MP253 'Traffic Management for Price Cap Update Events - User Actions Required'

Annex C

Second Refinement Consultation responses

About this document

This document contains the full collated responses received to the MP253 Refinement Consultation.

Question 1: Do you agree that the solution put forward will effectively resolve the identified issue?

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Partially	These measures are only required because an automated technical solution is not available. While we believe these will resolve the issue, a technical solution would be the better option as it cannot be circumvented and will automatically make adjustments necessary. However, lacking this, these guidelines must suffice.	-
EON	Large Supplier	Yes	Implementation of the Price Control Instructions Document (PCID) introduces an obligation on Users to follow instructions so that the DCC can apply a consistent approach for Price Cap Update Events.	-
Scottish and Southern Electricity Networks	Network Party	Yes	N/A	-
National Grid Electricity Distribution	Network Party	Yes	N/A	-
Octopus Energy	Large Supplier	No	There has been no update to the outcome and performance of the Price Change Events beyond October 2023. There have now been 3 Price Change Events since this occurred with the most recent being on a working day (not a bank holiday or weekend), so we find it odd that the	*DCC Response:* DCC has presented details of performance during each Price Change Events to the SEC Operations Sub-Committee. Performance has improved since the first event. However, this improvement is a

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			DCC and SECAS believe there has been sufficient movement to justify a second Refinement Consultation. As we have previously indicated we remain unconvinced that this change will improve price change performance, and indeed is likely to worsen customer outcomes. Reflecting on the outcomes from the latest (1st July) price change event, we sent tariff update requests to circa 7 million meters. Whilst there was some variation in performance by CSP region/device model we saw on average 95%+ success rates, which is similar to the April price change event. We note that this was the first price change event to occur on a working day, yet the performance was at least as good, and for some cohorts, markedly better than earlier price change events. We believe this is due to both DCC and industry understanding how better to work together to achieve good customer outcomes, without having to resort to overly rigid and prescribed obligations. We also note that the DCC did not flag any incidents on the day of the price change and so presume that their service operated as intended. We note also that DCC plans to re-architect the DSP (as part of that imminent reprocurement) are intended to engineer out current capacity constraints and so any residual issues that DCC perceives around price change events will presumably not persist. We also do not believe that there is a need for very rigid and specific requirements on Price Control events – we believe that, at the most, the requirement should be for	result of some Parties following the issued guidance and DCC applying mitigations to balance traffic to protect service and maintain outcomes. DCC consider that if all Parties followed the guidance that performance could be further improved with less intervention. DCC also consider that where a Party does not follow the guidance but sees acceptable performance, that the performance seen is partially due to the actions of other Parties who follow the guidance. Without agreed rules Users have no requirement to work with DCC to manage traffic across the Price Change Event. The SEC sets standards for DCC and Parties to follow, DCC consider that this modification will not only result in improved performance across the event, but it will also standardise the requirements and actions required by Parties in an equitable manner. DCC were asked by SEC panel and OPSG to raise this modification. While DSP procurement will change some of the system architecture there will always be a limitation in peak traffic thresholds of

Question 1				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Users to engage and agree approaches with the DCC prior to a Price Change event that would allow for far more flexibility and adaptability when managing Price current and future Change events.	the end-to-end system. Different parts of the DCC total system have their own peak traffic threshold which the DSP procurement will not impact.

Question 2: Do you agree that the legal text will deliver MP253?

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	No further comments	-
EON	Large Supplier	Partially	Clarification is needed within the text in respect to prioritisation applied in the event of an incident or DCC quarantine, for example. Due to system restrictions, we cannot evenly distribute the sending of SRVs for particular cohorts. Working with the DCC an execution time scale is agreed to send the SRVs which relate. How are these agreements with the DCC addressed in the PCID?	*DCC Response:* In the event of an incident during a PCUE the incident would be managed in the usual manner. With support from parties, DCC can add a requirement to the guidance that would delay action by the same amount of time as the unexpected outage. DCC has agreed some alternative actions with some Users who are unable to follow the current guidance. This modification would see that guidance become rules which should be followed by all Parties.
Scottish and Southern Electricity Networks	Network Party	Yes	N/A	-
National Grid Electricity Distribution	Network Party	Yes	N/A	-
Octopus Energy	Large Supplier	No	Please see response to Question 1. Although we are pleased to see the removal of the frankly counter intuitive statement regarding the below – we	*DCC Response:* DCC considers that this answer does not explain why the legal text does not deliver

Question 2				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			believe that the requirement should be to engage with DCC prior to a Price Change event rather than meet a very specific approach that not all Users can currently support.	the change, but rather offers an alternative solution which would not result in any firm requirement or equitability across Parties.

Question 3: Do you agree with the proposed implementation approach?

Question 3				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	No further comments	-
EON	Large Supplier	Yes	N/A	-
Scottish and Southern Electricity Networks	Network Party	Yes	N/A	-
National Grid Electricity Distribution	Network Party	Yes	N/A	-
Octopus Energy	Large Supplier	No	There is insufficient evidence to justify the urgency of this modification (noting the lack of recent Price Change event performance) and we believe that Users will not be in a position to support this modification (if implemented in its current state) until at least June 2025.	*DCC Response:* DCC considers that performance at recent Price Change Events has improved, and partly because the majority of Parties follow the guidance issued. Recent performance should not be used as justification that this modification is not required. Where parties need time to implement a solution to meet the requirements on the modification DCC consider that the lead-time should be considered as part of that Party plan.

Question 4: Will there be any impact on your organisation to implement MP253?

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	We would have to re-evaluate the process used for Price Change Update Events to ensure that we were compliant with the instructions as far as practicably possible. Whilst we currently comply with the guidance issued, this would require ongoing checks to ensure that if guidance is changed, we are making changes to our scheduling to continue compliance.	-
EON	Large Supplier	Minimal Impact	N/A	-
Scottish and Southern Electricity Networks	Network Party	N/A	SECAS response from previous refinement consultation noted that details have been requested on any impacts and any further information will be reviewed as we had noted that we believe SEC MP253 will impact SSEN.	*DCC Response:* DCC has already confirmed that there is no impact for Network Parties as a result of this modification and the draft Price Cap Instruction Document. The PCID sections are titled “Supplier Party Requirements”. There are no proposed requirements for any other type of DCC User. DCC is not clear on what impact the Network Party believes will be felt, and has not received any details on this potential impact.
National Grid Electricity Distribution	Network Party	Yes	We believe there will be impact to our organisation for reasons stated in the Modification Report.	-

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Octopus Energy	Large Supplier	Yes	As noted in our previous submission, we have yet to see an updated PCID that addresses our below points: "In order to implement MP253, system processes will have to be completely overhauled to be in line with the current draft PCID. Currently all price changes updates are completed via a steady, slow stream of OnDemand SRV1.1.1 Service Requests (starting with prepayment customers before moving onto all credit customers). Requests for Credit customers would need to be broken into billed on PCUE date, billed on day after PCUE date and other credit customer cohorts, before creating future-dated requests to be actioned on the days prescribed by the PCID. This creates an ongoing impact in terms of data sourcing and maintenance in order to keep this information up-to-date for any future PCUE. In addition to this data maintenance, there will be a necessary focussed piece of development required in order to bring our internal solution in line with the PCID. This will incur a significant implementation effort on multiple systems – the ones that generate the Service Requests and the ones that'll process the Service Requests. These are two segregated, distinct systems which both would need changes (to produce Service Requests with appropriate ExecutionDateTime fields, to process these Service Requests well in advance of the PCUE, to implement the recommended use of SRV1.2.1 in lieu of the currently used SRV1.1.1, amongst multiple	*DCC Response:* DCC note that Modifications often result in system impacts on Parties and those costs are taken into consideration in the modification process.

Question 4				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			other development activities). These are significant changes that require significant development effort, which have not been factored into any planned development activity.”	

Question 5: Will your organisation incur any costs in implementing MP253?

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	No Costs	No costs from the modification itself, however, depending on the instructions contained within the initial document there may be costs from those.	SECAS note the potential costs of implementation.
EON	Large Supplier	Minimal, if any, cost to implement	N/A	-
Scottish and Southern Electricity Networks	Network Party	No Costs	N/A	-
National Grid Electricity Distribution	Network Party	No Costs	N/A	-
Octopus Energy	Large Supplier	More than £1m	As per our previous consultation response: "We cannot at this stage accurately predict the final cost of such significant system changes. Implementation effort alone will require significant work (as per Question 4), and these changes have associated costs. The production of the data required for future PCUE will also incur costs. Neither can we determine the addition operational cost that this change will incur. For example, the PCID mandates that, for Credit customers who are not billed on	*DCC Response:* DCC note that Modifications often result in system impacts on Parties and those costs are taken into consideration in the modification process.

Question 5				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			either PCUE or the day after PCUE, Users 'will evenly distribute the activation times of these SRVs over a minimum period of two and a half days beginning at 12:00 on the day after the PCUE'. This means that some customers will not have their prices updated for up to 4 days from midnight on the day of the PCUE. We foresee significant costs to be incurred due to our service centre staff fielding queries from a great number of customers, asking why their smart meters are reporting inaccurate costs. We see this having significantly more impact on the PCUEs where customer costs should be reduced (such as the one that has just occurred, April 2024). As a result of this modification there are no cost-savings that are foreseen. There are no costs incurred as a result of this modification not being implemented. It is also difficult to predict future costs given that the PCID itself could be changed by a consultation and SEC Panel approval which we do not believe is an appropriate governance mechanism for an obligated process document that could have broad User System implications."	

Question 6: How long from the point of approval would your organisation need to implement MP253?

Question 6				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	No Lead Time	No lead time from the modification itself, however, depending on the instructions contained within the initial document there may be required system changes and associated lead time from those.	SECAS note the potential implementation time required.
EON	Large Supplier	Minimal time to implement	N/A	-
Scottish and Southern Electricity Networks	Network Party	N/A	N/A	-
National Grid Electricity Distribution	Network Party	None	N/A	
Octopus Energy	Large Supplier	6 months – 1 year	As noted in the response to Q4 and Q5, it is difficult to assess the timeframes to implement assuming there is a point of approval, the change would result in significant development across multiple teams. Such changes must also be appropriately prioritised, before being scheduled in an already busy development cycle. This would force us to de-prioritise other scheduled work to improve ongoing customer experience.	*DCC Response:* Development timescales should be considered as part the modification process. DCC notes that where development is required Parties may not be able to immediately implement a change.

Question 7: Do you believe that MP253 would better facilitate the General SEC Objectives?

Question 7				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	We believe that this modification will have positive impacts on SEC Objectives (a), (b) and (c), as this will reduce the impact Price Cap Update Events will have on the DCC network, allowing critical traffic to flow through and tariff updates to land on devices as soon as possible.	-
EON	Large Supplier	Yes	Better facilitates SEC Objectives (a) and (c)	-
Scottish and Southern Electricity Networks	Network Party	Yes	MP253 will better facilitate General SEC Objectives as noted on modification report.	-
National Grid Electricity Distribution	Network Party	Yes	We believe this modification would better facilitate General SEC Objectives for reasons stated in the Modification Report.	-
Octopus Energy	Large Supplier	No	We do not believe it will better facilitate General SEC Objective (a), noting our rationale in Question 1. We do not believe the DCC response to your previous consultation response has sufficiently answered or provided evidence to alleviate the issues we raised, simply disagreed. In our previous we stated that: "We believe that this solution will increase traffic traversing DCC Total Systems, on PCUE day and the days that follow.	*DCC Response:* DCC is clear that the rules will spread traffic over a longer time period to a level that can be effectively managed by DCC systems. This helps to ensure that DCC Systems manage the total volume and help to deliver Objective (a). For Prepayment customers, who are prioritised in the rules, DCC consider that the rules will significantly benefit Objective (c) where their tariff is changed and they

Question 7				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			Furthermore, it would seem that this solution is counter to General SEC Objective (c). Though it is not clear from the drafting of the PCID, it seems that the solution requires the overwhelming majority of credit customers to wait up to 4 days for their smart meters to accurately reflect their current price of energy. This would seem to contradict General SEC Objective (c), which facilitates "Energy Consumers' management of their use of electricity and gas through the provision to them of appropriate information" – DCC Users would effectively be forced to withhold 'appropriate information' from Energy Consumers' under the proposed solution. In addition, the proposed solution would appear to also stifle effective competition between Supplier's (and is thus counter to General SEC Objective (d)). While it is, of course, most important that Pre-Payment consumers get their prices updated at the earliest opportunity (and that no PCUE affects their ability to add credit) the proposed solution would appear to benefit those Supplier's whose customer bases are largely Pre-Payment. Under the proposed solution, Pre-Payment prices are updated on day of PCUE, whereas Credit is much more spread-out. We believe this will lead to disproportionately more complaints, due to inaccurate price information, for Suppliers with larger Credit customer portfolios (hence limiting competition).	are charged correctly in real time. While other customers may see a slower update, DCC consider that overall updates will be more efficient and so this will also help to deliver Objective (c). On points regarding competition DCC does not consider that the requirements would "stifle effective competition", particularly where all Parties are required to follow the same set of rules. DCC worked with parties to agree the initial guidance document where there was agreement that PrePayment customers should be prioritised.

Question 8: Do you believe there will be any impacts on or benefits to consumers if MP253 is implemented?

Question 8				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	From a PrePay perspective, the instructions enabled by this modification are critical to ensuring the tariff updates are delivered to PrePay customers in as timeous a manner as possible following a Price Cap Update Event, as this has a material impact on the prices a PrePay customer pays in real time, so any delay in updating the tariff details can have a material impact on the customer experience and require billing adjustments. We believe these instructions insufficient to fully realise the benefits traffic control would have to these customers however, and would prefer to see a robust set of technical controls implemented, including the ability to hold Future Dated SRVs at device level for SMETS1 devices, as this would allow the requisite traffic to be spread over a long timeframe and not rely on DSP rate limiting or other rate controls.	*DCC Response:* DCC notes that SEC MP247 is currently investigating the possibility of future dated alerts from SMETS1 devices. Where such changes are implemented DCC would work with Parties to consider what changes to the rules document might be appropriate.
EON	Large Supplier	Yes	Minimising any potential delay in communication being sent to Smart meters would benefit consumers.	-
Scottish and Southern Electricity Networks	Network Party	Yes	As per noted on modification report.	-

Question 8				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
National Grid Electricity Distribution	Network Party	Yes	We believe that consumers will be impacted for reasons stated in the modification report.	-
Octopus Energy	Large Supplier	Yes	As per our previous response, Consumers will be impacted if MP253 is implemented, since the majority of them will have inaccurate tariff prices reflected on their Devices, potentially for a number of days after the PCUE. This will still have an impact on Consumers and has not changed since our previous response.	*DCC Response:* DCC consider that the rules will result in a more efficient implementation of the updates required for price control events, and ensure prepayment consumers are protected.

Question 9: Noting the costs and benefits of this modification, do you believe MP253 should be approved?

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
Utilita	Large Supplier	Yes	The benefits that could be realised by this modification outweigh the potential costs, therefore we believe this modification should be approved and implemented as soon as possible.	-
EON	Large Supplier	Yes	N/A	-
Scottish and Southern Electricity Networks	Network Party	Yes	N/A	-
National Grid Electricity Distribution	Network Party	Yes	N/A	-
Octopus Energy	Large Supplier	No	As noted throughout this and the previous consultation, the costs of this modification would appear to be high to the User, and the benefits non-existent (to the User and the consumer). The proposed solution would appear to slow the update of information to consumers, in a technical age where updates should be quick and painless. The business case for change notes that 'DCC System has suffered because of higher than-expected traffic volumes' – we'd counter that by saying the traffic volumes were entirely expected. DCC consulted with User's prior to previous PCUEs and	*DCC Response:* DCC consider that there will be benefits to Parties since controlling the traffic results in more efficient implementation of the changes required and reduce the risk of incidents occurring. The cost of increasing capacity for an event type that happens once per year, and may in the future not happen, would be an inefficient use of resources.

Question 9				
Respondent	**Category**	**Response**	**Rationale**	**SECAS Response**
			knew exactly what volume of traffic was to be expected. DCC Systems have suffered as they are not able to handle the volume of traffic which is required; yet it is not the responsibility of Supplier's to manage this on DCC's behalf. We are also concerned that the powers provided by the PCID effectively give DCC the ability to control how Supplier's engage with their own customers and manage their smart meter estate. We acknowledge and are pleased to see there has been changes to the legal text regarding the counter intuitive point on compliance and PCID to reflect several points, however we still do not believe there is sufficient justification of the business case to alter our position from the previous consultation. As noted, there has been no new data presented (with the only data available being nearly a year old) that justifies the need for these changes and urgency for the legal text to be updated by November 2024.	DCC notes that any rules need industry support, and that any future amendment will require SEC Panel approval and so DCC does not consider that the modification provides DCC with any authority or power on how Parties manage their price change event or engage with their customers.

Question 10: Please provide any further comments you may have.

Question 10			
Respondent	**Category**	**Comments**	**SECAS Response**
Utilita	Large Supplier	The original intent of the modification is to formalise the intent to engage with and encourage best practices in order to improve performance across the system around these critical events, not to provide additional means to penalise users, and while penalties have not been mentioned as yet, we feel it necessary to reiterate this point for enduring clarity.	The DCC & SECAS re-affirms there is no intention to implement penalties or consequences in line with this modification. The sole intention is to effectively and proactively manage DCC Total System traffic during a PCUE.
EON	Large Supplier	Comments raised in previous consultation, and noted by the DCC, are not addressed, namely: 'The Price Control Instructions Document (PCID) does not outline what would happen in the event of a DCC incident or outage affecting key systems which could impact Price Cap Update Events, i.e., is everything shifted forward by 'x-hours'?'	*DCC Response:* In the event of an incident during a PCUE the incident would be managed in the usual manner. Depending on the impact of the incident, requests would either queue to be executed when service is restored or need to be retried, this is how such events are managed at present.
Scottish and Southern Electricity Networks	Network Party	N/A	-
National Grid Electricity Distribution	Network Party	N/A	-
Octopus Energy	Large Supplier	N/A	-