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Umme Azad
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31 July 2025

**Operational Performance Regime (OPR) SEC Panel Assessment DCC Engagement
Regulatory Year 2024-2025**

Dear Umme,

I am pleased to provide you with the SEC Panel assessment of the engagement undertaken by the DCC with SEC Parties for the Regulatory Year 2024 – 2025 (RY24-25).

It should be noted that the response to the Operational Performance Regime (OPR) does not cover an assessment of the engagement the DCC has undertaken with regards to the 4G Communication Hub and Network Programme. This particular programme is subject to a DESNZ Baseline Margin Project Performance Adjustment and is therefore assessed separately.

Our OPR assessment and anonymised responses to the OPR questions asked of SEC Parties are annexed to this letter.

Should you require any clarification regarding the assessment, please contact Oli Meggitt, Senior Strategy Manager (oli.meggitt@seccoltd.com).

Yours sincerely,

Angela Love

Chair SEC Panel

SEC Panel Assessment DCC Engagement RY24-25

The SEC Panel assessment is provided in two parts, as per the requirements of the Operational Performance Regime (OPR):

- Part 1: OPR questions; and
- Part 2: Case studies

The responses from SEC Parties to the OPR engagement questions are included for completeness.

Part 1

Timing and Frequency of Engagement

Q1 - Has the DCC communicated and engaged with its customers at appropriate times to seek their views, allowed sufficient time for customers to provide feedback, and provided timely updates on its activities? (This includes providing general updates, reactive engagement, strategic engagement, and unplanned issues). Please provide your rationale.

SEC Parties who responded to the OPR question survey, noted that, generally, the DCC had engaged well.

A Distribution Network Operator (DNO) respondent noted that an increased level of engagement by the DCC has not necessarily delivered clarity for them. It cites issues with the DP218 ([Review of the SEC Charging Methodology - Smart Energy Code](#)) DCC consultation, where it notes that there “were several requests for the DCC to share their methodology [...] but only had substantial feedback and dialogue after the consultation closed.” The DNO believes this has created more work for all parties involved as another consultation is now required.

A large Supplier respondent noted that the DCC generally engaged well. It noted concerns that communication regarding the Communication Service Provider North (CSPN) service issues has been variable, stating: “While it improved towards the end of 2024 / start of 2025, engagement immediately after the escalation was raised in Q2 2024 was generally poor. Actions did not appear to be followed up at pace, causing frustration among SEC parties.”

The Panel considers that the DCC’s engagement over the RY24-25 to be varied. As noted in the case studies in Part 2 of this assessment, the Sub-Committees and Panel have experienced a mix of updates on programmes and areas of work. The Operations Subgroup (OPSG) has undertaken extensive engagement with the DCC on the specific service issues in the CSPN region. Whilst engagement has been frequent, feedback suggests that this has not always been as focussed as it could be, resulting in issues taking a long time to resolve. The Test Assurance Group (TAG) experienced continued issues with engagement over the Test Automation Framework programme. However, in general, regular papers and updates provided by the DCC to the Panel and the Sub Committees are received well, with a majority of papers delivered on time.

An average of the scores of the respondents to the questions results in a score of 2.3.

Quality of Information Provided by the DCC

Q2 - Has the DCC’s communication and engagement approach with its customers been tailored to the relevant audience and timed appropriately which enabled the audience to understand the issues to act on, and allowed sufficient time for the audience to provide feedback appropriately? (This includes providing customers with clear information on costs,

benefits, and/or consequences of the decisions and on DCC's broader engagement). Please provide your rationale.

The response from Parties to this question was mixed. A large Supplier noted that *"the Future Connectivity Strategy was well structured and involving, allowing DCC User reps under NDA to input and help shape the strategy."* Other areas of DCC engagement were not as timely, such as the need to escalate issues in the CSPN region.

A DNO respondent noted: *"Communications have not been tailored at detriment to party feedback. There has not been clear communication surrounding potential costs. However, for those current costs – I am confident that the DCC communicates this in a timely and effective manner."*

Generally, the updates provided to the Panel and the Sub-Committees are timely and clear in purpose. Feedback from the Security Sub-Committee (SSC) is that there is a need for better tailored materials to be presented to its members, rather than a generic set of slides used across Sub-Committees.

Given the feedback, there is further work for the DCC to do, to ensure its communications are appropriately tailored for its audiences.

An average of the scores of the respondents to the question results in a score of 2.

Taking account of customer views

Q3 - Has the DCC clearly explained how the views of its customers have informed its decision making, and where relevant, why DCC has decided not to incorporate these views? Please provide your rationale.

In response, a large Supplier simply noted *"generally yes."* A DNO respondent specifically references an issue with the development of DP218, ([Review of the SEC Charging Methodology - Smart Energy Code](#)) that *"There were calls in DNO meetings for greater evidencing but was not forthcoming. The call for clarity was echoed in the Ofgem webinar – but again was missing. DCC have been improving their engagement in this area, as they have held a couple of workshops with the community. There was another meeting scheduled ahead of the second charging methodology consultation, but this has been postponed at their request for more time to develop."*

For formal consultations, we note that, generally, DCC sets out the feedback it has received and a rationale for why it has decided to take an issue in a particular direction. What is perhaps less clear to Parties and members of Sub-Committees is the ongoing areas of dialogue, such as the work repeatedly undertaken in response to service issues such as Major Incidents. This is an area where the categorisation and communication of Major Incidents continues to be frustrating for Parties who feel that repeated issues keep occurring, and that the DCC is not actioning the feedback provided. We cover this in more detail in Part 2 of this assessment.

An average of the scores of the respondents to the questions results in a score of 1.6.

Part 2 - Case Studies

Draft for Case Studies – OPR RY 24-25

1. Communication Service Provider North

Throughout the Regulatory Year 24 -25 the focus of work for the Panel via the OPSG has been understanding and resolution of issues with the services provided in the CSPN region. This is a continuation of work that commenced at the end of the prior Regulatory Year 23-24 as noted in the SEC Panel OPR assessment for RY 23-24.

The DCC devoted specific time over the year, including two workshops in May and November 2024 between the DCC and DCC Users, in which the DCC discussed a programme of work, called the CSPN Customers and Service Improvement Initiative (CSII). The programme aims to address concerns about the performance and services provided by the CSPN service provider.

The workshops with the DCC and DCC Users provided a means to conduct a 'deep dive' into the issues affecting the CSPN service provision and to hear directly from the CSPN service provider alongside DCC. This was received positively with stated commitments from both the DCC and the CSPN service provider to find enduring solutions.

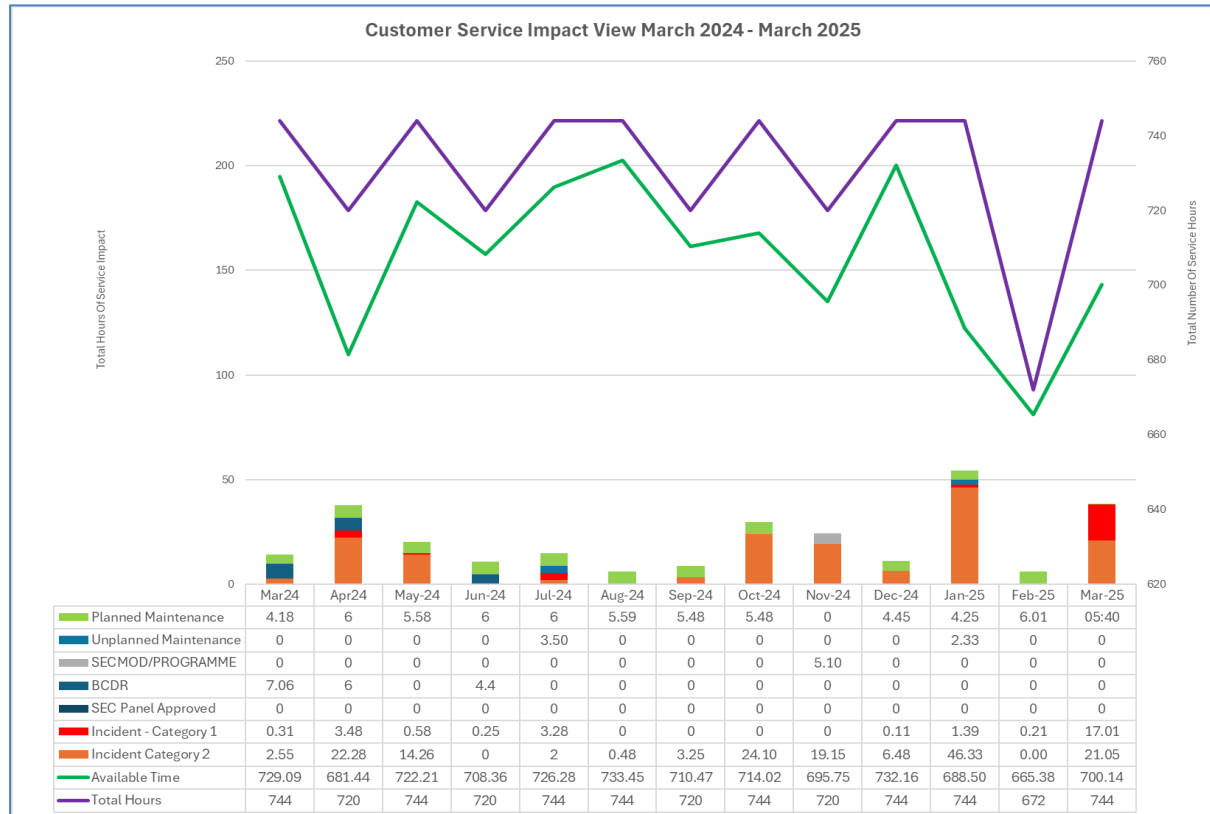
The DCC has engaged regularly over the course of the year. The issues raised are numerous, and the DCC, DCC Users and the CSPN service provider all agree that the service is not delivering as it should.

DCC Users are concerned that despite efforts at raising issues in the past, these have not been taken forward collectively and, whilst the new focus and emphasis on resolving these is welcomed, DCC Users remain extremely concerned that the rollout of smart metering across the CSPN region is being hampered because of the inability of the CSPN service provider to deliver a reliable and stable service.

Despite significant time and effort by both the DCC, the CSPN service provider and DCC Users, sharing information, discussing issues collectively and bilaterally, improvements were not seen in the period. Whilst recognising that the DCC engagement was frequent and detailed, OPSG members continued to push for greater transparency, faster resolution of long-standing issues, proactive communication, and tangible improvements in services.

2. DCC Maintenance and Major Incidents

The DCC provides regular reporting on its planned and unplanned levels of maintenance and Major Incidents to the Panel via the OPSG. The DCC communicates to Parties bilaterally through its service desk when Major Incidents occur and advises on the ongoing status of incidents until they are resolved. Figure 1 below is data provided by the DCC to the OPSG covering the RY24-25 as a rolling view of Planned and Unplanned service interruptions.



Whilst Planned Maintenance events were limited to the 6 hours per month in adherence to the SEC, there continues to be loss of DCC availability due to Major Incidents (Category 1 and 2) impacting services, DCC Users, and end consumers. The effective communication of these incidents and any other unplanned outages is crucial, so that all Parties can continue to service end consumers appropriately, with information which is accurate and timely.

Throughout 2024, DCC Users and end consumers were impacted by Major Incidents, resulting in loss of services. July 2024 saw a spike in Major Incidents (3), the root causes of which were later diagnosed to be a mixture of human error and issues attributed to change activity the DCC had permitted the Data Service Provider (DSP) to undertake. This is not the first time that both DSP change activities and human error have been identified as contributors or root causes of Major Incidents.

On review of the July incidents, the OPSG raised concerns about the reporting provided, particularly the accuracy of the number of impacted devices and therefore the OPSG was initially unable to endorse the wider publication of the reports. This was rectified the following month. On the broader issues of the incidents, it was noted that appropriate actions were being taken by the DCC to reduce

the number of change-related Major Incidents; however, OPSG members noted that similar assurances were provided last year and the situation persists.

The majority of reports and communications the DCC provided throughout RY24-25 were accepted without issue. On occasion, however, the OPSG did query the reporting. For example, in a review of a Major Incident that occurred in January 2025, the OPSG expressed concerns regarding the timing of the communication and description of the Incident.

In its February meeting, the OPSG reviewed an Unplanned Maintenance event that occurred on 30 January 2025. The OPSG agreed that the early informal notification was appreciated; however, concern was expressed regarding the timing of the communication, as it did not allow adequate preparation time. It was also noted that the email address used to inform the SEC Panel was incorrect and therefore only the Panel members that were included in the early, informal notification had received communication from the DCC and the Panel were not notified at all.

In October 2024, the DCC held a workshop with its customers, focussed on the management and communication of Major Incidents and Planned and Unplanned Maintenance and other outage events impacting the DCC services. Plans were presented by the DCC to address issues. This is an area of concern for SEC Parties that is subject to continued improvement by the DCC where the timeliness of communications and the categorisation, escalation and communication of incidents continue to be reviewed by the OPSG.

3. DCC Programmes

The DCC has significant major programmes of work delivering changes and improvements to the Services. The DCC provides regular updates to the SEC Panel and its Sub-Committees on progress.

Throughout the RY24-25 the DCC engaged frequently with the members of the Technical Architecture and Business Architecture Sub-Committee (TABASC) across a wide range of strategic, technical, and operational areas. The main programme areas the DCC discussed with the TABASC were Data Service Provider (DSP) repurchase and migration, Future Service Management (FSM) and Future Connectivity programmes.

Overall, the DCC provided useful updates, sharing high-level and low-level requirements and sought feedback, including setting up working groups and joint working sessions to enable more in-depth discussion on topics, thus providing opportunity for clarification.

The DCC engagement with the Testing Advisory Group (TAG) was regular and well received. The exception to this continues to be the engagement between the DCC and TAG for the Test Automation Framework (TAF). As reported in the SEC Panel assessments covering both RY22-23 and RY23-24, the DCC engagement on this programme has been below par. The TAG notes there remains a lack of a proactive approach, leading to unresolved actions on the part of the DCC; delays and replans.

The DCC engagement with the Security Sub-Committee (SSC) is generally good, but SSC Members have fed back that the messages from the DCC are not tailored to the subject matter expertise of the SSC, with generic presentations provided rather than specific security focussed topics. This leads to a repeated request for more security focussed presentations and 'ask' of the DCC to refine the request the input the DCC is seeking from the SSC. On occasion, papers are provided late, meaning SSC members have reduced time to consider and reach a decision for the DCC to take forward.

Additional feedback from the SSC is that some timelines are rushed, e.g. Live Service Criteria decisions, resulting in the SSC having to turn around decisions ex-committee.

Annex 1 Anonymised Responses to Questions by SEC Parties.

Q1. Has the DCC communicated and engaged with its customers at appropriate times to seek their views, allowed sufficient time for customers to provide feedback, and provided timely updates on its activities? (This includes providing general updates, reactive engagement, strategic engagement, and unplanned issues). Please provide your rationale.		Score
Respondent A	No comment	3
Respondent B	Generally - yes. However, engagement on the CSP North escalation has been variable. While it improved towards the end of 2024 / start of 2025, engagement immediately after the escalation was raised in Q2 2024 was generally poor. Actions did not appear to be followed up at pace, causing frustration among SEC parties. DCC's communication around the 4G C&S coverage shortfall also left unanswered questions (e.g. how could a ~10% coverage gap be allowed to strategically happen?)	2
Respondent C	DCC engagement is increasing – however we remain concerned that clarity is not provided alongside consultations which hold considerable implications for industry. There were several requests for the DCC to share their methodology ahead of DP218, but we have only had substantial feedback and dialogue after the consultation closed, which feels like it will have created more work for all parties involved, as another consultation is now required.	2

Q2. Has the DCC's communication and engagement approach with its customers been tailored to the relevant audience and timed appropriately which enabled the audience to understand the issues to act on, and allowed sufficient time for the audience to provide feedback appropriately? (This includes providing customers with clear information on costs, benefits, and/or consequences of the decisions and on DCC's broader engagement). Please provide your rationale.		Score
Respondent A	No comment	3
Respondent B	In general - yes. DCC's engagement on the Future Connectivity Strategy was well structured and involving, allowing DCC User reps under NDA to input and help shape the strategy. Exceptions were the CSP N escalation, the C&S 4G coverage shortfall and C&S 4G financing model.	2
Respondent C	Communications have not been tailored at detriment to party feedback. There has not been clear communication surrounding potential costs. However, for those current costs – I am confident that the DCC communicates this in a timely and effective manner. I have scored this at a 1 though, because the implication of the actions within consultation are vast.	1

Q3. Has the DCC clearly explained how the views of its customers have informed its decision making, and where relevant, why DCC has decided not to incorporate these views? Please provide your rationale.		Score
Respondent A	No comment	2
Respondent B	Generally - yes.	2
Respondent C	In relation to DP218. There were calls in DNO meetings for greater evidencing but was not forthcoming. The call for clarity was echoed in the Ofgem webinar – but again was missing. DCC have been improving their engagement in this area, as they have held a couple of workshops with the community. There was another meeting scheduled ahead of the second charging methodology consultation, but this has been postponed at their request for more time to develop.	1