Data Communications Company

DCC Price Control RY24/25 – OPR report

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1. OPR report

Summary

What is this and why is it important?

The Operational Performance Regime (OPR) is designed to incentivise DCC to run a high-quality service for its customers by placing all of its Baseline Margin at risk against the achievement of certain targets. The regime does this by financially incentivising DCC's performance in three main areas:

- system performance (60% weighting)
- customer engagement (15% weighting)
- contract management (25% weighting)

RY24/25 performance

In RY24/25, £13.559m was placed at risk against the OPR, and we expect to retain £12.514m of this.

We have provided an excellent service overall to our customers and have achieved 92% performance overall under OPR.

- On **system performance**, we are reporting performance of 100% for RY24/25. This reflects our commitment to ensure the smart metering network is always fully available, is reliable and operates as designed. We are continuing to evolve the way we report the operational performance based on supplier feedback.
- On **customer engagement**, we are reporting performance of 88% (2.65 out of 3). SECAS has suggested a score of 2 out of 3, however only three customer survey responses were received which should not be considered an accurate reflection of all SEC parties. Overall, we have seen significant improvement in our customer engagement, working with them more collaboratively in areas such as developing our ex-ante business plan and have developed a better understanding of their priorities, in line with the objectives of our Customer Frist programme. Against the OPR survey questions, we have delivered a strong performance and improved our customer focus since last year's OPR score.
- On **contract management**, DCC has determined its performance to be 78% (2.33 out of 3) based on the scores from the independent auditor. This represents an increase on last year's final outcome of 68% (2.05 out of 3). A new auditor was procured by Ofgem in RY24/25, and a key focus this year was on the areas identified for improvement in the previous auditor's report. DCC has made clear progress in strengthening its contract management function, with maturing processes, improved service provider collaboration, and a clear focus on value for money through structured governance. DCC has also strengthened its approach to the SEC modification process through improved governance, enhanced collaboration with SECAS, and better SLA performance on Preliminary and Full Impact Assessments.

We also continue to focus on the elements of our service which are not scored but are valued by our customers, and we have worked hard to improve in these and are continuing to do so in RY25/26.

Future performance

We expect DCC's future system performance to remain the same as RY24/25, with year-on-year improvements expected in customer engagement and contract management.

1.1. Purpose and context

1.1.1. Purpose

The purpose of this document is to report on the DCC's assessment of its OPR performance for RY24/25 and provides the narrative to support the data in RIGs Annex 1. This submission reports against the five OPR measures:

1. Service availability (SUM1)
2. Install and commission (SDM1)
3. Prepayment (interim response times) (SDM2)
4. Customer engagement (VMM1)
5. Contract management (VMM2)

For each of the systems measures (SUM1, SDM1 and SDM2), we outline our assessment of our performance against each of the incentivised OPR System Performance measures, alongside the associated margin impact, if any. We provide an explanation of our assessment, as well as any key points Ofgem may want to consider in making its assessment.

For VMM1 and VMM2, we summarise our views but refer to separate submissions which provide more detail on each.

Whilst this document focuses on systems performance measures, it should be read in conjunction with the Customer Engagement submission Perf_OPR_CE_RY2425, the Contract Management audit report (see Appendix C of this document) and RIGs Annex 1 RIGS_annex_1_RY2425.

We cover the responses to the qualitative questions[1] in Appendix B and all supporting evidence is contained in Appendix C.

1.1.2. Context

DCC is subject to several economic incentive regimes. The table below sets out a summary for each and includes references to where they are reported within this year's Price Control submission.

Regime	Regime type	Status	Narrative reference	RIGs reference
Operational Performance Regime (OPR)	Operational	Live	Systems and contract management - reported in this document. Customer engagement in: • 5.Perf_OPR_Customer_Engagement_Part1_RY2425 • .Perf_OPR_Customer_Engagement_Part2_RY2425 • 5.Perf_OPR_Customer_Engagement_Part2_Ofgem_only_RY2425 • 5.Perf_OPR_Customer_Engagement_Part2_PUBLIC_RY2425	RIGs Annex 1
Enduring Change of Supplier (ECoS)	Programme	Live	Please see: 5.Perf_BMPPA_ECoS_CHN_SMETS1_RY2425	RIGs Annex 2

[1] Ofgem, Annex 1 RIGs Guidance - Quality of Service Information, 30 June 2023, Section 5: https://www.ofgem.gov.uk/sites/default/files/2023-06/RIGs_Guidance_-_Annex_1_-_2023.pdf

Regime	Regime type	Status	Narrative reference	RIGs reference
4G Communications Hubs and Networks (4G CH&N)	Programme	Live	Please see: 5.Perf_BMPPA_ECoS_CHN_SMETS1_RY2425	RIGs Annex 2
Data Services Provider (DSP)	Programme	Not yet live	No reporting for RY24/25	RIGs Annex 2
Future Service Management (FSM)	Programme	Not yet live	No reporting for RY24/25	RIGs Annex 2
Public Key Infrastructure – Enduring (PKI-E)	Programme	Not yet live	No reporting for RY24/25	RIGs Annex 2
Switching Incentive Regime (SIR)	Operational	Live	Please see: • 5.Perf_Switching_SIRSDM1_RY2425 • 5.Perf_Switching_SIRVMM1_RY2425	RIGs Annex 4

Table 1 - Economic incentive regimes and their status

As set out above, this document explains the performance related to OPR only and, as such, provides the supporting commentary for RIGs Annex 1.

For RY23/24 we were awarded 100% of the £6.260m of margin placed at risk against the system performance element of OPR. For RY24/25, £8.135m has been placed at risk against system performance and we anticipate that 100% of this is awarded.

For RY23/24 we were awarded 69% of the £2.68m of margin place at risk against the customer engagement and contract management elements of the OPR. For RY24/25, £5.424m has been placed at risk against the customer engagement and contract management elements of the OPR and we anticipate that 81% of this is awarded.

2. System performance

2.1. Background

The overarching aim of the OPR is to improve DCC's customers' experience by financially incentivising DCC to drive better performance. We accept that as a monopoly company, it is important that we face sufficient incentives to deliver our role in a manner in which we provide our customers with a value for money and high-quality service that supports smart metering.

The OPR incentivises DCC based on the reliability of DCC systems, customer engagement, and contract management. There are currently five active performance measures under which DCC is financially incentivised:

- Service availability
- Install and Commission
- Prepayment (interim response times)
- Customer engagement
- Contract management.

The three system measures (service availability, install and commission, and prepayment (interim response times)) carry an equal weighting of 23.33%, therefore reflecting the importance of the operational performance of the DCC. The customer engagement measure weighting is 15% and contract management measure carries a weighting of 25%.

A portion of DCC's baseline margin is put at risk against each of the above measures.

The first OPR came into effect on 1 April 2018[1]. The regime changed on 1 April 2021 and again on 1 April 2022 when an interim regime was put in place due to some of the proposed changes not being technically possible to report against. DCC has been working with its customers to develop a revised set of reporting that will provide industry with the service and performance it considers is missing from the current set of performance measures.

Each year, DCC's performance is assessed against a set of assessment criteria, which for RY24/25 is set out in the OPR guidance that came into effect on 29 March 2022[2].

2.2. Service availability (SUM1)

The service availability measure is designed to incentivise DCC to ensure its services are accessible as needed, whenever and wherever they are required by DCC users. The Target Performance Level (TPL) for this measure is 99.50% and the Minimum Performance Level (MPL) is 98.00%.

In RY24/25, DCC performed very strongly, with services available for 99.97% of the time.

2.3. RY24/25 reported performance

The value of the Reported Performance Levels (RPLs) in RY24/25 were determined as a mean of five metrics, which measure the availability of DCC's interfaces, and their supporting sub-systems averaged across the 12 months from April 2024 to March 2025.

The individual RPLs for each of the metrics were:

- DCC User Interface: 99.95% (99.81% last year)
- Registration Data Interface: 99.97% (100% last year)
- SMKI Repository Interface: 99.97% (99.93% last year)
- SMKI Service Interfaces: 100.00% (100% last year)
- Self-Service Interface: 99.97% (99.93% last year)

As the five metrics are equally weighted, the overall RPL for SUM1 was 99.97% (see cell S35 in worksheet vi. SUM1 in RIGs Annex 1). This means that TPL was achieved, and so no margin should be deducted.

The overall SUM1 performance is summarised in the table below:

[1] Decision on DCC's Operational Performance Regime | Ofgem
[2] Ofgem, Revised OPR Guidance, 29 March 2022: https://www.ofgem.gov.uk/sites/default/files/2022-03/Revised%20OPR%20Guidance%20%28March%202022%29.pdf

SUM1 – service availability Designed to incentivise DCC to ensure its services are accessible as needed, whenever and wherever they are required by DCC users.	
Minimum (%)	98.00%
Target (%)	99.50%
Penalty mechanism	A
DCC self-assessment (%)	**99.97%** **TPL ACHIEVED**
RIGs reference	Annex 1, worksheet vi. SUM1, S35.
Related performance measures	SECMOD122A availability measures for the DCC Interfaces (a-e only).[1]
Margin impact	All margin retained. £2.712m

Table 2 – SUM1 performance summary

2.4. Install and commission (SDM1)

The install and commission measure is designed to incentivise DCC to provide high quality services to support the installation and commissioning of a smart meter. This measure also includes the logistics involved, the success of first time, and overall, WAN connectivity. The TPL for this measure is 99.00% and the MPL is 96.00%.

The value of the RPLs in RY24/25 were determined as a mean average of four of the five metrics, which relate to the install and commissions business processes averaged across the 12 months from April 2024 to March 2025. The fifth metric relating to SRV8.11 has been zero weighted for RY24/25 within the OPR however we continue to focus on this aspect of our performance. Overall DCC's performance has been very strong, outperforming the Target Performance Levels.

The individual RPLs for each of the metrics were:

- PM1.2 Comms Hubs Accepted by Customers (IC1)
    - North: 100.00%
    - Central: 100.00%
    - South: 100.00%
- PM1.3 Comms Hubs not Faulty (IC2)
    - North: 100.00%
    - Central: 99.97%
    - South: 99.99%
- PM1.1 First time SMWAN connectivity at Install (IC3),
    - North: 96.83%
    - Central: 99.97%
    - South: 99.97%
- PM1.3 (South and Central) / PM1.4 (North) SMWAN Connectivity Level (IC4)
    - North: 100.00%
    - Central: 100.00%

[1] See SEC A Definitions and Interpretation: DCC Interfaces

  - South: 100.00%

- SRV8.11 Update Home Area Network (HAN) Device Log (IC5)
- Zero-weighted for RY24/25.

As four of the five metrics were equally weighted, the overall RPL for SDM1 was 99.21% in the North Region (see cell S85 in worksheet viii. SDM1 in RIGs Annex 1), 99.98% in the Central Region (see cell S86 in worksheet viii. SDM1 in RIGs Annex 1) and 99.99% in the South Region (see cell S87 in worksheet viii. SDM1 in RIGs Annex 1). This means that TPL was achieved in each region, and so no margin should be deducted.

The overall SDM1 performance is summarised in the table below.

SDM1 – install and commission Designed to incentivise DCC to ensure that all DCC services required in the install and commission of a smart meter are provided at a sufficient quality	
Minimum (%)	96.00%
Target (%)	99.00%
Penalty mechanism	B
DCC self-assessment (%)	**North: 99.21%** **Central: 99.98%** **South: 99.99%** **TPL ACHIEVED**
RIGs reference	Annex 1, worksheet viii. SDM1, S85:S87
Related performance measures	PM1.1, PM1.2, PM1.3 and PM1.4
Margin impact	All margin retained. £2.712m

Table 3 – SDM1 performance summary

2.5. Prepayment (interim response times) (SDM2)

The prepayment (interim response times) measure is designed to incentivise DCC to ensure that Service Request Variants (SRVs) and CSP HAN Test Commands are successfully delivered to devices within a given a Target Response Time (TRT) (these interim metrics are not prepayment metrics). The TPL for this measure is 99% and the MPL is 96%.

The value of the RPLs in RY24/25 was determined as a weighted mean of four performance measures relating to the delivery of SRVs within TRT under SEC Code Performance Measure 1, averaged across the 12 months from April 2024 to March 2025.

The individual RPLs for each of the metrics were:

- PM4.3 Communications Services Provider (CSP) Test HAN Interface Command
  - North: 100.00%
  - Central: 99.72%
  - South: 99.72%
- PM1.1 DSP Real Time TRTs: 99.83%
- PM1.4 DSP Real Time TRTs: 99.83%
- PM1.1 S1-SP Real-time TRTs: 99.99%.

As all four metrics were equally weighted, the overall RPL for SDM2 was 100.00% in the North Region (see cell S83 in worksheet ix. SDM2 in RIGs Annex 1), 99.72% in the Central Region (see cell S84 in worksheet ix. SDM2 in RIGs Annex 1) and 99.72% in the South Region (see cell S85 in worksheet ix. SDM2 in RIGs Annex 1) for the CSP Test HAN Interface Command metric and 99.83% for the remaining metrics (see cell R116 in worksheet ix. SDM2 in RIGs Annex 1). This means that TPL was achieved and so no margin should be deducted.

The overall SDM2 performance is summarised in the table below:

SDM2 – prepayment (interim response times) Designed to incentivise DCC to ensure that SRVs are successfully delivered to devices within a TRT	
Minimum (%)	96.00%
Target (%)	99.00%
Penalty mechanism	A and B
DCC self-assessment (%)	**Penalty mechanism A: 99.88%** **Penalty mechanism B:** **North: 100.00%** **Central: 99.72%** **South: 99.72%** **TPL ACHIEVED**
RIGs reference	Annex 1, worksheet ix. SDM2, S83:S85 and S116
Related performance measures	CPM 1 (in part)
DCC self-assessment	All margin retained. £2.712m

Table 4 – SDM2 performance summary

3. Customer engagement (VMM1)

Please find our full submission relating to customer engagement in 5.Perf_OPR_Customer_Engagement_Part1_RY2425 and 5.Perf_OPR_Customer_Engagement_Part2_RY2425.

Last year, we were awarded a score of 2.08 out of 3 in relation to customer engagement. Our self-assessment of our performance under this measure in RY24/25 is 2.65 out of 3. We believe this score reflects the continued efforts to provide the appropriate level of engagement our customers expect.

Please note that in Annex 1 worksheet xi. VMM1, we have overwritten the green Ofgem cells and set the scores to be consistent with DCC's self-assessment across all questions so as to ensure a more meaningful BMOPA value is reported in the RIGs. We recognise that these will be updated following Ofgem's final determination.

VMM1 – customer engagement Designed to incentivise DCC to undertake high-quality customer engagement	
Minimum score	0
Maximum score	3
DCC self-assessment	**2.65 (88%)**
SEC Panel assessment	1.93 (64%)
RIGs reference	Annex 1, worksheet xi. VMM1, S65:S93.
Margin impact	Margin deduction of £0.237m

Table 5 – VMM1 performance summary

4. Contract management (VMM2)

4.1. Background and context

Since April 2021, DCC's contract management and procurement activity has been subject to a financial incentive, ensuring that contracts with smart metering service providers are entered into, manages, and closed out effectively and efficiently. DCC remains committed to undertaking proactive, best in class contract management and procurement to deliver benefits to DCC customers and the consumer.

Each year, Ofgem commissions an independent audit to DCC's contract management using a modified version of the NAO Contractual Relationships Audit Framework[1]. For RY24/25 that audit took place throughout May and June 2025 with a new auditor who has been procured for the RY24/25 audit and the next two years.

For RY23/24 we were awarded a score of 2.33 out of 3 by the independent auditor, which was subsequently reduced to 2.14 in the Ofgem draft determination and reduced further to 2.05 in the final determination. This translated to 68% (£0.920m) of margin assigned to the contract management element of OPR being retained. For RY24/25, £3.390m has been placed at risk against this incentive.

The auditor score for our performance under this measure in RY24/25 is 2.29 out of 3 (76%).

Please note that in Annex 1 worksheet xi. VMM2, we have overwritten the green Ofgem cells and set the scores equivalent to the auditor scores across all questions so as to avoid a misleading BMOPA value in the main RIGs. We recognise that these will be updated following Ofgem's final determination.

VMM2 – contract management Designed to incentivise DCC to undertake high-quality contract management	
Minimum score	0
Maximum score	3
Auditor assessment	**2.29 (76%)**
RIGs reference	Annex 1, worksheet xii. VMM2, S117:S189.
Margin impact	Margin deduction of £0.807m

Table 6 – VMM2 performance summary

The section below sets our commentary against the findings contained within the interim audit report, received from the independent auditor on 12 June 2025 and the draft report (with scores) received on 26 June 2025. The final report is due to be received on 31 July 2025.

4.2. Commentary on auditor scores

4.2.1. Commercial strategy

Q1.1 DCC acknowledges the finding regarding misalignment with Ofgem on the classification of Fundamental Service Capabilities (FSC). We have embedded lessons learned into our procurement planning and support the recommendation to develop a jointly agreed protocol with Ofgem. This will ensure future alignment and avoid reactive re-procurements.

[1] Ofgem, Modified NAO Framework for use in the OPR, March 2024 Revised OPR Guidance decision March 2024 | Ofgem

Q1.2 We are pleased that the auditors found our assessment of strategic and policy drivers to be complete and reasonable. We will continue to ensure that our commercial strategies are informed by both internal and external environmental factors, including regulatory expectations and market conditions.

Q1.3 DCC agrees that our commercial strategies are appropriately informed by strategic assessments. We are enhancing our documentation and stakeholder engagement to ensure these strategies remain robust and adaptable to evolving market conditions.

4.2.2. Capability and governance

Q2.1 We appreciate the recognition of our efforts to build commercial capability and standardise processes. We acknowledge the recommendation to improve contract summaries and have initiated a QA process to ensure consistency and completeness. We are also expanding our use of automation tools to support contract management.

Q2.2 DCC accepts the finding that our commercial pipeline is still maturing. We are implementing improvements to enhance its effectiveness and ensure timely procurement planning. We also recognise the need to strengthen our FinOps capability to support our Cloud Category Strategy and are actively developing the necessary skills and processes.

Q2.3 We welcome the recognition of our structured commercial function and cross-functional collaboration. We acknowledge the opportunity to improve the timing of SME engagement and are embedding resource planning into our procurement governance to ensure the right expertise is available at the right time.

4.2.3. Market management and sourcing

Q3.1 DCC appreciates the recognition of our market engagement efforts. We agree that earlier visibility to the market would enhance competition and are taking steps to improve the timing and transparency of our procurement pipeline.

Q3.2 We are pleased the audit found our procurement processes to be robust and compliant. We acknowledge the need for improved engagement with DESNZ and are implementing a new stakeholder engagement protocol to support future procurements.

Q3.3 DCC is pleased that our use of collaborative solutioning and competitive mechanisms has been recognised. We will continue to refine our procurement strategies to maximise competitive pressure and ensure value for money, particularly in complex and high-value procurements.

4.2.4. Contract approach

Q4.1 We welcome the recognition of our structured approach to risk allocation. We are actively managing risks through our governance processes and are enhancing our risk management tooling to support this. We also continue to seek legal advice where appropriate to ensure clarity in contractual liabilities.

Q4.2 DCC is pleased that our use of contractual incentives and penalties has been recognised as effective. We will continue to use these mechanisms to drive service improvement and align supplier performance with our strategic objectives.

Q4.3 DCC agrees that our governance mechanisms support strong supplier relationships. We acknowledge the feedback on Monthly Service Reporting (MSR) and have already implemented improvements to the scoring methodology and feedback channels.

4.2.5. Contract management

Q5.1 We welcome the recognition of our performance monitoring processes. We acknowledge the feedback on MSR subjectivity and have implemented a revised scoring methodology to ensure greater transparency and consistency. We are also enhancing our onboarding processes for new service providers to support the SEC modification process

Q5.2 DCC is pleased that our contract management processes are seen as effective. We continue to monitor supplier performance closely and apply contractual remedies where necessary. We are also working to improve the objectivity of non-contractual performance metrics.

Q5.3 We are committed to meeting our obligations and have implemented tools to support obligation tracking. We acknowledge the late payment issue identified and have taken corrective action to strengthen our PO and invoice verification processes.

4.2.6. Contract lifecycle

Q6.1 DCC welcomes the recognition that our contracts continue to support our strategic intent. We will continue to review and adapt our contracts to reflect evolving business needs and regulatory expectations.

Q6.2 We appreciate the recognition of our Value for Money initiatives and acknowledge the need to strengthen controls to prevent value leakage. We are implementing improvements to our invoice verification and PO management processes to address the issues identified.

Q6.3 We acknowledge the inefficiencies in our change control process and are taking steps to improve collaboration with suppliers during change definition. We are also monitoring Early Engagement Instruction (EEI) trends and embedding improvements into our governance processes.

4.2.7. Transition and termination

Q7.1 DCC agrees with the recommendation to improve early market engagement and is leveraging the commercial pipeline to support this. We are also enhancing our planning processes to ensure timely initiation of re-procurements and extensions.

Q7.2 We are pleased that our transition planning has been recognised as effective. We are actively managing contract extensions and re-procurements and have established a dedicated team to oversee preparations for the 2027 licence renewal.

Q7.3 DCC acknowledges the need to formalise lessons learned activities and is implementing a structured approach to capture and apply insights across future procurements. We are also developing a mobilisation playbook to support future strategic procurements.

5. OPR performance summary

In RY24/25, £13.559m was placed at risk against the OPR.

In summary, our assessment of our performance for RY24/25 is as follows:

OPR measure	Weight	DCC performance assessment	Margin retained (%)	Margin retained (£m)	Margin lost (£m)
Service availability (SUM1)	20%	Non-regional = 99.97%	100%	2.712	-
Install and commission (SDM1)	20%	North = 99.21% Central = 99.98% South = 99.99%	100%	2.712	-
Prepayment (interim response times) (SDM2)	20%	Non-regional = 99.88% North = 100.00% Central = 99.72% South = 99.72%	100%	2.712	-
Customer engagement (VMM1)	15%	2.65 out of 3	88%	1.797	0.237
Contract management (VMM2)	25%	2.29 out of 3	76%	2.583	0.807
Total	**100%**	-	-	**12.514**	**1.044**

Table 7 – Summary of DCC's self-assessment of OPR performance in RY24/25

Our self-assessment above reflects our view that we have had a strong year. We propose that we retain £12.514m of the Baseline Margin associated to the OPR for RY24/25.

Appendix A: Zero-weighted system measures

Firmware management (SUM2)

The firmware management measure remains zero weighted and cannot be reported on (see Appendix B). In the RY23/24 submission DCC requested the measure be removed from the OPR. This was due to DCC being unable to provide data for the SMETS1 aspect of the measure and there being no ability for firmware performance to be measured per service provider, therefore performance can only be reported on an aggregate level.

An explanation for DCC's performance for the north region is in Appendix B.

The overall SMETS2 SUM2 performance is summarised in the table below.

SUM2 – firmware management Designed to incentivise DCC to ensure that firmware payload images are successfully delivered to communication hubs	
Minimum (%)	96.00%
Target (%)	99.00%
DCC self-assessment (%)	**North: 97.46%** **Central: 99.31%** **South: 99.42%** **SMETS1: no data available**
RIGs reference	Annex 1, worksheet vii., S83:S85 and S116.
Margin impact	Measure zero weighted so no margin impact

Table 8 – SUM2 performance summary

Change of supplier (SDM3)

The change of supplier measure is zero weighted. The value of the RPLs in RY24/25 was obtained from a mean of the three SEC performance measures relating to SRVs comprising the Change of Supplier Business Process, under SEC Code Performance Measure 6A, averaged across the 12 months from April 2024 – March 2025. It is still not possible to measure the individual TRT RPLs for each region, as was the case in RY23/24. This is because DCC's overall performance is reported at an aggregate level. DCC therefore proxy measure using Round Trip Times (RTTs). The RTTs include not only include the TRT for which DCC has control, but also the HAN and DCO time, for which we do not control. For these reasons the values we report on are not an accurate view of the DCC's element of the overall process with the full end to end process not being within DCC's full control to achieve.

The overall SDM3 performance is summarised in the table below.

SDM3 – change of supplier Designed to incentivise DCC to ensure that all DCC services required in the change of supplier process are provided at a sufficient quality	
Minimum (%)	96.00%
Target (%)	99.00%
DCC self-assessment (%)	**North: 14.30%** **Central: 57.87%** **South: 60.21%** **SMETS1: 43.52%**
RIGs reference	Annex 1, worksheet x, S83:S85 and S116
Margin impact	Measure zero weighted so no margin impact

Table 9 – SDM3 performance summary

Appendix B: DCC responses to qualitative questions

Question 1

Where the Licensee has not reached the TPL for any Performance Measure please provide a narrative which explains:

i. **Any reasons why the Licensee was prevented from reaching TPL**
ii. **Any actions or plans to remedy or achieve the TPL in the future.**

Of the non-live metrics, the north measure for SUM2 was below the TPL of 99%, recording a measurement of 97.46% and SDM3 did not meet TPL for all regions.

SUM2 (Firmware Management)

Despite the SUM2 (Firmware management) measure being dormant, DCC has continued to work with our service providers to increase performance in the north and the service improvement plan introduced last year has resulted in performance measuring 97.16% by the end of this year. The maximum the north region can achieve is 98% and so the TPL of 99% is unlikely to be achieved due to technological restraints.

DCC has applied service credits to its service provider for not reaching its contracted performance targets and the TPL of 99% and in RY24/25 a total of £0.334m has been paid.

SDM3 (Change of Supplier)

SDM3 (Change of Supplier) remains a measure in which a large portion of the metric is not fully within DCC's control to achieve as we are unable to measure the TRT. We therefore measure RTT and part of the RTT includes the time on the HAN – this is the part of the process that is outside of DCC's control.

Work has continued to develop SECMP2421 which will report on the success of the customer journey for the Change of Supplier process, but we will still be unable to report accurately. As was mentioned in last year's submission, two SEC modifications were raised to address this issue but both SECMP217 and SECMP187 were rejected.

Question 2

Provide a description and supporting evidence of the processes in place to quality assure reporting submitted to the Authority. This may include:

iii. **Assurance the Licensee has undertaken on reporting received from their Service Providers**
iv. **Internal policy processes and procedures**
v. **Independent auditor reports**
vi. **Consistency with other related reporting (e.g. Smart Energy Code performance measures)**
vii. **Appropriate senior level management and oversight of quality assurance processes.**

The process in which DCC quality assures the reporting submitted to the Authority has not deviated since last year. DCC continues to maintain a dedicated model for monitoring progress against the

[1] Change to Operational Metrics to Measure on Success - Smart Energy Code

OPR and this model was designed to meet the reporting requirements outlined in Ofgem's OPR guidance. The model also ensures that DCC is actively monitoring its performance throughout the year and provides the opportunity to respond to any decline in performance immediately.

We can confirm that regular assurance continues to be undertaken on the reporting received from our service providers which is managed by the In-Life Supplier Service Delivery Management Team. This reporting is also reviewed each month by the Regulatory & Operational Reporting Team.

Each OPR measure has a dedicated senior owner within DCC who is responsible for ensuring the information provided within the RIGs is correct. The Regulatory & Operational Reporting Team, together with the Head of Economic Incentives reviews and quality assures all information before its submission. The Regulatory & Operational Reporting Team also ensure that the data is consistent with the information provided to, and approved by, DCC's Executive Committee (ExCo). DCC's ExCo also review the model outputs on a monthly basis.

Question 3

Please provide an assessment of the number and percentage of incidences that have been exempt from reporting due to being exceptional events. Please include:

viii. **Reasons events were excluded from performance reporting, and the number/percentage of exemptions that were for this reason**
ix. **Any quality assurance undertaken to ensure that categorisation of incidences as exceptional events was correctly applied.**

There have been no incidences that have been exempted from reporting due to exceptional events in RY24/25.

Question 4

Please specify if, and explain why, additional reporting is not complete, for example because reporting was only developed part way through the year.

DCC is still unable to report against the SMETS1 metric in the zero-weighted SUM2 measure. The data for this measure is not available and, the opportunity to implement the functionality to allow for this reporting was removed from the scope of SEC Modification 122B1 (MP122B). The process to carry out firmware delivery differs between SMETS1 and SMETS2. Under SMETS1, the S1SPs are responsible, whereas, under SMETS2, it is the responsibility of the service users. This makes it very difficult to incorporate any service provider contract changes to include this metric. In the RY23/24 price control submission DCC requested this measurement be removed from the scope of the OPR and we still believe its removal should be considered.

All other reporting is complete.

[1] SECAS, 11 Sep 2020: Modification » (smartenergycodecompany.co.uk)

Appendix C: Supporting evidence

Ref #	Evidence	File name / location
1	RIGs Annex 1	7.RIGS_Annex_1_RY2425
2	Customer engagement	Please see: • 5.Perf_OPR_Customer_Engagement_Part1_RY2425 • 5.Perf_OPR_Customer_Engagement_Part2_Ofgem_only_RY2425 • 5.Perf_OPR_Customer_Engagement_Part2_PUBLIC_RY2425
3	Contract management – interim audit report	5.Perf_Contract_Management_Interim_Report.pdf
4	Contract management – draft audit report	5.Perf_Contract_Management_Draft_Report.pdf

Table 10 – Supporting evidence