

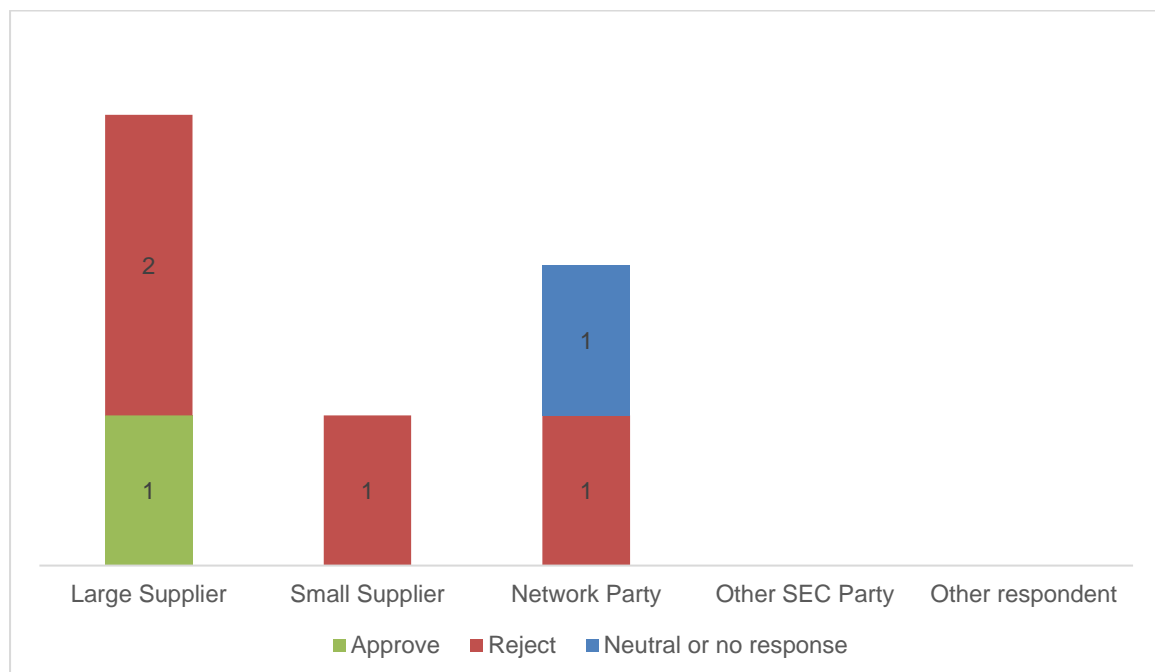
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# SECMP0043 ‘Modification to Services Force Majeure Provisions’ Modification Report Consultation responses

## About this document

This document contains the full collated responses received to the SECMP0043 Modification Report Consultation.

## Summary of responses



## Question 1: Do you believe that SECMP0043 should be approved?

Question 1			
Respondent	Category	Response	Rationale
EDF Energy	Large Supplier	Reject	<p>We do not believe that clear evidence has been provided that the proposed solution better facilitates the SEC objectives.</p> <p>The consultation states that the proposed solution will ‘ensure DCC’s regulatory framework creates the correct incentives for DCC to efficiently discharge the obligations placed upon it’. We are not clear on how the change will provide the correct incentives to the DCC, how it will make achievement of their obligations more efficient, and how their Users (and ultimately consumers) will derive any benefit from this change.</p> <p>It is also not clear that this change meets the objective set by Ofgem in their decision document on the OPR:</p> <p>“...we want to ensure that all performance reporting is consistent. This is why we want to avoid extra arrangements for considering exceptional events for the OPR which may result in inconsistent reports on DCC’s performance when compared to DCC’s Monthly Performance Measure Report which is provided to SEC parties.”</p> <p>As noted in the Modification Report:</p> <p>“This solution is applicable only to DCC’s reporting under the OPR and not to the DCC service provider performance reporting under Section H13”</p>
Bryt Energy	Small Supplier	Reject	<p>We reject that this MOD should be approved.</p> <p>DCC has entered into a Commercial Contract to provide Critical National Services and the examples of what they consider to be “Force Majeure” or exceptions are not acceptable.</p>

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			<p>For example, “Blackouts” service providers providing this level of service would require, back-up generators, second sites and a list of DR &amp; BCR activities and plans.</p> <p>Take the recent CSP Outage. Could this be classed as an “Exceptional Event”?</p> <p>Possibly, to our knowledge in the last 10 years there has been two mobile communications outages like the one experienced on the 6th Dec, impacting Smart Metering. One was due to a fire at a data centre egress point on the continent impacting SMETS V1 devices, this recent outage due to software implementation issues by a third party.</p> <p>In both circumstance, they could be seen as “Exceptional Event”, however it could be seen both instances this was a failure by the provider to provide adequate oversight, assurance and to have sufficient DR/BCDR in place to mitigate an event, that service providers must plan for, regardless of how exceptionally they may occur.</p>
<b>npower</b>	Large Supplier	Reject	<p>We feel that this modification does not better facilitate the SEC objectives outlined within the proposal and should not be implemented.</p> <p>We do not believe the Exceptional Event examples provided are not adequately covered by the existing clauses and would argue that the FM clauses are not as narrowly defined as this modification suggests. In addition, the Exceptional Event definition, as it stands, is very ‘open ended’ and creates a potential future financial risk to all other SEC Parties that cannot be adequately defined or its impact be appropriately determined or accounted for</p> <p>We do acknowledge that a more rigorous approach to managing a DCC claim for relief under their OPR may provide some benefit to other SEC Parties in better understanding the Event(s) in question.</p>
<b>Western Power Distribution</b>	Networks Party	Reject	<p>We do not believe that this modification better facilitates any of the SEC Objectives. We believe that the examples provided by the proposer are already covered under the current FM</p>

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			and Service FM clauses within the SEC, and that the current provisions adequately protect all Parties, including the DCC.
<b>Northern Powergrid</b>	Networks Party	Abstain	It is not clear to us that the proposed change better facilitates either objective (b) or (g) as stated in the modification report.
<b>Centrica plc / British Gas</b>	Large Supplier	Approve	<p>We believe the main relevant objective for this modification proposal is the seventh general SEC Objective (g). Creating additional processes to deal with OPR relief does not better facilitate this relevant objective. However, the minor FM procedural changes do better facilitate this relevant objective and on balance is overall positive.</p> <p>We also believe that this modification will marginally better facilitate the second general SEC Objective (b) by creating a suitable performance framework for DCC to work within and removing doubt as to how any exceptional events may or may not apply to Operation Performance Reporting framework.</p>

## Question 2: Please provide any further comments you may have.

Question 2		
Respondent	Category	Comments
EDF Energy	Large Supplier	-
Bryt Energy	Small Supplier	-
npower	Large Supplier	-
Western Power Distribution	Networks Party	-
Northern Powergrid	Networks Party	-
Centrica plc / British Gas	Large Supplier	We recognise that other Parties were not supportive of this proposal at the Working Group phase. The proposals create an element of risk for Parties as there is a danger that the DCC OPR regime is undermined by excessive use of a 'relief' process. In reality, we will not know the frequency of use, or the impact, of this proposed relief mechanism until it is utilised. It is therefore our preference for this modification proposal to be implemented and, if necessary, changes can be made in future through further modification proposals.