commission business process. SRV 8.11 is the first SR sent to add the device at the beginning of the Install & Commission process (Update HAN Device Log).

At present DCC does not suggest that this alternative measure be included into the OPR as this does not comply with the principles outlined in section 2.1 above (primarily because any metrics reported by the TOC are not supported in our contracts).

To be able to manage performance and remedy any degradation in a timely manner we must have the right contractual arrangements with our Service Providers. Fundamental to that is a pre-agreement (i.e., the contract) that a certain metric represents a true reflection of their performance. This recognition is enacted through the metric being written into the Service Provider contracts, with the relevant service levels attached, and the enforcement actions that are taken if the metric degrades. Without this agreement we could encounter a situation where the TOC metric SRV 8.11 is reported as red, but the Service Provider metrics are green, and vice versa.

If there was significant customer support, a CR could be raised against the Service Provider contracts and processed via formal governance.

## Core Network Availability

DCC's contracts ensure our Service Providers report the Service Measures (SMs) that are important to customers. The SMs underpin the metrics reported in the PMR. They also have Service Credits attached to them, which are used to determine the amount of compensation DCC customers receive if there is a drop in performance. This compensation is flowed-back to customers through their Charging Statements.

There are some metrics in our contracts that are KPIs rather than SMs. It is feasible that if customers feel a certain metric would be beneficial to either report in the PMR or for the OPR, then it may exist in the form of a KPI. This is true of Core Network Availability, which is an existing KPI, applicable to the CSP contracts. Some DCC users have expressed an interest in understanding if this, or any other KPIs, would be useful for OPR.

Core Network Availability is a metric that describes how available the core CSP networks are. It is expressed as a percentage of the time the core network is available for use, excluding planned maintenance periods.



## Appendix B – Performance Indicators

As a result of SECMP122A DCC has delivered a set of extremely detailed reports (referred to as the 'TOC Performance Indicator Report (TOC PIR)'). The TOC PIR is an Annex to the PMR and details the performance of a significant number of SRVs associated with 10 different business processes, broken down by region, SMETS1 and by device type (ESME and GSME).

Originally the OPR was intending to pick-up this reporting to incentivise DCC. However, as outlined above, the TOC PIR details the performance of the whole Smart Metering ecosystem, including the HAN and device processing time which are outside of DCC's control. Therefore, unless DCC's performance can be isolated, the TOC reporting could not be used for OPR. The discussions and costs of isolating DCC performance are contained in the main body of this Consultation

**The difficulties relating to the use of the TOC PIR for OPR does not, and should not, detract from their usefulness. This data is being used to give useful insights into various aspects of the SM ecosystem and DCC is committed to continuing working with customers to further enhance and enrich the reporting available.**

However, to further improve this reporting and to allow OPSG members to focus on important aspects of the TOC reports, DCC has proposed SECMP0187. The objectives of this SEC Modification are:

- To introduce definitions for Round Trip Times (RTT) and Success Rates (SR). This is because there are no existing definitions, and the TOC reports these metrics in the Performance Indicator Report.
- To define RTT Targets. The TOC currently measures RTTs and the measurements are reported in the PIR. As an interim, the SECMP0122 Working Group decided that the RTT should be compared to a DCC Target Response Time (TRT) in order to indicate a RAG status. This comparison is misleading: an ecosystem metric should not be compared to a DCC only target to derive a RAG status. Therefore, DCC has proposed that we work with industry to develop 'Target' RTTs so that the measured RTT can be compared to their Target in order to derive an accurate RAG-status.
- To define Target Success Rates. The TOC measures Success Rates of SRVs but does not RAG-rate this metric as there are no targets defined. Therefore, in order increase transparency of reporting and to help the OPSG identify what needs attention, DCC has proposed that we work with industry to develop 'Target' SRs.

We hope that by proactively working with industry to improve the insights given by the TOC PIR, DCC has demonstrated that we are committed to listening to our customers and developing our overall reporting capabilities (and the transparency of reporting) and not just those associated with OPR.

## Appendix C – TEST HAN Command

During discussions in OPSG, members expressed a desire to understand more detail on the methodology used by DCC CSPs to measure and report this metric.

Based on advice from OPSG members, we intend to organise a meeting to answer any questions relating to this metric and will answer any questions relating to this measure during the consultation period.

In the meantime, we offer the following additional detail about this metric:

- The TEST HAN message types are as follows:
  - PM4.1 - RTT2 – 22 hours
  - PM4.2 - RTT3 – 2 hours
  - PM4.3 - RTT4 – 25 seconds
- As described in the Performance Measurement Methodology (PMM), the CSPs have an obligation to organise the measurement of each Test RTT type, in order to report the Performance Measures PM4.1, PM4.2 and PM4.3 over the period of one month and covering at least 50% of the Comms Hubs in their respective regions.
- At least one of our CSPs exceeds this obligation by way of sending a test message to every hub, every month.
- The TEST HAN commands are sent from one central injection point into the CSP network, to every Comms Hub (i.e. a broadcast technique). This ensures all parts of the CSP network are tested.
- For practical reasons, such as 'building' the job and analysing and visualising the results, and to leave a sufficient window for repeat testing should the cycle fail or be delayed, the TEST HAN commands are sent during the period of the 1st to 18th of each month.
- During the Test HAN Command run, every Comms Hub will be sent either an RTT 2, 3, or 4. This will round-robin on a monthly basis, such that at the end of every 3 months a Comms Hub will have received and acknowledged each type of RTT.
- The TEST HAN Commands are completely randomised during the 'run' period and do not stop or change if there is a fault or maintenance on the network.