

DCC Response to Performance Measurement Methodology Consultation on Proposed Amendments and Additions

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1. Introduction and Context

1. The Data Communications Company (DCC) is Britain's digital energy spine, supporting the transformation of the energy system. DCC is licensed by the Government and regulated by the energy regulator Ofgem to connect smart meters in homes and small businesses across Great Britain to a single, secure, digital network. DCC supports the roll-out and operation of second-generation (SMETS2) smart meters, as well as the migration and operation of existing first-generation (SMETS1) meters onto our network.

1.1. Background

- Smart Energy Code (SEC) H13.4 requires DCC to report against Performance Measures (PMs). PMs include Code Performance Measures (CPMs) as detailed in SEC D11.3, H13.1 and L8.6 and those measures detailed in the Reported List of Service Provider Performance Measures (RLoSPPM) as defined in SEC A1. DCC reports performance monthly in the Performance Measures Report (PMR).
- 3. SEC H13.5A and H13.5B describe the development of Performance Indicators (PI) and the requirement for DCC to report on those PI alongside the Performance Measures Report. PI are described in the Performance Indicator Document (PID).
- 4. SEC H13.6 requires DCC to produce and periodically review, through industry consultation and with SEC Panel approval, the Performance Measurement Methodology (PMM) which describes the methodology DCC will use to calculate the performance of PM. SEC H13.2 allows DCC to modify the RLoSPPM though industry consultation.
- 5. In September 2022 DCC issued a consultation¹ on proposed amendments and additions to the PMM, alongside proposed amendments to the RLoSPPM, and sought Parties feedback on the proposed changes. The consultation initially closed on the 7th October, and DCC extended the closure date until the 4th November following some concern that not all Parties received the initial mass communications informing them of the publication of the consultation. This document is DCC's response to that consultation.
- 6. DCC highlighted an error with the calculation of averages for establishing the performance level against CPM 1, 2 and 3 and proposed that these errors are corrected.
- 7. CPM 9 detailed in SEC D11.3 does not currently have a methodology within the PMM, and DCC proposed that this is added.
- 8. The RLoSPPM includes an all CSP Regions Communications Hub (CH) delivery measure 1.1. DCC Users have, through the SEC Operations Sub-committee and the Global Supply Chain Working Group asked for the methodology of this measure to be amended. DCC is in support of this request and recommended changes in the PMM to reflect the change in reporting.
- 9. <u>SEC MP096²</u> was implemented on 12 October 2022 as an ad-hoc SEC Release. The modification introduced a new CPM 3a requiring new reporting of power outage event AD1 alerts, and new Performance Indicators on Power Outage Alert (POA 8F35) and Power Restoration Alerts (PRA 8F36). DCC recommended amendments to the PMM covering the inclusion of the methodology for these measures.

² https://smartenergycodecompany.co.uk/modifications/dno-power-outage-alerts/

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¹ https://www.smartdcc.co.uk/consultations/performance-measurement-methodology-consultation-on-proposed-amendmentsand-additions/

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10. Additionally, Network Parties requested that measures covering POA and PRA contained within the RLoSPPM are removed. It was proposed that these measures are removed from the PMM and RLoSPPM.

2. Consultation Responses and DCC feedback.

- 11. The consultation suggested a total of six questions related to the proposed amendments to the PMM and RLoSPPM and was published alongside a tracked changes version of those documents.
- 12. A total of six responses were received, four were from large suppliers, one was from a network operator and one was from the SEC Operations Sub-committee which represents a broad range of SEC party type including Supplier and Network Parties.

2.1. Code Performance Measures 1, 2, and 3

Do you agree that the methodology for CPM 1, 2 and 3 should be amended, as provided in the tracked changes version of the PMM, to provide the true mathematical average? Please provide a rationale for your response.

- 13. This question related to amending the methodology for CPM 1, 2 and 3, these measures are:
 - Percentage of On-Demand Service Responses delivered within the applicable Target Response Time.
 - Percentage of Future-Dated Service Responses delivered within the applicable Target Response Time.
 - Percentage of Alerts delivered within the applicable Target Response Time. Alerts consolidated in accordance with the Alert Management Mechanism will not be counted.
- 14. The old methodology first grouped the performance by individual DCC Service Provider (SP), calculated an average for each SP and then averaged those average figures across all SPs. DCC proposed that the CPM should be calculated to provide the true mathematical average across all Service Responses or Alerts.
- 15. There were six responses to this question. Five respondents supported the change noting that it removes the impact of outlying data.
- 16. One response considered that a weighting should be applied based on end consumer impacts. However, it is not possible to separate different types of Alert or Service Response to allow a weighted calculation so DCC will not be able to consider this suggestion further.
- 17. One respondent asked for clarification on the difference between the two calculations. The proposed methodology will take the performance of individual Service Responses and Alerts to calculate the overall average figure against the Target Response Time (TRT) and is a calculation aligned to the wording of the CPM. Where these averages are first calculated by SP and then averaged across all SPs the resulting figure is the average performance of SPs, and not the average performance of the individual Service Response or Alert.
- 18. One respondent asked why the arithmetic mean was used in the past. DCC consider this to be an error which should not have been implemented since it does not align with the wording of the CPM.
- 19. One respondent asked what impact the proposed methodology would have on the reported data. The reported data will better reflect overall performance and is considered to be a more accurate reporting method which is aligned to the wording of the CPM.

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Performance calculated using the proposed methodology will show actual DCC performance. The mathematically correct methodology will indicate greater performance, and that the incorrect methodology indicates worse performance.

20. One respondent asked if a weighting should be applied to the measure to consider Service Responses and Alerts that have a greater customer impact. Since it is not possible to separate the performance by type of Service response or Alert, it is not possible to weight the calculation by these. DCC also notes that the performance of individual Service Providers is provided, and will continue to be provided, in the PMR. Details of Service Credit by Service Provider are also detailed din the PMR.

2.2. Code Performance Measure 9

Q2 Do you agree that the methodology for CPM 9 should be added, as provided in the tracked changes version of the PMM? Please provide a rationale for your response.

- 21. This question related to the addition of a methodology for CPM 9 reporting on the timely completion of impact assessments by DCC Service Providers which hadn't been included in previous versions of the PMM.
- 22. There were six respondents to this question, and all agreed with the addition of this methodology.
- 23. One respondent asked if both DCC Preliminary Impact Assessment and full Impact Assessments are included in the data reported. DCC can confirm that the wording of CPM 9 requires both assessment types are reported and also confirms that both are, and will be, included in the calculations and reported data.
- 24. One respondent noted that CPM 9 is monitored by Panel through the SEC Change Update Report, and that this measure does not require additional monitoring through the SEC Operations Sub-committee, and that the inclusion of the methodology for CPM 9 in the PMM provides increased visibility.
- 25. DCC welcomes the agreement that the methodology for CPM 9 should be included in the PMM, and also notes that the SEC H13.6 requires all Performance Measures to have a recorded methodology in the PMM.

2.1. Communications Hub Delivery

Q3

Do you agree that the methodology for CSP Regions Communications Hub (CH) delivery measure 1.1 should be added, as provided in the tracked changes version of the PMM? Please provide a rationale for your response.

- 26. This question related to amending the methodology to ensure the measure captured CH delivery on the initially scheduled delivery date, and not deferred delivery dates.
- 27. There were six responses to this question, and all agreed with the amendment to the wording.
- 28. One respondent noted that the original delivery date should be in reference to the standard CH ordering process. This is the intention of the measure but a further amendment has been made to reference the *standard SEC ordering process*.

- 29. It was also noted that the measure should consider individual CHs and report any shortfall in delivery volume. This is the intention of the measure and the PMM wording has been amended to provide additional clarity to measure against *individual* CHs.
- 30. One respondent asked how deferred CH delivery would be reported and if multiple deferrals had been made. DCC considers this measure to be specifically targeted at the original delivery date for any CHs. There is no CPM or SP Service Measure that requires the formal reporting of deferred deliveries. However, DCC has regular bilateral engagement with CH ordering Parties to keep them fully informed of their deferred deliveries. DCC also uses the Supply Chain Working Group to discuss industry wide CH availability and deliveries including deferred deliveries.
- 31. There have been occasions where, due to supply chain issues, it has been necessary to defer some CH orders more than once. Parties are engaged bilaterally to keep them informed of expected CH delivery timescales.

3. SEC MP096 Related Amendments

3.1. Code Performance Measure 3a

Q4

Do you agree that the methodology for CPM 3a should be added, as provided in the tracked changes version of the PMM? Please provide a rationale for your response.

- 32. This question related to the addition of a new CPM 3a, implemented in October 2022 adhoc 2022 SEC Release. This measure relates to those Alerts which are subject to SEC H3.14(i), percentage of Alerts delivered within the applicable TRT.
- 33. Four responses supported the inclusion of this methodology, with one noting that it is sensible to have a separate CPM for this measure. One Supplier Party response provided no comment on this question, and another Supplier Party respondent said they would support DNO feedback. DCC welcomes the agreement of the inclusion of CPM 3a and the methodology, and also notes that SEC MP096 requires the data reported as a separate measure.
- 34. One respondent noted that the term "Power Outage Alert" in the draft PMM should be "Power Outage Event" as defined in the DCC User Interface Specification (DUIS) document. This has been corrected in the PMM which now references AD1 as a SEC recognised term.
- 35. One respondent asked how the data is broken down or aggregated. DCC confirms the data will be reported by CSPN and CSPC&S. One respondent notes that the Power Outage & Restoration Alerts Delivery Management Document references data by technology type and not CSP Region clarification has been made to the PMM.
- 36. One respondent asked if a failure against the measure will result in the application of Service Credits. SEC MOD96 implemented this new CPM, the modification was developed at minimal cost to industry and as such no amendments to systems or contracts were requested. There are therefore no service credits associated to this CPM.

3.2. Performance Indicator

Q5

Do you agree that the methodology for Performance Indicator should be added, as provided in the tracked changes version of the PMM? Please provide a rationale for your response.

- 37. This question related to the inclusion of a new Performance Indicator (PI) covering Power Outage and Power Restoration Alerts, where the detailed methodology is detailed in the Power Outage and Restoration Alerts Delivery Management Document (POaRADD).
- 38. . Four responsents agreed with the inclusion of these PIs. One Supplier Party provided no comment on this question, and another Supplier Party said they would support DNO feedback.
- 39. One respondent noted that PIs are currently reported in a separate document and not the PMR but agreed that the methodology for the PIs should be included in the PMM due to the intent to include them in the PMR.
- 40. DCC welcomes support for the inclusion of these PIs in the PMM and will report on these PIs in the PMR as requested by the SEC MP096 working group.

3.1. Amendments to the Reported List of Service Provider Performance Measures

Do you agree that measures 12.1 and 12.2 should be removed from the RLoSPPM and PMM? Please provide a rationale for your response.

- 41. This question related to the removal of POA and PRA from the RLoSPPM and PMM
- 42. Four responses agreed with the removal of these measures. One Supplier Party provided no comment on this question, and another Supplier Party said they would support DNO feedback.
- 43. One respondent noted that these measures have historically had poor performance and agreed with the replacement of these measures under CPM3a and PI on Power Outage and Power Restoration. DCC welcomes the support to remove these measures from the RLoSPPM and PMM.

4. SEC Panel feedback and decision.

- 44. On 13 December 2022 DCC presented the proposed amendments and consultation feedback to the SEC Operations Sub-committee and provided clarification to questions posed.
- 45. On 16 December 2022 DCC presented the proposed amendments and consultation feedback, to the SEC Panel and asked for their approval to implement changes to the PMM.
- 46. SEC Panel approved the changes to the PMM which will now be implemented.

5. Next Steps

47. Published alongside this consultation are the new versions of the PMM and RLoSPPM documents. DCC will now report against the amended PMM in the data provided in monthly reporting.

6. Attachments

- Attachment 1: DCC Performance Measurement Methodology V4.0 December 2022
- Attachment 2: Reported List of Service Provider Performance Measures V2.0

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